

**MEDI-CAL
MAY 2012
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2011-12 and 2012-13**

**COUNTY
ADMINISTRATION**

Fiscal Forecasting and Data Management Branch
State Department of Health Care Services
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EDMUND G. BROWN JR.
Governor
State of California

Diana Dooley
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Director
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May 2012 Medi-Cal Estimate

**COUNTY ADMINISTRATION
FUNDING SUMMARY
(Includes Other Administration)**

FY 2011-2012 ESTIMATE:	Total Funds	Federal Funds	State Funds
BASE	\$1,302,682,000	\$651,341,000	\$651,341,000
POLICY CHANGES	\$86,350,000	\$71,395,000	\$14,955,000
SubTotal County Admin.	\$1,389,032,000	\$722,736,000	\$666,296,000
OTHER ADMINISTRATION	\$1,241,079,000	\$1,182,438,000	\$58,641,000
TOTAL CURRENT YEAR	\$2,630,111,000	\$1,905,174,000	\$724,937,000

FY 2012-2013 ESTIMATE:	Total Funds	Federal Funds	State Funds
BASE	\$1,264,965,000	\$632,482,000	\$632,483,000
POLICY CHANGES	\$141,282,000	\$107,211,000	\$34,071,000
SubTotal County Admin.	\$1,406,247,000	\$739,693,000	\$666,554,000
OTHER ADMINISTRATION	\$1,665,784,000	\$1,550,271,000	\$115,513,000
TOTAL BUDGET YEAR	\$3,072,031,000	\$2,289,964,000	\$782,067,000

Note:

C/Y Title XXI (Item 113) activities	\$3,274,000	\$2,969,000	\$305,000
B/Y Title XXI (Item 113) activities	\$37,442,000	\$26,340,000	\$11,102,000
C/Y HIPAA (Item 117) activities	\$3,024,000	\$3,024,000	\$0
B/Y HIPAA (Item 117) activities	\$3,592,000	\$3,342,000	\$250,000

County Administration Estimate
FY 2011-12 and FY 2012-13
May 2012

The county administration estimated allocation consists of two components: (1) the base and (2) policy changes. The base estimate reflects the allocation to the counties utilizing recent workload data, county expenditure data and other county-submitted information. Policy changes provide adjustments to base costs and reflect the estimated fiscal impact on eligibility costs of recent changes or other functions not incorporated in the base allocation.

BASE ESTIMATE

The base estimate consists of the costs identified for three sub-categories: (1) staff costs (2) staff development, and (3) support costs.

The following paragraphs summarize the essential elements of each. The sharing ratio is 50 percent federal funds and 50 percent General Funds.

1. Staff Costs

This amount includes the estimated costs for staff in three staff categories: eligibility workers and supervisors, clerical support staff, and administrative staff. The staff costs for each of the three categories will be allocated to individual counties to fund all Medi-Cal eligibility determination activities.

2. Support Costs

Support costs are a combination of two types of expenditures: operating support costs and electronic data processing costs. These two types of expenditures are further divided into allocated costs and direct costs.

- a. Allocated costs are those that are shared across all programs and distributed to individual programs based on a ratio developed from the total expenditures for each program.
- b. Direct costs are specific to the Medi-Cal program only.

3. Staff Development

Staff development costs are the costs of training Medi-Cal eligibility workers. The amount in this item includes:

- a. Trainers' salaries and benefits.
- b. Operating costs related to training.
- c. Trainees' salaries and benefits.
- d. Travel, per diem, supplies and tuition.
- e. Purchase of contracted training services.

4. The base allocation for county administration of the Medi-Cal program for FY 2011-12 was capped at an amount no higher than the total budget allocation for each county in FY 2010-11.

5. The base allocation for county administration of the Medi-Cal program for FY 2012-13 is assumed to be the same as FY 2011-12. The Department is currently engaged in a process working with county staff and their representatives to design a new methodology for calculating the base allocation.

POLICY CHANGES

Policy changes consist of items such as recent changes in the Medi-Cal Program, and their effect on eligibility determinations, Los Angeles County Hospital Intakes, audit settlements from state and federal audits, court cases, costs of automated projects, and special funding categories.

