

BUDGET ACT OF 2010
CHANGES TO THE
MAY 2010
MEDI-CAL ESTIMATE

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CHANGES TO THE
MAY 2010
MEDI-CAL ESTIMATE

MANAGEMENT
SUMMARY

Medi-Cal Funding Summary
Appropriation Estimate Compared to November 2009 Estimate
Fiscal Year 2010-2011

TOTAL FUNDS

	Nov 2009 Estimate	May 2010 Appropriation Estimate	Difference Incr./(Decr.)
<u>MEDI-CAL Benefits:</u>			
4260-101-0001/0890(3)	\$32,605,184,000	\$38,922,279,000	\$6,317,095,000
4260-101-0080 (CLPP Funds)	\$115,000	\$115,000	\$0
4260-101-0232 Prop. 99 Hospital Svcs. Acct.	\$71,601,000	\$71,601,000	\$0
4260-101-0233 Prop. 99 Physician Svcs. Acct.	\$475,000	\$475,000	\$0
4260-101-0236 Prop. 99 Unallocated Account	\$9,035,000	\$20,188,000	\$11,153,000
4260-102-0001/0890 Capital Debt	\$91,784,000	\$96,272,000	\$4,488,000
4260-113-0001/0890 (Healthy Families)	\$500,222,000	\$484,981,000	(\$15,241,000)
4260-601-0942142 Local Trauma Centers	\$33,565,000	\$33,565,000	\$0
4260-601-3096 NDPH Supplemental Fund	\$1,911,000	\$1,911,000	\$0
4260-601-3097 Private Hospital Supp. Fund	\$138,800,000	\$138,497,000	(\$303,000)
4260-601-3156 MCO Tax Fund	\$71,883,000	\$71,875,000	(\$8,000)
4260-601-3158 Hosp. Quality Assurance Rev. Fund	\$1,427,334,000	\$4,463,001,000	\$3,035,667,000
4260-601-7502 Demonstration DSH Fund	\$530,620,000	\$542,620,000	\$12,000,000
4260-601-7503 Health Care Support Fund	\$669,057,000	\$1,171,898,000	\$502,841,000
4260-601-7504 South LA Med Svcs Preservation Fund	\$97,500,000	\$90,000,000	(\$7,500,000)
4260-601-8033 Distressed Hospital Fund	\$0	\$0	\$0
4260-606-0834 MIPA Fund	\$602,216,000	\$586,619,000	(\$15,597,000)
4260-610-0995 Reimbursements	\$164,184,000	\$238,407,000	\$74,223,000
4260-106-0890 Money Follow Person Federal Grant	\$5,006,000	\$4,551,000	(\$455,000)
TOTAL MEDI-CAL Benefits	\$37,020,492,000	\$46,938,855,000	\$9,918,363,000
<u>COUNTY ADMINISTRATION:</u>			
4260-101-0001/0890(1)	\$2,997,885,000	\$2,848,199,000	(\$149,686,000)
4260-113-0001/0890 (Healthy Families)	\$4,394,000	\$4,432,000	\$38,000
4260-117-0001/0890 (HIPAA)	\$3,857,000	\$3,808,000	(\$49,000)
4260-610-0995 (Reimbursements)	\$1,281,000	\$881,000	(\$400,000)
TOTAL COUNTY ADMIN.	\$3,007,417,000	\$2,857,320,000	(\$150,097,000)
<u>FISCAL INTERMEDIARY:</u>			
4260-101-0001/0890(2)	\$270,976,000	\$320,024,000	\$49,048,000
4260-113-0001/0890 (Healthy Families)	\$1,111,000	\$1,064,000	(\$47,000)
4260-117-0001/0890 (HIPAA)	\$30,419,000	\$45,258,000	\$14,839,000
4260-610-0995 (Reimbursements)	\$121,000	\$587,000	\$466,000
TOTAL FISCAL INTERMEDIARY	\$302,627,000	\$366,933,000	\$64,306,000
GRAND TOTAL - ALL FUNDS	\$40,330,536,000	\$50,163,108,000	\$9,832,572,000

Note: Proposition 99 funding is from the Cigarette and Tobacco Products Surtax Fund accounts as shown above.

Medi-Cal Funding Summary
Appropriation Estimate Compared to November 2009 Estimate
Fiscal Year 2010-2011

