

**MEDI-CAL
MAY 2011
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2010-11 and 2011-12**

OTHER ADMINISTRATION

Fiscal Forecasting and Data Management Branch
State Department of Health Care Services
1501 Capitol Avenue, Suite 6069
Sacramento, CA 95814
(916) 552-8550



EDMUND G. BROWN JR.
Governor
State of California

Diana Dooley
Secretary
California Health and Human Services Agency

Toby Douglas
Director
Department of Health Care Services

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2010-11		FISCAL YEAR 2011-12	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS					
1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$234,502,000	\$0	\$291,000,000	\$0
2	CCS CASE MANAGEMENT	\$141,380,000	\$57,240,000	\$144,624,000	\$58,550,000
3	MH/UCD—HCCI - ADMIN COSTS	\$28,899,000	\$0	\$80,125,000	\$0
4	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,300	\$33,718,000	\$11,871,300
5	POSTAGE & PRINTING	\$12,759,000	\$6,258,700	\$12,896,000	\$6,327,200
6	LITIGATION RELATED SERVICES	\$9,664,000	\$4,832,000	\$9,320,000	\$4,660,000
7	COORDINATED CARE MANAGEMENT PILOTS	\$8,708,000	\$4,354,000	\$7,451,000	\$3,725,500
8	MEDI-CAL SAFETY NET RECOVERY CONTRACT	\$8,179,000	\$2,045,000	\$7,151,000	\$1,788,000
9	MIS/DSS CONTRACT	\$7,321,000	\$1,998,000	\$12,594,000	\$3,316,300
10	CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS	\$6,805,000	\$1,811,000	\$4,524,000	\$1,204,300
11	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$6,118,000	\$2,094,400	\$6,424,000	\$2,198,900
12	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRACTORS	\$4,500,000	\$1,197,500	\$12,517,000	\$1,625,900
13	ARRA HITECH INCENTIVE PROGRAM	\$4,431,000	\$443,000	\$13,117,000	\$1,311,000
14	HIPAA CAPITATION PAYMENT PROJECT	\$1,580,000	\$158,000	\$320,000	\$32,000
15	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000
16	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,600,000	\$800,000	\$1,600,000	\$800,000
17	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000
18	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$471,000	\$235,500	\$495,000	\$247,500
19	ENCRYPTION OF PHI DATA	\$684,000	\$342,000	\$200,000	\$100,000
20	ELECTRONIC ASSET VERIFICATION PROGRAM	\$0	\$0	\$5,200,000	\$2,600,000
21	SPD EDUCATION AND OUTREACH	\$327,000	\$163,500	\$0	\$0
22	CCT ENROLLMENT-ADMIN COSTS	\$200,000	\$0	\$400,000	\$0
23	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$300,000	\$150,000	\$0	\$0
24	MITA	\$75,000	\$7,500	\$225,000	\$22,500
25	EMILY Q. SPECIAL MASTER	\$171,000	\$85,500	\$20,000	\$10,000

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2010-11		FISCAL YEAR 2011-12	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS					
26	Q5i AUTOMATED DATA SYSTEM ACQUISTION	\$161,000	\$80,500	\$99,000	\$49,500
27	EPOCRATES	\$74,000	\$37,000	\$126,000	\$63,000
28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$124,000	\$62,000	\$176,000	\$88,000
29	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$86,000	\$43,000	\$100,000	\$50,000
30	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT	\$100,000	\$0	\$100,000	\$0
31	TAR POSTAGE	\$110,000	\$55,000	\$110,000	\$55,000
32	RATE STUDY FOR MAIC AND AAP	\$0	\$0	\$1,000,000	\$500,000
33	DISEASE MANAGEMENT PROGRAM	\$1,204,000	\$602,000	\$125,000	\$62,500
74	BTR—LIHP - ADMIN COSTS	\$0	\$0	\$166,250,000	\$0
75	MEDICARE RECOVERY PROJECT CONTRACT	\$0	\$0	\$1,000,000	\$500,000
76	HEALTH CARE OPTIONS CONSULTANT COSTS	\$0	\$0	\$722,000	\$361,000
CDHS SUBTOTAL		\$516,401,000	\$98,516,300	\$815,879,000	\$103,669,200
OTHER DEPARTMENTS					
34	PERSONAL CARE SERVICES	\$240,515,000	\$0	\$254,220,000	\$0
35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$201,408,000	\$0	\$203,503,000	\$0
36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$123,759,000	\$0	\$127,620,000	\$0
37	CDDS ADMINISTRATIVE COSTS	\$34,932,000	\$0	\$57,475,000	\$0
38	MATERNAL AND CHILD HEALTH	\$32,660,000	\$0	\$37,751,000	\$0
39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$23,310,000	\$0	\$19,462,000	\$0
40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COSTS	\$7,547,000	\$0	\$7,187,000	\$0
41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,779,000	\$0	\$5,070,000	\$0
42	ADMINISTRATIVE COSTS FOR CCT	\$2,000,000	\$0	\$10,288,000	\$0
43	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS	\$4,416,000	\$0	\$4,604,000	\$0
44	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0
45	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,255,000	\$0	\$3,637,000	\$0

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2010-11		FISCAL YEAR 2011-12	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS					
46	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,122,000	\$0	\$2,147,000	\$0
47	SPD TRANSITION TO MANAGED CARE - CDDS	\$1,769,000	\$0	\$1,769,000	\$0
48	OUTREACH - CHILDREN	\$1,626,000	\$813,000	\$1,626,000	\$813,000
49	KIT FOR NEW PARENTS	\$1,504,000	\$0	\$1,280,000	\$0
50	FAMILY PACT WAIVER DEMO EVALUATION	\$1,818,000	\$0	\$1,210,000	\$0
51	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0
52	FAMILY PACT I&E PROGRAM AND EVALUATION	\$782,000	\$0	\$811,000	\$0
54	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0
55	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH	\$533,000	\$0	\$508,000	\$0
57	HEALTH-E APP	\$28,000	\$0	\$21,000	\$0
58	MERIT SYSTEM SERVICES FOR COUNTIES	\$181,000	\$90,500	\$184,000	\$92,000
59	CMIPS II	\$99,000	\$99,000	\$0	\$0
61	PIA EYEWEAR COURIER SERVICE	\$268,000	\$134,000	\$383,000	\$191,500
OTHER DEPARTMENTS SUBTOTAL		\$695,118,000	\$1,136,500	\$746,563,000	\$1,096,500
GRAND TOTAL		\$1,211,519,000	\$99,652,800	\$1,562,442,000	\$104,765,700

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2011 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2010 ESTIMATE
FISCAL YEAR 2010-11**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2010-11 APPROPRIATION		NOV. 2010 EST. FOR 2010-11		MAY 2011 EST. FOR 2010-11		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	\$353,930,000	\$0	\$234,502,000	\$0	\$234,502,000	\$0	-\$119,428,000	\$0	\$0	\$0
2	2	CCS CASE MANAGEMENT	\$142,571,000	\$57,747,000	\$141,696,000	\$57,398,000	\$141,380,000	\$57,240,000	-\$1,191,000	-\$507,000	-\$316,000	-\$158,000
3	3	MH/UCD—HCCI - ADMIN COSTS	\$133,452,000	\$0	\$103,361,000	\$0	\$28,899,000	\$0	-\$104,553,000	\$0	-\$74,462,000	\$0
4	4	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$0	\$0	\$0	\$0
5	5	POSTAGE & PRINTING	\$12,695,000	\$6,226,700	\$12,746,000	\$6,252,200	\$12,759,000	\$6,258,700	\$64,000	\$32,000	\$13,000	\$6,500
6	6	LITIGATION RELATED SERVICES	\$9,400,000	\$4,700,000	\$9,293,000	\$4,646,500	\$9,664,000	\$4,832,000	\$264,000	\$132,000	\$371,000	\$185,500
7	7	COORDINATED CARE MANAGEMENT PILOTS	\$8,100,000	\$4,050,000	\$8,708,000	\$4,354,000	\$8,708,000	\$4,354,000	\$608,000	\$304,000	\$0	\$0
8	8	MEDI-CAL SAFETY NET RECOVERY CONTRACT	\$0	\$0	\$8,179,000	\$2,045,000	\$8,179,000	\$2,045,000	\$8,179,000	\$2,045,000	\$0	\$0
9	9	MIS/DSS CONTRACT	\$7,159,000	\$1,953,000	\$7,321,000	\$1,998,000	\$7,321,000	\$1,998,000	\$162,000	\$45,000	\$0	\$0
10	10	CA-MMIS TAKEOVER OTHER STATE TRANSITION C	\$6,948,000	\$1,737,000	\$7,130,000	\$1,897,500	\$6,805,000	\$1,811,000	-\$143,000	\$74,000	-\$325,000	-\$86,500
11	11	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$7,313,000	\$2,549,250	\$6,475,000	\$2,227,500	\$6,118,000	\$2,094,350	-\$1,195,000	-\$454,900	-\$357,000	-\$133,150
12	12	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRA	\$8,522,000	\$1,495,150	\$4,737,000	\$898,200	\$4,500,000	\$1,197,500	-\$4,022,000	-\$297,650	-\$237,000	\$299,300
13	13	ARRA HITECH INCENTIVE PROGRAM	\$4,431,000	\$443,000	\$4,431,000	\$443,000	\$4,431,000	\$443,000	\$0	\$0	\$0	\$0
14	14	HIPAA CAPITATION PAYMENT PROJECT	\$400,000	\$40,000	\$1,400,000	\$140,000	\$1,580,000	\$158,000	\$1,180,000	\$118,000	\$180,000	\$18,000
15	15	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$0	\$0	\$0	\$0
16	16	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,000,000	\$500,000	\$1,000,000	\$500,000	\$1,600,000	\$800,000	\$600,000	\$300,000	\$600,000	\$300,000
17	17	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0	\$0	\$0
18	18	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$1,487,000	\$743,500	\$732,000	\$366,000	\$471,000	\$235,500	-\$1,016,000	-\$508,000	-\$261,000	-\$130,500
19	19	ENCRYPTION OF PHI DATA	\$200,000	\$100,000	\$684,000	\$342,000	\$684,000	\$342,000	\$484,000	\$242,000	\$0	\$0
20		ELECTRONIC VERIFICATION OF ASSETS	\$1,550,000	\$775,000	\$350,000	\$175,000	\$0	\$0	-\$1,550,000	-\$775,000	-\$350,000	-\$175,000
21	21	SPD EDUCATION AND OUTREACH	\$67,000	\$33,500	\$327,000	\$163,500	\$327,000	\$163,500	\$260,000	\$130,000	\$0	\$0
22	22	CCT ENROLLMENT-ADMIN COSTS	\$0	\$0	\$300,000	\$0	\$200,000	\$0	\$200,000	\$0	-\$100,000	\$0
23	23	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUG	\$300,000	\$150,000	\$300,000	\$150,000	\$300,000	\$150,000	\$0	\$0	\$0	\$0
24	24	MITA	\$150,000	\$15,000	\$300,000	\$30,000	\$75,000	\$7,500	-\$75,000	-\$7,500	-\$225,000	-\$22,500
25	25	EMILY Q. SPECIAL MASTER	\$171,000	\$85,500	\$171,000	\$85,500	\$171,000	\$85,500	\$0	\$0	\$0	\$0
26	26	Q5i AUTOMATED DATA SYSTEM ACQUISITION	\$184,000	\$92,000	\$149,000	\$74,500	\$161,000	\$80,500	-\$23,000	-\$11,500	\$12,000	\$6,000
27	27	EPOCRATES	\$158,000	\$79,000	\$129,000	\$64,500	\$74,000	\$37,000	-\$84,000	-\$42,000	-\$55,000	-\$27,500
28	28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$137,000	\$68,500	\$124,000	\$62,000	\$124,000	\$62,000	-\$13,000	-\$6,500	\$0	\$0
29	29	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$60,000	\$30,000	\$100,000	\$50,000	\$86,000	\$43,000	\$26,000	\$13,000	-\$14,000	-\$7,000
30	30	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT	\$10,749,000	\$0	\$100,000	\$0	\$100,000	\$0	-\$10,649,000	\$0	\$0	\$0
31	31	TAR POSTAGE	\$140,000	\$70,000	\$100,000	\$50,000	\$110,000	\$55,000	-\$30,000	-\$15,000	\$10,000	\$5,000
33	33	DISEASE MANAGEMENT PROGRAM	\$1,241,000	\$620,500	\$1,204,000	\$602,000	\$1,204,000	\$602,000	-\$37,000	-\$18,500	\$0	\$0
		CHIPRA - DRA CITIZENSHIP OPTION	\$200,000	\$20,000	\$0	\$0	\$0	\$0	-\$200,000	-\$20,000	\$0	\$0
		PROVIDER ENROLLMENT AUTOMATION PROJECT	\$1,499,000	\$374,750	\$0	\$0	\$0	\$0	-\$1,499,000	-\$374,750	\$0	\$0
		RATE STUDY FOR MAIC	\$500,000	\$250,000	\$0	\$0	\$0	\$0	-\$500,000	-\$250,000	\$0	\$0
		RECONCILIATION WITH BUDGET ACT - FEDERAL FL	-\$87,959,000	\$0	\$0	\$0	\$0	\$0	\$87,959,000	\$0	\$0	\$0