Medi-Cal County Administration

**May 2012
FY 2011-12**

County	Total Staff	Support	Staff	Total Allocation	Policy	Total Base
	Salary Costs	Costs	Development Costs		Changes*	Allocation
Alameda	\$31,239,509	\$13,857,860	\$1,385,854	\$46,483,223	-\$2,777,969	\$43,705,254
Alpine	\$45,384	\$562	\$0	\$45,946	-\$5,316	\$40,630
Amador	\$655,842	\$424,608	\$10,341	\$1,090,791	-\$69,017	\$1,021,774
Butte	\$5,379,540	\$2,616,000	\$25,500	\$8,021,040	-\$216,298	\$7,804,742
Calaveras	\$661,572	\$473,800	\$6,910	\$1,142,282	-\$45,799	\$1,096,483
Colusa	\$608,593	\$223,138	\$21,716	\$853,447	\$57,383	\$910,830
Contra Costa	\$22,626,684	\$14,045,793	\$304,333	\$36,976,810	-\$1,710,592	\$35,266,218
Del Norte	\$529,798	\$288,495	\$11,200	\$829,493	-\$40,874	\$788,619
El Dorado	\$2,596,704	\$911,329	\$90,000	\$3,598,033	\$166,996	\$3,765,029
Fresno	\$27,328,692	\$13,500,000	\$657,347	\$41,486,039	\$2,162,862	\$43,648,901
Glenn	\$1,032,516	\$382,000	\$18,000	\$1,432,516	-\$50,303	\$1,382,213
Humboldt	\$3,797,710	\$1,050,000	\$119,300	\$4,967,010	-\$23,991	\$4,943,018
Imperial	\$4,915,644	\$1,664,904	\$115,220	\$6,695,768	\$142,003	\$6,837,771
Inyo	\$547,172	\$234,000	\$11,000	\$792,172	-\$24,576	\$767,597
Kern	\$16,306,970	\$6,970,544	\$196,890	\$23,474,404	-\$24,003	\$23,450,401
Kings	\$2,537,275	\$737,250	\$144,250	\$3,418,775	\$150,330	\$3,569,105
Lake	\$1,586,266	\$570,000	\$51,706	\$2,207,972	-\$20,305	\$2,187,667
Lassen	\$463,296	\$233,595	\$23,468	\$720,359	-\$72,016	\$693,343
Los Angeles	\$271,092,036	\$137,820,000	\$2,103,000	\$411,015,036	-\$19,132,824	\$391,882,212
Madera	\$3,010,680	\$1,350,000	\$4,465	\$4,365,145	\$231,323	\$4,596,468
Marin	\$3,148,040	\$1,794,063	\$103,412	\$5,045,515	-\$217,527	\$4,827,988
Mariposa	\$392,524	\$533,402	\$0	\$925,926	-\$4,782	\$921,145
Mendocino	\$3,373,303	\$1,205,290	\$15,718	\$4,594,311	\$217,325	\$4,811,635
Merced	\$8,606,064	\$2,044,579	\$144,064	\$10,794,707	-\$281,492	\$10,513,215
Modoc	\$387,012	\$254,785	\$15,000	\$656,797	\$78,027	\$734,824
Mono	\$198,423	\$73,393	\$20,000	\$291,816	\$33,712	\$325,529
Monterey	\$10,836,810	\$5,518,879	\$475,000	\$16,830,689	\$71,720	\$16,902,409
Napa	\$1,926,218	\$1,207,260	\$43,563	\$3,177,041	-\$107,159	\$3,069,882
Nevada	\$1,484,058	\$800,453	\$25,631	\$2,310,142	-\$85,676	\$2,224,466
Orange	\$75,486,025	\$25,012,192	\$2,000,674	\$102,498,891	-\$5,250,486	\$97,248,406
Placer	\$4,025,819	\$2,069,764	\$91,206	\$6,186,789	-\$287,454	\$5,899,334
Plumas	\$358,514	\$136,562	\$5,171	\$500,247	\$55,045	\$555,292
Riverside	\$39,440,426	\$20,725,624	\$750,977	\$60,917,027	\$1,872,755	\$62,789,783
Sacramento	\$28,915,128	\$12,497,896	\$885,878	\$42,298,902	-\$994,412	\$41,304,490
San Benito	\$1,088,808	\$444,728	\$64,103	\$1,597,639	\$80,152	\$1,517,487
San Bernardino	\$40,172,496	\$17,743,251	\$861,000	\$58,776,747	-\$1,532,274	\$57,244,473
San Diego	\$51,744,000	\$26,158,211	\$2,311,253	\$80,213,464	-\$2,226,877	\$77,986,587
San Francisco	\$21,071,572	\$5,973,303	\$206,824	\$27,251,699	-\$1,456,745	\$25,794,954
San Joaquin	\$15,276,984	\$4,129,184	\$434,329	\$19,840,497	-\$70,598	\$19,769,899
San Luis Obispo	\$5,222,613	\$4,067,073	\$149,947	\$9,439,633	-\$248,616	\$9,191,017
San Mateo	\$15,136,193	\$6,019,200	\$551,844	\$21,707,237	-\$769,854	\$20,937,382
Santa Barbara	\$14,125,071	\$6,918,433	\$881,375	\$21,924,879	-\$903,658	\$21,021,221
Santa Clara	\$52,719,000	\$20,341,974	\$1,500,000	\$74,560,974	-\$5,216,812	\$69,344,162
Santa Cruz	\$7,412,464	\$3,028,901	\$422,880	\$10,864,245	-\$85,066	\$10,779,178
Shasta	\$4,008,576	\$2,251,249	\$200,000	\$6,459,825	-\$192,718	\$6,267,107
Sierra	\$113,167	\$36,674	\$1,500	\$151,341	\$137,256	\$288,597
Siskiyou	\$993,238	\$274,747	\$128,037	\$1,396,022	-\$24,488	\$1,371,535
Solano	\$9,077,808	\$3,603,314	\$500,000	\$13,181,122	\$940,936	\$14,122,058
Sonoma	\$10,926,216	\$2,934,367	\$237,048	\$14,097,631	-\$128,672	\$13,968,959
Stanislaus	\$14,690,964	\$4,530,605	\$160,184	\$19,381,753	-\$767,010	\$18,614,743
Sutter	\$2,803,380	\$1,391,897	\$50,000	\$4,245,277	\$490,852	\$4,736,129
Tehama	\$1,468,661	\$492,793	\$5,500	\$1,966,954	\$186,430	\$2,153,384
Trinity	\$353,544	\$121,652	\$11,500	\$486,696	\$6,410	\$493,106
Tulare	\$15,313,092	\$5,550,000	\$459,400	\$21,322,492	-\$1,043,210	\$20,279,282
Tuolumne	\$1,128,606	\$794,580	\$8,928	\$1,932,114	-\$4,875	\$1,927,239
Ventura	\$16,843,224	\$8,397,782	\$265,114	\$25,506,120	\$142,316	\$25,648,436
Yolo	\$3,725,814	\$2,308,578	\$71,160	\$6,105,552	\$885,258	\$6,990,810
Yuba	\$1,935,486	\$1,632,688	\$58,121	\$3,626,295	\$404,066	\$4,030,361
Total	\$882,891,225	\$400,373,204	\$19,416,841	\$1,302,681,270	-\$37,716,492	\$1,264,964,778

* Excludes policy changes that are not part of the county administration base, such as CalWORKS Applications, SAWS, LA County Hospital Intakes, and Prior Year Reconciliations in FY 2010-11.

**Medi-Cal County Administration
May 2012
FY 2012-13**

County	FY 11-12 Base Allocation*	FY 12-13 Policy Changes**	Total FY 12-13 Base Allocation
Alameda	\$43,705,254	\$1,691,996	\$45,397,250
Alpine	\$40,630	\$149	\$40,779
Amador	\$1,021,774	\$35,257	\$1,057,031
Butte	\$7,804,742	\$375,025	\$8,179,767
Calaveras	\$1,096,483	\$47,538	\$1,144,021
Colusa	\$910,830	\$3,346	\$914,176
Contra Costa	\$35,266,218	\$849,749	\$36,115,967
Del Norte	\$788,619	\$5,093	\$793,712
El Dorado	\$3,765,029	\$176,260	\$3,941,289
Fresno	\$43,648,901	\$1,383,942	\$45,032,843
Glenn	\$1,382,213	\$31,739	\$1,413,952
Humboldt	\$4,943,018	\$65,503	\$5,008,521
Imperial	\$6,837,771	\$327,007	\$7,164,778
Inyo	\$767,597	\$35,943	\$803,540
Kern	\$23,450,401	\$719,520	\$24,169,921
Kings	\$3,569,105	\$219,141	\$3,788,246
Lake	\$2,187,667	\$161,789	\$2,349,456
Lassen	\$693,343	\$2,547	\$695,890
Los Angeles	\$391,882,212	\$2,336,254	\$394,218,466
Madera	\$4,596,468	\$433,751	\$5,030,219
Marin	\$4,827,988	\$261,821	\$5,089,809
Mariposa	\$921,145	\$15,409	\$936,554
Mendocino	\$4,811,635	\$169,790	\$4,981,425
Merced	\$10,513,215	\$513,075	\$11,026,290
Modoc	\$734,824	\$3,491	\$738,315
Mono	\$325,529	\$2,276	\$327,805
Monterey	\$16,902,409	\$922,934	\$17,825,343
Napa	\$3,069,882	\$154,806	\$3,224,688
Nevada	\$2,224,466	\$135,858	\$2,360,324
Orange	\$97,248,406	\$3,613,418	\$100,861,824
Placer	\$5,899,334	\$270,419	\$6,169,753
Plumas	\$555,292	\$22,184	\$577,476
Riverside	\$62,789,783	\$2,882,099	\$65,671,882
Sacramento	\$41,304,490	\$1,068,887	\$42,373,377
San Benito	\$1,517,487	\$129,031	\$1,646,518
San Bernardino	\$57,244,473	\$3,350,761	\$60,595,234
San Diego	\$77,986,587	\$3,496,771	\$81,483,358
San Francisco	\$25,794,954	\$865,432	\$26,660,386
San Joaquin	\$19,769,899	\$1,205,618	\$20,975,517
San Luis Obispo	\$9,191,017	\$259,091	\$9,450,108
San Mateo	\$20,937,382	\$308,004	\$21,245,386
Santa Barbara	\$21,021,221	\$569,282	\$21,590,503
Santa Clara	\$69,344,162	\$1,001,382	\$70,345,544
Santa Cruz	\$10,779,178	\$102,461	\$10,881,639
Shasta	\$6,267,107	\$279,889	\$6,546,996
Sierra	\$288,597	\$2,680	\$291,277
Siskiyou	\$1,371,535	\$60,411	\$1,431,946
Solano	\$14,122,058	\$368,331	\$14,490,389
Sonoma	\$13,968,959	\$557,417	\$14,526,376
Stanislaus	\$18,614,743	\$807,947	\$19,422,690
Sutter	\$4,736,129	\$154,752	\$4,890,881
Tehama	\$2,153,384	\$147,208	\$2,300,592
Trinity	\$493,106	\$9,840	\$502,946
Tulare	\$20,279,282	\$702,181	\$20,981,463
Tuolumne	\$1,927,239	\$7,080	\$1,934,319
Ventura	\$25,648,436	\$438,865	\$26,087,301
Yolo	\$6,990,810	\$131,712	\$7,122,522
Yuba	\$4,030,361	\$129,837	\$4,160,198
Total	\$1,264,964,778	\$34,023,999	\$1,298,988,777