STATE FUNDS

	Nov 2009 Estimate	May 2010 Appropriation Estimate	Difference Incr./(Decr.)
<u>MEDI-CAL Benefits:</u>			
4260-101-0001(3) *	\$11,618,944,000	\$12,355,717,000	\$736,773,000
4260-101-0080 CLPP Funds	\$115,000	\$115,000	\$0
4260-101-0232 Prop. 99 Hospital Svcs. Acct.	\$71,601,000	\$71,601,000	\$0
4260-101-0233 Prop. 99 Physician Svcs. Acct.	\$475,000	\$475,000	\$0
4260-101-0236 Prop. 99 Unallocated Account	\$9,035,000	\$20,188,000	\$11,153,000
4260-102-0001 Capital Debt *	\$45,892,000	\$48,136,000	\$2,244,000
4260-113-0001 Healthy Families *	\$162,920,000	\$157,585,000	(\$5,335,000)
4260-601-0942142 Local Trauma Centers	\$33,565,000	\$33,565,000	\$0
4260-601-3096 Non-Desig. Public Hosp. Supp. Fund (GF) *	\$1,900,000	\$1,900,000	\$0
4260-601-3096 Non-Desig. Public Hosp. Supp. Fund (Non-GF)	\$11,000	\$11,000	\$0
4260-601-3097 Private Hosp. Supplemental Fund (GF) *	\$118,400,000	\$118,400,000	\$0
4260-601-3097 Private Hosp. Supplemental Fund (Non GF)	\$20,400,000	\$20,097,000	(\$303,000)
4260-601-3156 MCO Tax Fund	\$71,883,000	\$71,875,000	(\$8,000)
4260-601-3158 Hosp. Quality Assurance Rev. Fund	\$1,427,334,000	\$4,463,001,000	\$3,035,667,000
4260-601-8033 Distressed Hospital Fund	\$0	\$0	\$0
4260-606-0834 MIPA Fund	\$602,216,000	\$586,619,000	(\$15,597,000)
4260-610-0995 Reimbursements	\$164,184,000	\$238,407,000	\$74,223,000
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TOTAL MEDI-CAL Benefits	\$14,348,875,000	\$18,187,692,000	\$3,838,817,000
Total Benefits General Fund *	\$11,948,056,000	\$12,681,738,000	\$733,682,000
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<u>COUNTY ADMINISTRATION:</u>			
4260-101-0001(1) *	\$865,624,000	\$804,727,000	(\$60,897,000)
4260-113-0001 (Healthy Families) *	\$288,000	\$307,000	\$19,000
4260-117-0001 (HIPAA) *	\$40,000	\$40,000	\$0
4260-610-0995 (Reimbursements)	\$1,281,000	\$881,000	(\$400,000)
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TOTAL COUNTY ADMIN.	\$867,233,000	\$805,955,000	(\$61,278,000)
Total Co. Admin. General Fund *	\$865,952,000	\$805,074,000	(\$60,878,000)
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<u>FISCAL INTERMEDIARY:</u>			
4260-101-0001(2) *	\$91,975,000	\$102,887,000	\$10,912,000
4260-113-0001 (Healthy Families) *	\$389,000	\$431,000	\$42,000
4260-117-0001 (HIPAA) *	\$4,658,000	\$6,418,000	\$1,760,000
4260-610-0995 (Reimbursements)	\$121,000	\$587,000	\$466,000
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TOTAL FISCAL INTERMEDIARY	\$97,143,000	\$110,323,000	\$13,180,000
Total FI General Fund *	\$97,022,000	\$109,736,000	\$12,714,000
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GRAND TOTAL - STATE FUNDS	\$15,313,251,000	\$19,103,970,000	\$3,790,719,000
Grand Total General Fund*	\$12,911,030,000	\$13,596,548,000	\$685,518,000
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Note: Proposition 99 funding is from the Cigarette and Tobacco Products Surtax Fund accounts as shown above.

Medi-Cal Funding Summary
Appropriation Estimate Compared to November 2009 Estimate
Fiscal Year 2010-2011

FEDERAL FUNDS

	Nov 2009 Estimate	May 2010 Appropriation Estimate	Difference Incr./(Decr.)
<u>MEDI-CAL Benefits:</u>			
4260-101-0890(3)	\$20,986,240,000	\$26,566,562,000	\$5,580,322,000
4260-102-0890 Capital Debt	\$45,892,000	\$48,136,000	\$2,244,000
4260-113-0890 (Healthy Families)	\$337,302,000	\$327,396,000	(\$9,906,000)
4260-601-7502 Demonstration DSH Fund	\$530,620,000	\$542,620,000	\$12,000,000
4260-601-7503 Health Care Support Fund	\$669,057,000	\$1,171,898,000	\$502,841,000
4260-601-7504 South LA Med Svcs Preservation Fund	\$97,500,000	\$90,000,000	(\$7,500,000)
4260-106-0890 Money Follow Person Federal Grant	\$5,006,000	\$4,551,000	(\$455,000)
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TOTAL MEDI-CAL Benefits	\$22,671,617,000	\$28,751,163,000	\$6,079,546,000
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<u>COUNTY ADMINISTRATION:</u>			
4260-101-0890(1)	\$2,132,261,000	\$2,043,472,000	(\$88,789,000)
4260-113-0890 (Healthy Families)	\$4,106,000	\$4,125,000	\$19,000
4260-117-0890 (HIPAA)	\$3,817,000	\$3,768,000	(\$49,000)
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TOTAL COUNTY ADMIN.	\$2,140,184,000	\$2,051,365,000	(\$88,819,000)
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<u>FISCAL INTERMEDIARY:</u>			
4260-101-0890(2)	\$179,001,000	\$217,137,000	\$38,136,000
4260-113-0890 (Healthy Families)	\$722,000	\$633,000	(\$89,000)
4260-117-0890 (HIPAA)	\$25,761,000	\$38,840,000	\$13,079,000
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TOTAL FISCAL INTERMEDIARY	\$205,484,000	\$256,610,000	\$51,126,000
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 GRAND TOTAL - FEDERAL FUNDS	 \$25,017,285,000	 \$31,059,138,000	 \$6,041,853,000
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Medi-Cal Funding Summary
Appropriation Estimate Compared to May 2010 Estimate
Fiscal Year 2010-2011