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2011 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2010 ESTIMATE
FISCAL YEAR 2010-11**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2010-11 APPROPRIATION		NOV. 2010 EST. FOR 2010-11		MAY 2011 EST. FOR 2010-11		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 BUDGET ACT - GENERAL FI	\$43,022,000	\$43,022,000	\$0	\$0	\$0	\$0	-\$43,022,000	-\$43,022,000	\$0	\$0
		CDHS SUBTOTAL	\$705,645,000	\$141,391,600	\$591,917,000	\$98,436,150	\$516,401,000	\$98,516,300	-\$189,244,000	-\$42,875,300	-\$75,516,000	\$80,150
OTHER DEPARTMENTS												
34	34	PERSONAL CARE SERVICES	\$262,116,000	\$0	\$268,304,000	\$0	\$240,515,000	\$0	-\$21,601,000	\$0	-\$27,789,000	\$0
35	35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$195,188,000	\$0	\$195,249,000	\$0	\$201,408,000	\$0	\$6,220,000	\$0	\$6,159,000	\$0
36	36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$156,793,000	\$0	\$123,965,000	\$0	\$123,759,000	\$0	-\$33,034,000	\$0	-\$206,000	\$0
37	37	CDDS ADMINISTRATIVE COSTS	\$31,908,000	\$0	\$37,028,000	\$0	\$34,932,000	\$0	\$3,024,000	\$0	-\$2,096,000	\$0
38	38	MATERNAL AND CHILD HEALTH	\$35,405,000	\$0	\$21,240,000	\$0	\$32,660,000	\$0	-\$2,745,000	\$0	\$11,420,000	\$0
39	39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$20,511,000	\$0	\$26,300,000	\$0	\$23,310,000	\$0	\$2,799,000	\$0	-\$2,990,000	\$0
40	40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN C	\$7,736,000	\$0	\$7,848,000	\$0	\$7,547,000	\$0	-\$189,000	\$0	-\$301,000	\$0
41	41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$6,165,000	\$0	\$5,779,000	\$0	\$4,779,000	\$0	-\$1,386,000	\$0	-\$1,000,000	\$0
42	42	ADMINISTRATIVE COSTS FOR CCT	\$0	\$0	\$5,750,000	\$0	\$2,000,000	\$0	\$2,000,000	\$0	-\$3,750,000	\$0
43	43	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. CO	\$4,257,000	\$0	\$4,779,000	\$0	\$4,416,000	\$0	\$159,000	\$0	-\$363,000	\$0
44	44	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0	\$0	\$0
45	45	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,715,000	\$0	\$3,450,000	\$0	\$3,255,000	\$0	-\$460,000	\$0	-\$195,000	\$0
46	46	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,499,000	\$0	\$2,176,000	\$0	\$2,122,000	\$0	-\$377,000	\$0	-\$54,000	\$0
47	47	SPD TRANSITION TO MANAGED CARE - CDDS	\$0	\$0	\$1,769,000	\$0	\$1,769,000	\$0	\$1,769,000	\$0	\$0	\$0
48	48	OUTREACH - CHILDREN	\$1,626,000	\$813,000	\$1,626,000	\$813,000	\$1,626,000	\$813,000	\$0	\$0	\$0	\$0
49	49	KIT FOR NEW PARENTS	\$1,719,000	\$0	\$1,398,000	\$0	\$1,504,000	\$0	-\$215,000	\$0	\$106,000	\$0
50	50	FAMILY PACT WAIVER DEMO EVALUATION	\$1,431,000	\$0	\$1,164,000	\$0	\$1,818,000	\$0	\$387,000	\$0	\$654,000	\$0
51	51	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0	\$956,000	\$0	\$0	\$0	\$0	\$0
52	52	FAMILY PACT I&E PROGRAM AND EVALUATION	\$986,000	\$0	\$853,000	\$0	\$782,000	\$0	-\$204,000	\$0	-\$71,000	\$0
54	54	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0	\$651,000	\$0	\$0	\$0	\$0	\$0
55	55	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTI	\$616,000	\$0	\$539,000	\$0	\$533,000	\$0	-\$83,000	\$0	-\$6,000	\$0
57	57	HEALTH-E APP	\$0	\$0	\$190,000	\$0	\$28,000	\$0	\$28,000	\$0	-\$162,000	\$0
58	58	MERIT SYSTEM SERVICES FOR COUNTIES	\$184,000	\$92,000	\$181,000	\$90,500	\$181,000	\$90,500	-\$3,000	-\$1,500	\$0	\$0
59	59	CMIPS II	\$0	\$0	\$96,000	\$96,000	\$99,000	\$99,000	\$99,000	\$99,000	\$3,000	\$3,000
61	61	PIA EYEWEAR COURIER SERVICE	\$256,000	\$128,000	\$290,000	\$145,000	\$268,000	\$134,000	\$12,000	\$6,000	-\$22,000	-\$11,000
		IMMUNIZATION REGISTRY	\$851,000	\$0	\$0	\$0	\$0	\$0	-\$851,000	\$0	\$0	\$0
		IMMUNIZATION REGISTRY IMPROVEMENT - DATA E	\$308,000	\$31,000	\$0	\$0	\$0	\$0	-\$308,000	-\$31,000	\$0	\$0
		OTHER DEPARTMENTS SUBTOTAL	\$740,077,000	\$1,064,000	\$715,781,000	\$1,144,500	\$695,118,000	\$1,136,500	-\$44,959,000	\$72,500	-\$20,663,000	-\$8,000
		OTHER ADMINISTRATION SUBTOTAL	\$1,445,722,000	\$142,455,600	\$1,307,698,000	\$99,580,650	\$1,211,519,000	\$99,652,800	-\$234,203,000	-\$42,802,800	-\$96,179,000	\$72,150

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2011 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2010 ESTIMATE
FISCAL YEAR 2010-11**

GRAND TOTAL ALL ADMIN. ADJUSTMENTS	<u>\$1,582,109,000</u>	<u>\$168,348,600</u>	<u>\$1,388,607,000</u>	<u>\$98,662,150</u>	<u>\$1,308,003,000</u>	<u>\$108,033,800</u>	<u>-\$274,106,000</u>	<u>-\$60,314,800</u>	<u>-\$80,604,000</u>	<u>\$9,371,650</u>
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(1) - If no PC # listed at all then dollars were in Appropriation only.

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2011 ESTIMATE COMPARED TO NOVEMBER 2010 ESTIMATE
FISCAL YEAR 2011-12**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2010 EST. FOR 2011-12		MAY 2011 EST. FOR 2011-12		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS								
1	1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$291,000,000	\$0	\$291,000,000	\$0	\$0	\$0
2	2	CCS CASE MANAGEMENT	\$145,007,000	\$58,735,000	\$144,624,000	\$58,550,000	-\$383,000	-\$185,000
3	3	MH/UCD—HCCI - ADMIN COSTS	\$61,208,000	\$0	\$80,125,000	\$0	\$18,917,000	\$0
4	4	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$0	\$0
5	5	POSTAGE & PRINTING	\$12,846,000	\$6,302,200	\$12,896,000	\$6,327,200	\$50,000	\$25,000
6	6	LITIGATION RELATED SERVICES	\$8,912,000	\$4,456,000	\$9,320,000	\$4,660,000	\$408,000	\$204,000
7	7	COORDINATED CARE MANAGEMENT PILOTS	\$7,451,000	\$3,725,500	\$7,451,000	\$3,725,500	\$0	\$0
8	8	MEDI-CAL SAFETY NET RECOVERY CONTRACT	\$6,831,000	\$1,708,000	\$7,151,000	\$1,788,000	\$320,000	\$80,000
9	9	MIS/DSS CONTRACT	\$7,418,000	\$2,022,250	\$12,594,000	\$3,316,250	\$5,176,000	\$1,294,000
10	10	CA-MMIS TAKEOVER OTHER STATE TRANSITION CO	\$1,188,000	\$316,250	\$4,524,000	\$1,204,250	\$3,336,000	\$888,000
11	11	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$6,799,000	\$2,339,500	\$6,424,000	\$2,198,850	-\$375,000	-\$140,650
12	12	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRA/	\$12,505,000	\$1,500,000	\$12,517,000	\$1,625,850	\$12,000	\$125,850
13	13	ARRA HITECH INCENTIVE PROGRAM	\$6,194,000	\$619,000	\$13,117,000	\$1,311,000	\$6,923,000	\$692,000
15	15	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$0	\$0
16	16	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,000,000	\$500,000	\$1,600,000	\$800,000	\$600,000	\$300,000
17	17	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0
18	18	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$768,000	\$384,000	\$495,000	\$247,500	-\$273,000	-\$136,500
19	19	ENCRYPTION OF PHI DATA	\$200,000	\$100,000	\$200,000	\$100,000	\$0	\$0
20	20	ELECTRONIC ASSET VERIFICATION PROGRAM	\$1,200,000	\$600,000	\$5,200,000	\$2,600,000	\$4,000,000	\$2,000,000
22	22	CCT ENROLLMENT-ADMIN COSTS	\$375,000	\$0	\$400,000	\$0	\$25,000	\$0
25	25	EMILY Q. SPECIAL MASTER	\$60,000	\$30,000	\$20,000	\$10,000	-\$40,000	-\$20,000
26	26	Q5i AUTOMATED DATA SYSTEM ACQUISTION	\$52,000	\$26,000	\$99,000	\$49,500	\$47,000	\$23,500
27	27	EPOCRATES	\$126,000	\$63,000	\$126,000	\$63,000	\$0	\$0
28	28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$176,000	\$88,000	\$176,000	\$88,000	\$0	\$0
29	29	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$200,000	\$100,000	\$100,000	\$50,000	-\$100,000	-\$50,000
30	30	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMEI	\$100,000	\$0	\$100,000	\$0	\$0	\$0
31	31	TAR POSTAGE	\$100,000	\$50,000	\$110,000	\$55,000	\$10,000	\$5,000
32	32	RATE STUDY FOR MAIC AND AAP	\$1,000,000	\$500,000	\$1,000,000	\$500,000	\$0	\$0
33	33	DISEASE MANAGEMENT PROGRAM	\$125,000	\$62,500	\$125,000	\$62,500	\$0	\$0
	14	HIPAA CAPITATION PAYMENT PROJECT	\$0	\$0	\$320,000	\$32,000	\$320,000	\$32,000

