

**MEDI-CAL
MAY 2010
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2009-10 and 2010-11**

**OTHER
ADMINISTRATION**

Fiscal Forecasting and Data Management Branch
State Department of Health Care Services
1501 Capitol Avenue, Suite 6069
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ARNOLD SCHWARZENEGGER
Governor
State of California

S. Kimberly Belshé
Secretary
California Health and Human Services Agency

David Maxwell-Jolly
Director
Department of Health Care Services

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2009-10		FISCAL YEAR 2010-11	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS					
1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$291,264,000	\$0	\$353,930,000	\$0
2	CCS CASE MANAGEMENT	\$137,519,000	\$55,710,300	\$142,571,000	\$57,747,000
3	HEALTH CARE COVERAGE INITIATIVE - ADMIN COSTS	\$11,000,000	\$0	\$133,452,000	\$0
4	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,300	\$33,718,000	\$11,871,300
5	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT	\$21,498,000	\$0	\$10,749,000	\$0
6	POSTAGE & PRINTING	\$12,695,000	\$6,226,700	\$12,695,000	\$6,226,700
7	CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS	\$769,000	\$192,300	\$6,948,000	\$1,737,000
8	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRACTORS	\$2,100,000	\$559,000	\$8,522,000	\$1,495,200
9	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$7,313,000	\$2,549,300	\$7,313,000	\$2,549,300
10	LITIGATION RELATED SERVICES	\$9,386,000	\$4,693,000	\$9,400,000	\$4,700,000
11	MIS/DSS CONTRACT	\$7,680,000	\$2,303,500	\$7,159,000	\$1,953,000
12	COORDINATED CARE MANAGEMENT PILOTS	\$2,363,000	\$1,181,500	\$8,100,000	\$4,050,000
13	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$1,413,000	\$706,500	\$1,487,000	\$743,500
14	ARRA HITECH INCENTIVE PROGRAM	\$1,569,000	\$157,000	\$4,431,000	\$443,000
15	HIPAA CAPITATION PAYMENT PROJECT	\$1,600,000	\$250,000	\$400,000	\$40,000
16	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,100,000	\$550,000	\$1,200,000	\$600,000
17	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,000,000	\$500,000	\$1,000,000	\$500,000
18	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000
19	CHIPRA - DRA CITIZENSHIP OPTION	\$580,000	\$58,000	\$200,000	\$20,000
20	SPD EDUCATION AND OUTREACH	\$680,000	\$340,000	\$67,000	\$33,500
22	MITA	\$150,000	\$15,000	\$150,000	\$15,000
23	ENCRYPTION OF PHI DATA	\$485,000	\$242,500	\$200,000	\$100,000
24	ELECTRONIC VERIFICATION OF ASSETS	\$0	\$0	\$1,550,000	\$775,000
25	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$88,000	\$44,000	\$60,000	\$30,000
26	TAR POSTAGE	\$140,000	\$70,000	\$140,000	\$70,000

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2009-10		FISCAL YEAR 2010-11	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS					
27	EPOCRATES	\$158,000	\$79,000	\$158,000	\$79,000
28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$0	\$0	\$137,000	\$68,500
29	EMILY Q. SPECIAL MASTER	\$171,000	\$85,500	\$171,000	\$85,500
30	HCO TAKEOVER CONSULTANT CONTRACT	\$34,000	\$17,000	\$0	\$0
31	PROVIDER ENROLLMENT AUTOMATION PROJECT	\$0	\$0	\$1,499,000	\$374,800
32	DISEASE MANAGEMENT PROGRAM	\$4,424,000	\$2,212,000	\$1,241,000	\$620,500
61	Q5i AUTOMATED DATA SYSTEM ACQUISTION	\$0	\$0	\$184,000	\$92,000
63	ARRA-ADDITIONAL FFP FOR SWCAP	\$1,651,000	\$0	\$0	\$0
64	RATE STUDY FOR MAIC	\$0	\$0	\$500,000	\$250,000
65	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$0	\$0	\$300,000	\$150,000
69	MIS/DSS CLAIMING ADJUSTMENT	\$0	\$911,000	\$0	\$0
CDHS SUBTOTAL		\$553,498,000	\$92,474,200	\$750,582,000	\$98,369,600
OTHER DEPARTMENTS					
34	PERSONAL CARE SERVICES	\$278,386,000	\$0	\$262,116,000	\$0
35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$186,942,000	\$0	\$195,188,000	\$0
36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$154,864,000	\$0	\$156,793,000	\$0
37	MATERNAL AND CHILD HEALTH	\$28,438,000	\$0	\$35,405,000	\$0
38	CDDS ADMINISTRATIVE COSTS	\$51,027,000	\$0	\$31,908,000	\$0
39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$17,633,000	\$0	\$20,511,000	\$0
40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COSTS	\$8,613,000	\$0	\$7,736,000	\$0
41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,747,000	\$0	\$6,165,000	\$0
42	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS	\$4,178,000	\$0	\$4,257,000	\$0
43	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0
44	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,094,000	\$0	\$3,715,000	\$0
45	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,379,000	\$0	\$2,499,000	\$0

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2009-10		FISCAL YEAR 2010-11	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS					
46	FAMILY PACT MIP AND I&E PROGRAMS	\$634,000	\$0	\$986,000	\$0
47	OUTREACH - CHILDREN	\$1,653,000	\$799,000	\$1,626,000	\$813,000
48	BABY WELCOME KITS	\$5,761,000	\$0	\$1,719,000	\$0
49	FAMILY PACT WAIVER DEMO EVALUATION	\$1,165,000	\$0	\$1,431,000	\$0
50	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0
51	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0
52	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH	\$446,000	\$0	\$616,000	\$0
53	IMMUNIZATION REGISTRY	\$284,000	\$0	\$851,000	\$0
54	MERIT SYSTEM SERVICES FOR COUNTIES	\$200,000	\$100,000	\$184,000	\$92,000
55	IMMUNIZATION REGISTRY IMPROVEMENT - DATA EXCHAN	\$137,000	\$14,000	\$308,000	\$31,000
56	PERINATAL HIV TESTING PROJECT	\$119,000	\$0	\$0	\$0
57	CMIPS II	\$111,000	\$111,000	\$0	\$0
58	HEALTH-E APP	\$20,000	\$0	\$0	\$0
59	PIA EYEWEAR COURIER SERVICE	\$1,486,000	\$743,000	\$256,000	\$128,000
	OTHER DEPARTMENTS SUBTOTAL	\$758,124,000	\$1,767,000	\$740,077,000	\$1,064,000
	GRAND TOTAL	\$1,311,622,000	\$94,241,200	\$1,490,659,000	\$99,433,600

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2010 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2009 ESTIMATE
FISCAL YEAR 2009-10**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2009-10 APPROPRIATION		NOV. 2009 EST. FOR 2009-10		MAY 2010 EST. FOR 2009-10		DIFFERENCE MAY TO APPROPRIATION		DIFFERENCE MAY TO NOVEMBER	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS												
1	1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$380,000,000	\$0	\$380,000,000	\$0	\$291,264,000	\$0	-\$88,736,000	\$0	-\$88,736,000	\$0
2	2	CCS CASE MANAGEMENT	\$137,597,000	\$55,749,250	\$137,353,000	\$55,627,250	\$137,519,000	\$55,710,250	-\$78,000	-\$39,000	\$166,000	\$83,000
3	3	HEALTH CARE COVERAGE INITIATIVE - ADMIN COS	\$116,250,000	\$0	\$109,452,000	\$0	\$11,000,000	\$0	-\$105,250,000	\$0	-\$98,452,000	\$0
4	4	EPSDT CASE MANAGEMENT	\$37,464,000	\$13,190,000	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	-\$3,746,000	-\$1,318,750	\$0	\$0
5	5	CCS CASE MANAGEMENT SUPPLEMENTAL PAYME	\$21,498,000	\$0	\$21,498,000	\$0	\$21,498,000	\$0	\$0	\$0	\$0	\$0
6	6	POSTAGE & PRINTING	\$12,935,000	\$6,346,700	\$12,935,000	\$6,346,700	\$12,695,000	\$6,226,700	-\$240,000	-\$120,000	-\$240,000	-\$120,000
7	7	CA-MMIS TAKEOVER OTHER STATE TRANSITION C	\$0	\$0	\$7,716,000	\$1,929,000	\$769,000	\$192,250	\$769,000	\$192,250	-\$6,947,000	-\$1,736,750
8	8	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRA	\$6,998,000	\$1,749,500	\$7,487,000	\$1,793,300	\$2,100,000	\$559,000	-\$4,898,000	-\$1,190,500	-\$5,387,000	-\$1,234,300
9	9	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$0	\$0	\$7,313,000	\$2,549,250	\$7,313,000	\$2,549,250	\$7,313,000	\$2,549,250	\$0	\$0
10	10	LITIGATION RELATED SERVICES	\$0	\$0	\$6,230,000	\$3,115,000	\$9,386,000	\$4,693,000	\$9,386,000	\$4,693,000	\$3,156,000	\$1,578,000
11	11	MIS/DSS CONTRACT	\$8,219,000	\$2,054,750	\$6,164,000	\$1,541,000	\$7,680,000	\$2,303,500	-\$539,000	\$248,750	\$1,516,000	\$762,500
12	12	COORDINATED CARE MANAGEMENT PILOTS	\$5,063,000	\$2,531,500	\$4,388,000	\$2,194,000	\$2,363,000	\$1,181,500	-\$2,700,000	-\$1,350,000	-\$2,025,000	-\$1,012,500
13	13	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$2,510,000	\$1,255,000	\$2,544,000	\$1,272,000	\$1,413,000	\$706,500	-\$1,097,000	-\$548,500	-\$1,131,000	-\$565,500
14	14	ARRA HITECH INCENTIVE PROGRAM	\$10,000,000	\$1,000,000	\$1,943,000	\$194,000	\$1,569,000	\$157,000	-\$8,431,000	-\$843,000	-\$374,000	-\$37,000
15	15	HIPAA CAPITATION PAYMENT PROJECT	\$1,140,000	\$285,000	\$1,600,000	\$160,000	\$1,600,000	\$250,000	\$460,000	-\$35,000	\$0	\$90,000
16	16	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$2,400,000	\$1,200,000	\$1,100,000	\$550,000	\$1,100,000	\$550,000	-\$1,300,000	-\$650,000	\$0	\$0
17	17	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,000,000	\$500,000	\$1,000,000	\$500,000	\$1,000,000	\$500,000	\$0	\$0	\$0	\$0
18	18	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0	\$0	\$0
19	19	CHIPRA - DRA CITIZENSHIP OPTION	\$780,000	\$78,000	\$780,000	\$78,000	\$580,000	\$58,000	-\$200,000	-\$20,000	-\$200,000	-\$20,000
20	20	SPD EDUCATION AND OUTREACH	\$723,000	\$361,500	\$680,000	\$340,000	\$680,000	\$340,000	-\$43,000	-\$21,500	\$0	\$0
21		MEDS REPLACEMENT CONTRACTOR	\$500,000	\$125,000	\$500,000	\$125,000	\$0	\$0	-\$500,000	-\$125,000	-\$500,000	-\$125,000
22	22	MITA	\$500,000	\$50,000	\$500,000	\$50,000	\$150,000	\$15,000	-\$350,000	-\$35,000	-\$350,000	-\$35,000
23	23	ENCRYPTION OF PHI DATA	\$0	\$0	\$485,000	\$242,500	\$485,000	\$242,500	\$485,000	\$242,500	\$0	\$0
24		ELECTRONIC VERIFICATION OF ASSETS	\$350,000	\$175,000	\$350,000	\$175,000	\$0	\$0	-\$350,000	-\$175,000	-\$350,000	-\$175,000
25	25	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$0	\$0	\$200,000	\$100,000	\$88,000	\$44,000	\$88,000	\$44,000	-\$112,000	-\$56,000
26	26	TAR POSTAGE	\$210,000	\$105,000	\$165,000	\$82,500	\$140,000	\$70,000	-\$70,000	-\$35,000	-\$25,000	-\$12,500
27	27	EPOCRATES	\$158,000	\$79,000	\$158,000	\$79,000	\$158,000	\$79,000	\$0	\$0	\$0	\$0
28		PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$200,000	\$100,000	\$150,000	\$75,000	\$0	\$0	-\$200,000	-\$100,000	-\$150,000	-\$75,000
29	29	EMILY Q. SPECIAL MASTER	\$0	\$0	\$115,000	\$57,500	\$171,000	\$85,500	\$171,000	\$85,500	\$56,000	\$28,000
30	30	HCO TAKEOVER CONSULTANT CONTRACT	\$0	\$0	\$34,000	\$17,000	\$34,000	\$17,000	\$34,000	\$17,000	\$0	\$0
32	32	DISEASE MANAGEMENT PROGRAM	\$8,300,000	\$4,150,000	\$8,300,000	\$4,150,000	\$4,424,000	\$2,212,000	-\$3,876,000	-\$1,938,000	-\$3,876,000	-\$1,938,000
33		DATA CENTER COST REDUCTION	-\$218,000	-\$109,000	-\$218,000	-\$109,000	\$0	\$0	\$218,000	\$109,000	\$218,000	\$109,000
61		Q5i AUTOMATED DATA SYSTEM ACQUISITION	\$0	\$0	\$184,000	\$92,000	\$0	\$0	\$0	\$0	-\$184,000	-\$92,000
63	63	ARRA-ADDITIONAL FFP FOR SWCAP	\$0	\$0	\$1,651,000	\$0	\$1,651,000	\$0	\$1,651,000	\$0	\$0	\$0
	69	MIS/DSS CLAIMING ADJUSTMENT	\$0	\$0	\$0	\$0	\$0	\$911,000	\$0	\$911,000	\$0	\$911,000
		DME CONTRACTING PROJECT	\$990,000	\$495,000	\$0	\$0	\$0	\$0	-\$990,000	-\$495,000	\$0	\$0