TOTAL FUNDS

	<u>May 2010 Estimate</u>	<u>May 2010 Appropriation Estimate</u>	<u>Difference Incr./(Decr.)</u>
<u>MEDI-CAL Benefits:</u>			
4260-101-0001/0890(3)	\$40,673,819,000	\$38,922,279,000	(\$1,751,540,000)
4260-101-0080 (CLPP Funds)	\$115,000	\$115,000	\$0
4260-101-0232 Prop. 99 Hospital Svcs. Acct.	\$71,601,000	\$71,601,000	\$0
4260-101-0233 Prop. 99 Physician Svcs. Acct.	\$475,000	\$475,000	\$0
4260-101-0236 Prop. 99 Unallocated Account	\$20,335,000	\$20,188,000	(\$147,000)
4260-102-0001/0890 Capital Debt	\$96,272,000	\$96,272,000	\$0
4260-113-0001/0890 (Healthy Families)	\$478,265,000	\$484,981,000	\$6,716,000
4260-601-0942142 Local Trauma Centers	\$33,565,000	\$33,565,000	\$0
4260-601-3096 NDPH Supplemental Fund	\$1,911,000	\$1,911,000	\$0
4260-601-3097 Private Hospital Supp. Fund	\$138,497,000	\$138,497,000	\$0
4260-601-3156 MCO Tax Fund	\$88,069,000	\$71,875,000	(\$16,194,000)
4260-601-3158 Hosp. Quality Assurance Rev. Fund	\$4,623,001,000	\$4,463,001,000	(\$160,000,000)
4260-601-7502 Demonstration DSH Fund	\$542,620,000	\$542,620,000	\$0
4260-601-7503 Health Care Support Fund	\$1,144,898,000	\$1,171,898,000	\$27,000,000
4260-601-7504 South LA Med Svcs Preservation Fund	\$90,000,000	\$90,000,000	\$0
4260-601-8033 Distressed Hospital Fund	\$0	\$0	\$0
4260-606-0834 MIPA Fund	\$586,619,000	\$586,619,000	\$0
4260-610-0995 Reimbursements	\$238,407,000	\$238,407,000	\$0
4260-106-0890 Money Follow Person Federal Grant	\$4,551,000	\$4,551,000	\$0
TOTAL MEDI-CAL Benefits	\$48,833,020,000	\$46,938,855,000	(\$1,894,165,000)
<u>COUNTY ADMINISTRATION:</u>			
4260-101-0001/0890(1)	\$2,892,453,000	\$2,848,199,000	(\$44,254,000)
4260-113-0001/0890 (Healthy Families)	\$5,435,000	\$4,432,000	(\$1,003,000)
4260-117-0001/0890 (HIPAA)	\$3,806,000	\$3,808,000	\$2,000
4260-610-0995 (Reimbursements)	\$918,000	\$881,000	(\$37,000)
TOTAL COUNTY ADMIN.	\$2,902,612,000	\$2,857,320,000	(\$45,292,000)
<u>FISCAL INTERMEDIARY:</u>			
4260-101-0001/0890(2)	\$313,302,000	\$320,024,000	\$6,722,000
4260-113-0001/0890 (Healthy Families)	\$1,003,000	\$1,064,000	\$61,000
4260-117-0001/0890 (HIPAA)	\$47,514,000	\$45,258,000	(\$2,256,000)
4260-610-0995 (Reimbursements)	\$581,000	\$587,000	\$6,000
TOTAL FISCAL INTERMEDIARY	\$362,400,000	\$366,933,000	\$4,533,000
GRAND TOTAL - ALL FUNDS	\$52,098,032,000	\$50,163,108,000	(\$1,934,924,000)

Note: Proposition 99 funding is from the Cigarette and Tobacco Products Surtax Fund accounts as shown above.