CalWORKS Applications, SAWS, LA County Hospital Intakes, and Prior Year Reconciliations in FY 2011-12.

** Policy Changes Eligible Growth and LIS.

**MEDI-CAL COUNTY ADMINISTRATION
POLICY CHANGE SUMMARY
FISCAL YEAR 2011-12**

NO.	POLICY CHANGE TITLE	ONE-TIME CHANGES		ON-GOING CHANGES		TOTAL POLICY CHANGE	TOTAL STATE FUNDS
		PROCEDURAL	CASELOAD	PROCEDURAL	CASELOAD		
OTHER							
1	CalWORKs APPLICATIONS	\$0	\$0	\$63,732,000	\$0	\$63,732,000	\$31,866,000
2	SAWS	\$53,673,000	\$0	\$0	\$0	\$53,673,000	\$8,276,000
3	ELIGIBLE GROWTH	\$0	\$0	\$0	\$29,377,000	\$29,377,000	\$14,688,500
4	LOS ANGELES COUNTY HOSPITAL INTAKES	\$0	\$0	\$0	\$20,076,000	\$20,076,000	\$4,659,000
5	FY 2011-12 COST OF DOING BUSINESS	\$0	\$0	\$16,952,000	\$0	\$16,952,000	\$8,476,000
9	SAVE	\$0	\$0	\$0	\$0	\$0	-\$4,280,500
10	REDUCTION TO COLA TO COUNTIES FOR FY 2011-12	\$0	\$0	-\$16,952,000	\$0	-\$16,952,000	-\$8,476,000
11	PRIOR YEAR RECONCILIATIONS	-\$80,508,000	\$0	\$0	\$0	-\$80,508,000	-\$40,254,000
	OTHER SUBTOTAL	-\$26,835,000	\$0	\$63,732,000	\$49,453,000	\$86,350,000	\$14,955,000
	GRAND TOTAL	-\$26,835,000	\$0	\$63,732,000	\$49,453,000	\$86,350,000	\$14,955,000

**MEDI-CAL COUNTY ADMINISTRATION
POLICY CHANGE SUMMARY
FISCAL YEAR 2012-13**

NO.	POLICY CHANGE TITLE	ONE-TIME CHANGES		ON-GOING CHANGES		TOTAL POLICY CHANGE	TOTAL STATE FUNDS
		PROCEDURAL	CASELOAD	PROCEDURAL	CASELOAD		
OTHER							
1	CalWORKs APPLICATIONS	\$0	\$0	\$68,208,000	\$0	\$68,208,000	\$34,104,000
2	SAWS	\$68,644,000	\$0	\$0	\$0	\$68,644,000	\$7,955,500
3	ELIGIBLE GROWTH	\$0	\$0	\$0	\$37,718,000	\$37,718,000	\$18,859,000
4	LOS ANGELES COUNTY HOSPITAL INTAKES	\$0	\$0	\$0	\$17,881,000	\$17,881,000	\$3,561,500
5	FY 2011-12 COST OF DOING BUSINESS	\$0	\$0	\$16,952,000	\$0	\$16,952,000	\$8,476,000
7	FY 2012-13 COST OF DOING BUSINESS	\$0	\$0	\$26,310,000	\$0	\$26,310,000	\$13,155,000
8	REDUCTION TO COLA TO COUNTIES FOR FY 2012-13	\$0	\$0	-\$26,310,000	\$0	-\$26,310,000	-\$13,155,000
9	SAVE	\$0	\$0	\$0	\$0	\$0	-\$3,500,000
10	REDUCTION TO COLA TO COUNTIES FOR FY 2011-12	\$0	\$0	-\$16,952,000	\$0	-\$16,952,000	-\$8,476,000
11	PRIOR YEAR RECONCILIATIONS	\$0	\$0	-\$60,000,000	\$0	-\$60,000,000	-\$30,000,000
12	SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL	\$0	\$0	\$0	\$8,831,000	\$8,831,000	\$3,090,850
OTHER SUBTOTAL		\$68,644,000	\$0	\$8,208,000	\$64,430,000	\$141,282,000	\$34,070,850
GRAND TOTAL		\$68,644,000	\$0	\$8,208,000	\$64,430,000	\$141,282,000	\$34,070,850