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2010 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2009 ESTIMATE
FISCAL YEAR 2009-10**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2009-10 APPROPRIATION		NOV. 2009 EST. FOR 2009-10		MAY 2010 EST. FOR 2009-10		DIFFERENCE MAY TO APPROPRIATION		DIFFERENCE MAY TO NOVEMBER	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS												
		RECONCILIATION WITH THE BUDGET ACT	-\$10,740,000	-\$6,610,000	\$0	\$0	\$0	\$0	\$10,740,000	\$6,610,000	\$0	\$0
		REDUCTION TO EPSDT CASE MANAGEMENT BY 10%	-\$3,746,000	-\$1,318,750	\$0	\$0	\$0	\$0	\$3,746,000	\$1,318,750	\$0	\$0
		REDUCTION TO MIS/DSS CONTRACT BY 25%	-\$2,055,000	-\$513,750	\$0	\$0	\$0	\$0	\$2,055,000	\$513,750	\$0	\$0
		CDHS SUBTOTAL	\$739,976,000	\$83,978,700	\$757,425,000	\$96,147,250	\$553,498,000	\$92,474,200	-\$186,478,000	\$8,495,500	-\$203,927,000	-\$3,673,050
OTHER DEPARTMENTS												
34	34	PERSONAL CARE SERVICES	\$257,422,000	\$0	\$281,224,000	\$0	\$278,386,000	\$0	\$20,964,000	\$0	-\$2,838,000	\$0
35	35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$174,727,000	\$0	\$181,426,000	\$0	\$186,942,000	\$0	\$12,215,000	\$0	\$5,516,000	\$0
36	36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$162,654,000	\$0	\$161,753,000	\$0	\$154,864,000	\$0	-\$7,790,000	\$0	-\$6,889,000	\$0
37	37	MATERNAL AND CHILD HEALTH	\$53,906,000	\$0	\$38,519,000	\$0	\$28,438,000	\$0	-\$25,468,000	\$0	-\$10,081,000	\$0
38	38	CDDS ADMINISTRATIVE COSTS	\$36,880,000	\$0	\$51,924,000	\$0	\$51,027,000	\$0	\$14,147,000	\$0	-\$897,000	\$0
39	39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$23,033,000	\$0	\$17,633,000	\$0	\$17,633,000	\$0	-\$5,400,000	\$0	\$0	\$0
40	40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN C	\$9,139,000	\$0	\$8,613,000	\$0	\$8,613,000	\$0	-\$526,000	\$0	\$0	\$0
41	41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,861,000	\$0	\$4,558,000	\$0	\$4,747,000	\$0	-\$114,000	\$0	\$189,000	\$0
42	42	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. CO	\$4,463,000	\$0	\$4,188,000	\$0	\$4,178,000	\$0	-\$285,000	\$0	-\$10,000	\$0
43	43	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0	\$0	\$0
44	44	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,730,000	\$0	\$3,361,000	\$0	\$3,094,000	\$0	-\$636,000	\$0	-\$267,000	\$0
45	45	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,502,000	\$0	\$2,657,000	\$0	\$2,379,000	\$0	-\$123,000	\$0	-\$278,000	\$0
46	46	FAMILY PACT MIP AND I&E PROGRAMS	\$1,834,000	\$0	\$2,228,000	\$0	\$634,000	\$0	-\$1,200,000	\$0	-\$1,594,000	\$0
47	47	OUTREACH - CHILDREN	\$2,083,000	\$650,000	\$2,038,000	\$650,000	\$1,653,000	\$799,000	-\$430,000	\$149,000	-\$385,000	\$149,000
48	48	BABY WELCOME KITS	\$1,867,000	\$0	\$5,297,000	\$0	\$5,761,000	\$0	\$3,894,000	\$0	\$464,000	\$0
49	49	FAMILY PACT WAIVER DEMO EVALUATION	\$2,092,000	\$0	\$1,273,000	\$0	\$1,165,000	\$0	-\$927,000	\$0	-\$108,000	\$0
50	50	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0	\$956,000	\$0	\$0	\$0	\$0	\$0
51	51	CHHS AGENCY HIPAA FUNDING	\$700,000	\$0	\$700,000	\$0	\$651,000	\$0	-\$49,000	\$0	-\$49,000	\$0
52	52	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTI	\$714,000	\$0	\$565,000	\$0	\$446,000	\$0	-\$268,000	\$0	-\$119,000	\$0
53	53	IMMUNIZATION REGISTRY	\$1,134,000	\$0	\$284,000	\$0	\$284,000	\$0	-\$850,000	\$0	\$0	\$0
54	54	MERIT SYSTEM SERVICES FOR COUNTIES	\$215,000	\$107,500	\$208,000	\$104,000	\$200,000	\$100,000	-\$15,000	-\$7,500	-\$8,000	-\$4,000
55	55	IMMUNIZATION REGISTRY IMPROVEMENT - DATA E	\$0	\$0	\$137,000	\$14,000	\$137,000	\$14,000	\$137,000	\$14,000	\$0	\$0
56	56	PERINATAL HIV TESTING PROJECT	\$1,339,000	\$0	\$119,000	\$0	\$119,000	\$0	-\$1,220,000	\$0	\$0	\$0
57	57	CMIPS II	\$0	\$0	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$0	\$0
58	58	HEALTH-E APP	\$68,000	\$0	\$68,000	\$0	\$20,000	\$0	-\$48,000	\$0	-\$48,000	\$0
59	59	PIA EYEWEAR COURIER SERVICE	\$309,000	\$154,500	\$1,563,000	\$781,500	\$1,486,000	\$743,000	\$1,177,000	\$588,500	-\$77,000	-\$38,500
60		ELIMINATE CERTIFIED APPLICATION ASSISTANCE	-\$344,000	\$122,000	-\$256,000	\$149,000	\$0	\$0	\$344,000	-\$122,000	\$256,000	-\$149,000
		REDUCTION TO MCAH GRANTS	-\$3,960,000	\$0	\$0	\$0	\$0	\$0	\$3,960,000	\$0	\$0	\$0
		OTHER DEPARTMENTS SUBTOTAL	\$746,524,000	\$1,034,000	\$775,347,000	\$1,809,500	\$758,124,000	\$1,767,000	\$11,600,000	\$733,000	-\$17,223,000	-\$42,500

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2010 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2009 ESTIMATE
FISCAL YEAR 2009-10**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2009-10 APPROPRIATION		NOV. 2009 EST. FOR 2009-10		MAY 2010 EST. FOR 2009-10		DIFFERENCE MAY TO APPROPRIATION		DIFFERENCE MAY TO NOVEMBER	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
<u>OTHER DEPARTMENTS</u>												
		OTHER ADMINISTRATION SUBTOTAL	\$1,486,500,000	\$85,012,700	\$1,532,772,000	\$97,956,750	\$1,311,622,000	\$94,241,200	-\$174,878,000	\$9,228,500	-\$221,150,000	-\$3,715,550
		GRAND TOTAL ALL ADMIN. ADJUSTMENTS	\$1,699,260,000	\$147,732,200	\$1,737,077,000	\$153,484,750	\$1,487,558,000	\$135,797,200	-\$211,702,000	-\$11,935,000	-\$249,519,000	-\$17,687,550

(1) - If no PC # listed at all then dollars were in Appropriation only.

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2010 ESTIMATE COMPARED TO NOVEMBER 2009 ESTIMATE
FISCAL YEAR 2010-11**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS								
1	1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$459,800,000	\$0	\$353,930,000	\$0	-\$105,870,000	\$0
2	2	CCS CASE MANAGEMENT	\$143,608,000	\$58,150,250	\$142,571,000	\$57,747,000	-\$1,037,000	-\$403,250
3	3	HEALTH CARE COVERAGE INITIATIVE - ADMIN COS	\$48,000,000	\$0	\$133,452,000	\$0	\$85,452,000	\$0
4	4	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$0	\$0
5	5	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMEI	\$10,749,000	\$0	\$10,749,000	\$0	\$0	\$0
6	6	POSTAGE & PRINTING	\$12,935,000	\$6,346,700	\$12,695,000	\$6,226,700	-\$240,000	-\$120,000
8	8	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRA	\$6,142,000	\$1,436,800	\$8,522,000	\$1,495,150	\$2,380,000	\$58,350
9	9	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$7,313,000	\$2,549,250	\$7,313,000	\$2,549,250	\$0	\$0
10	10	LITIGATION RELATED SERVICES	\$6,400,000	\$3,200,000	\$9,400,000	\$4,700,000	\$3,000,000	\$1,500,000
11	11	MIS/DSS CONTRACT	\$6,181,000	\$1,545,250	\$7,159,000	\$1,953,000	\$978,000	\$407,750
12	12	COORDINATED CARE MANAGEMENT PILOTS	\$8,100,000	\$4,050,000	\$8,100,000	\$4,050,000	\$0	\$0
13	13	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$2,668,000	\$1,334,000	\$1,487,000	\$743,500	-\$1,181,000	-\$590,500
14	14	ARRA HITECH INCENTIVE PROGRAM	\$8,057,000	\$806,000	\$4,431,000	\$443,000	-\$3,626,000	-\$363,000
15	15	HIPAA CAPITATION PAYMENT PROJECT	\$400,000	\$40,000	\$400,000	\$40,000	\$0	\$0
16	16	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$0	\$0
17	17	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,000,000	\$500,000	\$1,000,000	\$500,000	\$0	\$0
18	18	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0
20	20	SPD EDUCATION AND OUTREACH	\$67,000	\$33,500	\$67,000	\$33,500	\$0	\$0
21		MEDS REPLACEMENT CONTRACTOR	\$1,350,000	\$337,500	\$0	\$0	-\$1,350,000	-\$337,500
23	23	ENCRYPTION OF PHI DATA	\$200,000	\$100,000	\$200,000	\$100,000	\$0	\$0
24	24	ELECTRONIC VERIFICATION OF ASSETS	\$1,200,000	\$600,000	\$1,550,000	\$775,000	\$350,000	\$175,000
26	26	TAR POSTAGE	\$165,000	\$82,500	\$140,000	\$70,000	-\$25,000	-\$12,500
27	27	EPOCRATES	\$158,000	\$79,000	\$158,000	\$79,000	\$0	\$0
28	28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$200,000	\$100,000	\$137,000	\$68,500	-\$63,000	-\$31,500
29	29	EMILY Q. SPECIAL MASTER	\$58,000	\$29,000	\$171,000	\$85,500	\$113,000	\$56,500
31	31	PROVIDER ENROLLMENT AUTOMATION PROJECT	\$1,499,000	\$374,750	\$1,499,000	\$374,750	\$0	\$0
32	32	DISEASE MANAGEMENT PROGRAM	\$5,300,000	\$2,650,000	\$1,241,000	\$620,500	-\$4,059,000	-\$2,029,500
33		DATA CENTER COST REDUCTION	-\$218,000	-\$109,000	\$0	\$0	\$218,000	\$109,000
61	61	Q5i AUTOMATED DATA SYSTEM ACQUISTION	\$52,000	\$26,000	\$184,000	\$92,000	\$132,000	\$66,000
	7	CA-MMIS TAKEOVER OTHER STATE TRANSITION C	\$0	\$0	\$6,948,000	\$1,737,000	\$6,948,000	\$1,737,000

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2010 ESTIMATE COMPARED TO NOVEMBER 2009 ESTIMATE
FISCAL YEAR 2010-11**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS								
	19	CHIPRA - DRA CITIZENSHIP OPTION	\$0	\$0	\$200,000	\$20,000	\$200,000	\$20,000
	22	MITA	\$0	\$0	\$150,000	\$15,000	\$150,000	\$15,000
	25	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$0	\$0	\$60,000	\$30,000	\$60,000	\$30,000
	64	RATE STUDY FOR MAIC	\$0	\$0	\$500,000	\$250,000	\$500,000	\$250,000
	65	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$0	\$0	\$300,000	\$150,000	\$300,000	\$150,000
		CDHS SUBTOTAL	\$767,252,000	\$97,682,750	\$750,582,000	\$98,369,600	-\$16,670,000	\$686,850
OTHER DEPARTMENTS								
34	34	PERSONAL CARE SERVICES	\$125,214,000	\$0	\$262,116,000	\$0	\$136,902,000	\$0
35	35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$184,261,000	\$0	\$195,188,000	\$0	\$10,927,000	\$0
36	36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$163,269,000	\$0	\$156,793,000	\$0	-\$6,476,000	\$0
37	37	MATERNAL AND CHILD HEALTH	\$36,324,000	\$0	\$35,405,000	\$0	-\$919,000	\$0
38	38	CDDS ADMINISTRATIVE COSTS	\$33,801,000	\$0	\$31,908,000	\$0	-\$1,893,000	\$0
39	39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$29,026,000	\$0	\$20,511,000	\$0	-\$8,515,000	\$0
40	40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN C	\$7,736,000	\$0	\$7,736,000	\$0	\$0	\$0
41	41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,891,000	\$0	\$6,165,000	\$0	\$1,274,000	\$0
42	42	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. CO	\$4,761,000	\$0	\$4,257,000	\$0	-\$504,000	\$0
43	43	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0
44	44	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,718,000	\$0	\$3,715,000	\$0	-\$3,000	\$0
45	45	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,943,000	\$0	\$2,499,000	\$0	-\$444,000	\$0
46	46	FAMILY PACT MIP AND I&E PROGRAMS	\$2,369,000	\$0	\$986,000	\$0	-\$1,383,000	\$0
47	47	OUTREACH - CHILDREN	\$2,038,000	\$650,000	\$1,626,000	\$813,000	-\$412,000	\$163,000
48	48	BABY WELCOME KITS	\$1,940,000	\$0	\$1,719,000	\$0	-\$221,000	\$0
49	49	FAMILY PACT WAIVER DEMO EVALUATION	\$1,413,000	\$0	\$1,431,000	\$0	\$18,000	\$0
50	50	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0	\$0	\$0
51	51	CHHS AGENCY HIPAA FUNDING	\$700,000	\$0	\$651,000	\$0	-\$49,000	\$0
52	52	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTI	\$649,000	\$0	\$616,000	\$0	-\$33,000	\$0
53	53	IMMUNIZATION REGISTRY	\$851,000	\$0	\$851,000	\$0	\$0	\$0
54	54	MERIT SYSTEM SERVICES FOR COUNTIES	\$215,000	\$107,500	\$184,000	\$92,000	-\$31,000	-\$15,500

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2010 ESTIMATE COMPARED TO NOVEMBER 2009 ESTIMATE
FISCAL YEAR 2010-11**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS								
55	55	IMMUNIZATION REGISTRY IMPROVEMENT - DATA E	\$308,000	\$31,000	\$308,000	\$31,000	\$0	\$0
59	59	PIA EYEWEAR COURIER SERVICE	\$251,000	\$125,500	\$256,000	\$128,000	\$5,000	\$2,500
60		ELIMINATE CERTIFIED APPLICATION ASSISTANCE	-\$412,000	\$163,000	\$0	\$0	\$412,000	-\$163,000
OTHER DEPARTMENTS SUBTOTAL			\$611,422,000	\$1,077,000	\$740,077,000	\$1,064,000	\$128,655,000	-\$13,000
OTHER ADMINISTRATION SUBTOTAL			\$1,378,674,000	\$98,759,750	\$1,490,659,000	\$99,433,600	\$111,985,000	\$673,850
GRAND TOTAL ALL ADMIN. ADJUSTMENTS			\$1,628,383,000	\$177,715,250	\$1,627,401,000	\$125,504,100	-\$982,000	-\$52,211,150

**MEDI-CAL OTHER ADMINISTRATION
POLICY CHANGE INDEX**

POLICY CHANGE NUMBER	POLICY CHANGE TITLE
<u>CDHS</u>	
1	MEDI-CAL ADMINISTRATIVE ACTIVITIES
2	CCS CASE MANAGEMENT
3	HEALTH CARE COVERAGE INITIATIVE - ADMIN COSTS
4	EPSDT CASE MANAGEMENT
5	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT
6	POSTAGE & PRINTING
7	CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS
8	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRACTORS
9	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)
10	LITIGATION RELATED SERVICES
11	MIS/DSS CONTRACT
12	COORDINATED CARE MANAGEMENT PILOTS
13	POSTAGE AND PRINTING - THIRD PARTY LIAB.
14	ARRA HITECH INCENTIVE PROGRAM
15	HIPAA CAPITATION PAYMENT PROJECT
16	MMA - DSH ANNUAL INDEPENDENT AUDIT
17	SSA COSTS FOR HEALTH COVERAGE INFO.
18	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES
19	CHIPRA - DRA CITIZENSHIP OPTION
20	SPD EDUCATION AND OUTREACH
22	MITA
23	ENCRYPTION OF PHI DATA
24	ELECTRONIC VERIFICATION OF ASSETS
25	KATIE A. V. DIANA BONTA SPECIAL MASTER
26	TAR POSTAGE
27	EPOCRATES
28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION
29	EMILY Q. SPECIAL MASTER
30	HCO TAKEOVER CONSULTANT CONTRACT
31	PROVIDER ENROLLMENT AUTOMATION PROJECT
32	DISEASE MANAGEMENT PROGRAM
61	Q5i AUTOMATED DATA SYSTEM ACQUISITION
63	ARRA-ADDITIONAL FFP FOR SWCAP
64	RATE STUDY FOR MAIC
65	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS
69	MIS/DSS CLAIMING ADJUSTMENT