Medi-Cal Funding Summary
Appropriation Estimate Compared to May 2010 Estimate
Fiscal Year 2010-2011

STATE FUNDS

	<u>May 2010</u> <u>Estimate</u>	<u>May 2010</u> <u>Appropriation</u> <u>Estimate</u>	<u>Difference</u> <u>Incr./.(Decr.)</u>
<u>MEDI-CAL Benefits:</u>			
4260-101-0001(3) *	\$11,736,728,000	\$12,355,717,000	\$618,989,000
4260-101-0080 CLPP Funds	\$115,000	\$115,000	\$0
4260-101-0232 Prop. 99 Hospital Svcs. Acct.	\$71,601,000	\$71,601,000	\$0
4260-101-0233 Prop. 99 Physician Svcs. Acct.	\$475,000	\$475,000	\$0
4260-101-0236 Prop. 99 Unallocated Account	\$20,335,000	\$20,188,000	(\$147,000)
4260-102-0001 Capital Debt *	\$48,136,000	\$48,136,000	\$0
4260-113-0001 Healthy Families *	\$157,585,000	\$157,585,000	\$0
4260-601-0942142 Local Trauma Centers	\$33,565,000	\$33,565,000	\$0
4260-601-3096 Non-Desig. Public Hosp. Supp. Fund (GF) *	\$1,900,000	\$1,900,000	\$0
4260-601-3096 Non-Desig. Public Hosp. Supp. Fund (Non-GF)	\$11,000	\$11,000	\$0
4260-601-3097 Private Hosp. Supplemental Fund (GF) *	\$118,400,000	\$118,400,000	\$0
4260-601-3097 Private Hosp. Supplemental Fund (Non GF)	\$20,097,000	\$20,097,000	\$0
4260-601-3156 MCO Tax Fund	\$88,069,000	\$71,875,000	(\$16,194,000)
4260-601-3158 Hosp. Quality Assurance Rev. Fund	\$4,623,001,000	\$4,463,001,000	(\$160,000,000)
4260-601-8033 Distressed Hospital Fund	\$0	\$0	\$0
4260-606-0834 MIPA Fund	\$586,619,000	\$586,619,000	\$0
4260-610-0995 Reimbursements	\$238,407,000	\$238,407,000	\$0
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TOTAL MEDI-CAL Benefits	\$17,745,044,000	\$18,187,692,000	\$442,648,000
Total Benefits General Fund *	\$12,062,749,000	\$12,681,738,000	\$618,989,000
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<u>COUNTY ADMINISTRATION:</u>			
4260-101-0001(1) *	\$761,846,000	\$804,727,000	\$42,881,000
4260-113-0001 (Healthy Families) *	\$307,000	\$307,000	\$0
4260-117-0001 (HIPAA) *	\$40,000	\$40,000	\$0
4260-610-0995 (Reimbursements)	\$918,000	\$881,000	(\$37,000)
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TOTAL COUNTY ADMIN.	\$763,111,000	\$805,955,000	\$42,844,000
Total Co. Admin. General Fund *	\$762,193,000	\$805,074,000	\$42,881,000
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<u>FISCAL INTERMEDIARY:</u>			
4260-101-0001(2) *	\$102,475,000	\$102,887,000	\$412,000
4260-113-0001 (Healthy Families) *	\$405,000	\$431,000	\$26,000
4260-117-0001 (HIPAA) *	\$6,607,000	\$6,418,000	(\$189,000)
4260-610-0995 (Reimbursements)	\$581,000	\$587,000	\$6,000
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TOTAL FISCAL INTERMEDIARY	\$110,068,000	\$110,323,000	\$255,000
Total FI General Fund *	\$109,487,000	\$109,736,000	\$249,000
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 GRAND TOTAL - STATE FUNDS	 \$18,618,223,000	 \$19,103,970,000	 \$485,747,000
Grand Total General Fund*	\$12,934,429,000	\$13,596,548,000	\$662,119,000
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Note: Proposition 99 funding is from the Cigarette and Tobacco Products Surtax Fund accounts as shown above.

Medi-Cal Funding Summary
Appropriation Estimate Compared to May 2010 Estimate
Fiscal Year 2010-2011

FEDERAL FUNDS

	May 2010 Estimate	May 2010 Appropriation Estimate	Difference Incr./(Decr.)
<u>MEDI-CAL Benefits:</u>			
4260-101-0890(3)	\$28,937,091,000	\$26,566,562,000	(\$2,370,529,000)
4260-102-0890 Capital Debt	\$48,136,000	\$48,136,000	\$0
4260-113-0890 (Healthy Families)	\$320,680,000	\$327,396,000	\$6,716,000
4260-601-7502 Demonstration DSH Fund	\$542,620,000	\$542,620,000	\$0
4260-601-7503 Health Care Support Fund	\$1,144,898,000	\$1,171,898,000	\$27,000,000
4260-601-7504 South LA Med Svcs Preservation Fund	\$90,000,000	\$90,000,000	\$0
4260-106-0890 Money Follow Person Federal Grant	\$4,551,000	\$4,551,000	\$0
TOTAL MEDI-CAL Benefits	\$31,087,976,000	\$28,751,163,000	(\$2,336,813,000)
<u>COUNTY ADMINISTRATION:</u>			
4260-101-0890(1)	\$2,130,607,000	\$2,043,472,000	(\$87,135,000)
4260-113-0890 (Healthy Families)	\$5,128,000	\$4,125,000	(\$1,003,000)
4260-117-0890 (HIPAA)	\$3,766,000	\$3,768,000	\$2,000
TOTAL COUNTY ADMIN.	\$2,139,501,000	\$2,051,365,000	(\$88,136,000)
<u>FISCAL INTERMEDIARY:</u>			
4260-101-0890(2)	\$210,827,000	\$217,137,000	\$6,310,000
4260-113-0890 (Healthy Families)	\$598,000	\$633,000	\$35,000
4260-117-0890 (HIPAA)	\$40,907,000	\$38,840,000	(\$2,067,000)
TOTAL FISCAL INTERMEDIARY	\$252,332,000	\$256,610,000	\$4,278,000
GRAND TOTAL - FEDERAL FUNDS	\$33,479,809,000	\$31,059,138,000	(\$2,420,671,000)