**COMPARISON OF FISCAL IMPACTS OF COUNTY ADMINISTRATION POLICY CHANGES
MAY 2012 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2011 ESTIMATE
FISCAL YEAR 2011-12**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2011-12 APPROPRIATION		NOV. 2011 EST. FOR 2011-12		MAY 2012 EST. FOR 2011-12		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
OTHER												
1	1	CalWORKs APPLICATIONS	\$63,732,000	\$31,866,000	\$63,732,000	\$31,866,000	\$63,732,000	\$31,866,000	\$0	\$0	\$0	\$0
2	2	SAWS	\$72,291,000	\$8,276,000	\$60,555,000	\$8,276,000	\$53,673,000	\$8,276,000	-\$18,618,000	\$0	-\$6,882,000	\$0
3	3	ELIGIBLE GROWTH	\$29,377,000	\$14,688,500	\$29,377,000	\$14,688,500	\$29,377,000	\$14,688,500	\$0	\$0	\$0	\$0
4	4	LOS ANGELES COUNTY HOSPITAL INTAKES	\$18,797,000	\$4,156,500	\$20,076,000	\$4,659,000	\$20,076,000	\$4,659,000	\$1,279,000	\$502,500	\$0	\$0
5	5	FY 2011-12 COST OF DOING BUSINESS	\$16,952,000	\$8,476,000	\$16,952,000	\$8,476,000	\$16,952,000	\$8,476,000	\$0	\$0	\$0	\$0
6	6	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APP:	\$4,647,000	\$2,323,500	\$4,647,000	\$2,323,500	\$4,647,000	\$2,323,500	\$0	\$0	\$0	\$0
9	9	SAVE	\$0	-\$4,280,500	\$0	-\$4,280,500	\$0	-\$4,280,500	\$0	\$0	\$0	\$0
10	10	REDUCTION TO COLA TO COUNTIES FOR FY 2011-12	-\$16,952,000	-\$8,476,000	-\$16,952,000	-\$8,476,000	-\$16,952,000	-\$8,476,000	\$0	\$0	\$0	\$0
11	11	PRIOR YEAR RECONCILIATIONS	\$0	\$0	-\$80,508,000	-\$40,254,000	-\$80,508,000	-\$40,254,000	-\$80,508,000	-\$40,254,000	\$0	\$0
--	--	CHIPRA - DRA CITIZENSHIP OPTION	-\$26,504,000	-\$13,252,000	\$0	\$0	\$0	\$0	\$26,504,000	\$13,252,000	\$0	\$0
--	--	FY 2010-11 COST OF DOING BUSINESS	\$21,651,000	\$10,825,500	\$0	\$0	\$0	\$0	-\$21,651,000	-\$10,825,500	\$0	\$0
--	--	REDUCTION TO COLA TO COUNTIES FOR FY 2010-11	-\$21,651,000	-\$10,825,500	\$0	\$0	\$0	\$0	\$21,651,000	\$10,825,500	\$0	\$0
--	--	REDUCTION TO COUNTY ADMINISTRATION	-\$121,138,000	-\$60,569,000	\$0	\$0	\$0	\$0	\$121,138,000	\$60,569,000	\$0	\$0
OTHER SUBTOTAL			\$41,202,000	-\$16,791,000	\$97,879,000	\$17,278,500	\$90,997,000	\$17,278,500	\$49,795,000	\$34,069,500	-\$6,882,000	\$0
COUNTY ADMINISTRATION GRAND TOTAL			\$41,202,000	-\$16,791,000	\$97,879,000	\$17,278,500	\$90,997,000	\$17,278,500	\$49,795,000	\$34,069,500	-\$6,882,000	\$0

**COMPARISON OF FISCAL IMPACTS OF COUNTY ADMINISTRATION POLICY CHANGES
MAY 2012 ESTIMATE COMPARED TO NOVEMBER 2011 ESTIMATE
FISCAL YEAR 2012-13**

NOV. PC#	MAY PC#	POLICY CHANGE TITLE	NOV. 2011 EST. FOR 2012-13		MAY 2012 EST. FOR 2012-13		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
		OTHER						
1	1	CalWORKs APPLICATIONS	\$68,208,000	\$34,104,000	\$68,208,000	\$34,104,000	\$0	\$0
2	2	SAWS	\$64,204,000	\$8,509,000	\$68,644,000	\$7,955,500	\$4,440,000	-\$553,500
3	3	ELIGIBLE GROWTH	\$55,247,000	\$27,623,500	\$37,718,000	\$18,859,000	-\$17,529,000	-\$8,764,500
4	4	LOS ANGELES COUNTY HOSPITAL INTAKES	\$19,055,000	\$4,148,500	\$17,881,000	\$3,561,500	-\$1,174,000	-\$587,000
5	5	FY 2011-12 COST OF DOING BUSINESS	\$16,952,000	\$8,476,000	\$16,952,000	\$8,476,000	\$0	\$0
6	6	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APP	\$4,647,000	\$2,323,500	\$4,647,000	\$2,323,500	\$0	\$0
7	7	FY 2012-13 COST OF DOING BUSINESS	\$16,952,000	\$8,476,000	\$26,310,000	\$13,155,000	\$9,358,000	\$4,679,000
8	8	REDUCTION TO COLA TO COUNTIES FOR FY 2012-13	-\$16,952,000	-\$8,476,000	-\$26,310,000	-\$13,155,000	-\$9,358,000	-\$4,679,000
9	9	SAVE	\$0	-\$4,280,500	\$0	-\$3,500,000	\$0	\$780,500
10	10	REDUCTION TO COLA TO COUNTIES FOR FY 2011-12	-\$16,952,000	-\$8,476,000	-\$16,952,000	-\$8,476,000	\$0	\$0
12	12	SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL	\$8,482,000	\$4,241,000	\$8,831,000	\$3,090,850	\$349,000	-\$1,150,150
--	11	PRIOR YEAR RECONCILIATIONS	\$0	\$0	-\$60,000,000	-\$30,000,000	-\$60,000,000	-\$30,000,000
		OTHER SUBTOTAL	\$219,843,000	\$76,669,000	\$145,929,000	\$36,394,350	-\$73,914,000	-\$40,274,650
		COUNTY ADMINISTRATION GRAND TOTAL	\$219,843,000	\$76,669,000	\$145,929,000	\$36,394,350	-\$73,914,000	-\$40,274,650