**MEDI-CAL OTHER ADMINISTRATION
POLICY CHANGE INDEX**

POLICY CHANGE NUMBER	POLICY CHANGE TITLE
<u>OTHER DEPARTMENTS</u>	
34	PERSONAL CARE SERVICES
35	HEALTH RELATED ACTIVITIES/TITLE XIX
36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS
37	MATERNAL AND CHILD HEALTH
38	CDDS ADMINISTRATIVE COSTS
39	PUBLIC HEALTH NURSES FOR FOSTER CARE
40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COSTS
41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST
42	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS
43	CLPP CASE MANAGEMENT SERVICES
44	DEPARTMENT OF AGING ADMINISTRATIVE COSTS
45	SINGLE POINT OF ENTRY - MEDI-CAL/HFP
46	FAMILY PACT MIP AND I&E PROGRAMS
47	OUTREACH - CHILDREN
48	BABY WELCOME KITS
49	FAMILY PACT WAIVER DEMO EVALUATION
50	VETERANS BENEFITS
51	CHHS AGENCY HIPAA FUNDING
52	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH
53	IMMUNIZATION REGISTRY
54	MERIT SYSTEM SERVICES FOR COUNTIES
55	IMMUNIZATION REGISTRY IMPROVEMENT - DATA EXCHANGE
56	PERINATAL HIV TESTING PROJECT
57	CMIPS II
58	HEALTH-E APP
59	PIA EYEWEAR COURIER SERVICE

MEDI-CAL ADMINISTRATIVE ACTIVITIES

OTHER ADMIN. POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1992
ANALYST: Irene Gen
FISCAL REFERENCE NUMBER: 235

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$291,264,000	\$353,930,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$291,264,000	\$353,930,000

DESCRIPTION

AB 2377 (Chapter 147, Statutes of 1994) authorized the State to implement the Medi-Cal Administrative Activities (MAA) claiming process. The Medi-Cal program will submit claims on behalf of local government agencies (LGA), which include counties and chartered cities, to obtain FFP for Medicaid administrative activities. Many LGAs then subcontract with other organizations to perform MAA. These activities assist Medi-Cal eligible persons to learn about, enroll in, and access services of the Medi-Cal program.

Section 105 of AB 2780 (Chapter 310, Statutes of 1998), allows local educational agencies (LEA), school districts and county offices of education, the option of claiming MAA through either their local education consortium (LEC), (one of the State's eleven administrative districts), or through the LGA. Each year, the number of participating LEAs has increased.

On December 18, 2009, CMS approved reimbursement for non-emergency, non-medical transportation expenditures for Tribal entities.

SB 308 (Chapter 253, Statutes of 2003) redefined LGAs to include Native American Indian tribes. This allows these tribes to participate in MAA and Targeted Case Management programs. Funds for the claiming of Tribal MAA have been included in the estimate.

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
Cash Basis		
Claims	\$291,264,000	\$353,930,000

CCS CASE MANAGEMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 2
 IMPLEMENTATION DATE: 7/1999
 ANALYST: Jade Li
 FISCAL REFERENCE NUMBER: 230

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$137,519,000	\$142,571,000
STATE FUNDS	\$55,710,250	\$57,747,000
FEDERAL FUNDS	\$81,808,750	\$84,824,000

DESCRIPTION

The CCS case management budget is allocated to individual counties. The county administrative estimate for the budget year is updated every May based on additional data collected.

Assumption:

- For FY 2009-10, the CCS case management costs are based on actual county expenditures in FY 2007-08 of \$126,718,000. Caseload is expected to increase 3.82% from FY 2007-08 to FY 2008-09, and increase 2.57% from FY 2008-09 to FY 2009-10 based on the Nov. 2009 Estimate.

$$\$126,718,000 \times (1+3.82\%) = \$131,559,000$$

$$\$131,559,000 \times (1+2.57\%) = \$134,940,000$$

- For FY 2010-11, caseload is expected to increase 3.09% from FY 2009-10 to FY 2010-11 based on the May 2010 Estimate.

$$\$134,940,000 \times (1+3.09\%) = \$139,109,000$$

- County data processing costs associated with CMS Net are estimated to be \$1,843,000 in FY 2009-10 and \$1,843,000 in FY 2010-11.
- The Pediatric Palliative Care (PPC) CCS Nurse Liaisons cost is estimated to be \$736,000 in FY 2009-10 and \$1,619,000 in FY 2010-11.

	FY 2009-10	FY 2010-11
CCS Case Management	\$134,940,000	\$139,109,000
CCS PPC Nurse Liaisons	\$736,000	\$1,619,000
Subtotal	\$135,676,000	\$140,728,000
CMS Net	\$1,843,000	\$1,843,000
Total	\$137,519,000	\$142,571,000

HEALTH CARE COVERAGE INITIATIVE - ADMIN COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 3
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 1180

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$11,000,000	\$133,452,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$11,000,000	\$133,452,000

DESCRIPTION

Under the Special Terms and Conditions of the Medi-Cal Hospital/Uninsured Care Demonstration, \$180 million per Demonstration Year 3 – 5 is available for implementing the Health Care Coverage Initiative (CI). SB 1448 requires that these funds be used for only health care services provided through the approved health care coverage programs.

In addition, CMS will provide uncapped federal funds to the CI counties at an amount equal to the regular FMAP (50%) for their administrative costs associated with the start-up, implementation, and closeout administration of their approved health care coverage programs incurred March 29, 2007 through August 31, 2010. On October 1, 2008, CMS approved the "Administrative Cost Claiming Protocol". This encompassed the administrative cost categories and claiming methodology for administrative costs related to the health care coverage programs. The Department will use the counties' CPEs of their CI administrative costs to draw down Federal Funds and will distribute these Federal Funds to the CI counties.

Payments for 2007-08 are delayed because the protocols for claiming some of the earlier costs including start-up costs were not developed initially.

The Medi-Cal Hospital/Uninsured Care section 1115(a) Medicaid Demonstration (Demonstration) will end on August 31, 2010. The Department is negotiating with the Centers for Medicare & Medicaid services to extend the Demonstration and/or submit a waiver renewal concept for 2010-11 and beyond. The Department assumes that all existing Demonstration funding and SB 1100 will continue, with the exception of the Distressed Hospital Fund. The Distressed Hospital Fund will exhaust the remaining balances in the prior supplemental funds.

	TF	FFP
FY 2009-10		
2008-09	\$ 11,000,000	\$ 11,000,000
Total	\$ 11,000,000	\$ 11,000,000
 FY 2010-11		
2007-08	\$ 39,202,000	\$ 39,202,000
2008-09	\$ 33,000,000	\$ 33,000,000
2009-10	\$ 35,000,000	\$ 35,000,000
2010-11	\$ 26,250,000	\$ 26,250,000
Total	\$133,452,000	\$133,452,000

EPSDT CASE MANAGEMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 4
 IMPLEMENTATION DATE: 7/1996
 ANALYST: Jeanne Rickelton
 FISCAL REFERENCE NUMBER: 229

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$33,718,000	\$33,718,000
STATE FUNDS	\$11,871,250	\$11,871,250
FEDERAL FUNDS	\$21,846,750	\$21,846,750

DESCRIPTION

The EPSDT Case Management budget is allocated to individual counties and controlled on an accrual basis. The set allocation amount is \$37,464,000 (\$13,190,000 GF) and is based on a formula that was calculated by the CHDP program. Effective July 1, 2008, EPSDT Case Management expenditures were reduced by 10%. Savings began October 1, 2008. The net effect after the reduction is \$33,718,000 (\$11,871,250 GF).

These funds match General Funds which are budgeted in Item 4260-111-001.

(In Thousands)	TF	GF	FFP
Original Allocation	\$37,464	\$13,190	\$35,274
Reduction	- 3,746	- 1,319	- 2,427
New Allocation	\$33,718	\$11,871	\$21,847

CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 5
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Jade Li
 FISCAL REFERENCE NUMBER: 1388

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$21,498,000	\$10,749,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$21,498,000	\$10,749,000

DESCRIPTION

County costs for determination of CCS Medi-Cal eligibility, care coordination, utilization management and prior authorization of services are reimbursed by Medi-Cal. For FY 2009-10 the Medi-Cal CCS County Administration allocation which funds these reimbursements is \$135,676,000 TF. For FY 2010-11 the allocation is \$140,728,000 TF. County funds expended above the allocations on administrative activities in support of a county's CCS/Medi-Cal caseload may be used as certified public expenditures to draw down Title XIX federal financial participation.

FY 2009-10

CPE FY 2008-09	\$10,749,000 FFP
CPE FY 2009-10	<u>\$10,749,000 FFP</u>
Total	\$21,498,000 FFP

FY 2010-11

CPE FY 2010-11	\$10,749,000 FFP
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POSTAGE & PRINTING

OTHER ADMIN. POLICY CHANGE NUMBER: 6
 IMPLEMENTATION DATE: 7/1993
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 231

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$12,695,000	\$12,695,000
STATE FUNDS	\$6,226,700	\$6,226,700
FEDERAL FUNDS	\$6,468,300	\$6,468,300

DESCRIPTION

Postage and printing costs may be charged to local assistance for items sent to or used by Medi-Cal beneficiaries.

FY 2009-10	Printing	Mailing	Total	
Mass Mailings	\$0	\$6,600,000	\$6,600,000	
Distribution	\$0	\$513,000	\$513,000	
Routine Forms	\$2,000,000	\$525,000	\$2,525,000	
Toll-Free Postage	\$13,000	\$1,252,000	\$1,265,000	*
PARIS	\$77,000	\$23,000	\$100,000	
Benefits	\$27,000	\$0	\$27,000	
BCCTP (35% State-Only Eligs)	\$5,000	\$10,000	\$15,000	**
HIPAA NPP – M/C	\$400,000	\$960,000	\$1,360,000	
HIPAA NPP – FPACT	\$150,000	\$100,000	\$250,000	
HIPAA NPP - BCCTP	\$30,000	\$10,000	\$40,000	
TOTAL	\$2,702,000	\$9,993,000	\$12,695,000	

FY 2010-11	Printing	Mailing	Total	
Mass Mailings	\$0	\$6,600,000	\$6,600,000	
Distribution	\$0	\$513,000	\$513,000	
Routine Forms	\$2,000,000	\$525,000	\$2,525,000	
Toll-Free Postage	\$13,000	\$1,252,000	\$1,265,000	*
PARIS	\$77,000	\$23,000	\$100,000	
Benefits	\$27,000	\$0	\$27,000	
BCCTP (35% State-Only Eligs)	\$5,000	\$10,000	\$15,000	**
HIPAA NPP – M/C	\$400,000	\$960,000	\$1,360,000	
HIPAA NPP – FPACT	\$150,000	\$100,000	\$250,000	
HIPAA NPP - BCCTP	\$30,000	\$10,000	\$40,000	
TOTAL	\$2,702,000	\$9,993,000	\$12,695,000	

POSTAGE & PRINTING**OTHER ADMIN. POLICY CHANGE NUMBER: 6**

*65% budgeted in Title XXI.

FY 2009-10: 4260-113-0001 (\$288,000) + 4260-113-0890 (\$534,000) = \$822,000

FY 2010-11: 4260-113-0001 (\$288,000) + 4260-113-0890 (\$534,000) = \$822,000

**100% budgeted in Title XIX for State-Only BCCTP eligibles.

FY 2009-10: \$15,000 X .35 = \$5,250

FY 2010-11: \$15,000 X .35 = \$5,250

CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 7
 IMPLEMENTATION DATE: 5/2010
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1322

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$769,000	\$6,948,000
STATE FUNDS	\$192,250	\$1,737,000
FEDERAL FUNDS	\$576,750	\$5,211,000

DESCRIPTION

CA-MMIS is the medical claims processing system used for Medi-Cal. The current FI contract is ending on June 30, 2010. The Department has opted to exercise an extended operations period of the current Medi-Cal FI contract, which extends the contract through June 30, 2011; however, the Department has the right to terminate these extended operations. CA-MMIS Takeover activities will begin in May 2010 and include interfacing with other DHCS mission critical systems such as MEDS, EMBER, SCO, MIS/DSS and PCES applications that will require coordination and resources with other DHCS divisions and state agencies. The existing production and test regions will be needed to continue to support the current contract. Network configurations, testing environments (including system and parallel), support for expansion enhancements, and new communication interfaces will be needed to run a parallel system. Therefore, additional costs will be incurred to support two environments during the Takeover of the existing system. This transition will occur during FY 2009-10 and FY 2010-11. The Department will also be required to obtain additional consultative contractor resources for set-up, testing activities and management of these new environments in support of transition activities during the Takeover phase. CA-MMIS is a mission critical system that must ensure timely and accurate claims processing for Medi-Cal providers, without interruption during Takeover.

CA-MMIS REPLACEMENT AND OVERSIGHT CONTRACTORS

OTHER ADMIN. POLICY CHANGE NUMBER: 8
 IMPLEMENTATION DATE: 10/2007
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1278

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$2,100,000	\$8,522,000
STATE FUNDS	\$559,000	\$1,495,150
FEDERAL FUNDS	\$1,541,000	\$7,026,850

DESCRIPTION

CA-MMIS is the claims processing system used for Medi-Cal. This system has changed considerably over the past 30 years to incorporate technological advances as well as address new business and legislative requirements and, as a result, is extremely complex, difficult to maintain, and nearing the end of its useful life cycle. CA-MMIS is a mission critical system that must assure timely and accurate claims processing for Medi-Cal providers. Given the business critical nature of CA-MMIS, a detailed assessment was recently completed by a specialty vendor which recommends that modernization of CA-MMIS begin immediately. The Department will contract with various vendors to assist with FI oversight activities, documentation of business rules, IT evaluation assistance, project management assistance during transition and Independent Verification and Validation (IV&V) assistance for the replacement system.

MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)

OTHER ADMIN. POLICY CHANGE NUMBER: 9
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 1441

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$7,313,000	\$7,313,000
STATE FUNDS	\$2,549,250	\$2,549,250
FEDERAL FUNDS	\$4,763,750	\$4,763,750

DESCRIPTION

MEDS is currently the only statewide database containing eligibility information for public assistance programs administered by the Department and other departments. MEDS provides users with the ability to perform multi-program application searches, verify program eligibility status, enroll beneficiaries in multiple programs, and validate information on application status.

Funding is required for MEDS master Client Index maintenance, data matches from various federal and state agencies, SSI termination process support, Medi-Cal application alerts, MMA Part D buy-in process improvements, eligibility renewal process, and reconciling county eligibility data used to support the counties in Medi-Cal eligibility determination responsibilities. Costs are offset by reimbursements made from other departments.

In addition, maintenance funding is required for the Business Objects (BO) software application tool that enables the counties to perform On-Line Statistics and MEDS-alert reporting. The On-Line Statistics reporting system tracks and reports all county worker transactions for MEDS.

(In Thousands)	GF	FFP	Reimbursement*	TF
FY 2009-10	\$2,105	\$4,764	\$444	\$7,313
FY 2010-11	\$2,105	\$4,764	\$444	\$7,313

* The Reimbursement is included on the 4260-610-0995 Reimbursement line in the Management Summary.