Medi-Cal Funding Summary
Appropriation Estimate Comparison of FY 2009-10 to FY 2010-11

TOTAL FUNDS

	FY 2009-10 Estimate	FY 2010-11 Appropriation Estimate	Difference Incr./Decr.)
<u>MEDI-CAL Benefits:</u>			
4260-101-0001/0890(3)	\$36,118,967,000	\$38,922,279,000	\$2,803,312,000
4260-101-0080 (CLPP Funds)	\$115,000	\$115,000	\$0
4260-101-0232 Prop. 99 Hospital Svcs. Acct.	\$95,078,000	\$71,601,000	(\$23,477,000)
4260-101-0233 Prop. 99 Physician Svcs. Acct.	\$0	\$475,000	\$475,000
4260-101-0236 Prop. 99 Unallocated Account	\$0	\$20,188,000	\$20,188,000
4260-102-0001/0890 Capital Debt	\$92,168,000	\$96,272,000	\$4,104,000
4260-113-0001/0890 (Healthy Families)	\$468,667,000	\$484,981,000	\$16,314,000
4260-601-0942142 Local Trauma Centers	\$37,230,000	\$33,565,000	(\$3,665,000)
4260-601-3096 NDPH Supplemental Fund	\$2,078,000	\$1,911,000	(\$167,000)
4260-601-3097 Private Hospital Supp. Fund	\$186,040,000	\$138,497,000	(\$47,543,000)
4260-601-3156 MCO Tax Fund	\$99,777,000	\$71,875,000	(\$27,902,000)
4260-601-3158 Hosp. Quality Assurance Rev. Fund	\$0	\$4,463,001,000	\$4,463,001,000
4260-601-7502 Demonstration DSH Fund	\$545,004,000	\$542,620,000	(\$2,384,000)
4260-601-7503 Health Care Support Fund	\$1,166,167,000	\$1,171,898,000	\$5,731,000
4260-601-7504 South LA Med Svcs Preservation Fund	\$95,000,000	\$90,000,000	(\$5,000,000)
4260-601-8033 Distressed Hospital Fund	\$12,996,000	\$0	(\$12,996,000)
4260-606-0834 MIPA Fund	\$582,167,000	\$586,619,000	\$4,452,000
4260-610-0995 Reimbursements	\$247,198,000	\$238,407,000	(\$8,791,000)
4260-106-0890 Money Follows Person Federal Grant	\$894,000	\$4,551,000	\$3,657,000
TOTAL MEDI-CAL Benefits	\$39,749,546,000	\$46,938,855,000	\$7,189,309,000
<u>COUNTY ADMINISTRATION:</u>			
4260-101-0001/0890(1)	\$2,856,444,000	\$2,848,199,000	(\$8,245,000)
4260-113-0001/0890 (Healthy Families)	\$4,530,000	\$4,432,000	(\$98,000)
4260-117-0001/0890 (HIPAA)	\$4,892,000	\$3,808,000	(\$1,084,000)
4260-610-0995 (Reimbursements)	\$726,000	\$881,000	\$155,000
TOTAL COUNTY ADMIN.	\$2,866,592,000	\$2,857,320,000	(\$9,272,000)
<u>FISCAL INTERMEDIARY:</u>			
4260-101-0001/0890(2)	\$258,499,000	\$320,024,000	\$61,525,000
4260-113-0001/0890 (Healthy Families)	\$636,000	\$1,064,000	\$428,000
4260-117-0001/0890 (HIPAA)	\$22,828,000	\$45,258,000	\$22,430,000
4260-610-0995 (Reimbursements)	\$133,000	\$587,000	\$454,000
TOTAL FISCAL INTERMEDIARY	\$282,096,000	\$366,933,000	\$84,837,000
GRAND TOTAL - ALL FUNDS	\$42,898,234,000	\$50,163,108,000	\$7,264,874,000

Notes: Proposition 99 funding is from the Cigarette and Tobacco Products Surtax Fund accounts as shown above.