**COMPARISON OF FISCAL IMPACTS OF COUNTY ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2011-12 AND 2012-13**

MAY PC#	POLICY CHANGE TITLE	MAY 2012 EST. FOR 2011-12		MAY 2012 EST. FOR 2012-13		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
1	CalWORKs APPLICATIONS	\$63,732,000	\$31,866,000	\$68,208,000	\$34,104,000	\$4,476,000	\$2,238,000
2	SAWS	\$53,673,000	\$8,276,000	\$68,644,000	\$7,955,500	\$14,971,000	-\$320,500
3	ELIGIBLE GROWTH	\$29,377,000	\$14,688,500	\$37,718,000	\$18,859,000	\$8,341,000	\$4,170,500
4	LOS ANGELES COUNTY HOSPITAL INTAKES	\$20,076,000	\$4,659,000	\$17,881,000	\$3,561,500	-\$2,195,000	-\$1,097,500
5	FY 2011-12 COST OF DOING BUSINESS	\$16,952,000	\$8,476,000	\$16,952,000	\$8,476,000	\$0	\$0
6	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.	\$4,647,000	\$2,323,500	\$4,647,000	\$2,323,500	\$0	\$0
7	FY 2012-13 COST OF DOING BUSINESS	\$0	\$0	\$26,310,000	\$13,155,000	\$26,310,000	\$13,155,000
8	REDUCTION TO COLA TO COUNTIES FOR FY 2012-13	\$0	\$0	-\$26,310,000	-\$13,155,000	-\$26,310,000	-\$13,155,000
9	SAVE	\$0	-\$4,280,500	\$0	-\$3,500,000	\$0	\$780,500
10	REDUCTION TO COLA TO COUNTIES FOR FY 2011-12	-\$16,952,000	-\$8,476,000	-\$16,952,000	-\$8,476,000	\$0	\$0
11	PRIOR YEAR RECONCILIATIONS	-\$80,508,000	-\$40,254,000	-\$60,000,000	-\$30,000,000	\$20,508,000	\$10,254,000
12	SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL	\$0	\$0	\$8,831,000	\$3,090,850	\$8,831,000	\$3,090,850
	OTHER SUBTOTAL	\$90,997,000	\$17,278,500	\$145,929,000	\$36,394,350	\$54,932,000	\$19,115,850
	COUNTY ADMINISTRATION GRAND TOTAL	\$90,997,000	\$17,278,500	\$145,929,000	\$36,394,350	\$54,932,000	\$19,115,850

Costs shown do not include percent reflected in base calculation.

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

POLICY CHANGE NUMBER	POLICY CHANGE TITLE
	<u>OTHER</u>
1	CalWORKs APPLICATIONS
2	SAWS
3	ELIGIBLE GROWTH
4	LOS ANGELES COUNTY HOSPITAL INTAKES
5	FY 2011-12 COST OF DOING BUSINESS
6	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.
7	FY 2012-13 COST OF DOING BUSINESS
8	REDUCTION TO COLA TO COUNTIES FOR FY 2012-13
9	SAVE
10	REDUCTION TO COLA TO COUNTIES FOR FY 2011-12
11	PRIOR YEAR RECONCILIATIONS
12	SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL

CalWORKs APPLICATIONS

COUNTY ADMIN. POLICY CHANGE NUMBER: 1
 IMPLEMENTATION DATE: 7/1998
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 217

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$63,732,000	\$0	\$68,208,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$63,732,000	\$0	\$68,208,000
STATE FUNDS	\$0	\$31,866,000	\$0	\$34,104,000
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$63,732,000	\$0	\$68,208,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$63,732,000	\$0	\$68,208,000
STATE FUNDS	\$0	\$31,866,000	\$0	\$34,104,000

DESCRIPTION

Purpose:

This policy change estimates the Medi-Cal portion of the shared costs for processing of applications which are submitted through CalWORKS and/or CalFresh programs. These costs include staff and support costs.

Authority:

Welfare and Institutions Code, section 14154

Background:

In 1998 the Legislature directed the Department to share in the costs for CalWORKS applications with the California Department of Social Services (CDSS). CDSS amended the claim forms and time study documents completed by the counties to allow CalWORKS application costs that are also necessary for Medi-Cal and CalFresh eligibility to be shared between the three programs.

Reason for change from prior estimate:

CDSS updated estimated expenditures and caseload for FY 2012-13.

Methodology:

FY 2011-12 **\$63,732,000 TF (\$31,866,000 GF)**

FY 2012-13 **\$68,208,000 TF (\$34,104,000 GF)**

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

SAWS

COUNTY ADMIN. POLICY CHANGE NUMBER: 2
 IMPLEMENTATION DATE: 7/1987
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 214

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$53,673,000	\$0	\$68,644,000	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$53,673,000	\$0	\$68,644,000	\$0
STATE FUNDS	\$8,276,000	\$0	\$7,955,500	\$0
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$53,673,000	\$0	\$68,644,000	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$53,673,000	\$0	\$68,644,000	\$0
STATE FUNDS	\$8,276,000	\$0	\$7,955,500	\$0

DESCRIPTION

Purpose:

This policy change estimates and reimburses the California Department of Social Services (CDSS) 100% Federal Financial Participation (FFP) for automated Eligibility Determination and Automated Benefit Computation, through an interagency agreement (IA) with CDSS. This policy change also estimates the funds for the Los Angeles Eligibility Automated Determination Evaluation and Reposting System (LEADER) that is paid by the Department.

Authority:

Welfare and Institutions Code, section 14154
 IA

Background:

The Statewide Automated Welfare Systems (SAWS) consists of three county consortium systems: LEADER, the Consortium-IV (C-IV) and the CalWORKs Information Network (CalWIN).

The SAWS project management is now the responsibility of the Office of Systems Integration (OSI) within the Health and Human Services Agency. The Department provides expertise to OSI on program and technical system requirements for the Medi-Cal program and the Medi-Cal Eligibility Data System (MEDS) interfaces.

LEADER is the automated system for Los Angeles County and is currently in the maintenance and operation phase. The County began the process to replace the LEADER system and has completed contract negotiations with the successful bidder (Accenture). OSI and the County have submitted the LEADER Replacement System (LRS) development contract to the federal oversight agencies for their review and approval. While the replacement system is being developed, the County received state and

SAWS**COUNTY ADMIN. POLICY CHANGE NUMBER: 2**

federal approval to extend the existing LEADER maintenance and operations contract for an additional two years, through April 2013, with up to two optional one-year extensions beyond that date. The two one-year extensions are subject to state and federal approvals.

The CalWIN consortium is fully implemented in all 18 counties and is currently in the maintenance and operation phase.

The C-IV system is fully implemented in 39 counties and is currently in the maintenance and operation phase.

Reason for change from prior estimate:

CDSS updated estimated expenditures for FY 2011-12 and FY 2012-13.

Methodology:

1. The estimate on a cash basis, were provided by CDSS.

(In Thousands)	<u>FY 2011-12</u>	<u>FY 2012-13</u>
LA County LEADER M&O*	\$16,552 (\$8,276 GF)	\$15,911 (\$7,955.5 GF)
LEADER Replacement	\$2,052	\$18,382
SPM	\$1,462	\$1,487
ISAWS Migration	\$1,878	\$0
WCDS-CalWIN	\$18,332	\$17,933
Consortia IV	\$13,320	\$14,853
State Client Index	\$77	\$78
TOTAL	\$53,673	\$68,644

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)*

Title XIX FFP (4260-101-0890)

ELIGIBLE GROWTH

COUNTY ADMIN. POLICY CHANGE NUMBER: 3
 IMPLEMENTATION DATE: 7/1992
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 216

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$29,377,000	\$0	\$37,718,000
TOTAL FUNDS	\$0	\$29,377,000	\$0	\$37,718,000
STATE FUNDS	\$0	\$14,688,500	\$0	\$18,859,000
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$29,377,000	\$0	\$37,718,000
TOTAL FUNDS	\$0	\$29,377,000	\$0	\$37,718,000
STATE FUNDS	\$0	\$14,688,500	\$0	\$18,859,000

DESCRIPTION

Purpose:

The policy change estimates the cost in expected growth for certified Medi-Cal-only eligibles.