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2011 ESTIMATE COMPARED TO NOVEMBER 2010 ESTIMATE
FISCAL YEAR 2011-12**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2010 EST. FOR 2011-12		MAY 2011 EST. FOR 2011-12		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS								
	24	MITA	\$0	\$0	\$225,000	\$22,500	\$225,000	\$22,500
	74	BTR—LIHP - ADMIN COSTS	\$0	\$0	\$166,250,000	\$0	\$166,250,000	\$0
	75	MEDICARE RECOVERY PROJECT CONTRACT	\$0	\$0	\$1,000,000	\$500,000	\$1,000,000	\$500,000
	76	HEALTH CARE OPTIONS CONSULTANT COSTS	\$0	\$0	\$722,000	\$361,000	\$722,000	\$361,000
		CDHS SUBTOTAL	\$608,709,000	\$97,648,450	\$815,879,000	\$103,669,150	\$207,170,000	\$6,020,700
OTHER DEPARTMENTS								
34	34	PERSONAL CARE SERVICES	\$264,653,000	\$0	\$254,220,000	\$0	-\$10,433,000	\$0
35	35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$197,029,000	\$0	\$203,503,000	\$0	\$6,474,000	\$0
36	36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$127,111,000	\$0	\$127,620,000	\$0	\$509,000	\$0
37	37	CDDS ADMINISTRATIVE COSTS	\$33,359,000	\$0	\$57,475,000	\$0	\$24,116,000	\$0
38	38	MATERNAL AND CHILD HEALTH	\$37,947,000	\$0	\$37,751,000	\$0	-\$196,000	\$0
39	39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$22,400,000	\$0	\$19,462,000	\$0	-\$2,938,000	\$0
40	40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN C	\$7,848,000	\$0	\$7,187,000	\$0	-\$661,000	\$0
41	41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$6,796,000	\$0	\$5,070,000	\$0	-\$1,726,000	\$0
42	42	ADMINISTRATIVE COSTS FOR CCT	\$6,537,000	\$0	\$10,288,000	\$0	\$3,751,000	\$0
43	43	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. CO	\$4,600,000	\$0	\$4,604,000	\$0	\$4,000	\$0
44	44	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0
45	45	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,751,000	\$0	\$3,637,000	\$0	-\$114,000	\$0
46	46	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,024,000	\$0	\$2,147,000	\$0	\$123,000	\$0
47	47	SPD TRANSITION TO MANAGED CARE - CDDS	\$1,769,000	\$0	\$1,769,000	\$0	\$0	\$0
48	48	OUTREACH - CHILDREN	\$1,626,000	\$813,000	\$1,626,000	\$813,000	\$0	\$0
49	49	KIT FOR NEW PARENTS	\$2,082,000	\$0	\$1,280,000	\$0	-\$802,000	\$0
50	50	FAMILY PACT WAIVER DEMO EVALUATION	\$1,711,000	\$0	\$1,210,000	\$0	-\$501,000	\$0
51	51	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0	\$0	\$0
52	52	FAMILY PACT I&E PROGRAM AND EVALUATION	\$940,000	\$0	\$811,000	\$0	-\$129,000	\$0
54	54	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0	\$0	\$0
55	55	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTI	\$673,000	\$0	\$508,000	\$0	-\$165,000	\$0
58	58	MERIT SYSTEM SERVICES FOR COUNTIES	\$183,000	\$91,500	\$184,000	\$92,000	\$1,000	\$500

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2011 ESTIMATE COMPARED TO NOVEMBER 2010 ESTIMATE
FISCAL YEAR 2011-12**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2010 EST. FOR 2011-12		MAY 2011 EST. FOR 2011-12		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS								
60		PUBLIC HEALTH MONITORING SYSTEM	\$1,146,000	\$0	\$0	\$0	-\$1,146,000	\$0
61	61	PIA EYEWEAR COURIER SERVICE	\$307,000	\$153,500	\$383,000	\$191,500	\$76,000	\$38,000
	57	HEALTH-E APP	\$0	\$0	\$21,000	\$0	\$21,000	\$0
OTHER DEPARTMENTS SUBTOTAL			\$730,299,000	\$1,058,000	\$746,563,000	\$1,096,500	\$16,264,000	\$38,500
OTHER ADMINISTRATION SUBTOTAL			\$1,339,008,000	\$98,706,450	\$1,562,442,000	\$104,765,650	\$223,434,000	\$6,059,200
GRAND TOTAL ALL ADMIN. ADJUSTMENTS			\$1,414,570,000	\$96,303,450	\$1,609,578,000	\$90,941,650	\$195,008,000	-\$5,361,800

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2010-11 AND 2011-12**

MAY PC#	POLICY CHANGE TITLE	MAY 2011 EST. FOR 2010-11		MAY 2011 EST. FOR 2011-12		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS							
1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$234,502,000	\$0	\$291,000,000	\$0	\$56,498,000	\$0
2	CCS CASE MANAGEMENT	\$141,380,000	\$57,240,000	\$144,624,000	\$58,550,000	\$3,244,000	\$1,310,000
3	MH/UCD—HCCI - ADMIN COSTS	\$28,899,000	\$0	\$80,125,000	\$0	\$51,226,000	\$0
4	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$0	\$0
5	POSTAGE & PRINTING	\$12,759,000	\$6,258,700	\$12,896,000	\$6,327,200	\$137,000	\$68,500
6	LITIGATION RELATED SERVICES	\$9,664,000	\$4,832,000	\$9,320,000	\$4,660,000	-\$344,000	-\$172,000
7	COORDINATED CARE MANAGEMENT PILOTS	\$8,708,000	\$4,354,000	\$7,451,000	\$3,725,500	-\$1,257,000	-\$628,500
8	MEDI-CAL SAFETY NET RECOVERY CONTRACT	\$8,179,000	\$2,045,000	\$7,151,000	\$1,788,000	-\$1,028,000	-\$257,000
9	MIS/DSS CONTRACT	\$7,321,000	\$1,998,000	\$12,594,000	\$3,316,250	\$5,273,000	\$1,318,250
10	CA-MMIS TAKEOVER OTHER STATE TRANSITION COST	\$6,805,000	\$1,811,000	\$4,524,000	\$1,204,250	-\$2,281,000	-\$606,750
11	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$6,118,000	\$2,094,350	\$6,424,000	\$2,198,850	\$306,000	\$104,500
12	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRACT	\$4,500,000	\$1,197,500	\$12,517,000	\$1,625,850	\$8,017,000	\$428,350
13	ARRA HITECH INCENTIVE PROGRAM	\$4,431,000	\$443,000	\$13,117,000	\$1,311,000	\$8,686,000	\$868,000
14	HIPAA CAPITATION PAYMENT PROJECT	\$1,580,000	\$158,000	\$320,000	\$32,000	-\$1,260,000	-\$126,000
15	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$0	\$0
16	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,600,000	\$800,000	\$1,600,000	\$800,000	\$0	\$0
17	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0
18	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$471,000	\$235,500	\$495,000	\$247,500	\$24,000	\$12,000
19	ENCRYPTION OF PHI DATA	\$684,000	\$342,000	\$200,000	\$100,000	-\$484,000	-\$242,000
20	ELECTRONIC ASSET VERIFICATION PROGRAM	\$0	\$0	\$5,200,000	\$2,600,000	\$5,200,000	\$2,600,000
21	SPD EDUCATION AND OUTREACH	\$327,000	\$163,500	\$0	\$0	-\$327,000	-\$163,500
22	CCT ENROLLMENT-ADMIN COSTS	\$200,000	\$0	\$400,000	\$0	\$200,000	\$0
23	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$300,000	\$150,000	\$0	\$0	-\$300,000	-\$150,000
24	MITA	\$75,000	\$7,500	\$225,000	\$22,500	\$150,000	\$15,000
25	EMILY Q. SPECIAL MASTER	\$171,000	\$85,500	\$20,000	\$10,000	-\$151,000	-\$75,500
26	Q5i AUTOMATED DATA SYSTEM ACQUISTION	\$161,000	\$80,500	\$99,000	\$49,500	-\$62,000	-\$31,000
27	EPOCRATES	\$74,000	\$37,000	\$126,000	\$63,000	\$52,000	\$26,000

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2010-11 AND 2011-12**

MAY PC#	POLICY CHANGE TITLE	MAY 2011 EST. FOR 2010-11		MAY 2011 EST. FOR 2011-12		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS							
28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$124,000	\$62,000	\$176,000	\$88,000	\$52,000	\$26,000
29	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$86,000	\$43,000	\$100,000	\$50,000	\$14,000	\$7,000
30	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT	\$100,000	\$0	\$100,000	\$0	\$0	\$0
31	TAR POSTAGE	\$110,000	\$55,000	\$110,000	\$55,000	\$0	\$0
32	RATE STUDY FOR MAIC AND AAP	\$0	\$0	\$1,000,000	\$500,000	\$1,000,000	\$500,000
33	DISEASE MANAGEMENT PROGRAM	\$1,204,000	\$602,000	\$125,000	\$62,500	-\$1,079,000	-\$539,500
74	BTR—LIHP - ADMIN COSTS	\$0	\$0	\$166,250,000	\$0	\$166,250,000	\$0
75	MEDICARE RECOVERY PROJECT CONTRACT	\$0	\$0	\$1,000,000	\$500,000	\$1,000,000	\$500,000
76	HEALTH CARE OPTIONS CONSULTANT COSTS	\$0	\$0	\$722,000	\$361,000	\$722,000	\$361,000
	CDHS SUBTOTAL	\$516,401,000	\$98,516,300	\$815,879,000	\$103,669,150	\$299,478,000	\$5,152,850
OTHER DEPARTMENTS							
34	PERSONAL CARE SERVICES	\$240,515,000	\$0	\$254,220,000	\$0	\$13,705,000	\$0
35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$201,408,000	\$0	\$203,503,000	\$0	\$2,095,000	\$0
36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$123,759,000	\$0	\$127,620,000	\$0	\$3,861,000	\$0
37	CDDS ADMINISTRATIVE COSTS	\$34,932,000	\$0	\$57,475,000	\$0	\$22,543,000	\$0
38	MATERNAL AND CHILD HEALTH	\$32,660,000	\$0	\$37,751,000	\$0	\$5,091,000	\$0
39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$23,310,000	\$0	\$19,462,000	\$0	-\$3,848,000	\$0
40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COS	\$7,547,000	\$0	\$7,187,000	\$0	-\$360,000	\$0
41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,779,000	\$0	\$5,070,000	\$0	\$291,000	\$0
42	ADMINISTRATIVE COSTS FOR CCT	\$2,000,000	\$0	\$10,288,000	\$0	\$8,288,000	\$0
43	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS	\$4,416,000	\$0	\$4,604,000	\$0	\$188,000	\$0
44	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0
45	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,255,000	\$0	\$3,637,000	\$0	\$382,000	\$0
46	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,122,000	\$0	\$2,147,000	\$0	\$25,000	\$0
47	SPD TRANSITION TO MANAGED CARE - CDDS	\$1,769,000	\$0	\$1,769,000	\$0	\$0	\$0
48	OUTREACH - CHILDREN	\$1,626,000	\$813,000	\$1,626,000	\$813,000	\$0	\$0

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2010-11 AND 2011-12**

MAY PC#	POLICY CHANGE TITLE	MAY 2011 EST. FOR 2010-11		MAY 2011 EST. FOR 2011-12		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS							
49	KIT FOR NEW PARENTS	\$1,504,000	\$0	\$1,280,000	\$0	-\$224,000	\$0
50	FAMILY PACT WAIVER DEMO EVALUATION	\$1,818,000	\$0	\$1,210,000	\$0	-\$608,000	\$0
51	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0	\$0	\$0
52	FAMILY PACT I&E PROGRAM AND EVALUATION	\$782,000	\$0	\$811,000	\$0	\$29,000	\$0
54	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0	\$0	\$0
55	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH	\$533,000	\$0	\$508,000	\$0	-\$25,000	\$0
57	HEALTH-E APP	\$28,000	\$0	\$21,000	\$0	-\$7,000	\$0
58	MERIT SYSTEM SERVICES FOR COUNTIES	\$181,000	\$90,500	\$184,000	\$92,000	\$3,000	\$1,500
59	CMIPS II	\$99,000	\$99,000	\$0	\$0	-\$99,000	-\$99,000
61	PIA EYEWEAR COURIER SERVICE	\$268,000	\$134,000	\$383,000	\$191,500	\$115,000	\$57,500
	OTHER DEPARTMENTS SUBTOTAL	\$695,118,000	\$1,136,500	\$746,563,000	\$1,096,500	\$51,445,000	-\$40,000
	OTHER ADMINISTRATION SUBTOTAL	\$1,211,519,000	\$99,652,800	\$1,562,442,000	\$104,765,650	\$350,923,000	\$5,112,850
	GRAND TOTAL COUNTY AND OTHER ADMIN.	\$1,308,003,000	\$108,033,800	\$1,609,578,000	\$90,941,650	\$301,575,000	-\$17,092,150