Medi-Cal Funding Summary
Appropriation Estimate Comparison of FY 2009-10 to FY 2010-11

STATE FUNDS

	FY 2009-10 Estimate	FY 2010-11 Appropriation Estimate	Difference Incr./(Decr.)
<u>MEDI-CAL Benefits:</u>			
4260-101-0001(3) *	\$10,872,007,000	\$12,355,717,000	\$1,483,710,000
4260-101-0080 CLPP Funds	\$115,000	\$115,000	\$0
4260-101-0232 Prop. 99 Hospital Srvc. Acct.	\$95,078,000	\$71,601,000	(\$23,477,000)
4260-101-0233 Prop. Physician Srvc. Acct.	\$0	\$475,000	\$475,000
4260-101-0236 Prop. 99 Unallocated Account	\$0	\$20,188,000	\$20,188,000
4260-102-0001 Capital Debt *	\$46,084,000	\$48,136,000	\$2,052,000
4260-113-0001 Healthy Families *	\$155,496,000	\$157,585,000	\$2,089,000
4260-601-0942142 Local Trauma Centers	\$37,230,000	\$33,565,000	(\$3,665,000)
4260-601-3096 Non-Desig. Public Hosp. Supp. Fund (GF) *	\$1,900,000	\$1,900,000	\$0
4260-601-3096 Non-Desig. Public Hosp. Supp. Fund (Non-GF)	\$178,000	\$11,000	(\$167,000)
4260-601-3097 Private Hosp. Supplemental Fund (GF) *	\$118,400,000	\$118,400,000	\$0
4260-601-3097 Private Hosp. Supplemental Fund (Non-GF)	\$67,640,000	\$20,097,000	(\$47,543,000)
4260-601-3156 MCO Tax Fund	\$99,777,000	\$71,875,000	(\$27,902,000)
4260-601-3158 Hosp. Quality Assurance Rev. Fund	\$0	\$4,463,001,000	\$4,463,001,000
4260-601-8033 Distressed Hospital Fund	\$12,996,000	\$0	(\$12,996,000)
4260-606-0834 MIPA Fund	\$582,167,000	\$586,619,000	\$4,452,000
4260-610-0995 Reimbursements	\$247,198,000	\$238,407,000	(\$8,791,000)
TOTAL MEDI-CAL Benefits	\$12,336,266,000	\$18,187,692,000	\$5,851,426,000
Total Benefits General Fund *	\$11,193,887,000	\$12,681,738,000	\$1,487,851,000
=====			
<u>COUNTY ADMINISTRATION:</u>			
4260-101-0001(1) *	\$824,045,000	\$804,727,000	(\$19,318,000)
4260-113-0001 (Healthy Families) *	\$293,000	\$307,000	\$14,000
4260-117-0001 (HIPAA) *	\$250,000	\$40,000	(\$210,000)
4260-610-0995 (Reimbursements)	\$726,000	\$881,000	\$155,000
TOTAL COUNTY ADMIN.	\$825,314,000	\$805,955,000	(\$19,359,000)
Total Co. Admin. General Fund *	\$824,588,000	\$805,074,000	(\$19,514,000)
=====			
<u>FISCAL INTERMEDIARY:</u>			
4260-101-0001(2) *	\$88,542,000	\$102,887,000	\$14,345,000
4260-113-0001 (Healthy Families) *	\$249,000	\$431,000	\$182,000
4260-117-0001 (HIPAA) *	\$3,979,000	\$6,418,000	\$2,439,000
4260-610-0995 (Reimbursements)	\$133,000	\$587,000	\$454,000
TOTAL FISCAL INTERMEDIARY	\$92,903,000	\$110,323,000	\$17,420,000
Total FI General Fund *	\$92,770,000	\$109,736,000	\$16,966,000
=====			
GRAND TOTAL - STATE FUNDS	\$13,254,483,000	\$19,103,970,000	\$5,849,487,000
Grand Total General Fund *	\$12,111,245,000	\$13,596,548,000	\$1,485,303,000
=====			

Notes: Proposition 99 funding is from the Cigarette and Tobacco Products Surtax Fund accounts as shown above.

Medi-Cal Funding Summary
Appropriation Estimate Comparison of FY 2009-10 to FY 2010-11