LITIGATION RELATED SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 10
IMPLEMENTATION DATE: 7/2009
ANALYST: Karen del Gallego
FISCAL REFERENCE NUMBER: 1381

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$9,386,000	\$9,400,000
STATE FUNDS	\$4,693,000	\$4,700,000
FEDERAL FUNDS	\$4,693,000	\$4,700,000

DESCRIPTION

The Department continues to experience significant and increasing litigation costs in defense of the Medi-Cal program. The Department of Justice rates have increased and other costs are incurred in support of litigating the open cases. Several significant rate cases have required the Department of Justice legal staff to expend significantly more time on litigation.

Ongoing litigation filed by managed care plans against the Department regarding their capitation rates has resulted in significant time expended by actuarial staff in evaluating the cases and developing defense strategies. Recent rulings required the Department to re-calculate capitation rates from a prior period. As a result, additional work will be performed by the Department's consulting actuaries to comply with the requirements of the court rulings.

	FY 2009-10		FY 2010-11	
	TF	GF	TF	GF
Litigation Representation	\$8,286,000	\$4,143,000	\$8,400,000	\$4,200,000
Consulting Actuaries	\$1,100,000	\$550,000	\$1,000,000	\$500,000
Total	\$9,386,000	\$4,693,000	\$9,400,000	\$4,700,000

MIS/DSS CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 11
 IMPLEMENTATION DATE: 7/2002
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 252

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$7,680,000	\$7,159,000
STATE FUNDS	\$2,303,500	\$1,953,000
FEDERAL FUNDS	\$5,376,500	\$5,206,000

DESCRIPTION

The Management Information System/Decision Support System (MIS/DSS) gathers data from provider, financial, eligibility and managed care/fee-for-service encounters and claims data into an integrated, knowledge-based system that is used by staff in various Department units, including the Medi-Cal Managed Care Division in its monitoring of Health Plan performance and Audits and Investigations Division in its anti-fraud efforts.

Ongoing operation and maintenance of the MIS/DSS is accomplished through a multi-year contract with Integris, Inc. DBA Ingenix, which is effective through February 14, 2011. Current contract provisions allow for an option to extend the contract for an additional three years. The Department anticipates exercising this option for the first additional year commencing February 15, 2011 through February 14, 2012.

Effective July 1, 2008, the operations costs for the MIS/DSS Contract were reduced by 25%. Operation costs may vary from year to year resulting in fluctuations in the savings.

FY 2009-10 and FY 2010-11 additional costs include expenditures not budgeted in the ongoing operations line item. Additional costs include Help Desk and Training costs and Analytic Rate Study Request costs. FY 2009-10 additional costs also include payments for unpaid FY 2008-09 invoices.

FY 2009-10

	Total	GF	FFP
New MIS/DSS Contract			
Ongoing operations	\$8,219,000	\$2,302,000	\$5,917,000
25% reduction	-\$2,055,000	-\$576,000	-\$1,479,000
Adjusted Operating Costs	\$6,164,000	\$1,726,000	\$4,438,000
Additional Costs	\$1,516,000	\$576,500	\$939,500
Total Operating Costs	\$7,680,000	\$2,303,500	\$5,376,500

FY 2010-11

	Total	GF	FFP
New MIS/DSS Contract			
Ongoing operations	\$8,241,000	\$2,224,000	\$6,017,000
25% reduction	-\$2,060,000	-\$556,000	-\$1,504,000
Adjusted Operating Costs	\$6,181,000	\$1,668,000	\$4,513,000
Additional Costs	\$978,000	\$285,000	\$693,000
Total Operating Costs	\$7,159,000	\$1,953,000	\$5,206,000

COORDINATED CARE MANAGEMENT PILOTS

OTHER ADMIN. POLICY CHANGE NUMBER: 12
 IMPLEMENTATION DATE: 2/2010
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1125

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$2,363,000	\$8,100,000
STATE FUNDS	\$1,181,500	\$4,050,000
FEDERAL FUNDS	\$1,181,500	\$4,050,000

DESCRIPTION

The Budget Act of 2006 provided authority and funding for staff for the Department to establish and implement a Coordinated Care Management (CCM) Demonstration Project. The key elements of the CCM Project include maintaining access to medically necessary and appropriate services, improving outcomes, and providing care in a more cost-effective manner for two populations enrolled in the Fee for Service Medi-Cal Program who are not on Medicare:

- Seniors and persons with disabilities (SPDs) who have chronic conditions, or who may be seriously ill and near the end of life; and
- Persons with chronic health condition(s) and serious mental illnesses (SMIs).

The Department entered into two contracts to implement the CCM Demonstration Project. CCM I, relating to SPDs with Chronic Conditions, began implementation in January 2010, with payments for services beginning in February 2010. CCM II, relating to SMIs with chronic conditions, will begin implementation in April 2010, and payments for services are expected to begin in May 2010.

	TF	GF
FY 2009-10	\$ 2,363,000	\$ 1,181,500
FY 2010-11	\$ 8,100,000	\$ 4,050,000
FY 2011-12	\$ 8,100,000	\$ 4,050,000
FY 2012-13	\$ 5,737,000	\$ 2,868,500
	\$24,300,000	\$12,150,000

POSTAGE AND PRINTING - THIRD PARTY LIAB.

OTHER ADMIN. POLICY CHANGE NUMBER: 13
 IMPLEMENTATION DATE: 7/1996
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 240

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$1,413,000	\$1,487,000
STATE FUNDS	\$706,500	\$743,500
FEDERAL FUNDS	\$706,500	\$743,500

DESCRIPTION

The Third Party Liability and Recovery Division uses direct mail and specialized reports to identify Medi-Cal beneficiaries with private health insurance, determine the legal liabilities of third parties to pay for services furnished by Medi-Cal, and insure that Medi-Cal is the payor of last resort. The number of forms/questionnaires printed and mailed and report information received correlates to the Medi-Cal caseload.

	<u>FY 2009-10</u>	<u>Postage</u>	<u>Printing</u>	<u>Total</u>
Other Health Coverage	\$385,200	\$141,600	\$526,800	
Personal Injury	\$146,000	\$59,000	\$205,000	
Estate Recovery	\$139,500	\$242,000	\$381,500	
Medicare Operations	\$110,100	\$31,500	\$141,600	
Cost Avoidance	\$49,900	\$82,500	\$132,400	
*AB 155 Invoices	\$20,300	\$5,800	\$26,100	
Total	\$851,000	\$562,400	\$1,413,000	(rounded)

	<u>FY 2010-11</u>	<u>Postage</u>	<u>Printing</u>	<u>Total</u>
Other Health Coverage	\$404,500	\$141,600	\$546,100	
Personal Injury	\$153,300	\$64,900	\$218,200	
Estate Recovery	\$146,500	\$266,200	\$412,700	
Medicare Operations	\$115,600	\$31,500	\$147,100	
Cost Avoidance	\$52,400	\$82,500	\$134,900	
*AB 155 Invoices	\$21,300	\$6,300	\$27,600	
Total	\$893,600	\$593,000	\$1,487,000	(rounded)

*AB 155 (Chapter 820/1999) invoices for premiums for the 250% Working Disabled Program.

ARRA HITECH INCENTIVE PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 14
 IMPLEMENTATION DATE: 12/2009
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1370

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$1,569,000	\$4,431,000
STATE FUNDS	\$157,000	\$443,000
FEDERAL FUNDS	\$1,412,000	\$3,988,000

DESCRIPTION

The Health Information Technology for Economic and Clinical Health (HITECH) Act, a component of the American Recovery and Reinvestment Act (ARRA), authorizes the outlay of federal money estimated to be \$36 billion over ten years between 2011 and 2021 for Medicare and Medicaid incentives to qualified health care providers who adopt and use Electronic Health Records (EHR) in accordance with the Acts' requirements. On November 19, 2009, CMS approved California's health Information Technology Planning – Advanced Planning Document for the purpose of creating the landscape assessment, campaign plan and strategic and implementation plan. Due to the complex nature of the program planning and the development of the State Medi-Cal Health Information Technology Plan the Department contracted with an outside vendor to perform these activities. HITECH establishes a 90% FFP match for the administration of the program. The 10% General Fund match will be reimbursed by the California Healthcare Foundation (CHCF). Therefore, there will be no impact to the General Fund.

The payments to the providers under the HITECH are budgeted in the ARRA HITECH – Provider Payments policy change.

Assumptions:

1. Payments to the contractor began in December 2009.
2. Costs for FY 2009-10 and FY 2010-11 are estimated to be:

	DHCS FFP	CHCF Reimbursement*	Total
FY 2009-10	\$1,412,000	\$157,000	\$1,569,000
FY 2010-11	\$3,988,000	\$443,000	\$4,431,000

* Reimbursements are budgeted in Item 4260-610-0995.

HIPAA CAPITATION PAYMENT PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 15
IMPLEMENTATION DATE: 7/2009
ANALYST: Devon Dyer
FISCAL REFERENCE NUMBER: 1318

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$1,600,000	\$400,000
STATE FUNDS	\$250,000	\$40,000
FEDERAL FUNDS	\$1,350,000	\$360,000

DESCRIPTION

The Department currently pays contracted managed care health plans through a manual process which is only capable of reporting capitation amounts at the aid code level or above. HIPAA mandates that these types of payments be reported using a standard HIPAA transaction (820 Premium Payments transaction). The currently implemented version of the 820 transaction is compliant to current standards. On January 16, 2009, the Federal Register identified new HIPAA transaction requirements (X12 Version 5010), required to be implemented by December 31, 2011.

This project will make significant improvements to the existing capitation calculation process, allowing capitation reporting to be detailed at the beneficiary level and implementing automation of aspects of the calculation process. The resulting 820 HIPAA transaction will be able to report data at the same level enabling monthly reconciliation between Medi-Cal and the contracted managed care plans to be much more effective. The electronic storage of the data will also support research efforts to perform recoveries from the estates of deceased Medi-Cal beneficiaries.

HIPAA is budgeted in the Medi-Cal budget item 4260-117.

MMA - DSH ANNUAL INDEPENDENT AUDIT

OTHER ADMIN. POLICY CHANGE NUMBER: 16
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 266

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$1,100,000	\$1,200,000
STATE FUNDS	\$550,000	\$600,000
FEDERAL FUNDS	\$550,000	\$600,000

DESCRIPTION

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) required an annual independent certified audit that primarily certifies:

1. The extent to which DSH hospitals (approximately 150+ hospitals) have reduced their uncompensated care costs to reflect the total amount of claimed expenditures.
2. That DSH payment calculations of hospital-specific limits include all payments to DSH hospitals, including supplemental payments.

The audits will be funded with 50% FFP and 50% GF. CMS released the final criteria and guidelines in the December 19, 2008 final rule (73 FR 77904). The Department's methodology and the initial three years of audits are due to CMS by December 31, 2010.

Assumptions:

1. In FY 2009-10, the Department began auditing the 2004-05, 2005-06, and 2006-07 DSH years.
2. The audits are estimated to be completed late in FY 2010-11 with final payments expected in FY 2011-12.
3. It is estimated that each year's audit will cost \$1,200,000 with 50% FFP and 50% GF.

	TF	GF	FF
FY 2009-10			
2004-05	\$ 600,000	\$ 300,000	\$ 300,000
2005-06	\$ 400,000	\$ 200,000	\$ 200,000
2006-07	\$ 100,000	\$ 50,000	\$ 50,000
	\$ 1,100,000	\$ 550,000	\$ 550,000
 FY 2010-11			
2004-05	\$ 150,000	\$ 75,000	\$ 75,000
2005-06	\$ 350,000	\$ 175,000	\$ 175,000
2006-07	\$ 700,000	\$ 350,000	\$ 350,000
	\$ 1,200,000	\$ 600,000	\$ 600,000

SSA COSTS FOR HEALTH COVERAGE INFO.

OTHER ADMIN. POLICY CHANGE NUMBER: 17
 IMPLEMENTATION DATE: 1/1989
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 237

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$1,000,000	\$1,000,000
STATE FUNDS	\$500,000	\$500,000
FEDERAL FUNDS	\$500,000	\$500,000

DESCRIPTION

The Social Security Administration (SSA) obtains information about health coverage and assignment of rights to medical coverage from SSI/SSP recipients. The Department uses the information to defer medical costs to other payors. SSA bills the Department quarterly for this activity.

Cash Basis	FY 2009-10	FY 2010-11
SSA Total Funds	\$1,000,000	\$1,000,000
General Funds	\$500,000	\$500,000

SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES

OTHER ADMIN. POLICY CHANGE NUMBER: 18
 IMPLEMENTATION DATE: 7/2002
 ANALYST: Karen del Gallego
 FISCAL REFERENCE NUMBER: 258

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$950,000	\$950,000
STATE FUNDS	\$950,000	\$950,000
FEDERAL FUNDS	\$0	\$0

DESCRIPTION

The County of San Diego provides administrative services for the San Diego Geographic Managed Care program. These administrative activities include the health care options presentations, explaining the enrollment and disenrollment process, customer assistance and problem resolution. For these services, the county bills Medi-Cal for staff and other reimbursable items including postage, printing, data center access, travel, etc.

The contract term is July 1, 2007 through June 30, 2012. The projected annual cost is \$950,000 GF for FY 2009-10 and FY 2010-11.

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
Administrative Activities	\$950,000	\$950,000

CHIPRA - DRA CITIZENSHIP OPTION

OTHER ADMIN. POLICY CHANGE NUMBER: 19
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 1372

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$580,000	\$200,000
STATE FUNDS	\$58,000	\$20,000
FEDERAL FUNDS	\$522,000	\$180,000

DESCRIPTION

The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) (Public Law 111-3) includes a provision which gives states the option to use a Social Security Administration (SSA) data match in lieu of obtaining evidence of U.S. citizenship/identity from Medi-Cal applicants and beneficiaries as required by federal law. Applicants and beneficiaries who are not successfully matched will have 90 days to provide acceptable DRA documentation or contact the SSA to resolve the mismatch result. During this period, the applicant or beneficiary will receive full-scope Medi-Cal benefits. If citizenship/identity is not verified within the 90 days, the Department will have 30 days to reduce full-scope Medi-Cal benefits to restricted scope. States who choose this option could be subject to a penalty for the cost of services provided to citizens whose status cannot be verified, if the percentage of unverified cases exceeds three percent of the cases included in the matching process. County administration workload will decrease because counties will not need to verify citizenship/identity if there is an SSA data match.

System development modifications for the electronic daily verification system were made in FY 2009-10. A Feasibility Study Report (FSR) is required prior to implementing the real-time data match process at the county level. Full implementation of the real-time data match is expected to begin in late 2011. Funding will be required for an updated Social Security Number (SSN) verification process and an FSR for implementation of a real-time verification system. CHIPRA provides a 90% federal match for development of this system.

Assumptions:

1. Assume there will be a one-time system development cost for the automated SSN validation process for verification of citizenship/identity of \$580,000 TF (\$58,000 GF) in FY 2009-10.
2. Assume the cost of the FSR for the real-time data match process will be \$200,000 TF (\$20,000 GF) in FY 2010-11.

FY 2009-10: \$580,000 TF (\$58,000 GF)

FY 2010-11: \$200,000 TF (\$20,000 GF)

SPD EDUCATION AND OUTREACH

OTHER ADMIN. POLICY CHANGE NUMBER: 20
 IMPLEMENTATION DATE: 6/2007
 ANALYST: Karen del Gallego
 FISCAL REFERENCE NUMBER: 1081

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$680,000	\$67,000
STATE FUNDS	\$340,000	\$33,500
FEDERAL FUNDS	\$340,000	\$33,500

DESCRIPTION

The Budget Act of 2006 includes funding to target barriers to enrollment of seniors and persons with disabilities (SPDs) into managed care. The budget includes funding for the Department to enter into an interagency agreement for education and outreach activities to increase the voluntary enrollment of Medi-Cal SPDs in all managed care counties.