**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	MH/UCD—HCCI - ADMIN COSTS
4	EPSDT CASE MANAGEMENT
5	POSTAGE & PRINTING
6	LITIGATION RELATED SERVICES
7	COORDINATED CARE MANAGEMENT PILOTS
8	MEDI-CAL SAFETY NET RECOVERY CONTRACT
9	MIS/DSS CONTRACT
10	CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS
11	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)
12	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRACTORS
13	ARRA HITECH INCENTIVE PROGRAM
14	HIPAA CAPITATION PAYMENT PROJECT
15	MMA - DSH ANNUAL INDEPENDENT AUDIT
16	SSA COSTS FOR HEALTH COVERAGE INFO.
17	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES
18	POSTAGE AND PRINTING - THIRD PARTY LIAB.
19	ENCRYPTION OF PHI DATA
20	ELECTRONIC ASSET VERIFICATION PROGRAM
21	SPD EDUCATION AND OUTREACH
22	CCT ENROLLMENT-ADMIN COSTS
23	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS
24	MITA
25	EMILY Q. SPECIAL MASTER
26	Q5i AUTOMATED DATA SYSTEM ACQUISITION
27	EPOCRATES
28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION
29	KATIE A. V. DIANA BONTA SPECIAL MASTER
30	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT
31	TAR POSTAGE
32	RATE STUDY FOR MAIC AND AAP
33	DISEASE MANAGEMENT PROGRAM
74	BTR—LIHP - ADMIN COSTS
75	MEDICARE RECOVERY PROJECT CONTRACT
76	HEALTH CARE OPTIONS CONSULTANT COSTS

**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	CDDS ADMINISTRATIVE COSTS
38	MATERNAL AND CHILD HEALTH
39	PUBLIC HEALTH NURSES FOR FOSTER CARE
40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COSTS
41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST
42	ADMINISTRATIVE COSTS FOR CCT
43	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS
44	CLPP CASE MANAGEMENT SERVICES
45	DEPARTMENT OF AGING ADMINISTRATIVE COSTS
46	SINGLE POINT OF ENTRY - MEDI-CAL/HFP
47	SPD TRANSITION TO MANAGED CARE - CDDS
48	OUTREACH - CHILDREN
49	KIT FOR NEW PARENTS
50	FAMILY PACT WAIVER DEMO EVALUATION
51	VETERANS BENEFITS
52	FAMILY PACT I&E PROGRAM AND EVALUATION
54	CHHS AGENCY HIPAA FUNDING
55	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH
57	HEALTH-E APP
58	MERIT SYSTEM SERVICES FOR COUNTIES
59	CMIPS II
61	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

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$234,502,000	\$291,000,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$234,502,000	\$291,000,000

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. On March 5, 2010, CMS approved California's Tribal MAA direct contract for non-transportation MAA activities.

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.

	FY 2010-11	FY 2011-12
Cash Basis Claims	\$234,502,000	\$291,000,000

CCS CASE MANAGEMENT

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

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$141,380,000	\$144,624,000
STATE FUNDS	\$57,240,000	\$58,550,000
FEDERAL FUNDS	\$84,140,000	\$86,074,000

DESCRIPTION

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

Assumption:

- For FY 2010-11, the CCS case management costs are based on budgeted county expenditures of \$134,940,000 and a caseload increase of 3.09% from FY 2009-10 to FY 2010-11 based on the May 2010 Estimate.

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

- For FY 2011-12, caseload is expected to increase 2.33% from FY 2010-11 to FY 2011-12 based on the May 2011 Estimate.

$$\$139,109,000 \times (1+2.33\%) = \$142,353,000$$

- County data processing costs associated with CMS Net are estimated to be \$1,535,000 in FY 2010-11 and \$1,535,000 in FY 2011-12.
- AB 1745 (Chapter 33, Statutes of 2006) requires the Department to conduct a waiver pilot project to determine whether pediatric palliative care should be provided as a benefit under the Medi-Cal program. The FY 2010-11 budget includes funding for 5 Nurse Liaison FTEs who are currently serving 9 counties under the pilot. In FY 2011-12, the budget will remain the same.

	FY 2010-11	FY 2011-12
CCS Case Management	\$139,109,000	\$142,353,000
CCS PPC Nurse Liaisons	\$736,000	\$736,000
Subtotal	\$139,845,000	\$143,088,000
CMS Net	\$1,535,000	\$1,535,000
Total	\$141,380,000	\$144,624,000

MH/UCD—HCCI - ADMIN COSTS

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

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$28,899,000	\$80,125,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$28,899,000	\$80,125,000

DESCRIPTION

This Policy Change budgets the administrative costs associated with the Health Care Coverage Initiative (HCCI) under the section 1115(a) Medi-Cal Hospital/Uninsured Care Demonstration (MH/UCD).

Under the Special Terms and Conditions of the MH/UCD, \$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 HCCI 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. The Department will use the counties' CPEs of their HCCI administrative costs to draw down federal funds and will distribute these federal funds to the HCCI counties.

The MH/UCD expired on August 31, 2010, and was extended through October 31, 2010. The California Bridge to Reform section 1115(a) Medicaid Demonstration (BTR) was approved by CMS effective November 1, 2010. The new Demonstration modifies the existing Health Care Coverage Initiative. Administrative costs related to the BTR—Low Income Health Program are included in the policy change BTR—LIHP - Admin Costs.

FY 2010-11	<u>Total</u>	<u>FF</u>
2008-09	\$28,899,000	\$28,899,000
FY 2011-12		
2007-08	\$20,000,000	\$20,000,000
2008-09	\$25,000,000	\$25,000,000
2009-10	\$35,125,000	\$35,125,000
Total	<u>\$80,125,000</u>	<u>\$80,125,000</u>

EPSDT CASE MANAGEMENT

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

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
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)	<u>TF</u>	<u>GF</u>	<u>FFP</u>
Original Allocation	\$37,464	\$13,190	\$35,274
Reduction	- 3,746	- 1,319	- 2,427
New Allocation	\$33,718	\$11,871	\$21,847

POSTAGE & PRINTING

OTHER ADMIN. POLICY CHANGE NUMBER: 5
 IMPLEMENTATION DATE: 7/1993
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 231

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$12,759,000	\$12,896,000
STATE FUNDS	\$6,258,700	\$6,327,200
FEDERAL FUNDS	\$6,500,300	\$6,568,800

DESCRIPTION

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

FY 2010-11	<u>Printing</u>	<u>Mailing</u>	<u>Total</u>
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
State Eligibility Program	\$9,000	\$3,500	\$12,500
Incarceration Verification Program	\$39,000	\$12,000	\$51,000
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	<u>\$2,750,000</u>	<u>\$10,008,500</u>	\$12,758,500
FY 2011-12	<u>Printing</u>	<u>Mailing</u>	<u>Total</u>
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	\$154,000	\$46,000	\$200,000
State Eligibility Program	\$38,000	\$12,000	\$50,000
Incarceration Verification Program	\$39,000	\$12,000	\$51,000
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	<u>\$2,856,000</u>	<u>\$10,040,000</u>	\$12,896,000

POSTAGE & PRINTING**OTHER ADMIN. POLICY CHANGE NUMBER: 5**

*65% budgeted in Title XXI.

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

FY 2011-12: 4260-113-0001 (\$288,000) + 4260-113-0890 (\$534,000) = \$822,000

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

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

FY 2011-12: \$15,000 X .35 = \$5,250

LITIGATION RELATED SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 6
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 1381

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$9,664,000	\$9,320,000
STATE FUNDS	\$4,832,000	\$4,660,000
FEDERAL FUNDS	\$4,832,000	\$4,660,000

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 2010-11		FY 2011-12	
	TF	GF	TF	GF
Litigation Representation	\$7,564,000	\$3,782,000	\$8,320,000	\$4,160,000
Consulting Actuaries	\$2,100,000	\$1,050,000	\$1,000,000	\$500,000
Total	\$9,664,000	\$4,832,000	\$9,320,000	\$4,660,000

COORDINATED CARE MANAGEMENT PILOTS

OTHER ADMIN. POLICY CHANGE NUMBER: 7
 IMPLEMENTATION DATE: 2/2010
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1125

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$8,708,000	\$7,451,000
STATE FUNDS	\$4,354,000	\$3,725,500
FEDERAL FUNDS	\$4,354,000	\$3,725,500

DESCRIPTION

The Budget Act of 2006 provided authority and funding for staff for the Department to establish and implement a Coordinated Care Management (CCM) Pilot Program. The key elements of the CCM Pilot 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:

- CCM 1 - Seniors and persons with disabilities (SPDs) who have chronic conditions, or who may be seriously ill and near the end of life; and
- CCM 2 - Persons with chronic health condition(s) and serious mental illnesses (SMIs).

The Department entered into two contracts to implement the CCM Pilot Program. CCM 1 began operations in January 2010, with payments for services beginning in February 2010. CCM 2 began operations in April 2010, and payments for services are expected to begin in FY 2010-11.

	TF	GF
FY 2009-10 CCM 1 Retro	\$786,000	\$393,000
FY 2009-10 CCM 2 Retro	\$134,000	\$67,000
FY 2010-11	\$7,788,000	\$3,894,000
FY 2010-11 Total Costs	\$8,708,000	\$4,354,000
FY 2011-12	\$7,451,000	\$3,725,500

MEDI-CAL SAFETY NET RECOVERY CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 8
 IMPLEMENTATION DATE: 2/2008
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 1551

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$8,179,000	\$7,151,000
STATE FUNDS	\$2,045,000	\$1,788,000
FEDERAL FUNDS	\$6,134,000	\$5,363,000

DESCRIPTION

The Department contracts with vendors to identify recipients with third party health insurance coverage and workers' compensation insurance. Since Medi-Cal is the payer of last resort, other health plans must first be billed before the Medi-Cal program. The contracts provide: 1) data matches between the Department's Medi-Cal Recipient Eligibility file and the contractor's policy holder/subscriber file; 2) identification and recovery of Medi-Cal expenditures in workers' compensation actions; 3) identification of private/group health coverage and the recovery of Medi-Cal expenditures when the private/group health coverage is the primary payer; 4) online access to research database services for public records of Medi-Cal recipients; and 5) cost avoidance activities. When such insurance is identified, the vendor retroactively bills the third party to recover Medi-Cal paid claims. Payment to the vendor is contingent upon recoveries. Recoveries due to workers' compensation vendor activities are budgeted in the Base Recoveries policy change. Recoveries due to health insurance vendor activities are incorporated into the base estimate.

The current contract for health insurance began January 1, 2009 and ends December 31, 2011. The Department expects to extend this contract. The workers' compensation contract began February 1, 2008 and ended January 31, 2011. The Department executed a one year extension for the workers' compensation contract through January 31, 2012.

The FY 2010-11 budgeted amounts for health insurance contract costs reflect \$1,398,000 of payments for FY 2009-10.

	TF	FFP	GF
FY 2010-11			
Health Insurance	\$7,479,000	\$5,609,000	\$1,870,000
Workers' Compensation	\$700,000	\$525,000	\$175,000
Total Costs	\$8,179,000	\$6,134,000	\$2,045,000
FY 2011-12			
Health Insurance	\$6,400,000	\$4,800,000	\$1,600,000
Workers' Compensation	\$750,000	\$562,000	\$188,000
Total Costs	\$7,150,000	\$5,362,000	\$1,788,000

MIS/DSS CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 9
 IMPLEMENTATION DATE: 7/2002
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 252

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$7,321,000	\$12,594,000
STATE FUNDS	\$1,998,000	\$3,316,250
FEDERAL FUNDS	\$5,323,000	\$9,277,750

DESCRIPTION

The Management Information System/Decision Support System (MIS/DSS) houses data from provider, financial, eligibility and managed care/fee-for-service encounters and claims and incorporates it 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, 2014. The services contracted are not available within civil service or are of a highly specialized or technical nature that the necessary expert knowledge, experience, and ability are not available through the civil service system.