FEDERAL FUNDS

	FY 2009-10 Estimate	FY 2010-11 Appropriation Estimate	Difference Incr./(Decr.)
<u>MEDI-CAL Benefits:</u>			
4260-101-0890(3)	\$25,246,960,000	\$26,566,562,000	\$1,319,602,000
4260-102-0890 Capital Debt	\$46,084,000	\$48,136,000	\$2,052,000
4260-113-0890 (Healthy Families)	\$313,171,000	\$327,396,000	\$14,225,000
4260-601-7502 Demonstration DSH Fund	\$545,004,000	\$542,620,000	(\$2,384,000)
4260-601-7503 Health Care Support Fund	\$1,166,167,000	\$1,171,898,000	\$5,731,000
4260-601-7504 South LA Med Svcs Preservation Fund	\$95,000,000	\$90,000,000	(\$5,000,000)
4260-106-0890 Money Follow Person Federal Grant	\$894,000	\$4,551,000	\$3,657,000
	-----	-----	-----
TOTAL MEDI-CAL Benefits	\$27,413,280,000	\$28,751,163,000	\$1,337,883,000
	=====	=====	=====
<u>COUNTY ADMINISTRATION:</u>			
4260-101-0890(1)	\$2,032,399,000	\$2,043,472,000	\$11,073,000
4260-113-0890 (Healthy Families)	\$4,237,000	\$4,125,000	(\$112,000)
4260-117-0890 (HIPAA)	\$4,642,000	\$3,768,000	(\$874,000)
	-----	-----	-----
TOTAL COUNTY ADMIN.	\$2,041,278,000	\$2,051,365,000	\$10,087,000
	=====	=====	=====
<u>FISCAL INTERMEDIARY:</u>			
4260-101-0890(2)	\$169,957,000	\$217,137,000	\$47,180,000
4260-113-0890 (Healthy Families)	\$387,000	\$633,000	\$246,000
4260-117-0890 (HIPAA)	\$18,849,000	\$38,840,000	\$19,991,000
	-----	-----	-----
TOTAL FISCAL INTERMEDIARY	\$189,193,000	\$256,610,000	\$67,417,000
	=====	=====	=====
GRAND TOTAL - FEDERAL FUNDS	\$29,643,751,000	\$31,059,138,000	\$1,415,387,000
	=====	=====	=====

BUDGET ACT OF 2010
CHANGES TO THE
MAY 2010
MEDI-CAL ESTIMATE

BUDGET
YEAR

MEDI-CAL PROGRAM ESTIMATE SUMMARY FISCAL YEAR 2010-11

	<u>TOTAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>STATE FUNDS</u>
I. BASE ESTIMATES			
A. B/Y FFS BASE	\$18,550,824,890	\$9,275,412,440	\$9,275,412,440
B. B/Y BASE POLICY CHANGES	\$19,258,659,000	\$12,195,078,150	\$7,063,580,850
C. BASE ADJUSTMENTS	-\$578,158,000	-\$450,691,300	-\$127,466,700
D. ADJUSTED BASE	<u>\$37,231,325,880</u>	<u>\$21,019,799,290</u>	<u>\$16,211,526,590</u>
II. REGULAR POLICY CHANGES			
A. ELIGIBILITY	\$862,569,090	\$546,972,310	\$315,596,780
B. BENEFITS	\$518,089,100	\$478,244,690	\$39,844,410
C. PHARMACY	-\$1,362,021,230	-\$703,798,810	-\$658,222,410
D. MANAGED CARE	\$57,750,000	\$107,066,500	-\$49,316,500
E. PROVIDER RATES	\$414,044,980	\$215,080,490	\$198,964,490
F. HOSPITAL FINANCING	\$4,024,159,000	\$3,524,944,500	\$499,214,500
G. SUPPLEMENTAL PMNTS.	\$9,555,436,000	\$5,511,734,000	\$4,043,702,000
H. OTHER	-\$4,362,497,600	-\$1,948,879,950	-\$2,413,617,650
I. TOTAL CHANGE	<u>\$9,707,529,360</u>	<u>\$7,731,363,730</u>	<u>\$1,976,165,620</u>
III. TOTAL MEDI-CAL ESTIMATE	<u><u>\$46,938,855,240</u></u>	<u><u>\$28,751,163,020</u></u>	<u><u>\$18,187,692,220</u></u>