Focused resources, a variety of information in alternative and more effective formats, and an increase in application assistors, with an emphasis on outreach efforts within the community, are expected to increase awareness and voluntary enrollments into managed care.

These activities were performed through an IA with UC Berkeley using local assistance funds. The total cost of the local assistance funding of the interagency agreement is estimated to be \$2,201,000 (\$1,100,500 GF), to be paid over the course of FY 2007-08 through FY 2010-11 as follows:

	<u>Expenditures</u>
FY 2007-08	\$1,040,000
FY 2008-09	\$414,000
FY 2009-10	\$680,000
FY 2010-11	\$67,000
Total	\$2,201,000

MITA

OTHER ADMIN. POLICY CHANGE NUMBER: 22
IMPLEMENTATION DATE: 9/2009
ANALYST: Devon Dyer
FISCAL REFERENCE NUMBER: 1137

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$150,000	\$150,000
STATE FUNDS	\$15,000	\$15,000
FEDERAL FUNDS	\$135,000	\$135,000

DESCRIPTION

The Centers for Medicare and Medicaid Services (CMS) is requiring the Department to create a plan to implement framework and technical specifications for the Medicaid Management Information Systems (MMIS) of the future. Through the Medicaid Information Technology Architecture (MITA), the Department will develop the ability to streamline the process to access information from various systems, which will result in cost effectiveness. CMS is requiring the Department to move toward creating flexible systems, which support interactions between the federal government and their state partners. CMS will not approve Advanced Planning Documents (APD) or provide federal funding to the Department without adherence to MITA.

The MITA consists of a three-phased transition plan that CMS expects the Department to use to guide the future upgrades and replacements of the entire MMIS or individual components. Each phase may be completed by a different contractor. The Department completed the first phase, the CMS-required MITA State Self-Assessment (SS-A) of business processes to determine the current and long-term business requirements, in June 2008. The second phase, State Medicaid Enterprise Architecture (EA), which is awaiting the results of a Department wide EA, will result in no additional cost to the Department. The third phase, developing a State Transition and Implementation Plan, began in September 2009. As a condition of approving enhanced federal funding for the MITA SS-A, CMS required the Department to complete the State Transition and Implementation Plan no later than June 30, 2010. It is anticipated that the State Transition and Implementation Plan will take six to nine months to complete, including all required approvals. The Department is currently developing EA at the Agency level to address MITA EA activities.

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
Phase 1	\$0	\$0
Phase 2	\$0	\$0
Phase 3	\$150,000	\$150,000
Total	\$150,000	\$150,000

ENCRYPTION OF PHI DATA

OTHER ADMIN. POLICY CHANGE NUMBER: 23
 IMPLEMENTATION DATE: 5/2010
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1452

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$485,000	\$200,000
STATE FUNDS	\$242,500	\$100,000
FEDERAL FUNDS	\$242,500	\$100,000

DESCRIPTION

The Department will acquire hardware, supplies, associated maintenance and support services that are necessary to encrypt electronic data stored on backup tapes. The data on these tapes contain Medi-Cal beneficiary information that is considered confidential and/or protected health information (PHI) by federal and state mandates.

The encryption of these tapes will secure and protect Department information assets from unauthorized disclosure; protect the privacy of Medi-Cal beneficiaries; prevent lawsuits from citizens for privacy violations; avoid costs to notify millions of people if a large breach does occur; and maintain its public image and integrity for protecting confidentiality and privacy of information that it maintains on its customers.

	FY 2009-10	FY 2010-11
Initial Purchase Costs	\$485,000	\$0
Ongoing Costs	\$0	\$200,000
TOTAL	\$485,000	\$200,000

ELECTRONIC VERIFICATION OF ASSETS

OTHER ADMIN. POLICY CHANGE NUMBER: 24
 IMPLEMENTATION DATE: 8/2010
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1376

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$0	\$1,550,000
STATE FUNDS	\$0	\$775,000
FEDERAL FUNDS	\$0	\$775,000

DESCRIPTION

Due to the requirements imposed by House Resolution (H.R.) 2642, the State is required to implement electronic verification of assets for all aged, blind or disabled (ABD) applicants/beneficiaries through electronic requests to financial institutions. The third party verification of assets allows counties receiving asset information from financial institutions through a third party vendor to supplement verification of assets for Medi-Cal applicants and beneficiaries whose Medi-Cal eligibility is based on being ABD.

The Department will enter into a contract with a financial vendor that will enable the counties to receive asset information for the ABD population. The third party verification vendor will provide counties with data from financial institutions that could indicate assets and property not reported by the applicant or beneficiary. The counties will have the responsibility to require the applicant or beneficiary to provide additional supporting documentation before an eligibility determination is made. Savings/cost avoidance will be achieved to the extent that the supplemental data increases the accuracy of eligibility determinations for the ABD population. There will be \$350,000 start-up costs in FY 2010-11. The contract for asset verification services is expected to cost \$1,200,000 per year.

FY 2010-11: \$1,550,000 TF (\$775,000 GF)

KATIE A. V. DIANA BONTA SPECIAL MASTER

OTHER ADMIN. POLICY CHANGE NUMBER: 25
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 1453

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$88,000	\$60,000
STATE FUNDS	\$44,000	\$30,000
FEDERAL FUNDS	\$44,000	\$30,000

DESCRIPTION

On March 14, 2006, the U.S. Central District Court of California issued a preliminary injunction in *Katie A. v. Diana Bontá*, requiring the provision of Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program “wraparound” and “therapeutic foster care” (TFC) mental health services under the Specialty Mental Health Services waiver to children in foster care or “at risk” of foster care placement. On appeal, the Ninth Circuit Court ruled in favor of the State Defendants, reversed the granting of the preliminary injunction and remanded the case to District Court. The District Court is now reviewing each component service of wraparound and TFC services to determine whether they are mandated Medicaid covered services, and if so, whether the Medi-Cal program effectively provides each mandated component service. The court has ordered the parties to conduct meetings to resolve questions regarding coverage of Wraparound process component services and to stipulate to the appointment of the special master which will be funded by the Department and the California Department of Social Services.

TAR POSTAGE

OTHER ADMIN. POLICY CHANGE NUMBER: 26
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 267

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$140,000	\$140,000
STATE FUNDS	\$70,000	\$70,000
FEDERAL FUNDS	\$70,000	\$70,000

DESCRIPTION

Postage costs related to mailing treatment authorization request-related documents are budgeted in local assistance. In FY 2006-07, an electronic TAR submission process (eTAR) was made available to Medi-Cal providers and services, resulting in changes to TAR postage expenditures. TAR postage expenditures have continued to decrease since the eTAR process was implemented but have not stabilized.

Assumptions:

1. TAR postage costs for Medi-Cal are assumed to be \$140,000 for FY 2009-10.
2. For FY 2010-11, the costs for TAR postage are expected to be the same as FY 2009-10.

EPOCRATES

OTHER ADMIN. POLICY CHANGE NUMBER: 27
IMPLEMENTATION DATE: 4/2007
ANALYST: Randolph Alarcio
FISCAL REFERENCE NUMBER: 1157

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$158,000	\$158,000
STATE FUNDS	\$79,000	\$79,000
FEDERAL FUNDS	\$79,000	\$79,000

DESCRIPTION

The Department entered into a contract with Epocrates to place Medi-Cal's Contract Drug List (CDL) and up to 3 other departmental "formularies", for example, Family PACT or AIDS Drug Assistance Program (ADAP), in the Epocrates system for access by subscribers.

Epocrates Rx™ contains important drug list and clinical information for commercial health plans and Medicaid programs throughout the country. More than 20 commercial health plans (including all of the County Organized Health System plans) in California, plus all of the Medicare Part D formularies are available through Epocrates Rx™. It includes over 3,300 monographs with adult and pediatric dosing, drug interactions, contraindications and cautions, and adverse reactions, as well as regional prescription drug list / formulary / information for over 100 health organizations representing 30 million beneficiaries.

Due to the number of inquiries from provider networks, health plans that service Medi-Cal beneficiaries, the California Medical Association (CMA) and the California Healthcare Foundation as to the possibility of making the Medi-Cal Contract Drug List (CDL) available via Epocrates, Medi-Cal met with Epocrates to review product offering, value proposition, and logistics to support the deployment of the Medi-Cal CDL and communication with providers in California.

Epocrates provides the Department with an opportunity to reach a large network of health professionals via a unique point-of-care clinical reference solution for physicians and other health professionals accessible on both handheld devices and Internet based desktop computers. Epocrates supports the CMA in their awareness of the formularies and will assist the Department in announcing and educating health professionals on drug coverage issues. The information is maintained directly by departmental staff through a password secured Internet webpage.

Providing the Medi-Cal CDL through Epocrates is estimated to cost \$158,000 TF annually. The contract began in April 2007 and ends in March 2010. The Department is in the process of renewing the contract for two additional years. The June payment is made in the following fiscal year.

Fiscal Year	Expenditures
FY 2009-10 Total	\$158,000
FY 2010-11 Total	\$ 158,000

PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 28
 IMPLEMENTATION DATE: 9/2010
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1335

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$0	\$137,000
STATE FUNDS	\$0	\$68,500
FEDERAL FUNDS	\$0	\$68,500

DESCRIPTION

AB 1745 (Chapter 33, Statutes of 2006) required the Department to submit an application for a federal waiver for a Pediatric Palliative Care Pilot Project to CMS. The waiver was approved beginning October 1, 2009 through September 30, 2012. The waiver was implemented and began enrollment on October 1, 2009.

The waiver makes available services comparable to those available through hospice that can be provided at the same time the child would receive curative services.

The legislation mandates that the Department evaluate the pilot project, and an evaluation of the waiver is also required to meet federal assurances. The evaluation will begin July 2010. Payments are expected to begin September 2010.

Waiver Evaluation Project Scheduled Costs:

FY 2010-11: \$137,000
 FY 2011-12: \$177,000
 FY 2012-13: \$187,000
 FY 2013-14: \$171,000
 FY 2014-15: \$ 28,000

EMILY Q. SPECIAL MASTER

OTHER ADMIN. POLICY CHANGE NUMBER: 29
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 1298

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$171,000	\$171,000
STATE FUNDS	\$85,500	\$85,500
FEDERAL FUNDS	\$85,500	\$85,500

DESCRIPTION

The Department is currently engaged in the implementation of the Emily Q. litigation. Emily Q. is a class action case for children in foster care that was filed in Federal Court in Los Angeles in 1999. The case was settled in 2002 and the parties have been working towards finalizing implementation pursuant to the stipulated settlement. The Department was ordered to provide individualized comprehensive home and community-based mental health benefits and services to Medicaid-eligible children as required under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program. The court ordered the parties to collaborate on a plan for increasing "therapeutic behavior services" (TBS) utilization, and appointed a special master to assist the parties in resolving the outstanding issues. The appointment began in March 2008. Under the court order, the Department is required to pay all costs incurred by the special master and plaintiff's attorney fees.

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
Special Master	\$171,000	\$171,000

HCO TAKEOVER CONSULTANT CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 30
IMPLEMENTATION DATE: 7/2008
ANALYST: Devon Dyer
FISCAL REFERENCE NUMBER: 1345

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$34,000	\$0
STATE FUNDS	\$17,000	\$0
FEDERAL FUNDS	\$17,000	\$0

DESCRIPTION

The Department processed the Takeover functions under the new Health Care Options contract through a consultant contract in FY 2008-09. The consultant was responsible for providing project management services (e.g., risk management, issue management, quality assurance, change management, resources management, and configuration management) as the new enrollment broker assumed the operation of the Health Plan Enrollment System. This contract expired at the end of March 2009. All remaining costs were paid in July 2009.

PROVIDER ENROLLMENT AUTOMATION PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 31
 IMPLEMENTATION DATE: 8/2010
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1438

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$0	\$1,499,000
STATE FUNDS	\$0	\$374,750
FEDERAL FUNDS	\$0	\$1,124,250

DESCRIPTION

The Provider Enrollment Automation Project (PEAP) allows the Department to evolve from a paper-based environment to an electronic system with more efficient and accurate processing of Medi-Cal provider applications. The goal of PEAP is to improve the efficiency of the provider enrollment process.

The Feasibility Study Report (FSR) was approved in January 2007 by the Department of Finance. The Department submitted a Special Project Report to the Office of the Chief Information Officer in October 2009 and costs for the design, development, and implementation of an IT system are expected to begin in August 2010 with a scheduled implementation date of the PEAP system in December 2011.

	FY 2010-11	FY 2011-12	FY 2012-13
One Time Costs	\$1,499,000	\$580,000	\$0
Continuing Project Costs	\$0	\$222,000	\$340,000
TOTAL	\$1,499,000	\$802,000	\$340,000

Funding is 75% FFP.

DISEASE MANAGEMENT PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 32
 IMPLEMENTATION DATE: 10/2007
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1002

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$4,424,000	\$1,241,000
STATE FUNDS	\$2,212,000	\$620,500
FEDERAL FUNDS	\$2,212,000	\$620,500

DESCRIPTION

W & I Code Section 14132.27 requires the Department to test the efficacy of providing a disease management benefit to fee-for-service Medi-Cal beneficiaries. The Department opted to base the pilot on the administrative model, as opposed to a model that requires a waiver. The effectiveness of this benefit includes demonstration of the cost neutrality of the program. The Department has entered into a contract with McKesson Health Solutions to serve as the Disease Management Organization (DMO) for DM1. Enrollment into DM1 began on August 1, 2007. This contract covers the following conditions: advanced atherosclerotic disease syndrome, asthma, coronary artery disease, congestive heart failure, diabetes and chronic obstructive pulmonary disease. A second contract with Positive Health Care (PHC) which focuses on individuals diagnosed with HIV/AIDS separately (DM2) began services in February 2009. PHC suspended its operations on December 31, 2009.

Assumptions:

1. The DM contract (DM1) for advanced atherosclerotic disease syndrome, asthma, coronary artery disease, congestive heart failure, diabetes and chronic obstructive pulmonary disease was awarded in February 2007. Payments began in October 2007.
2. HIV/AIDS (DM2) beneficiary services began in February 2009 and payments began in April 2009. Services were suspended on December 31, 2009.
3. Each contract is capped at \$4,000,000 per year for 3 years of beneficiary services (total of \$12,000,000 per contract).
4. The assessment is capped at \$1,550,000 over the life of project.
5. The assessment start-up costs began in September 2007 for the evaluation of both pilots.

Contract	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
DM1	\$3,048,000	\$4,000,000	\$4,000,000	\$952,000	\$0
DM2	\$0	\$1,000,000	\$129,000	\$0	\$0
Assessment	\$304,000	\$311,000	\$295,000	\$289,000	\$132,000
Total	\$3,352,000	\$5,311,000	\$4,424,000	\$1,241,000	\$132,000

PERSONAL CARE SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 34
 IMPLEMENTATION DATE: 4/1993
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 236

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$278,386,000	\$262,116,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$278,386,000	\$262,116,000

DESCRIPTION

The Department of Health Care Services provides Title XIX federal financial participation (FFP) to the California Department of Social Services (CDSS), via interagency agreements (IAs), for the county cost of administering the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP) and IHSS Case Management & Information Payrolling System II (CMIPS II). The Medi-Cal program includes PCS in its schedule of benefits.