Effective July 1, 2008 to June 30, 2011, the operations costs for MIS/DSS Contract were reduced by 25%. Effective July 1, 2011, restoration of full funding is required to meet the increased operational service and data volume demands, while ensuring compliance with new security and OTECH standards.

FY 2010-11 and FY 2011-12 additional costs include expenditure increases not budgeted in the ongoing operations line item. Fixed costs include costs for licensing, software, annual hardware maintenance fees, monthly maintenance, operations and administration costs. Additional costs include help desk and training costs. Variable costs include analytic and maintenance request costs.

FY 2010-11

	Total	GF	FFP
Contract Costs	\$8,241,000	\$2,060,000	\$6,181,000
25% Reduction	-\$2,060,000	-\$515,000	-\$1,545,000
Total	\$6,181,000	\$1,545,000	\$4,636,000

	Total	GF	FFP
Fixed Costs	\$5,936,000	\$1,484,000	\$4,452,000
Additional Costs	\$671,000	\$335,500	\$335,500
Variable Costs	\$714,000	\$178,500	\$535,500
Total Operating Costs	\$7,321,000	\$1,998,000	\$5,323,000

MIS/DSS CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 9

FY 2011-12**Accrual Basis:**

	<u>Total</u>	<u>GF</u>	<u>FFP</u>
Contract Costs	\$9,890,000	\$2,472,500	\$7,417,500
Total	\$9,890,000	\$2,472,500	\$7,417,500

Cash Basis:

	<u>Total</u>	<u>GF</u>	<u>FFP</u>
Fixed Costs	\$6,757,000	\$1,689,000	\$5,068,000
Additional Costs	\$671,000	\$335,500	\$335,500
Variable Costs	\$5,166,000	\$1,291,500	\$3,874,500
Total Operating Costs	\$12,594,000	\$3,316,000	\$9,278,000

CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 10
 IMPLEMENTATION DATE: 5/2010
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1322

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$6,805,000	\$4,524,000
STATE FUNDS	\$1,811,000	\$1,204,250
FEDERAL FUNDS	\$4,994,000	\$3,319,750

DESCRIPTION

CA-MMIS is the medical claims processing system used for Medi-Cal. The current FI contract is scheduled to end on June 30, 2011. The Department plans to extend the term of the current contract past the June 30, 2011 expiration date through a contract amendment utilizing a non-competitive bid justification. CA-MMIS Takeover activities 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 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 approximately twelve Information Technology contracts to support the two environments during the Takeover of the existing system. This transition began in FY 2009-10. 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.

MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)

OTHER ADMIN. POLICY CHANGE NUMBER: 11
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Laura Swift
 FISCAL REFERENCE NUMBER: 1441

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$6,118,000	\$6,424,000
STATE FUNDS	\$2,094,350	\$2,198,850
FEDERAL FUNDS	\$4,023,650	\$4,225,150

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 2010-11	\$1,758	\$4,024	\$336	\$6,118
FY 2011-12	\$1,846	\$4,225	\$353	\$6,424

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

CA-MMIS REPLACEMENT AND OVERSIGHT CONTRACTORS

OTHER ADMIN. POLICY CHANGE NUMBER: 12
 IMPLEMENTATION DATE: 10/2007
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1278

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$4,500,000	\$12,517,000
STATE FUNDS	\$1,197,500	\$1,625,850
FEDERAL FUNDS	\$3,302,500	\$10,891,150

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 contracts 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.

ARRA HITECH INCENTIVE PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 13
 IMPLEMENTATION DATE: 12/2009
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1370

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$4,431,000	\$13,117,000
STATE FUNDS	\$443,000	\$1,311,000
FEDERAL FUNDS	\$3,988,000	\$11,806,000

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 \$45 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.

The Department is required by CMS to assess the current usage of, and barriers to the EHR adoption by providers and hospitals prior to implementing EHR. Multiple contractors are required in order to complete the assessments. In addition to the assessments, ACS will be developing an enrollment and eligibility portal for Medi-Cal professionals and hospitals.

This policy change budgets the administrative costs associated with the implementation of the HITECH Incentive 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 contractors began in December 2009.
2. Costs for FY 2010-11 and FY 2011-12 are estimated to be:

	DHCS FFP	CHCF Reimbursement*	Total
FY 2010-11	\$3,988,000	\$443,000	\$4,431,000
FY 2011-12	\$11,806,000	\$1,311,000	\$13,117,000

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

HIPAA CAPITATION PAYMENT PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 14
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1318

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$1,580,000	\$320,000
STATE FUNDS	\$158,000	\$32,000
FEDERAL FUNDS	\$1,422,000	\$288,000

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.

FY 2010-11: \$1,580,000 TF (\$158,000 GF)
FY 2011-12: \$320,000 TF (\$32,000 GF)

MMA - DSH ANNUAL INDEPENDENT AUDIT

OTHER ADMIN. POLICY CHANGE NUMBER: 15
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 266

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$1,200,000	\$1,200,000
STATE FUNDS	\$600,000	\$600,000
FEDERAL FUNDS	\$600,000	\$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 regulation and criteria for the annual certified audit in 2008. Each year's annual audit and report is due to CMS by December 31.

Assumptions:

1. Each fiscal year, all auditing activity will cost \$1,200,000 (\$600,000 GF).
2. In FY 2010-11, the Department will make final payments for the audits of the 2004-05, 2005-06, and 2006-07 DSH years.
3. In late FY 2010-11, the Department will make partial payment for the 2007-08 audit with the final payment expected to be made in FY 2011-12.
4. In late FY 2011-12, the Department will make partial payment for the FY 2008-09 audit.

SSA COSTS FOR HEALTH COVERAGE INFO.

OTHER ADMIN. POLICY CHANGE NUMBER: 16
 IMPLEMENTATION DATE: 1/1989
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 237

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$1,600,000	\$1,600,000
STATE FUNDS	\$800,000	\$800,000
FEDERAL FUNDS	\$800,000	\$800,000

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 2010-11	FY 2011-12
SSA Total Funds	\$1,600,000	\$1,600,000
General Funds	\$800,000	\$800,000

SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES

OTHER ADMIN. POLICY CHANGE NUMBER: 17
IMPLEMENTATION DATE: 7/2002
ANALYST: Calah Frazier
FISCAL REFERENCE NUMBER: 258

	<u>FY 2010-11</u>	<u>FY 2011-12</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 2010-11 and FY 2011-12.

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
Administrative Activities	\$950,000	\$950,000

POSTAGE AND PRINTING - THIRD PARTY LIAB.

OTHER ADMIN. POLICY CHANGE NUMBER: 18
 IMPLEMENTATION DATE: 7/1996
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 240

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$471,000	\$495,000
STATE FUNDS	\$235,500	\$247,500
FEDERAL FUNDS	\$235,500	\$247,500

DESCRIPTION

The Department 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.

Beginning in FY 2010-11, all forms related to Medicare Operations are available online. Also, the Department no longer sends out correspondence related to other Health Coverage activities, therefore, there will be no printing and postage costs for these activities.

FY 2010-11	<u>Postage</u>	<u>Printing</u>	<u>Total</u>
Other Health Coverage	\$0	\$0	\$0
Personal Injury	\$88,900	\$29,500	\$118,400
Estate Recovery	\$113,700	\$137,800	\$251,500
Overpayments	\$9,300	\$1,300	\$10,600
Medicare Operations	\$0	\$0	\$0
Cost Avoidance	\$22,900	\$39,000	\$61,900
*AB 155 Invoices	\$23,700	\$4,900	\$28,600
Total	\$258,500	\$212,500	\$471,000 (rounded)
FY 2011-12	<u>Postage</u>	<u>Printing</u>	<u>Total</u>
Other Health Coverage	\$0	\$0	\$0
Personal Injury	\$93,300	\$31,000	\$124,300
Estate Recovery	\$119,400	\$144,700	\$264,100
Overpayments	\$9,800	\$1,400	\$11,200
Medicare Operations	\$0	0	\$0
Cost Avoidance	\$24,000	\$41,000	\$65,000
*AB 155 Invoices	\$24,900	\$5,100	\$30,000
Total	\$271,400	\$223,200	\$495,000 (rounded)

*AB 155 (Chapter 820 Statutes of 1999) requires invoicing for premiums for the 250% Working Disabled Program.

ENCRYPTION OF PHI DATA

OTHER ADMIN. POLICY CHANGE NUMBER: 19
 IMPLEMENTATION DATE: 5/2010
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1452

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$684,000	\$200,000
STATE FUNDS	\$342,000	\$100,000
FEDERAL FUNDS	\$342,000	\$100,000

DESCRIPTION

The Department has acquired 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.

The equipment purchase was made in FY 2009-10, but payment will be made in FY 2010-11. In addition, this policy change budgets the ongoing costs to purchase new tapes and replacement drives.

	FY 2010-11	FY 2011-12
Initial Purchase Costs	\$484,000	\$0
Ongoing Costs	\$200,000	\$200,000
Total	\$684,000	\$200,000

ELECTRONIC ASSET VERIFICATION PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 20
 IMPLEMENTATION DATE: 7/2011
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1376

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$0	\$5,200,000
STATE FUNDS	\$0	\$2,600,000
FEDERAL FUNDS	\$0	\$2,600,000

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 electronic 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 third party 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 provide additional supporting documentation of the discovered assets or property as a condition of eligibility. Savings/cost avoidance will be achieved to the extent that the supplemental data increases the accuracy of eligibility determinations for the ABD population.

Reimbursements will be made to financial institutions for providing asset information to the third party vendor.

Assumptions:

1. There will be \$1,200,000 start-up costs in FY 2011-12.
2. The contract for asset verification services is expected to cost \$1,100,000 per year for ongoing operations.
3. Additional costs for reimbursements to financial institutions are estimated to be \$2,900,000 per year.

	FY 2011-12
Costs	
Start-up	\$1,200,000
Ongoing Operations	\$1,100,000
Reimbursements	\$2,900,000
Total	\$5,200,000

SPD EDUCATION AND OUTREACH

OTHER ADMIN. POLICY CHANGE NUMBER: 21
 IMPLEMENTATION DATE: 6/2007
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 1081

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$327,000	\$0
STATE FUNDS	\$163,500	\$0
FEDERAL FUNDS	\$163,500	\$0

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 (IA) for education and outreach activities to increase the voluntary enrollment of Medi-Cal SPDs in all managed care counties.

The Department entered into an interagency agreement (IA) with UC Berkeley for the development of a guide as part of education and outreach activities to increase the voluntary enrollment of Medi-Cal SPDs in all managed care counties. Because SPDs will be required to enroll in managed care plans, including in GMC and Two-Plan counties, UC Berkeley has developed the education and outreach material that will be used for the Medi-Cal SPDs' conversion to mandatory enrollment status.

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 \$2,461,000 (\$1,230,500 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	\$327,000
Total	\$2,461,000

CCT ENROLLMENT-ADMIN COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 22
 IMPLEMENTATION DATE: 4/2011
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1556

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$200,000	\$400,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$200,000	\$400,000

DESCRIPTION

This policy change reflects the federal funding awarded to the Department by CMS to cover administrative costs needed to increase the California Community Transitions (CCT) enrollment. Pursuant to the Patient Protection and Affordable Care Act, the Department was approved on September 3, 2010 for \$750,000 in Money Follows the Person (MFP) Rebalancing Demonstration supplemental grant funding to implement an assessment tool to improve the ability of SNFs/NFs, States, and other qualified entities to identify individuals who are interested in returning to the community. The Department will collaborate with the Aging and Disability Resources Connection (ADRC) programs, CCT lead organizations, and other community-based providers to increase CCT enrollment. The costs will be 100 percent federally funded.