Authority:

Welfare and Institution Code, section 14154

Background:

The county administration base estimate does not include costs anticipated due to recent changes in growth in Medi-Cal eligibles. Medi-Cal Only in this policy change is defined as those individuals who are eligible through a Medi-Cal eligibility determination completed by the county, rather than through eligibility for a cash-grant program such as CalWORKS or SSI/SSP.

Reason for change from prior estimate:

There is no change in FY 2011-12. In FY 2012-13, the county administration budgeted base and the estimated number of average monthly certified eligibles have been updated based on additional data.

Methodology:

1. In FY 2011-12, it was estimated there would be 4,729,300 average monthly certified eligibles (before adding the impact of policy changes) based on the May 2011 Estimate. Eligible Growth costs were estimated to be \$29,377,000 TF.
2. The county administrative budgeted base for FY 2012-13 is \$1,298,988,778.
3. In FY 2012-13, assume there will be 4,870,730 average monthly certified eligibles (before adding the impact of policy changes).

ELIGIBLE GROWTH

COUNTY ADMIN. POLICY CHANGE NUMBER: 3

FY 2012-13 Growth Cost

$\$1,298,988,778 / 4,870,730 = \266.69 average cost per eligible
 $4,870,730 - 4,729,300 = 141,430$ eligibles not funded in the base
 $\$266.69 \times 141,430 = \mathbf{\$37,718,000 TF}$

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

LOS ANGELES COUNTY HOSPITAL INTAKES

COUNTY ADMIN. POLICY CHANGE NUMBER: 4
 IMPLEMENTATION DATE: 7/1994
 ANALYST: Taryn Gerald
 FISCAL REFERENCE NUMBER: 213

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$20,076,000	\$0	\$17,881,000
TOTAL FUNDS	\$0	\$20,076,000	\$0	\$17,881,000
STATE FUNDS	\$0	\$4,659,000	\$0	\$3,561,500
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$20,076,000	\$0	\$17,881,000
TOTAL FUNDS	\$0	\$20,076,000	\$0	\$17,881,000
STATE FUNDS	\$0	\$4,659,000	\$0	\$3,561,500

DESCRIPTION

Purpose:

The policy change estimates the costs for Patient Financial Services Workers (PSFWs) to process Medi-Cal applications taken in Los Angeles County hospitals.

Authority:

Welfare and Institutions Code, section 14154

Background:

Los Angeles County uses PFSWs to collect and process Medi-Cal applications taken in Los Angeles County hospitals. The applications processed by the PSFWs are sent to the Los Angeles County Human Services Agency for final eligibility determination. Welfare and Institutions Code Section 14154 limits the reimbursement amount for PFSW intakes to the amount paid to Los Angeles County Department of Social Services eligibility workers for regular Medi-Cal intakes.

Reason for Change from Prior Estimate:

The change is due to additional data.

Methodology:

1. PFSWs have been processing an average of 2,585 intakes per month in current year and are projected to process 2,215 intakes per month in budget year. These intakes are reported separately to the Department and are not included in the base estimate. The average reimbursement rate is \$268 for both current year and budget year.

FY 2011-12: $2,585 \times \$268 \times 12 = \$8,313,000$ (\$4,156,500 GF)

FY 2012-13: $2,215 \times \$268 \times 12 = \$7,123,000$ (\$3,561,500 GF)

LOS ANGELES COUNTY HOSPITAL INTAKES

COUNTY ADMIN. POLICY CHANGE NUMBER: 4

2. This policy change also reflects the final Los Angeles County Hospital Intakes reconciliation of FY 2009-10. The reconciliation identified \$1,005,000 TF (\$502,500 GF) and \$10,758,000 in federal fund pass-through for a total of \$11,763,000 TF due to the county. Assume the same amount of federal fund pass-through is needed in FY 2012-13.

Total cost for **FY 2011-12**: \$8,313,000 + \$11,763,000 = **\$20,076,000**

Total cost for **FY 2012-13**: \$7,123,000 + \$10,758,000 = **\$17,881,000**

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

Title XIX FFP (4260-101-0890)

FY 2011-12 COST OF DOING BUSINESS

COUNTY ADMIN. POLICY CHANGE NUMBER: 5
 IMPLEMENTATION DATE: 7/2011
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1548

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$16,952,000	\$0	\$16,952,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$16,952,000	\$0	\$16,952,000
STATE FUNDS	\$0	\$8,476,000	\$0	\$8,476,000
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$16,952,000	\$0	\$16,952,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$16,952,000	\$0	\$16,952,000
STATE FUNDS	\$0	\$8,476,000	\$0	\$8,476,000

DESCRIPTION

Purpose:

This policy change estimates the Cost of Living Adjustment (COLA) for county staff who perform tasks as part of the Medi-Cal eligibility process.

Authority:

Welfare and Institutions Code, section 14154

Background:

The COLA is determined by the allowable county salaries at the California Necessities Index (CNI) or state employee salary increases, whichever is greater. The current State employee contracts do not allow for increase in FY 2011-12. Therefore, the Department of Finance (DOF) calculation of 1.92% for the CNI for FY 2011-12 will be used.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. Assume the CNI for FY 2011-12 is 1.92%.
2. The FY 2011-12 staff salary cost is \$882,891,225.

FY 2011-12 COST OF DOING BUSINESS

COUNTY ADMIN. POLICY CHANGE NUMBER: 5

FY 2011-12 Cost of Doing Business

\$882,891,225 x 1.92% = \$16,952,000 TF (\$8,476,000 GF)

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.

COUNTY ADMIN. POLICY CHANGE NUMBER: 6
 IMPLEMENTATION DATE: 1/2010
 ANALYST: Taryn Gerald
 FISCAL REFERENCE NUMBER: 1386

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$4,647,000	\$0	\$4,647,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$4,647,000	\$0	\$4,647,000
STATE FUNDS	\$0	\$2,323,500	\$0	\$2,323,500
% IN BASE				
PROCEDURAL	0.00 %	100.00 %	0.00 %	100.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$0	\$0
STATE FUNDS	\$0	\$0	\$0	\$0

DESCRIPTION**Purpose:**

This policy change provides funding for counties to process Low Income Subsidy (LIS) applications as Medi-Cal applications and make eligibility determinations for the Medi-Cal program.

Authority:

Welfare and Institutions Code, section 14154

Background:

Beginning January 1, 2010, the Medicare Improvement for Patients and Providers Act (MIPPA) of 2008 required all states to process SSA Low-Income Subsidy (LIS) applications (Part D) as an application for the Medicare Savings Program. The date the SSA receives a LIS application will also be considered the date of the state Medi-Cal application, thus starting the 45-day clock for determining Medi-Cal eligibility. Since the LIS applications do not contain enough information to determine Medi-Cal eligibility, the counties will have to establish files in MEDS and request additional information from all LIS applicants on the SSA lists. This federal requirement will result in increased county eligibility worker costs. Based on SSA data, there will be an average of 5,800 LIS applications received per month.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. Implementation began January 1, 2010.
2. Assume there will be 5,800 LIS applications received by SSA each month.

LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.**COUNTY ADMIN. POLICY CHANGE NUMBER: 6**

3. Based on actual data, the Department assumes 30% already have Medi-Cal, and of the remaining 70%, only 50% will complete the Medi-Cal application process in FY 2012-13 and annually.

5,800 LIS applications x 70% = 4,060

4,060 x 50% = 2,030 Medi-Cal eligibility determination reviews

2,030 x 12 months = 24,360 Medi-Cal eligibility determination reviews annually

4. The average cost to conduct a Medi-Cal eligibility review is assumed to be \$190.78.

FY 2012-13 & Annual Cost:

24,360 MC applications x \$190.78 = **\$4,647,000 TF (\$2,323,500 GF)**

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

FY 2012-13 COST OF DOING BUSINESS

COUNTY ADMIN. POLICY CHANGE NUMBER: 7
 IMPLEMENTATION DATE: 7/2012
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1619

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$0	\$0	\$26,310,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$0	\$26,310,000
STATE FUNDS	\$0	\$0	\$0	\$13,155,000
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$0	\$0	\$26,310,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$0	\$26,310,000
STATE FUNDS	\$0	\$0	\$0	\$13,155,000

DESCRIPTION

Purpose:

This policy change estimates the Cost of Living Adjustment (COLA) for county staff who perform tasks as part of the Medi-Cal eligibility process.

Authority:

Welfare and Institutions Code, section 14154

Background:

The COLA is determined by the allowable county salaries at the California Necessities Index (CNI) or state employee salary increases, whichever is greater. The current State employee contracts do not allow for increase in FY 2012-13. Therefore, the Department of Finance (DOF) calculation of 2.98% for the CNI for FY 2012-13 will be used.

Reason for Change from Prior Estimate:

Updated CNI for FY 2012-13.

Methodology:

1. Assume the CNI for FY 2012-13 is 2.98%.
2. The FY 2011-12 staff salary cost is \$882,891,225.

FY 2012-13 COST OF DOING BUSINESS

COUNTY ADMIN. POLICY CHANGE NUMBER: 7

FY 2012-13 Cost of Doing Business:

\$882,891,225 x 2.98% = **\$26,310,000 TF (\$13,155,000 GF)**

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

REDUCTION TO COLA TO COUNTIES FOR FY 2012-13

COUNTY ADMIN. POLICY CHANGE NUMBER: 8
 IMPLEMENTATION DATE: 7/2012
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1630

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$0	\$0	-\$26,310,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$0	-\$26,310,000
STATE FUNDS	\$0	\$0	\$0	-\$13,155,000
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$0	\$0	-\$26,310,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$0	-\$26,310,000
STATE FUNDS	\$0	\$0	\$0	-\$13,155,000

DESCRIPTION

Purpose:

This policy change estimates the savings for eliminating the Cost of Living Adjustment (COLA) for county staff who perform tasks as part of the Medi-Cal eligibility process.

Authority:

Welfare and Institutions Code, section 14154

Background:

The COLA is determined by the allowable county salaries at the California Necessities Index (CNI) or state employee salary increases, whichever is greater. The COLA for FY 2012-13 is projected to be \$26,310,000 TF (\$13,155,000 GF) based on the CNI increase which is 2.98%. As of July 1, 2011 the COLA for county staff who performs tasks as part of the Medi-Cal eligibility process was eliminated.

Reason for change from prior estimate:

Updated CNI for FY 2012-13.

Methodology:

1. Assume the CNI for FY 2012-13 is 2.98%.
2. The FY 2011-12 staff salary cost is \$882,891,225.

REDUCTION TO COLA TO COUNTIES FOR FY 2012-13

COUNTY ADMIN. POLICY CHANGE NUMBER: 8

FY 2012-13:

\$882,891,225 (Staffing Salaries) x 2.98% (CNI) = **\$26,310,000 TF (\$13,155,000 GF)**

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

SAVE

COUNTY ADMIN. POLICY CHANGE NUMBER: 9
 IMPLEMENTATION DATE: 10/1988
 ANALYST: Taryn Gerald
 FISCAL REFERENCE NUMBER: 215

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$0	\$0
STATE FUNDS	-\$4,280,500	\$0	-\$3,500,000	\$0
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$0	\$0
STATE FUNDS	-\$4,280,500	\$0	-\$3,500,000	\$0

DESCRIPTION**Purpose:**

The policy change estimates the technical adjustment in funding from Title XIX 50% federal financial participation (FFP) to Title XIX 100% FFP for the Systematic Alien Verification for Entitlements (SAVE) system.

Authority:

Welfare and Institutions Code, section 14154

Background:

The Immigration Reform and Control Act (IRCA) of 1986 required states to use the SAVE system to verify alien status for Medi-Cal applicants beginning in October 1988. The counties time study eligibility worker and supervisor time spent on SAVE verifications.

Reason for Change from Prior Estimate:

The change is due to additional data.

Methodology:

1. The Medi-Cal accrual costs for SAVE reported over the last five years by the counties were:

FY 2006-07*	\$ 7,345,502
FY 2007-08*	\$ 7,350,704
FY 2008-09*	\$17,430,750
FY 2009-10*	\$ 6,881,956
FY 2010-11**	\$ 6,431,214

SAVE**COUNTY ADMIN. POLICY CHANGE NUMBER: 9**

2. The Department conducted a SAVE review in May 2008 to determine if counties were consistently following SAVE program requirements. The Department found that eligibility workers were not consistently maintaining required copies of SAVE documents in the beneficiary case files. Counties were required to reconcile the beneficiary case files and make sure all documentation was included. This review caused a one-time increase in SAVE costs in FY 2008-09 on an accrual basis. On a cash basis, the impact occurred in FY 2010-11.

Based on claims through December 2011, Federal funds will be:

	<u>Total Fund</u>	<u>FFP Shift</u>
FY 2011-12	\$8,561,000	\$4,280,500
FY 2012-13	\$7,000,000	\$3,500,000

* Actual

** Estimated

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

REDUCTION TO COLA TO COUNTIES FOR FY 2011-12

COUNTY ADMIN. POLICY CHANGE NUMBER: 10
 IMPLEMENTATION DATE: 7/2011
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1564

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	-\$16,952,000	\$0	-\$16,952,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	-\$16,952,000	\$0	-\$16,952,000
STATE FUNDS	\$0	-\$8,476,000	\$0	-\$8,476,000
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	-\$16,952,000	\$0	-\$16,952,000
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	-\$16,952,000	\$0	-\$16,952,000
STATE FUNDS	\$0	-\$8,476,000	\$0	-\$8,476,000

DESCRIPTION

Purpose:

This policy change estimates the savings for eliminating the Cost of Living Adjustment (COLA) for county staff who perform tasks as part of the Medi-Cal eligibility process.