The estimates below were provided by CDSS.

CASH BASIS

	DHCS FFP	CDSS GF	County Match	IA #
FY 2009-10				
EW Time & Health Related	\$215,735,000	\$170,956,000	\$83,516,000	03-75676
CMIPS II	\$62,651,000	\$23,914,000	\$0	03-75676
TOTAL	\$278,386,000	\$194,870,000	\$83,516,000	
FY 2010-11				
EW Time & Health Related	\$197,098,000	\$158,131,000	\$78,635,000	03-75676
CMIPS II	\$65,018,000	\$25,350,000	\$0	03-75676
TOTAL	\$262,116,000	\$183,481,000	\$78,635,000	

HEALTH RELATED ACTIVITIES/TITLE XIX

OTHER ADMIN. POLICY CHANGE NUMBER: 35
 IMPLEMENTATION DATE: 7/1992
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 233

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$186,942,000	\$195,188,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$186,942,000	\$195,188,000

DESCRIPTION

The Department of Health Care Services provides Title XIX federal financial participation (FFP) to the California Department of Social Services (CDSS), via interagency agreements (IAs), for certain health-related activities provided by county social workers. The services involve helping Medi-Cal eligible adults to access covered medical services or maintain current treatment levels in these program areas: 1) Child Welfare Services (CWS); 2) County Services Block Grant (CSBG); & 3) Adult Protective Services (APS).

The estimates below were provided by CDSS.

CASH BASIS

FY 2009-10	DHCS FFP	CDSS GF	County Match	IA #
CWS	\$113,590,000	\$79,513,000	\$34,077,000	01-15931
CWS/CMS	\$1,221,000	\$1,040,000	\$0	06-55834
CSBG	\$23,268,000	\$12,167,000	\$12,186,000	01-15931
APS	\$48,863,000	\$49,374,000	\$0	01-15931
TOTAL	\$186,942,000	\$142,094,000	\$46,263,000	

FY 2010-11	DHCS FFP	CDSS GF	County Match	IA #
CWS	\$123,819,000	\$86,673,000	\$37,146,000	01-15931
CWS/CMS	\$6,305,000	\$5,371,000	\$0	06-55834
CSBG	\$23,352,000	\$12,211,000	\$12,230,000	01-15931
APS	\$41,712,000	\$42,148,000	\$0	01-15931
TOTAL	\$195,188,000	\$146,403,000	\$49,376,000	

DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 36
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 255

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$154,864,000	\$156,793,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$154,864,000	\$156,793,000

DESCRIPTION

This policy change includes the administrative costs for the California Department of Mental Health (CDMH) for specialty mental health services provided to Medi-Cal eligibles. This policy change budgets the FFP only. The GF is included in the CDMH budget.

CASH BASIS

	FY 2009-10	FY 2010-11	
EPSDT-TBS Admin.	\$106,000	\$106,000	
Admin. Costs	\$20,829,000	\$21,827,000	
MC Admin. Activ.	\$18,000,000	\$18,000,000	
HIPAA (1)	\$1,118,000	\$1,172,000	
Healthy Families(2)	\$3,698,000	\$4,575,000	
Quality Assurance	\$11,000,000	\$11,000,000	
County Admin.	\$94,000,000	\$94,000,000	
PASRR Lvl II Screens	\$6,113,000	\$6,113,000	
State Hospitals	\$0	\$0	
Total	\$154,864,000	\$156,793,000	

	DHCS FFP	CDMH GF	County Match	IA #
FY 2009-10	\$154,864,000	\$21,947,000	\$132,917,000	02-25271
FY 2010-11	\$156,793,000	\$22,999,000	\$133,794,000	02-25271

*(1) HIPAA FFP costs of \$1,118,000 for FY 2009-10 and \$1,172,000 for FY 2010-11 are budgeted in Item 4260-117-0890.

*(2) Healthy Families FFP costs of \$3,698,000 for FY 2009-10 and \$4,575,000 for FY 2010-11 are budgeted in Item 4260-113-0890.

MATERNAL AND CHILD HEALTH

OTHER ADMIN. POLICY CHANGE NUMBER: 37
 IMPLEMENTATION DATE: 7/1992
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 234

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$28,438,000	\$35,405,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$28,438,000	\$35,405,000

DESCRIPTION

This policy change reflects the Title XIX federal matching funds for costs of the Maternal, Child and Adolescent Health (MCAH) programs described below.

1. Black Infant Health (BIH): Reduction of high death rate for African American infants.
2. Comprehensive Perinatal Services Program (CPSP): Recruitment and technical assistance for providers of Medi-Cal eligible women.
3. Prenatal Care Guidance (PCG): Case management and follow-up for improved access to early obstetrical care for Medi-Cal eligible pregnant women.
4. Scope of Work (SOW) Local Program Activities: Perinatal education, services, and referral provided to Medi-Cal eligible women.
5. Adolescent Family Life Program (AFLP): Case management for pregnant teens, education and prevention of subsequent pregnancies.
6. Effective July 1, 2009, all GF was eliminated from the MCAH programs (AFLP, BIH, CPSP, PCG, and SOW). Local agencies continue to match Title XIX funds with Certified Public Expenditures (CPE).
7. The FY 2009-10 budgeted amounts include \$3,578,000 for FY 2007-08 and \$9,384,000 for FY 2008-09 in remaining payments.
8. The FY 2010-11 budgeted amounts include \$1,899,000 for FY 2008-09 and \$19,077,000 for FY 2009-10 in remaining payments.

MATERNAL AND CHILD HEALTH
OTHER ADMIN. POLICY CHANGE NUMBER: 37

The following estimates have been provided by CDPH and include the GF elimination to MCAH Grant.

FY 2009-10	DHCS FFP	CDPH GF	County Match	IA #
BIH	\$3,391,000	\$831,000	\$1,983,000	07-65592
CPSP, PCG & SOW	\$22,039,000	\$588,000	\$14,862,000	
AFLP	\$3,008,000	\$514,000	\$1,499,000	
Total	\$28,438,000	\$1,933,000	\$18,344,000	

FY 2010-11	DHCS FFP	CDPH GF	County Match	IA #
BIH	\$ 4,540,000	\$37,000	\$3,683,000	07-65592
CPSP, PCG & SOW	\$27,987,000	\$45,000	\$19,388,000	
AFLP	\$2,878,000	\$58,000	\$2,069,000	
Total	\$35,405,000	\$140,000	\$25,140,000	

CDDS ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 38
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 243

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$51,027,000	\$31,908,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$51,027,000	\$31,908,000

DESCRIPTION

The California Department of Developmental Services provides the following estimates of its administrative cost components:

1. Developmental Centers (DC) Medi-Cal Administration
2. Developmental Centers Medi-Cal Eligibility Contract
3. Home & Community-Based Services (HCBS) Waiver Administration
4. Regional Centers (RC) Medicaid Administration
5. Regional Centers Nursing Home Reform
6. Targeted Case Management (TCM)
7. Independence Plus Self Directed Services Waiver Administration

CASH BASIS

(In Thousands)

FY 2009-10	CDHS FFP	CDDS GF	IA #
1. DC/SOSF Medi-Cal Admin.	\$4,150	\$4,150	03-75282/83
DC/SOSF HIPAA*	\$143	\$143	03-75282/83
2. DC/SOSF MC Elig. Contract	\$606	\$606	01-15378
3. HCBS Waiver Admin.	\$11,379	\$11,379	01-15834
4. RC Medicaid Admin.	\$28,017	\$7,004	03-75734
5. NHR Admin.	\$225	\$225	03-75285
6. TCM HQ Admin.	\$335	\$0	03-75284
TCM RC Admin.	\$4,866	\$4,866	03-75284
TCM HIPAA*	\$638	\$638	03-75284
7. IPSDSWA	\$668	\$646	03-75284
Total	\$51,027	\$29,657	

CDDS ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 38

FY 2010-11	CDHS FFP	CDDS GF	IA #
1. DC/SOSF Medi-Cal Admin.	\$5,468	\$5,468	03-75282/83
DC/SOSF HIPAA*	\$160	\$160	03-75282/83
2. DC/SOSF MC Elig. Contract	\$643	\$643	01-15378
3. HCBS Waiver Admin.	\$7,743	\$7,743	01-15834
4. RC Medicaid Admin.	\$12,488	\$3,122	03-75734
5. NHR Admin.	\$130	\$130	03-75285
6. TCM HQ Admin.	\$345	\$0	03-75284
TCM RC Admin.	\$3,321	\$3,321	03-75284
TCM HIPAA*	\$638	\$638	03-75284
7. IPSDSWA	\$972	\$972	03-75284
Total	\$31,908	\$22,197	

*HIPAA is budgeted in the Medi-Cal budget item 4260-117-0890.

PUBLIC HEALTH NURSES FOR FOSTER CARE

OTHER ADMIN. POLICY CHANGE NUMBER: 39
 IMPLEMENTATION DATE: 7/1999
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 246

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$17,633,000	\$20,511,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$17,633,000	\$20,511,000

DESCRIPTION

The Budget Act of 1999 authorized the California Department of Social Services (CDSS) to establish a program whereby foster care public health nurses would help foster care children access health-related services. This program is administered by the DHCS Children's Medical Services Branch. The public health nurses are employed by the counties. The General Fund is budgeted in the CDSS budget.

On October 7, 2008, Public Law (P.L.) 110-351, the Fostering Connections to Success and Increasing Adoptions Act of 2008, was signed into law. P.L. 110-351 is an amendment to the Social Security Act to connect and support relative caregivers, improve outcomes for children in foster care, provide for tribal foster care and adoption access, and improve incentives for adoption. On January 1, 2010, the Department, through CDSS, implemented the new requirements to provide Health Oversight and Coordination. Beginning FY 2010-11 the costs for public health nurses for foster care and costs for health coordination will be combined together.

The estimates below were provided by CDSS.

CASH BASIS

	DHCS FFP	CDSS GF	IA#
FY 2009-10			
Public Health Nurses	\$12,354,000	\$4,118,000	04-35913
Health Coordination	\$ 5,279,000	\$1,758,000	
TOTAL	\$17,633,000	\$5,876,000	
FY 2010-11			
Health Coordination	\$20,511,000	\$6,837,000	04-35913

DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 40
 IMPLEMENTATION DATE: 7/2007
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 1192

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$8,613,000	\$7,736,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$8,613,000	\$7,736,000

DESCRIPTION

This policy change includes the Title XIX federal funding for the California Department of Public Health (CDPH) administrative costs related to services provided to Medi-Cal beneficiaries. Because the CDPH is a separate state department from the Department of Health Care Services (DHCS), which administers the Medi-Cal program, an interagency agreement between the two departments is required to allow for the provision of federal funds as a reimbursement to the CDPH. The non-federal matching funds will be budgeted by the CDPH.

The estimates below were provided by CDPH.

CASH BASIS (In Thousands)	FY 2009-10			FY 2010-11		
	DHCS FFP	CDPH GF	Other Match	DHCS FFP	CDPH GF	Other Match
Office of Family Planning	\$1,070	\$1,054		\$1,680	\$1,424	
Maternal and Child Health	\$1,166	\$1,120		\$0	\$0	
Laboratory Field Services	\$189	\$143		\$189	\$143	
Office of AIDS	\$438	\$438		\$438	\$438	
Childhood Lead Prevention Program (CLPP)	\$1,105	\$0	\$869	\$1,105	\$0	\$869
Center for Health Statistics	\$1,032	\$1,032		\$1,032	\$1,032	
Licensing and Certification	\$3,613	\$0	\$3,613	\$3,292	\$0	\$3,292
Total	\$8,613	\$3,787	\$4,482	\$7,736	\$3,037	\$4,161

DEPARTMENT OF SOCIAL SERVICES ADMIN COST

OTHER ADMIN. POLICY CHANGE NUMBER: 41
 IMPLEMENTATION DATE: 7/2002
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 256

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$4,747,000	\$6,165,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$4,747,000	\$6,165,000

DESCRIPTION

The Department provides Title XIX federal financial participation (FFP) to the California Department of Social Services (CDSS), via interagency agreements (IAs), for the administrative costs related to services provided to Medi-Cal beneficiaries under the In-Home Supportive Services Personal Care Services Program (IHSS PCSP), the Child Welfare Services/Case Management System (CWS/CMS), and the Statewide Automated Welfare System (SAWS). The IHSS Plus Waiver (IPW) expired on September 30, 2009. The Independence Plus Option Section 1915(j) (IPO) waiver was approved beginning October 1, 2009. The new IPO absorbed the IPW caseload and provides the same services as the IPW plus an enhanced support system. CDSS budgets the matching GF.

The estimates below were provided by CDSS.

CASH BASIS

	DHCS FFP	CDSS GF	IA #
FY 2009-10			
IHSS PCSP	\$2,854,000	\$2,854,000	03-75676
IHSS Health Related	\$17,000	\$17,000	01-15931
CWS/CMS for Medi-Cal	\$99,000	\$99,000	06-55834
IHSS Plus Waiver	\$851,000	\$851,000	04-35840
IHSS Plus Option Sec. 1915(j)	\$682,000	\$682,000	09-86307
SAWS	\$244,000	\$244,000	04-35639
TOTAL	\$4,747,000	\$4,747,000	

	DHCS FFP	CDSS GF	IA #
FY 2010-11			
IHSS PCSP	\$3,761,000	\$3,761,000	03-75676
IHSS Health Related	\$18,000	\$18,000	01-15931
CWS/CMS for Medi-Cal	\$99,000	\$99,000	06-55834
IHSS Plus Option Sec. 1915(j)	\$2,012,000	\$2,012,000	09-86307
SAWS	\$275,000	\$275,000	04-35639
TOTAL	\$6,165,000	\$6,165,000	

DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 42
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 254

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$4,178,000	\$4,257,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$4,178,000	\$4,257,000

DESCRIPTION

This policy change includes the Title XIX funding for the California Department of Alcohol and Drug Programs' (CDADP) administrative costs related to services provided to Medi-Cal beneficiaries.

Following is the cash estimate provided by CDADP:

CASH BASIS

	FY 2009-10	DHCS FFP	CDADP GF	IA #
Support		\$3,436,000	\$3,436,000	04-35640
HIPAA*		\$742,000	\$742,000	04-35640
Total		\$4,178,000	\$4,178,000	
	FY 2010-11	DHCS FFP	CDADP GF	IA #
Support		\$3,472,000	\$3,472,000	04-35640
HIPAA*		\$785,000	\$785,000	04-35640
Total		\$4,257,000	\$4,257,000	

*HIPAA costs are budgeted in Item 4260-117-0890.

CLPP CASE MANAGEMENT SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 43
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 239

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$4,200,000	\$4,200,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$4,200,000	\$4,200,000

DESCRIPTION

The Childhood Lead Poisoning Prevention (CLPP) Program provides case management services utilizing revenues collected from fees. The revenues are distributed to county governments which provide the case management services. Some of these services are provided to Medi-Cal eligibles. To the extent that local governments provide case management services to Medi-Cal eligibles, federal matching funds can be claimed.

This policy change reflects the Title XIX federal matching funds for Administrative costs. Benefits costs are in the Base Policy Change, CLPP Case Management Services.

The estimates below were provided by CDPH.