Estimated Costs:

	<u>FFP</u>	<u>TF</u>
FY 2010-11	\$200,000	\$200,000
FY 2011-12	\$400,000	\$400,000
FY 2012-13	\$150,000	\$150,000

RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS

OTHER ADMIN. POLICY CHANGE NUMBER: 23
 IMPLEMENTATION DATE: 4/2011
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1484

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$300,000	\$0
STATE FUNDS	\$150,000	\$0
FEDERAL FUNDS	\$150,000	\$0

DESCRIPTION

The Health Trailer Bill of 2010 established a new reimbursement rate methodology for physician-administered drugs that requires such drugs to be reimbursed consistent with the Medi-Cal rate of payment for non-physician-administered pharmaceuticals beginning September 2011. To ensure these rates are in compliance with certain provisions of federal law, the Department must perform a study of the new reimbursement methodology.

Assumptions:

1. The contractor was hired in March 2011.
2. Payments will begin in April 2011.
3. The estimated one-time contractor cost is **\$300,000 TF (\$150,000 GF) in FY 2010-11.**

MITA

OTHER ADMIN. POLICY CHANGE NUMBER: 24
 IMPLEMENTATION DATE: 1/2011
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1137

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$75,000	\$225,000
STATE FUNDS	\$7,500	\$22,500
FEDERAL FUNDS	\$67,500	\$202,500

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 December 31, 2011. The Department is currently developing EA at the Agency level to address MITA EA activities.

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
Phase 1	\$0	\$0
Phase 2	\$0	\$0
Phase 3	\$75,000	\$225,000
Total	\$75,000	\$225,000

EMILY Q. SPECIAL MASTER

OTHER ADMIN. POLICY CHANGE NUMBER: 25
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 1298

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$171,000	\$20,000
STATE FUNDS	\$85,500	\$10,000
FEDERAL FUNDS	\$85,500	\$10,000

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. The Special Master appointment is scheduled to end May 6, 2011. Final payment will be made in FY 2011-12.

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
Special Master	\$171,000	\$20,000

Q5i AUTOMATED DATA SYSTEM ACQUISITION

OTHER ADMIN. POLICY CHANGE NUMBER: 26
 IMPLEMENTATION DATE: 3/2011
 ANALYST: Laura Swift
 FISCAL REFERENCE NUMBER: 1440

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$161,000	\$99,000
STATE FUNDS	\$80,500	\$49,500
FEDERAL FUNDS	\$80,500	\$49,500

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 unsupported, 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 March 2011. A contract will be required for maintenance and system support costs. There will be a one-time cost for the purchase of the system in FY 2010-11 in addition to ongoing data center services and support costs.

	FY 2010-11		FY 2011-12	
	TF	GF	TF	GF
System Cost	\$132,000	\$66,000	\$0	\$0
Ongoing Cost	\$29,000	\$14,500	\$99,000	\$49,000
	\$161,000	\$80,500	\$99,000	\$49,000

EPOCRATES

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

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$74,000	\$126,000
STATE FUNDS	\$37,000	\$63,000
FEDERAL FUNDS	\$37,000	\$63,000

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 lists and 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 CDL available via Epocrates, the Department 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.

The current contract began in December 2010 and expires in July 2012.

Fiscal Year	Expenditures
FY 2010-11 Total	\$74,000
FY 2011-12 Total	\$ 126,000

PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 28
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1335

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$124,000	\$176,000
STATE FUNDS	\$62,000	\$88,000
FEDERAL FUNDS	\$62,000	\$88,000

DESCRIPTION

This policy change budgets for the costs associated with an evaluation of the Pediatric Palliative Care Waiver Pilot Project. 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 April 1, 2009 through March 31, 2012. The waiver was implemented and began enrollment on January 1, 2010.

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 began in July 2010.

Waiver Evaluation Project Scheduled Costs:

FY 2010-11: \$124,000
FY 2011-12: \$176,000
 FY 2012-13: \$186,000
 FY 2013-14: \$172,000
 FY 2014-15: \$ 42,000

KATIE A. V. DIANA BONTA SPECIAL MASTER

OTHER ADMIN. POLICY CHANGE NUMBER: 29
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 1453

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$86,000	\$100,000
STATE FUNDS	\$43,000	\$50,000
FEDERAL FUNDS	\$43,000	\$50,000

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 engage in further meeting with the court appointed Special Master. These meetings ended as scheduled in November 2010. However, it is anticipated that the judge will extend the meetings into FY 2011-12. The Special Master is being funded by the Department and the California Department of Social Services.

CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 30
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Jade Li
 FISCAL REFERENCE NUMBER: 1388

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$100,000	\$100,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$100,000	\$100,000

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 2010-11, the Medi-Cal CCS County Administration Case Management allocation which funds these reimbursements is \$139,109,000 TF. For FY 2011-12, the allocation is \$142,353,000 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. In FY 2009-10, \$76,586 of Title XIX funds was expended. It is assumed that \$100,000 of Title XIX funds will be drawn down with counties' CPEs in FY 2010-11 and FY 2011-12.

	FFP
FY 2010-11	\$100,000
FY 2011-12	\$100,000

TAR POSTAGE

OTHER ADMIN. POLICY CHANGE NUMBER: 31
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 267

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$110,000	\$110,000
STATE FUNDS	\$55,000	\$55,000
FEDERAL FUNDS	\$55,000	\$55,000

DESCRIPTION

This policy change budgets postage costs for Medi-Cal Treatment Authorization Requests (TAR).

Assumptions:

1. TAR postage costs for Medi-Cal are assumed to be \$110,000 for FY 2010-11.
2. For FY 2011-12, the costs for TAR postage are expected to be the same as FY 2010-11 costs.

RATE STUDY FOR MAIC AND AAP

OTHER ADMIN. POLICY CHANGE NUMBER: 32
 IMPLEMENTATION DATE: 8/2011
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1483

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$0	\$1,000,000
STATE FUNDS	\$0	\$500,000
FEDERAL FUNDS	\$0	\$500,000

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. Additionally, the Department is proposing legislation to develop a new benchmark, the Average Acquisition Price (AAP), for pharmacy reimbursement of all drugs once the Average Wholesale Price (AWP) is no longer available beginning September 2011. In order to obtain the information from the providers necessary to establish the MAICs and AAP, the Department will hire a contractor to survey drug price information from the pharmacies and update it on an ongoing basis. Currently, the Department is under injunction for implementation of the MAIC. The MAIC study will be delayed to coincide with the AAP study.

Assumptions:

1. Assume the contractor will be hired in July 2011.
2. Payments will begin in August 2011.
3. Estimated contractor's costs are: **\$1,000,000 TF (\$500,000 GF) annually.**

DISEASE MANAGEMENT PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 33
 IMPLEMENTATION DATE: 10/2007
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1002

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$1,204,000	\$125,000
STATE FUNDS	\$602,000	\$62,500
FEDERAL FUNDS	\$602,000	\$62,500

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 program contractor for Disease Management 1 (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. The DM1 contract ended on November 30, 2010. A second contract with Positive Health Care (PHC) which focused on individuals diagnosed with HIV/AIDS separately (DM2) began services in February 2009. PHC has suspended its operations effective December 31, 2009. The PHC contract expired February 1, 2011.

Assumptions:

1. The DM1 contract 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 September 2007.
2. DM2 beneficiary services began in February 2009 and ended on December 31, 2009. Payments began in April 2009 and final payments will be made in FY 2010-11.
3. Each contract is capped at \$4,000,000 per year for three years of beneficiary services (total of \$12,000,000 per contract).
4. The assessment is capped at \$1,333,000 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	\$3,377,000	\$3,793,000	\$888,000	\$0
DM2	\$0	\$33,000	\$126,000	\$16,000	\$0
Assessment	\$342,000	\$321,000	\$245,000	\$300,000	\$125,000
Total	\$3,390,000	\$3,731,000	\$4,164,000	\$1,204,000	\$125,000

PERSONAL CARE SERVICES

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

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$240,515,000	\$254,220,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$240,515,000	\$254,220,000

DESCRIPTION

This policy change 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) Independence Plus Option (IPO) 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

FY 2010-11	DHCS FFP	CDSS GF	County Match	IA #
EW Time & Health Related	\$208,056,000	\$145,640,000	\$62,417,000	03-75676
CMIPS II	\$32,459,000	\$18,826,000	\$0	03-75676
TOTAL	\$240,515,000	\$164,466,000	\$62,417,000	
FY 2011-12	DHCS FFP	CDSS GF	County Match	IA #
EW Time & Health Related	\$209,640,000	\$146,748,000	\$62,892,000	03-75676
CMIPS II	\$44,580,000	\$25,856,000	\$0	03-75676
TOTAL	\$254,220,000	\$172,605,000	\$62,892,000	

HEALTH RELATED ACTIVITIES/TITLE XIX

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

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$201,408,000	\$203,503,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$201,408,000	\$203,503,000

DESCRIPTION

This policy change 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). This policy change budgets the FFP for these CDSS programs.

The estimates below were provided by CDSS.

CASH BASIS

<u>FY 2010-11</u>	<u>DHCS FFP</u>	<u>CDSS GF</u>	<u>County Match</u>	<u>IA #</u>
CWS	\$126,684,000	\$88,679,000	\$38,005,000	01-15931
CWS/CMS	\$3,992,000	\$3,401,000	\$0	06-55834
CSBG	\$25,209,000	\$17,646,000	\$7,563,000	01-15931
APS	\$45,523,000	\$31,866,000	\$13,657,000	01-15931
TOTAL	\$201,408,000	\$141,592,000	\$59,225,000	

<u>FY 2011-12</u>	<u>DHCS FFP</u>	<u>CDSS GF</u>	<u>County Match</u>	<u>IA #</u>
CWS	\$128,499,000	\$89,950,000	\$38,550,000	01-15931
CWS/CMS	\$3,890,000	\$3,314,000	\$0	06-55834
CSBG	\$25,345,000	\$17,741,000	\$7,603,000	01-15931
APS	\$45,769,000	\$32,038,000	\$13,731,000	01-15931
TOTAL	\$203,503,000	\$143,043,000	\$59,884,000	

DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS

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

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$123,759,000	\$127,620,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$123,759,000	\$127,620,000

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 Title XIX FFP only. The GF is included in the CDMH budget.

CASH BASIS

	FY 2010-11	FY 2011-12
EPSDT-TBS Admin.	\$106,000	\$106,000
Admin. Costs	\$20,648,000	\$21,664,000
MC Admin. Activ.	\$17,691,000	\$17,691,000
HIPAA (1)	\$1,128,000	\$1,144,000
Healthy Families (2)	\$2,915,000	\$3,156,000
Quality Assurance	\$11,000,000	\$11,000,000
County Admin.	\$64,364,000	\$66,237,000
PASRR Lvl II Screens	\$5,907,000	\$6,167,000
Health Interview Survey	\$0	\$455,000
Total	\$123,759,000	\$127,620,000

	DHCS FFP	CDMH GF	County Match	IA #
FY 2010-11	\$123,759,000	\$27,789,000	\$95,970,000	02-25271
FY 2011-12	\$127,620,000	\$29,081,000	\$98,539,000	02-25271

(1) HIPAA FFP costs of \$1,128,000 for FY 2010-11 and \$1,144,000 for FY 2011-12 are budgeted in Item 4260-117-0890.

(2) Healthy Families FFP costs of \$2,915,000 for FY 2010-11 and \$3,156,000 for FY 2011-12 are budgeted in Item 4260-113-0890.