Authority:

Welfare and Institutions Code, section 14154

Background:

The COLA is determined by the allowable county salaries at the California Necessities Index (CNI) or state employee salary increases, whichever is greater. The COLA for 2011-12 is projected to be \$16,952,000 TF (\$8,476,000 GF) based on the CNI increase which is 1.92%. As of July 1, 2011 the COLA for county staff who performs tasks as part of the Medi-Cal eligibility process was eliminated.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. Assume the CNI for FY 2012-13 is 1.92%.
2. The FY 2011-12 staff salary cost is \$882,891,225.

REDUCTION TO COLA TO COUNTIES FOR FY 2011-12

COUNTY ADMIN. POLICY CHANGE NUMBER: 10

FY 2011-12:

\$882,891,225 (Staffing Salaries) x 1.92% (CNI) = **\$16,952,000 TF (\$8,476,000 GF)**

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

PRIOR YEAR RECONCILIATIONS

COUNTY ADMIN. POLICY CHANGE NUMBER: 11
 IMPLEMENTATION DATE: 12/2011
 ANALYST: Taryn Gerald
 FISCAL REFERENCE NUMBER: 1191

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	-\$80,508,000	\$0	-\$60,000,000	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	-\$80,508,000	\$0	-\$60,000,000	\$0
STATE FUNDS	-\$40,254,000	\$0	-\$30,000,000	\$0
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	-\$80,508,000	\$0	-\$60,000,000	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	-\$80,508,000	\$0	-\$60,000,000	\$0
STATE FUNDS	-\$40,254,000	\$0	-\$30,000,000	\$0

DESCRIPTION

Purpose:

This policy change estimates the reconciliation of county administration expenditures to the county administration allocation.

Authority:

Welfare and Institutions Code, section 14154

Background:

Two years following the end of the fiscal year, county administration expenditures are reconciled to the county administration allocation for the applicable fiscal year. Counties have one year from the end of a quarter to amend their quarterly administrative claim, which is used by the Department for the county administration reconciliation process.

The final reconciliation of FY 2009-10 has been completed in FY 2011-12. The final reconciliation of FY 2009-10 includes all final amendments and adjustments to the quarterly administrative claim. The final reconciliation of expenditures and allocated payments resulted in identification of \$80,508,000 TF (\$40,254,000 GF) in county funds that will be returned to the State.

In FY 2012-13 only, the Department plans to reconcile FY 2010-11 and FY 2011-12 under an accelerated close out process. The estimated reconciliations of FY 2010-11 and FY 2011-12 will be adjusted to include all final amendments and adjustments to the quarterly administrative claim resulting from the accelerated close-out process. These reconciliations will not affect the individual county allocations for FY 2012-13.

PRIOR YEAR RECONCILIATIONS

COUNTY ADMIN. POLICY CHANGE NUMBER: 11

Reason for Change from Prior Estimate:

Projected reconciliations for FY 2010-11 and FY 2011-12.

Methodology:

FY 2009-10 Payments to Counties	\$	1,466,228,000
FY 2009-10 County Expenditures	\$	1,385,720,000
Net Due to the State	\$	80,508,000
FY 2010-11 and FY 2011-12 Reconciliation	\$	60,000,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL

COUNTY ADMIN. POLICY CHANGE NUMBER: 12
 IMPLEMENTATION DATE: 10/2012
 ANALYST: Devon Dyer
 FISCAL REFERENCE NUMBER: 1598

	FY 2011-12		FY 2012-13	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$8,831,000
TOTAL FUNDS	\$0	\$0	\$0	\$8,831,000
STATE FUNDS	\$0	\$0	\$0	\$3,090,850
% IN BASE				
PROCEDURAL	0.00 %	0.00 %	0.00 %	0.00 %
CASELOAD	0.00 %	0.00 %	0.00 %	0.00 %
APPLIED TO BASE				
PROCEDURAL - TOT.	\$0	\$0	\$0	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$8,831,000
TOTAL FUNDS	\$0	\$0	\$0	\$8,831,000
STATE FUNDS	\$0	\$0	\$0	\$3,090,850

DESCRIPTION

Purpose:

This policy change budgets the county administration costs associated with the shift of Healthy Families Program (HFP) children with incomes above 100% and up to and including 150% of the federal poverty level (FPL) to Medi-Cal.

Authority:

Proposed Legislation

Background:

The Administration is proposing legislation to shift all HFP eligibles into the Medi-Cal program. Beginning October 2012, a nine-month transition of eligibles will take place. This policy change budgets the county administration costs to enroll into Medi-Cal children with incomes above 100% and up to and including 150% of the FPL and who are enrolled in HFP. HFP will send to the counties the current eligibles applications and information. The counties will process the applications. Administrative savings will be reflected in the Managed Risk Medical Insurance Board budget.

Reason for change from prior estimate:

HFP caseload and phase-in structure were updated.

Methodology:

1. As of October 1, 2012, 335,477 eligibles with incomes above 100% and up to and including 150% FPL will be transferred to Medi-Cal over a nine-month period. A State Plan amendment will be submitted to allow these eligibles to be determined presumptively eligible for Medi-Cal.

SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL

COUNTY ADMIN. POLICY CHANGE NUMBER: 12

2. The per member per month (PMPM) cost for this group of eligibles is assumed to be \$4.00, based on assumptions from the California Welfare Director's Association of the time needed to process intakes and maintain cases for these children.
3. This estimate assumes one child per case.
4. The shift of HFP eligibles into the Medi-Cal program will occur in four separate phases. The first phase will transition on October 1, 2012, for all HFP eligibles currently enrolled in a managed care plan that also contracts directly with the Department. The second phase will transition on January 1, 2013, for all HFP eligibles currently enrolled in a managed care plan that subcontracts with a Medi-Cal managed care plan. The third phase will transition over 3-months (March 1, 2013 to May 30, 2013) for all HFP eligibles in a managed care county that were not transitioned in Phase 1 or Phase 2. The fourth phase will transition on June 1, 2013, for all remaining HFP eligibles.
5. The expansion for the children above 100% and up to 150% FPL is assumed to occur beginning October 2012 and will phase in over 9 months as follows:

	<u>Eligibles</u>	<u>Months of phase in</u>	<u>Months</u>	<u>% of Eligibles</u>
Phase 1:	158,204	1	Oct	47%
Phase 2a:	94,960	1	Jan	28%
Phase 2b:	65,892	3	Mar-May	20%
Phase 3:	16,422	1	Jun	5%
	<u>335,477</u>			<u>100%</u>

2,207,692 eligible months x \$4.00 PMPM costs = **\$8,831,000 TF (\$3,091,000 GF)**

Funding:

Title XXI 65/35 FFP (4260-113-0001/0890)