CASH BASIS

	DHCS FFP	CDPH CLPP Fee Funds	IA #
FY 2009-10 Administrative Costs	\$4,200,000	\$3,185,000	07-65689
FY 2010-11 Administrative Costs	\$4,200,000	\$3,221,000	07-65689

DEPARTMENT OF AGING ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 44
 IMPLEMENTATION DATE: 7/1984
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 253

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$3,094,000	\$3,715,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$3,094,000	\$3,715,000

DESCRIPTION

This policy change includes the Title XIX funding for the California Department of Aging's (CDA's) administrative costs related to services provided to Medi-Cal eligibles by the Adult Day Health Care Program and the Multipurpose Senior Services Program.

The estimates below were provided by CDA.

CASH BASIS

(In Thousands)

	FY 2009-10		FY 2010-11	
	FFP	CDA GF	FFP	CDA GF
ADHC Support				
FY 2008-09 DOS	\$20	\$20		
FY 2009-10 DOS	\$1,893	\$1,570	\$210	\$175
FY 2010-11 DOS			\$2,084	\$1,730
Total ADHC	\$1,913	\$1,590	\$2,294	\$1,905
MSSP Support				
FY 2008-09 DOS	\$9	\$9		
FY 2009-10 DOS	\$1,172	\$982	\$130	\$109
FY 2010-11 DOS			\$1,291	\$1,079
Total MSSP	\$1,181	\$991	\$1,421	\$1,188
Grand Total	\$3,094	\$2,581	\$3,715	\$3,093

SINGLE POINT OF ENTRY - MEDI-CAL/HFP

OTHER ADMIN. POLICY CHANGE NUMBER: 45
 IMPLEMENTATION DATE: 4/1999
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 245

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$2,379,000	\$2,499,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$2,379,000	\$2,499,000

DESCRIPTION

The Department and the Managed Risk Medical Insurance Board (MRMIB) developed an application form for the Healthy Families Program (HFP), which is also used as a screening tool for the Medi-Cal children's percent programs. Completed applications are sent to MAXIMUS, which, by contract with MRMIB, is the Single Point of Entry (SPE) to screen the applications and send them to county welfare departments (CWD) for a Medi-Cal determination for the children's percent programs, or to HFP which is administered by MRMIB. MRMIB carries the General Fund cost in its budget. The Department carries the Title XIX federal funds for the Medi-Cal applications, which MRMIB is reimbursed through an interagency agreement with the Department.

This policy change includes Child Health & Disability Prevention (CHDP) Gateway application processing. To help ensure that all children have access to medical care, the CHDP Gateway program was implemented July 1, 2003. Through this program, children who receive a CHDP screen are pre-enrolled (PE) in Medi-Cal or HFP. Each PE child's family that indicates a desire for ongoing Medi-Cal/HFP coverage is sent a cover letter and Healthy Families application. The Healthy Families application is returned to the SPE and is screened for the Medi-Cal children's percent programs and forwarded to the CWD for a Medi-Cal determination or to HFP.

Assumptions:

1. This estimate is based on actual usage of the Medi-Cal/HFP application; and actual processing, postage, and vendor contract rates and services.
2. MRMIB estimates the number of applications forwarded to CWDs for Medi-Cal only processing, and the federal funding of ongoing SPE costs for those applications.
3. Telephone and pre-printed application costs for FY 2009-10 are based on the average actual ratio of 30.4% Medi-Cal to 69.6% HFP applications in SPE Report #MM-029 as of August 3, 2009. The costs for FY 2010-11 are based on the average actual ratio of 32.1% Medi-Cal to 67.9% HFP applications in SPE Report #MM-029 as of March 2, 2010.
4. MRMIB estimates that an additional 46,879 children discontinued from HFP in FY 2009-10 and 56,934 in FY 2010-11 will be pre-enrolled in Medi-Cal and have their applications forwarded to CWDs due to the elimination of the HFP to Medi-Cal Bridge effective July 1, 2007. These application costs are included in the estimates below.

SINGLE POINT OF ENTRY - MEDI-CAL/HFP

OTHER ADMIN. POLICY CHANGE NUMBER: 45

FY 2009-10	DHCS FFP	MRMIB GF
Applications for M/C processing: 148,860		
SPE Application Processing/Mailing	\$1,383,000	\$1,383,000
SPE Telephone Services	\$615,000	\$615,000
Pre-Printed Applications	\$7,000	\$7,000
Elimination of HFP to Medi-Cal Bridge	\$374,000	\$374,000
Total	\$2,379,000	\$2,379,000
FY 2010-11	DHCS FFP	MRMIB GF
Applications for M/C processing: 136,204		
Application Processing/Mailing	\$1,288,000	\$1,288,000
Telephone Services	\$752,000	\$752,000
Pre-Printed Applications	\$5,000	\$5,000
Elimination of HFP to Medi-Cal Bridge	\$454,000	\$454,000
Total	\$2,499,000	\$2,499,000

FAMILY PACT MIP AND I&E PROGRAMS

OTHER ADMIN. POLICY CHANGE NUMBER: 46
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 261

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$634,000	\$986,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$634,000	\$986,000

DESCRIPTION

AB 1762, the Health Trailer Bill of 2003, authorized the Department to require contractors and grantees under the Office of Family Planning (OFP), Male Involvement Program (MIP) and Information and Education (I&E) Program to establish and implement clinical linkages to the Family PACT program effective in the 2003-04 fiscal year. This linkage includes planning and development of a referral process for program participants to ensure access to family planning and other reproductive health care services, including a technical assistance and training and evaluation component for grantees. The MIP and I&E Programs expect to utilize approximately 75%-80% of their funding for the linkage of ensuring access to Family PACT and Medi-Cal services.

The Title XIX FFP for the contracts is provided to CDPH through interagency agreement # 07-65592. The OFP provides the General Fund match in Item 4265-111-0001 in the CDPH budget.

Effective July 1, 2008, MIP was eliminated due to budget constraints. The FY 2009-10 budgeted amount includes payments for FY 2007-08 and FY 2008-09.

The estimates below were provided by CDPH.

CASH BASIS:

	DHCS FFP	CDPH GF	IA #
FY 2009-10			
MIP	\$11,000	\$11,000	07-65592
I&E	\$535,000	\$535,000	
Evaluation	\$88,000	\$88,000	
Total FFP	\$634,000	\$634,000	(rounded)
FY 2010-11			
I&E	\$760,000	\$760,000	07-65592
Evaluation	\$226,000	\$226,000	
Total FFP	\$986,000	\$986,000	

OUTREACH - CHILDREN

OTHER ADMIN. POLICY CHANGE NUMBER: 47
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 242

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$1,653,000	\$1,626,000
STATE FUNDS	\$799,000	\$813,000
FEDERAL FUNDS	\$854,000	\$813,000

DESCRIPTION

The Budget Act of 1997 established funding for children's outreach. Activities included media, public relations, collateral, certified application assistance, and toll-free line.

The Budget Act of 2003 limited outreach funding to a toll-free line. MAXIMUS, a contract vendor for MRMIB, began carrying out the toll-free line activity starting in January 2004.

The Budget Act of 2005 included funding for the reinstatement of certified application assistance (CAA) fees. Effective July 1, 2005, the interagency agreement with MRMIB has been amended to include the Title XIX federal financial participation (FFP) for Medi-Cal costs for CAA fees for children placed on Medi-Cal accelerated enrollment and for the Medi-Cal related costs of processing the application assistance payments. Effective August 1, 2009, the CAA fees were eliminated, resulting savings are incorporated in this policy change. The General Fund (GF) is budgeted by MRMIB.

Assumptions:

1. For the toll-free line, the Department budgets both Title XIX FFP and GF.
2. It is assumed that, effective August 1, 2009, the toll-free line will increase by \$326,000 or 25% due to the elimination of CAA.

FY 2009-10: \$1,300,000 + (\$326,000 / 12 x 11) = \$1,598,000 (\$799,000 GF)

FY 2010-11: \$1,300,000 + \$326,000 = \$1,626,000 (\$813,000 GF)

3. MRMIB budgets the GF for the CAA fees and processing costs for Medi-Cal applications. Only Title XIX FFP is reflected in the Medi-Cal budget.
4. CAA was eliminated effective August 1, 2009. CAA fees are \$50 for Medi-Cal applications plus a \$10 premium for applications done using the Health-e-Applications (HeA) process. Based on estimates provided by MRMIB, final costs for July 2009 are expected to be:

FY 2009-10: 774 mail-in apps x \$50 = \$40,000 TF (\$20,000 FFP)

1,175 HeA x \$60 = \$70,000 TF (\$35,000 FFP)

OUTREACH - CHILDREN

OTHER ADMIN. POLICY CHANGE NUMBER: 47

5. Total DHCS budget (*in thousands*):

FY 2009-10	FFP	DHCS GF	MRMIB GF*	IA#
Toll-Free Line	\$799	\$799	\$0	07-65615
CAA Fees				
Mail-In Apps	\$20	\$0	\$20	
Health-e Apps	\$35	\$0	\$35	
Total	\$854	\$799	\$55	

FY 2010-11	FFP	DHCS GF	MRMIB GF*	IA#
Toll-Free Line	\$813	\$813	\$0	07-65615

*Budgeted by MRMIB

BABY WELCOME KITS

OTHER ADMIN. POLICY CHANGE NUMBER: 48
 IMPLEMENTATION DATE: 7/2001
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 249

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$5,761,000	\$1,719,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$5,761,000	\$1,719,000

DESCRIPTION

Beginning in November 2001, Title XIX federal financial participation has been claimed for the "Welcome Kits" distributed to parents of Medi-Cal eligible newborns by the California Children and Families Commission (CCFC) (Proposition 10).

Assumptions:

1. CCFC will distribute an estimated 387,000 kits in FY 2009-10 and 300,000 in FY 2010-11.
2. As of July 1, 2007 the basic kit costs \$21.50 and the customized kit, which contains an additional item specific to the county of birth, costs \$21.75.
3. Approximately 51% of the kits distributed will be basic kits and 49% will be custom kits.
4. Approximately 46% of the kits are expected to be distributed to Medi-Cal eligible newborns.
5. Costs of \$4,321,000 for FY 2007-08 and \$3,804,000 for FY 2008-09 will be paid in FY 2009-10.

Accrual Basis

FY 2009-10: 387,000 basic kits x .51 x .46 x \$21.50	= \$1,952,000
FY 2009-10: 387,000 custom kits x .49 x .46 x \$21.75	= \$1,897,000
FY 2009-10	\$3,849,000

FY 2010-11: 300,000 basic kits x .51 x .46 x \$21.50	= \$1,513,000
FY 2010-11: 300,000 custom kits x .49 x .46 x \$21.75	= \$1,471,000
FY 2010-11	\$2,984,000

	FY 2009-10	FY 2010-11	IA #
Cash Basis			
FY 2007-08	\$4,321,000		03-76097
FY 2008-09	\$3,804,000		03-76097
FY 2009-10	\$3,396,000	\$453,000	03-76097
FY 2010-11		\$2,984,000	03-76097
Total:	\$11,521,000	\$3,437,000	
	(\$5,761,000 FFP)	(\$1,719,000 FFP)	

FAMILY PACT WAIVER DEMO EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 49
 IMPLEMENTATION DATE: 12/1999
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 247

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$1,165,000	\$1,431,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,165,000	\$1,431,000

DESCRIPTION

Terms and conditions of the Family PACT Medicaid Waiver Demonstration Project require an evaluation of program effectiveness. The University of California, San Francisco (UCSF) is conducting the program evaluation, which includes analyzing: changes in birth rates; access by target populations; changes in the provider base for target geographical areas; provider compliance; claims analysis; and cost-effectiveness of services.

This policy change provides the Title XIX federal Medicaid funds for a contract to provide data and evaluate the Family PACT waiver. The Office of Family Planning provides the General Fund match in Item 4265-111-0001 in the CDPH budget.

The FY 2009-10 budgeted amount reflects \$292,000 of payments for FY 2008-09.

The estimates below were provided by CDPH.

CASH BASIS

	<u>DHCS FFP</u>	<u>CDPH GF</u>	<u>IA #</u>
FY 2009-10	\$1,165,000	\$1,165,000	08-85180
	<u>DHCS FFP</u>	<u>CDPH GF</u>	<u>IA #</u>
FY 2010-11	\$1,431,000	\$1,431,000	08-85180

VETERANS BENEFITS

OTHER ADMIN. POLICY CHANGE NUMBER: 50
 IMPLEMENTATION DATE: 12/1988
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 232

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$956,000	\$956,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$956,000	\$956,000

DESCRIPTION

The Department of Health Care Services has an interagency agreement which provides federal matching funds to the California Department of Veterans Affairs (CDVA), subsequently to be distributed to County Veteran Services Offices (CVSO), for identifying veterans with VA benefits. This is a process of avoiding costs for the Medi-Cal program by identifying available VA benefits and referring the veterans to utilize those benefits instead of Medi-Cal.

Quarterly payments through the interagency agreement will be for the federal funds.

The contract amount for FY 2009-10 and FY 2010-11 is \$956,000.

CASH BASIS

	<u>DHCS FFP</u>	<u>CDVA GF</u>	<u>IA #</u>
FY 2009-10			
Administrative	\$118,000	\$118,000	09-86009
Workload Units	\$838,000	\$838,000	
Total	\$956,000	\$956,000	
FY 2010-11			
Administrative	\$118,000	\$118,000	09-86009
Workload Units	\$838,000	\$838,000	
Total	\$956,000	\$956,000	

CHHS AGENCY HIPAA FUNDING

OTHER ADMIN. POLICY CHANGE NUMBER: 51
IMPLEMENTATION DATE: 7/2001
ANALYST: Devon Dyer
FISCAL REFERENCE NUMBER: 257

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$651,000	\$651,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$651,000	\$651,000

DESCRIPTION

In order to meet the requirements of the Health Insurance Portability and Accountability Act (HIPAA) and ensure that its provisions are applied uniformly in the impacted programs, a HIPAA office has been established at the California Health and Human Services (CHHS) Agency. Title XIX federal financial participation is available for HIPAA activities related to Medi-Cal. This policy change is 100% FFP.

The federal funds are budgeted in Item 4260-117-0890.

CASH BASIS	DHCS FFP	CHHS GF
FY 2009-10	\$651,000	\$651,000
FY 2010-11	\$651,000	\$651,000

FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH

OTHER ADMIN. POLICY CHANGE NUMBER: 52
 IMPLEMENTATION DATE: 12/1999
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 248

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$446,000	\$616,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$446,000	\$616,000

DESCRIPTION

The Family PACT Medicaid Waiver Demonstration Project has two main objectives. One is to increase access to services in targeted populations of adolescents, males, and medically underserved women. The other is to increase the number of providers who serve these clients. A formal plan for provider recruitment, education, and support is a requirement under the terms and conditions of the waiver. DHCS education and support services are provided to the Family PACT providers and potential providers, as well as clients and potential clients. Services include, but are not limited to: public education, awareness, and direct client outreach (TeenSmart Outreach (TSO)); provider enrollment, recruitment and training; training and technical assistance for medical and non-medical staff; education and counseling services; preventive clinical services; sexually transmitted infection/HIV training and technical assistance services; and the toll-free referral number. The Office of Family Planning (OFP) in the California Department of Public Health (CDPH) contracts with a variety of entities to provide these services.

Effective July 1, 2008, the TSO program was eliminated due to budget constraints. The FY 2009-10 budget reflects \$2,000 in payments for FY 2007-08 for Client Outreach/TSO.

The estimates below were provided by CDPH.