CDDS ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 37
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Laura Swift
 FISCAL REFERENCE NUMBER: 243

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$34,932,000	\$57,475,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$34,932,000	\$57,475,000

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)

<u>FY 2010-11</u>	<u>CDHS FFP</u>	<u>CDDS GF</u>	<u>IA #</u>
1 DC/SOSF Medi-Cal Admin.	\$5,885	\$5,885	03-75282/83
DC/SOSF HIPAA*	\$8	\$0	03-75282/83
2 DC/SOSF MC Elig. Contract	\$560	\$560	01-15378
3 HCBS Waiver Admin.	\$9,838	\$9,838	01-15834
4 RC Medicaid Admin.	\$13,386	\$4,462	03-75734
5 NHR Admin.	\$206	\$206	03-75285
6 TCM HQ Admin.	\$385	\$385	03-75284
TCM RC Admin.	\$4,026	\$4,026	03-75284
TCM HIPAA*	\$638	\$0	03-75284
Total	\$34,932	\$25,362	

CDDS ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 37

(In Thousands) FY 2011-12	CDHS FFP	CDDS GF	IA #
1 DC/SOSF Medi-Cal Admin.	\$6,401	\$6,401	03-75282/83
DC/SOSF HIPAA*	\$9	\$0	03-75282/83
2 DC/SOSF MC Elig. Contract	\$573	\$573	01-15378
3 HCBS Waiver Admin.	\$19,036	\$19,036	01-15834
4 RC Medicaid Admin.	\$26,668	\$8,889	03-75734
5 NHR Admin.	\$158	\$158	03-75285
6 TCM HQ Admin.	\$351	\$351	03-75284
TCM RC Admin.	\$3,641	\$3,641	03-75284
TCM HIPAA*	\$638	\$0	03-75284
Total	\$57,475	\$39,049	

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

MATERNAL AND CHILD HEALTH

OTHER ADMIN. POLICY CHANGE NUMBER: 38
 IMPLEMENTATION DATE: 7/1992
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 234

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$32,660,000	\$37,751,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$32,660,000	\$37,751,000

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 2010-11 budgeted amounts include \$801,000 for FY 2008-09 and \$23,000,000 for FY 2009-10 in remaining payments.
8. The FY 2011-12 budgeted amounts include \$3,123,000 for FY 2009-10 and \$20,200,000 for FY 2010-11 in remaining payments.

MATERNAL AND CHILD HEALTH
OTHER ADMIN. POLICY CHANGE NUMBER: 38

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

FY 2010-11	DHCS FFP	CDPH GF	County Match	IA #
BIH	\$4,341,000	\$129,000	\$2,627,000	07-65592
CPSP, PCG & SOW	\$25,585,000	\$26,000	\$17,770,000	
AFLP	\$2,734,000	\$95,000	\$2,303,000	
Total	\$32,660,000	\$250,000	\$22,700,000	

FY 2011-12	DHCS FFP	County Match	IA #
BIH	\$4,829,000	\$3,986,000	07-65592
CPSP, PCG & SOW	\$30,015,000	\$20,842,000	
AFLP	\$2,907,000	\$2,712,000	
Total	\$37,751,000	\$27,540,000	

PUBLIC HEALTH NURSES FOR FOSTER CARE

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

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$23,310,000	\$19,462,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$23,310,000	\$19,462,000

DESCRIPTION

This policy change budgets the Title XIX federal financial participation (FFP) to the Department of Social Services (CDSS) for the costs of public health nurses for foster care and costs for health coordination. The Budget Act of 1999 authorized the California 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 2010-11 Health Coordination	\$23,310,000	\$7,770,000	04-35913
FY 2011-12 Health Coordination	\$19,462,000	\$6,487,000	04-35913

DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COSTS

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

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$7,547,000	\$7,187,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$7,547,000	\$7,187,000

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 2010-11			FY 2011-12		
	DHCS FFP	CDPH GF	Other Match	DHCS FFP	CDPH GF	Other Match
Office of Family Planning	\$1,680	\$1,030		\$1,680	\$1,030	
Maternal and Child Health	\$0	\$278		\$0	\$278	
Office of AIDS	\$438	\$554		\$438	\$554	
Childhood Lead Prevention Program (CLPP)	\$1,105	\$0	\$1,105	\$1,105	\$0	\$1,105
Center for Health Statistics	\$1,032	\$1,032		\$672	\$0	\$672
Licensing and Certification	\$3,292	\$0	\$4,593	\$3,292	\$0	\$6,705
Total	\$7,547	\$2,894	\$5,698	\$7,187	\$1,862	\$8,482

DEPARTMENT OF SOCIAL SERVICES ADMIN COST

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

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$4,779,000	\$5,070,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$4,779,000	\$5,070,000

DESCRIPTION

This policy change 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 2010-11			
IHSS PCSP	\$2,388,000	\$2,388,000	03-75676
IHSS Health Related	\$11,000	\$11,000	01-15931
CWS/CMS for Medi-Cal	\$109,000	\$109,000	06-55834
IHSS Plus Option Sec. 1915(j)	\$2,041,000	\$2,041,000	09-86307
SAWS	\$230,000	\$230,000	04-35639
TOTAL	\$4,779,000	\$4,779,000	

	DHCS FFP	CDSS GF	IA #
FY 2011-12			
IHSS PCSP	\$2,597,000	\$2,597,000	03-75676
IHSS Health Related	\$15,000	\$15,000	01-15931
CWS/CMS for Medi-Cal	\$127,000	\$127,000	06-55834
IHSS Plus Option Sec. 1915(j)	\$2,056,000	\$2,056,000	09-86307
SAWS	\$275,000	\$275,000	04-35639
TOTAL	\$5,070,000	\$5,070,000	

ADMINISTRATIVE COSTS FOR CCT

OTHER ADMIN. POLICY CHANGE NUMBER: 42
 IMPLEMENTATION DATE: 5/2011
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1553

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$2,000,000	\$10,288,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$2,000,000	\$10,288,000

DESCRIPTION

This policy change budgets 100 percent federal funding for 34 Regional Center positions that will focus on transitioning beneficiaries from State Developmental Centers to the community via the California Community Transitions (CCT) project as well as associated administrative costs. In January 2010, the Department obtained CMS approval for 100 percent FFP for these administrative costs under the Money Follows the Person (MFP) Rebalancing Demonstration Grant via IA#09-86345.

The Department will request 100% federal funding for 33 local level positions overseen by the California Department of Aging (CDA) and the California Department of Rehabilitation (DOR) that will focus on educating consumers regarding home and community-based services and transitioning beneficiaries from nursing facilities to the community via the CCT project, MFP Demonstration Grant.

Estimated Costs:

	FY 2010-11	FY 2011-12
Total	\$2,000,000	\$10,288,000

*MFP Grant costs are budgeted in Item 4260-106-0890.

DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 43
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 254

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$4,416,000	\$4,604,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$4,416,000	\$4,604,000

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.

The estimates below were provided by CDADP:

CASH BASIS

FY 2010-11	DHCS FFP	CDADP GF	IA #
Support	\$3,675,000	\$3,675,000	04-35640
HIPAA*	\$741,000	\$741,000	04-35640
Total	\$4,416,000	\$4,416,000	
FY 2011-12	DHCS FFP	CDADP GF	IA #
Support	\$3,846,000	\$3,846,000	04-35640
HIPAA*	\$758,000	\$758,000	04-35640
Total	\$4,604,000	\$4,604,000	

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

CLPP CASE MANAGEMENT SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 44
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 239

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
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

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

FY 2011-12	DHCS FFP	CDPH CLPP Fee Funds	IA #
Administrative Costs	\$4,200,000	\$3,221,000	07-65689

DEPARTMENT OF AGING ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 45
 IMPLEMENTATION DATE: 7/1984
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 253

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$3,255,000	\$3,637,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$3,255,000	\$3,637,000

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 2010-11		FY 2011-12	
	FFP	CDA GF	FFP	CDA GF
ADHC Support				
FY 2009-10 DOS	\$65	\$38		
FY 2010-11 DOS	\$1,959	1,681	\$218	\$187
FY 2011-12 DOS			\$2,025	\$1,738
Total ADHC	\$2,024	\$1,719	\$2,243	\$1,925
MSSP Support				
FY 2009-10 DOS	\$10	\$6		
FY 2010-11 DOS	\$1,221	\$1,039	\$136	\$116
FY 2011-12 DOS			\$1,258	\$1,072
Total MSSP	\$1,231	\$1,045	\$1,394	\$1,188
Grand Total	\$3,255	\$2,764	\$3,637	\$3,113

SINGLE POINT OF ENTRY - MEDI-CAL/HFP

OTHER ADMIN. POLICY CHANGE NUMBER: 46
 IMPLEMENTATION DATE: 4/1999
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 245

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$2,122,000	\$2,147,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$2,122,000	\$2,147,000

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 2010-11 and FY 2011-12 are based on the average actual ratio of 32.1% Medi-Cal to 67.9% HFP applications in SPE Report #MM-029 as of August 2, 2010.
4. MRMIB estimates that an additional 34,114 children discontinued from HFP in FY 2010-11 and 26,593 in FY 2011-12 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.
5. Effective January 1, 2012 HFP eligibles with incomes between 100% and 250% of Federal Poverty Level will shift to Medi-Cal. This policy change budgets the enhanced FFP for the SPE telephone services and pre-printed applications due to the shift.

SINGLE POINT OF ENTRY - MEDI-CAL/HFP

OTHER ADMIN. POLICY CHANGE NUMBER: 46

FY 2010-11	<u>MRMIB GF</u>	<u>DHCS FFP</u>
Applications for M/C processing: 131,267		
SPE Application Processing/Mailing	\$1,274,000	\$1,274,000
SPE Telephone Services	\$1,402,000	\$565,000
Pre-Printed Applications	\$14,000	\$6,000
Elimination of HFP to Medi-Cal Bridge	\$277,000	\$277,000
Total	\$2,967,000	\$2,122,000
FY 2011-12	<u>MRMIB GF</u>	<u>DHCS FFP</u>
Applications for M/C processing: 120,571		
SPE Application Processing/Mailing	\$1,181,000	\$1,181,000
SPE Telephone Services	\$1,275,000	\$744,000
Pre-Printed Applications	\$9,000	\$6,000
Elimination of HFP to Medi-Cal Bridge	\$216,000	\$216,000
Total	\$2,682,000	\$2,147,000

SPD TRANSITION TO MANAGED CARE - CDDS

OTHER ADMIN. POLICY CHANGE NUMBER: 47
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Laura Swift
 FISCAL REFERENCE NUMBER: 1566

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$1,769,000	\$1,769,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,769,000	\$1,769,000

DESCRIPTION

The Department will provide FFP to CDDS for 13 positions that will be liaisons between the regional centers and managed care plans on the mandatory transition of seniors and persons with disabilities into managed care.

	Total Funds	DHCS FFP	CDDS GF
FY 2010-11	\$ 3,537,000	\$ 1,768,500	\$ 1,768,500
FY 2011-12	\$ 3,537,000	\$ 1,768,500	\$ 1,768,500

OUTREACH - CHILDREN

OTHER ADMIN. POLICY CHANGE NUMBER: 48
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 242

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$1,626,000	\$1,626,000
STATE FUNDS	\$813,000	\$813,000
FEDERAL FUNDS	\$813,000	\$813,000

DESCRIPTION

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

Assumptions:

1. For the toll-free line, the Department budgets both Title XIX FFP and GF.
2. Total DHCS budget (*in thousands*):

	FFP	DHCS GF	IA#
FY 2010-11	\$813	\$813	10-87063
FY 2011-12	\$813	\$813	10-87063

KIT FOR NEW PARENTS

OTHER ADMIN. POLICY CHANGE NUMBER: 49
 IMPLEMENTATION DATE: 7/2001
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 249

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$1,504,000	\$1,280,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,504,000	\$1,280,000

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:

- CCFC will distribute an estimated 370,000 kits in FY 2010-11 and FY 2011-12, of these 46% of the kits are expected to be distributed to Medi-Cal eligible newborns.

$$370,000 \text{ kits} \times 46\% = 170,200 \text{ Medi-Cal kits}$$

- Approximately 51% of the kits distributed will be basic kits and 49% will be custom kits.

$$170,200 \text{ Medi-Cal kits} \times 51\% = 86,802 \text{ basic kits}$$

$$170,200 \text{ Medi-Cal kits} \times 49\% = 83,398 \text{ custom kits}$$

- From July 1, 2007 to October 31, 2010, the basic kit cost was \$21.50 and the customized kit, which contains an additional item specific to the county of birth, cost was \$21.75.
- As of November 1, 2010, the basic kit costs \$11.89 and the customized kit, which contains an additional item specific to the county of birth, costs \$12.01. The lowered costs are due to a new kit production contract.
- Costs of \$704,000 for FY 2009-10 will be paid in FY 2010-11 and \$525,000 for FY 2010-11 will be paid in FY 2011-12.