CASH BASIS:

	DHCS FFP	CDPH GF	IA #
FY 2009-10			
Support/Provider Education	\$444,000	\$444,000	08-85180
Client Outreach/TSO	\$2,000	\$2,000	
	\$446,000	\$446,000	
FY 2010-11			
Support/Provider Education	\$616,000	\$616,000	08-85180

IMMUNIZATION REGISTRY

OTHER ADMIN. POLICY CHANGE NUMBER: 53
 IMPLEMENTATION DATE: 7/2005
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1077

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$284,000	\$851,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$284,000	\$851,000

DESCRIPTION

Immunization services are required for Medi-Cal eligibles based on the Title XIX Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) provisions. California Health and Safety Code Section 120440 governs the operation of immunization registries, secure databases of childhood vaccination records that allow medical providers to identify and vaccinate all under-immunized children, including those assisted by Medi-Cal and CHDP. CMS has determined that funds to operate immunization registries are eligible for a 50% match for Medi-Cal related activities under Title XIX, Section 1903(a) (7). Therefore, beginning in FY 2005-06, the Department has been claiming Title XIX FFP for the Medi-Cal related costs of operating an immunization registry. Immunization Registry GF funding was eliminated for FY 2009-10 on a one-time basis because federal ARRA funds were provided specifically for immunizations. The Immunization Registry GF in CDPH is expected to be available again in FY 2010-11.

Assumptions:

1. The California Department of Public Health allocates \$3,150,000 in Local Assistance GF in the 4265-111 Item for the operation of the nine regional registries run by local health departments. This policy change budgets the matching Title XIX FFP for costs related to Medi-Cal beneficiaries for FY 2010-11.
2. 72% of children currently in the registry received their vaccinations from public providers. Nearly all of them are Medi-Cal eligible. Therefore, assume that 72% of the \$3,150,000 can be matched by Title XIX FFP.
 $\$3,150,000 \times .72 = \$2,268,000 / 2 = \$1,134,000$ annual FFP match.

CASH BASIS

	DHCS FFP	CDPH GF	IA #
FY 2009-10			
FY 2008-09 Services	\$284,000	\$284,000	08-85492
FY 2009-10 Services	\$0	\$0	08-85492
TOTAL	\$284,000	\$284,000	
FY 2010-11			
FY 2009-10 Services	\$0	\$0	08-85492
FY 2010-11 Services	\$851,000	\$851,000	08-85492
TOTAL	\$851,000	\$851,000	

MERIT SYSTEM SERVICES FOR COUNTIES

OTHER ADMIN. POLICY CHANGE NUMBER: 54
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 263

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$200,000	\$184,000
STATE FUNDS	\$100,000	\$92,000
FEDERAL FUNDS	\$100,000	\$92,000

DESCRIPTION

Federal regulations require that any government agency that receives federal funds have a civil service exam, classification, and pay process. Many counties do not have a civil service system, so the State established Merit System Services, under the State Personnel Board, to perform as a personnel board for the 30 counties that do not have one. In addition, the State Personnel Board reviews the merit systems in the remaining 28 counties to ensure that they meet federal civil service requirements.

The State Personnel Board is reimbursed by the Department via a contract/interagency agreement for Merit System Services. The terms of the contract are that it continues indefinitely, until terminated, or until there is a change in scope of work affecting the cost.

	FY 2009-10	FY 2010-11
Contract # 03-75683	\$200,000 (\$100,000 GF)	\$184,000 (\$92,000 GF)

IMMUNIZATION REGISTRY IMPROVEMENT - DATA EXCHANGE

OTHER ADMIN. POLICY CHANGE NUMBER: 55
 IMPLEMENTATION DATE: 4/2010
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1463

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$137,000	\$308,000
STATE FUNDS	\$14,000	\$31,000
FEDERAL FUNDS	\$123,000	\$277,000

DESCRIPTION

Immunization services are required for Medi-Cal eligibles based on the Title XIX Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) provisions. California Health and Safety Code, Section 120440, governs the operation of immunization registries and secures databases of childhood vaccination records that allow medical providers to identify and vaccinate all under-immunized children, including those assisted by Medi-Cal and CHDP. CMS has determined that funds to develop immunization registries are eligible for a 90% match for Medi-Cal related activities under Title XIX, Section 1903(a)(7). Beginning in FY 2009-10, the Department is claiming Title XIX FFP for the one-time Medi-Cal related costs of building and supporting specifications for exchange of immunization data between electronic health records and California's immunization registries. The 10% non-federal match will be reimbursed by the California Healthcare Foundation (CHCF). Therefore, there will be no impact to the General Fund.

Assumptions:

1. Total costs are estimated to be \$445,000 TF.
2. Payments will begin in April 2010.
3. Costs for FY 2009-10 and FY 2010-11 are estimated to be:

	DHCS FFP	CHCF Reimbursement*
FY 2009-10	\$123,000	\$14,000
FY 2010-11	\$277,000	\$31,000

* Reimbursements are budgeted in Item 4260-610-0995.

PERINATAL HIV TESTING PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 56
 IMPLEMENTATION DATE: 7/2008
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 241

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$119,000	\$0
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$119,000	\$0

DESCRIPTION

The Perinatal HIV Testing Project, administered by the California Department of Public Health's (CDPH) Office of AIDS, develops and disseminates HIV educational materials for pregnant women. The Project also provides prenatal HIV testing information (educational material, technical assistance, training, etc.) to perinatal care providers and clinics, local health jurisdictions, health maintenance organizations, and other organizations that require assistance in preventing perinatal transmission. Technical assistance and training is offered only to prenatal providers who currently treat Medi-Cal patients.

This policy change provides the Title XIX 50% federal Medicaid funds (FFP). This will be done via an Interagency Agreement (IA) between the Department and CDPH. The Office of AIDS provides the 50% General Fund match in Item 4265-111-0001 in the CDPH budget and the Department claims the FFP. Effective July 1, 2009, the funding for the Perinatal HIV Testing Project has been eliminated due to budget constraints. The FY 2009-10 budget reflects \$119,000 in payments for services provided in FY 2008-09.

The estimates below were provided by CDPH.

	DHCS FFP	CDPH GF	IA#
FY 2009-10	\$119,000	\$119,000	08-85295

CMIPS II

OTHER ADMIN. POLICY CHANGE NUMBER: 57
IMPLEMENTATION DATE: 5/2010
ANALYST: Devon Dyer
FISCAL REFERENCE NUMBER: 1464

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$111,000	\$0
STATE FUNDS	\$111,000	\$0
FEDERAL FUNDS	\$0	\$0

DESCRIPTION

The Department entered into an interagency agreement (IA) with CDSS to be reimbursed for the cost of one-time programming and system changes necessary to interface the CA-MMIS with the Case Management Information and Payrolling System II (CMIPS II). The interface between systems will enable the CDSS In-Home Supportive Services (IHSS) program to access clinical data necessary for effective case management. Implementation began in February 2009 and was fully implemented in September 2009. The Department will be reimbursed by CDSS in May 2010.

FY 2009-10 reimbursement: \$111,000 GF

*Reimbursements are budgeted in Item 4260-610-0995.

HEALTH-E APP

OTHER ADMIN. POLICY CHANGE NUMBER: 58
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1119

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$20,000	\$0
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$20,000	\$0

DESCRIPTION

Health-E-App is an electronic, web-based alternative to the traditional paper Healthy Families application, which is also used to screen for Medi-Cal children's percent programs, and is intended to reduce application processing time so that children can obtain needed Healthy Families or Medi-Cal coverage as quickly as possible and is available to enrollment entities in all California Counties. Families must obtain assistance through an enrollment entity to apply through the electronic web-based application. MRMIB plans to modify Health-E-App to enable the general public to apply for Healthy Families without the assistance of enrollment entities. The Health-E-App modifications involved development costs during FY 2007-08 which will continue through FY 2009-10.

The Department will pay for the federal Title XIX share of this cost via an interagency agreement with MRMIB. MRMIB will budget the federal Title XXI share of the cost. The California Health Care Foundation (CHCF) will grant the matching funds for the federal Title XIX and Title XXI funding.

The estimates below were provided by MRMIB.

Assumptions:

1. MRMIB estimates the development cost for system changes, and the federal funding for this cost. Final payment for this project is expected to be made in FY 2009-10. Only the Title XIX FFP is included in the Medi-Cal budget.

	CHCF	XIX FFP	XXI FFP	TOTAL
FY 2009-10	\$30,000	\$20,000	\$21,000	\$71,000

PIA EYEWEAR COURIER SERVICE

OTHER ADMIN. POLICY CHANGE NUMBER: 59
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1114

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$1,486,000	\$256,000
STATE FUNDS	\$743,000	\$128,000
FEDERAL FUNDS	\$743,000	\$128,000

DESCRIPTION

Prison Industries Authority (PIA) fabricates the eyeglasses for Medi-Cal beneficiaries. Since July 2003, the Department has had an interagency agreement (IA) with PIA to reimburse them for one-half of the courier costs for the pick up and delivery of orders between the dispensing to optical providers and the PIA optical laboratories. The two-way courier service ensures that beneficiaries have continued access to and no disruption of optical services.

Assumptions:

1. Under the IA with DHL, from July 2007 through September 2008, the Department's cost of shipping each package was \$2.86 plus a nine percent fuel surcharge. Due to a delay in the reconciliation of invoices from DHL, Incorporated (DHL), the Department received and paid invoices for FY 2007-08 and FY 2008-09 in FY 2009-10.
2. The current contract with Sacramento Overnight, Incorporated (SOI) began in September 2008 and expires June 2011. The SOI charges \$1.75 plus a six percent fuel surcharge per package.
3. Effective July 1, 2009, the Department excluded optometry/optical services as a benefit under the Medi-Cal program for adults 21 years of age and older except for those residing in nursing facilities and pregnant women. As a result, the number of packages shipped is expected to decrease.
4. On an ongoing basis, payments are expected to be paid at the end of each quarter. The last quarter of each fiscal year will be paid the following fiscal year.

Cash Basis	FY 2009-10	FY 2010-11	IA #
FY 2007-08 Services	\$621,000	\$0	06-55363
FY 2008-09 Services	\$620,000	\$0	06-55363
FY 2009-10 Services	\$245,000	\$64,000	06-55363
FY 2010-11 Services	\$1,486,000	\$192,000	10-87012
	\$1,486,000	\$256,000	

Q5i AUTOMATED DATA SYSTEM ACQUISITION

OTHER ADMIN. POLICY CHANGE NUMBER: 61
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 1440

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$0	\$184,000
STATE FUNDS	\$0	\$92,000
FEDERAL FUNDS	\$0	\$92,000

DESCRIPTION

The Department will acquire the Q5i automated quality control data system, associated software, maintenance and support. The existing automated data system is technologically obsolete and will become unsupportable, leaving the state vulnerable to HIPAA violations. The Q5i system will be used to support quality control efforts for the following state and federally mandated programs: Medi-Cal Eligibility Quality Control, County Performance Standards, Payment Error Rate Measurement and Anti-Fraud/Program Integrity.

The Q5i system will be purchased in July 2010. A contract will be required for maintenance and system support costs. FY 2010-11 expenditures reflect the purchase of the system and ongoing costs for host server, maintenance, and system support.

	FY 2010-11	
	TF	GF
System Cost	\$ 132,000	\$ 66,000
Ongoing Cost	\$ 52,000	\$ 26,000
	\$ 184,000	\$ 92,000

ARRA-ADDITIONAL FFP FOR SWCAP

OTHER ADMIN. POLICY CHANGE NUMBER: 63
IMPLEMENTATION DATE: 3/2010
ANALYST: Betty Lai
FISCAL REFERENCE NUMBER: 1479

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$1,651,000	\$0
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,651,000	\$0

DESCRIPTION

On February 17, 2009, the President signed the American Recovery and Reinvestment Act (ARRA) of 2009 (P.L. 111-5). Under ARRA, states are provided a temporary Federal Medical Assistance Percentage (FMAP) increase for a 27-month period beginning October 1, 2008 through December 31, 2010 which provides an across-the-board increase to all states of 6.2 percent and an additional increase in the form of a decrease in the state share based on increased unemployment rates. Based on the formulas in the ARRA, California will receive an 11.59% FMAP increase for Medi-Cal program benefits during the eligible time period. Among other conditions, ARRA requires that eligibility standards, methodologies, or procedures in place in the Medicaid state plan or a Section 1115 waiver program cannot be more restrictive than those in effect as of July 1, 2008. Compliance with provider prompt payment requirements, including hospitals and nursing homes, is also a condition of receiving the enhanced FMAP.

As authorized by the federal Office of Management and Budget, a portion of the funding received under ARRA will be used to provide support for the California Recovery Task Force (CRTF) and for the ARRA oversight and administrative activities of the various departments administering those funds. These funds will be accessed through the Statewide Cost Allocation Plan (SWCAP) process. Pursuant to Executive Order S-02-09, CRTF is charged with tracking the ARRA funding coming into the State; helping cities, counties, non-profits, and others access the available funding; ensuring that the funding provided to the State is spent efficiently and effectively; and maintaining a Web site that is frequently and thoroughly updated so Californians can track the stimulus dollars. This policy change reflects the estimated additional FFP that will be received for SWCAP.

RATE STUDY FOR MAIC

OTHER ADMIN. POLICY CHANGE NUMBER: 64
IMPLEMENTATION DATE: 8/2010
ANALYST: Randolph Alarcio
FISCAL REFERENCE NUMBER: 1483

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$0	\$500,000
STATE FUNDS	\$0	\$250,000
FEDERAL FUNDS	\$0	\$250,000

DESCRIPTION

The Welfare and Institutions Code, Section 14105.45, requires the Department to establish Maximum Allowable Ingredient Costs (MAIC) on certain generic drugs based on pharmacies' acquisition costs and to update the MAICs at least every three months. In order to obtain the information from the providers necessary to establish the MAICs, the Department will hire a contractor to survey drug price information from the pharmacies and update it on an ongoing basis.

1. Assume the contractor will be hired in July 2010.
2. Payments will begin in August 2010.
3. Estimated contractor's costs are \$500,000 TF (\$250,000 GF) in FY 2010-11.

RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS

OTHER ADMIN. POLICY CHANGE NUMBER: 65
 IMPLEMENTATION DATE: 8/2010
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1484

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$0	\$300,000
STATE FUNDS	\$0	\$150,000
FEDERAL FUNDS	\$0	\$150,000

DESCRIPTION

The Department is proposing legislation that will change the physician-administered drug reimbursement methodology beginning in FY 2010-11, to the lower of the Medi-Cal pharmacy reimbursement rate, which is the AWP minus 17%, or the Medicare rate, which is the Average Sales Price (ASP) plus 6%. The Department will hire a contractor to conduct a rate study to ensure the adequacy of reimbursement for these drugs.

1. Assume the contractor will be hired in July 2010.
2. Payments will begin in August 2010.
3. The estimated one-time contractor cost is \$300,000 TF (\$150,000 GF) in FY 2010-11.

MIS/DSS CLAIMING ADJUSTMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 69
 IMPLEMENTATION DATE: 1/2010
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1497

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$0	\$0
STATE FUNDS	\$911,000	\$0
FEDERAL FUNDS	-\$911,000	\$0

DESCRIPTION

The federal government approved a 90% FFP match for the design, development and installation of the Management Information System Decision Support System (MIS/DSS). The Department inadvertently claimed 90% FFP for a portion of the MIS/DSS expenditures, including software, hardware and training, which should have been claimed at either 75% or 50% FFP. CMS issued a deferral of \$911,000 GF for the over-claiming of these expenditures.