FY 2010-11 Cost

7/1/2010 thru 10/31/2010	
64,503 basic kits x \$21.50	\$1,387,000
17,875 custom kits x \$21.75	\$389,000
	\$1,776,000
11/1/2010 thru 6/31/2011	
22,299 basic kits x \$11.89	\$265,000
65,523 custom kits x \$12.01	\$787,000
	\$1,052,000
Total FY 2010-11 Cost	\$2,828,000

KIT FOR NEW PARENTS

OTHER ADMIN. POLICY CHANGE NUMBER: 49

FY 2011-12 Cost

86,802 basic kits x \$11.89	\$1,032,000
83,398 custom kits x \$12.01	\$1,002,000
Total FY 2011-12 Cost	\$2,034,000

Cash Basis	FY 2010-11	FY 2011-12	IA #
FY 2009-10	\$704,000	\$0	03-76097
FY 2010-11	\$2,303,000	\$525,000	03-76097
FY 2011-12	\$0	\$2,034,000	03-76097
Total:	\$3,007,000	\$2,559,000	
	(\$1,503,500 FFP)	(\$1,279,500 FFP)	

FAMILY PACT WAIVER DEMO EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 50
 IMPLEMENTATION DATE: 12/1999
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 247

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$1,818,000	\$1,210,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,818,000	\$1,210,000

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 collect data to monitor and evaluate the Family PACT program. The Office of Family Planning provides the General Fund match in Item 4265-111-0001 in the CDPH budget. A new contract was negotiated for a five year term beginning July 1, 2010.

The FY 2010-11 budgeted amount reflects \$592,000 of payments for FY 2009-10.

The FY 2011-12 budgeted amounts reflect \$119,000 of payments for FY 2009-10 and \$447,000 for FY 2010-11.

The estimates below were provided by CDPH.

CASH BASIS

	<u>DHCS FFP</u>	<u>CDPH GF</u>	<u>IA #</u>
FY 2010-11	\$1,818,000	\$1,818,000	08-85180
	<u>DHCS FFP</u>	<u>CDPH GF</u>	<u>IA #</u>
FY 2011-12	\$1,210,000	\$1,210,000	08-85180

VETERANS BENEFITS

OTHER ADMIN. POLICY CHANGE NUMBER: 51
 IMPLEMENTATION DATE: 12/1988
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 232

	FY 2010-11	FY 2011-12
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.

The contract amount for FY 2010-11 and FY 2011-12 is \$956,000.

CASH BASIS

	DHCS FFP	CDVA GF	IA #
FY 2010-11			
Administrative	\$118,000	\$118,000	10-87133
Workload Units	\$838,000	\$838,000	
Total	\$956,000	\$956,000	
FY 2011-12			
Administrative	\$118,000	\$118,000	Pending
Workload Units	\$838,000	\$838,000	
Total	\$956,000	\$956,000	

FAMILY PACT I&E PROGRAM AND EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 52
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 261

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$782,000	\$811,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$782,000	\$811,000

DESCRIPTION

AB 1762, the Health Trailer Bill of 2003, authorized the Department to require contractors and grantees under the Office of Family Planning (OFP), and the 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 I&E Program expects 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.

The FY 2010-11 budgeted amounts reflect \$10,000 of payments for FY 2008-09 and \$312,000 for FY 2009-10.

The FY 2011-12 budgeted amounts reflect \$44,000 of payments for FY 2009-10 and \$386,000 for FY 2010-11.

The estimates below were provided by CDPH.

CASH BASIS:

	DHCS FFP	CDPH GF	IA #
FY 2010-11			
I&E	\$694,000	\$694,000	07-65592
Evaluation	\$88,000	\$88,000	
Total FFP	\$782,000	\$782,000	
FY 2011-12			
I&E	\$628,000	\$628,000	07-65592
Evaluation	\$183,000	\$183,000	
Total FFP	\$811,000	\$811,000	

CHHS AGENCY HIPAA FUNDING

OTHER ADMIN. POLICY CHANGE NUMBER: 54
IMPLEMENTATION DATE: 7/2001
ANALYST: Ryan Witz
FISCAL REFERENCE NUMBER: 257

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$651,000	\$651,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$651,000	\$651,000

DESCRIPTION

A HIPAA office has been established at the California Health and Human Services (CHHS) Agency to coordinate implementation and set policy regulations for departments utilizing Title XIX programs. Title XIX federal financial participation is available for qualifying HIPAA activities related to Medi-Cal. This policy change is 100% FFP.

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

	<u>DHCS FFP</u>	<u>CHHS GF</u>
FY 2010-11	\$651,000	\$651,000
FY 2011-12	\$651,000	\$651,000

FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH

OTHER ADMIN. POLICY CHANGE NUMBER: 55
 IMPLEMENTATION DATE: 12/1999
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 248

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$533,000	\$508,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$533,000	\$508,000

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. 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; 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.

The FY 2010-11 budgeted amount reflects \$140,000 of payments for FY 2009-10.

The FY 2011-12 budgeted amount reflects \$25,000 of payments for FY 2009-10 and \$211,000 for FY 2010-11.

The estimates below were provided by CDPH.

CASH BASIS:

	DHCS FFP	CDPH GF	IA #
FY 2010-11 Support/Provider Education	\$533,000	\$533,000	08-85180
FY 2011-12 Support/Provider Education	\$508,000	\$508,000	08-85180

HEALTH-E APP

OTHER ADMIN. POLICY CHANGE NUMBER: 57
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1119

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$28,000	\$21,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$28,000	\$21,000

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 2011-12. FY 2010-11 includes costs for the design of an outreach campaign which will promote the statewide launch of Health-E-App Public Access.

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, Packard Foundation, Blue Shield of California Foundation, Kaiser Community Benefits Program and the California Endowment 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 payments for this project are expected to be made in FY 2011-12. Only the Title XIX FFP is included in the Medi-Cal budget.

	GRANTS	DHCS XIX FFP	MRMIB XXI FFP	TOTAL
FY 2010-11	\$35,000	\$28,000	\$36,000	\$99,000
FY 2011-12	\$69,000	\$21,000	\$89,000	\$179,000

MERIT SYSTEM SERVICES FOR COUNTIES

OTHER ADMIN. POLICY CHANGE NUMBER: 58
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Laura Swift
 FISCAL REFERENCE NUMBER: 263

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$181,000	\$184,000
STATE FUNDS	\$90,500	\$92,000
FEDERAL FUNDS	\$90,500	\$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 2010-11	FY 2011-12
Contract # 03-75683	\$181,000 (\$90,500 GF)	\$184,000 (\$92,000 GF)

CMIPS II

OTHER ADMIN. POLICY CHANGE NUMBER: 59
IMPLEMENTATION DATE: 9/2010
ANALYST: Ryan Witz
FISCAL REFERENCE NUMBER: 1464

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$99,000	\$0
STATE FUNDS	\$99,000	\$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 system changes that establish the interface between systems to enable the CDSS In-Home Supportive Services (IHSS) program to access clinical data necessary for effective case management were implemented in June 2009. The Department was reimbursed by CDSS in September 2010.

FY 2010-11 reimbursement: \$99,000 GF

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

PIA EYEWEAR COURIER SERVICE

OTHER ADMIN. POLICY CHANGE NUMBER: 61
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1114

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$268,000	\$383,000
STATE FUNDS	\$134,000	\$191,500
FEDERAL FUNDS	\$134,000	\$191,500

DESCRIPTION

The California Prison Industry Authority (PIA) fabricates 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. The current contract with Sacramento Overnight, Incorporated (SOI) began in September 2008 and expires in June 2011. PIA will open a new courier contract to bid in March 2011. The cost per package is \$1.75 plus a six percent fuel surcharge.
2. To comply with federal law, the Department reinstated optometry services for adult Medi-Cal beneficiaries on July 26, 2010. Since eyeglasses remain a non-covered benefit for adults, the number of packages is expected to remain stable at 165,000 packages a year.

The annual cost is estimated to be : $\$1.75 \times 1.06\% \times 165,000 = \$306,000$ TF

Cash Basis	FY 2010-11	FY 2011-12	IA #
FY 2009-10 Services	\$115,000	\$0	06-55363
FY 2010-11 Services	\$153,000	\$153,000	10-87012
FY 2011-12 Services	\$0	\$230,000	10-87012
	\$268,000	\$383,000	

BTR—LIHP - ADMIN COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 74
 IMPLEMENTATION DATE: 7/2011
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 1589

	<u>FY 2010-11</u>	<u>FY 2011-12</u>
TOTAL FUNDS	\$0	\$166,250,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	\$166,250,000

DESCRIPTION

This Policy Change budgets the administrative costs associated with the Low Income Health Program (LIHP) under the California Bridge to Reform section 1115(a) Medicaid Demonstration (BTR), which was effective November 1, 2010.

The BTR authorizes a Low Income Health Program (LIHP). The LIHP consists of two components, the Medicaid Coverage Expansion (MCE) and the Health Care Coverage Initiative (HCCI). The MCE will cover eligibles with family incomes at or below 133% of Federal Poverty Level. The HCCI will cover those with family incomes above 133% through 200% of Federal Poverty Level. These are elective programs at the local government level and will be statewide. The Department will use CPEs of the local government administrative costs to draw down federal funds and will distribute these funds to the local governments. The Department will submit a cost claiming protocol to CMS for approval of the administrative cost claiming for the BTR-LIHP.

FY 2011-12	<u>LIHP-HCCI</u>	<u>LIHP-MCE</u>	<u>Total FF</u>
2010-11	\$ 20,000,000	\$ 45,000,000	\$ 65,000,000
2011-12	\$ 26,250,000	\$ 75,000,000	\$101,250,000
Total	\$ 46,250,000	\$120,000,000	\$166,250,000

MEDICARE RECOVERY PROJECT CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 75
 IMPLEMENTATION DATE: 1/2012
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 1590

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$0	\$1,000,000
STATE FUNDS	\$0	\$500,000
FEDERAL FUNDS	\$0	\$500,000

DESCRIPTION

This policy change budgets the contract costs with the University of Massachusetts (UMASS) for activities related to identification of potential overpayments related to the Medicare Buy-In process for Medicare/Medi-Cal dual eligibles. On October 1, 2010, the Department entered into a three-year contract with UMASS to identify potential overpayments to CMS or Medicare providers. UMASS will assist the Department in auditing the invoices received from CMS to pay the Medicare premiums. These savings are budgeted in the Medicare Buy-In Quality Review Project policy change.

Payments to UMASS are contingent upon recovery of overpayments from CMS and Medicare providers. These payments are estimated to be 10% of the amounts recovered, and will be made quarterly beginning in January 2012.

Assumptions:

1. In FY 2011-12, the recovered amount is estimated to be \$10,000,000.
2. Contractor's costs are estimated to be:
 $\$10,000,000 \times 10\% = \$1,000,000$ TF (**\$500,000 GF**)

HEALTH CARE OPTIONS CONSULTANT COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 76
 IMPLEMENTATION DATE: 9/2011
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1592

	FY 2010-11	FY 2011-12
TOTAL FUNDS	\$0	\$722,000
STATE FUNDS	\$0	\$361,000
FEDERAL FUNDS	\$0	\$361,000

DESCRIPTION

This policy change reflects the contract costs for a Health Care Options (HCO) consultant. The health care consultant will identify the best practices used in other states with enrollment broker contracts, determine the impact of Health Care Reform on the HCO program, and assist in evaluating all options regarding enrollment.

Operations for the current enrollment broker contacts end on September 30, 2012, with three one-year extension options.

Assumptions:

1. Assume the consultant will be hired in July 2011, and the contract will end in December 2012.
2. Total estimated consultant's costs are \$1,300,000.
3. Payments will begin in September 2011.
4. FY 2011-12 costs are estimated to be:

$$\$1,300,000 / 18 \text{ mos.} \times 10 \text{ mos.} = \mathbf{\$722,000 \text{ TF } (\$361,000 \text{ GF})}$$