**SUMMARY OF REGULAR POLICY CHANGES
FISCAL YEAR 2010-11**

<u>POLICY CHG. NO.</u>	<u>CATEGORY & TITLE</u>	<u>TOTAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>STATE FUNDS</u>
<u>ELIGIBILITY</u>				
1	FAMILY PLANNING INITIATIVE	\$676,495,000	\$506,191,200	\$170,303,800
2	BREAST AND CERVICAL CANCER TREATMENT	\$142,622,000	\$78,388,700	\$64,233,300
3	CHDP GATEWAY - PREENROLLMENT	\$16,763,000	\$10,895,950	\$5,867,050
4	BRIDGE TO HFP	\$17,290,000	\$11,238,500	\$6,051,500
5	REFUGEES	\$7,713,000	\$0	\$7,713,000
6	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APP	\$21,423,110	\$7,966,210	\$13,456,900
8	CHIPRA - M/C FOR CHILDREN & PREGNANT WOMEN	\$0	\$1,148,660	-\$1,148,660
10	NEW QUALIFIED ALIENS	\$0	-\$97,806,000	\$97,806,000
11	RESOURCE DISREGARD - % PROGRAM CHILDREN	\$0	\$36,335,550	-\$36,335,550
12	FEDERAL FLEX & STABILIZATION-FPACT UNDOC FAC	\$0	\$0	\$0
14	PROGRAM INTEGRITY AND ELIGIBILITY VERIFICATIC	-\$1,663,550	-\$831,780	-\$831,780
15	DISCONTINUANCE OF EWCP SCREENING FOR THE E	-\$6,371,000	-\$3,519,750	-\$2,851,250
16	ELIMINATE CDSS IHSS SOC BUYOUT ELIGIBLES	-\$11,702,470	-\$3,034,940	-\$8,667,530
	ELIGIBILITY SUBTOTAL	\$862,569,090	\$546,972,310	\$315,596,780
<u>BENEFITS</u>				
18	ADULT DAY HEALTH CARE - CDA	\$433,248,000	\$216,624,000	\$216,624,000
19	LOCAL EDUCATION AGENCY (LEA) PROVIDERS	\$100,000,000	\$100,000,000	\$0
20	MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA	\$45,464,000	\$25,367,000	\$20,097,000
21	H1N1 VACCINE	\$1,207,140	\$603,570	\$603,570
22	CALIFORNIA COMMUNITY TRANSITIONS COSTS	\$5,841,690	\$4,550,540	\$1,291,150
23	SF COMMUNITY-LIVING SUPPORT WAIVER PILOT PR	\$4,430,000	\$4,430,000	\$0
24	ELIMINATION OF THE CDSS IHSS SHARE-OF-COST B	\$0	\$4,445,500	-\$4,445,500
26	FAMILY PACT STATE ONLY SERVICES	\$0	-\$2,000,000	\$2,000,000
27	SCHIP FUNDING FOR PRENATAL CARE	\$0	\$107,953,950	-\$107,953,950
28	CDSS IHSS SHARE-OF-COST BUYOUT	\$0	-\$5,445,500	\$5,445,500
30	PEDIATRIC PALLIATIVE CARE	-\$725,630	-\$362,820	-\$362,820
31	MEDICAL ACUITY ELIGIBILITY CRITERIA FOR ADHC S	\$0	\$0	\$0
32	CALIFORNIA COMMUNITY TRANSITIONS SAVINGS	-\$8,720,660	-\$4,360,330	-\$4,360,330
33	ADHC ONSITE TAR REVIEWS	-\$1,847,000	-\$923,500	-\$923,500
171	ADDITIONAL SERVICES FOR HCBS CLIENTS	\$105,533,000	\$105,533,000	\$0
190	REINSTATEMENT OF OPTOMETRY SERVICES	\$2,620,560	\$1,310,280	\$1,310,280
209	HOSPITAL INPATIENT RATE FREEZE	-\$168,962,000	-\$84,481,000	-\$84,481,000
214	INCREASED FEDERAL MATCHING FUNDS FOR FPAC	\$0	\$5,000,000	-\$5,000,000
	BENEFITS SUBTOTAL	\$518,089,100	\$478,244,690	\$39,844,410
<u>PHARMACY</u>				
37	NON FFP DRUGS	\$0	-\$1,317,000	\$1,317,000
39	PHYSICIAN-ADMINISTERED DRUG REIMBURSEMENT	-\$12,840,000	-\$6,420,000	-\$6,420,000

Costs shown include application of payment lag and percent reflected in base calculation.

**SUMMARY OF REGULAR POLICY CHANGES
FISCAL YEAR 2010-11**

<u>POLICY CHG. NO.</u>	<u>CATEGORY & TITLE</u>	<u>TOTAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>STATE FUNDS</u>
<u>PHARMACY</u>				
40	ENTERAL NUTRITION PRODUCTS	-\$834,940	-\$417,470	-\$417,470
43	PHARMACY TAR AUTO-ADJUDICATION	-\$2,065,040	-\$1,032,520	-\$1,032,520
44	AGED DRUG REBATE RESOLUTION	-\$6,000,000	-\$3,000,000	-\$3,000,000
45	BCCTP DRUG REBATES	-\$6,000,000	-\$3,900,000	-\$2,100,000
46	MEDICAL SUPPLY REBATES	-\$10,000,000	-\$5,000,000	-\$5,000,000
47	PHYSICIAN-ADMINISTERED DRUG REBATES	-\$25,000,000	-\$14,500,000	-\$10,500,000
48	DISPUTED DRUG REBATE RESOLUTIONS	-\$40,000,000	-\$20,859,200	-\$19,140,800
49	FAMILY PACT DRUG REBATES	-\$44,721,000	-\$38,130,900	-\$6,590,100
50	MEDI-CAL PHARMACY REFORMS	-\$21,396,740	-\$10,698,370	-\$10,698,370
51	ESTIMATED ACQUISITION COST PHARMACY SAVING	-\$22,464,910	-\$11,232,450	-\$11,232,450
52	STATE SUPPLEMENTAL DRUG REBATES	-\$248,288,000	-\$124,530,400	-\$123,757,600
53	FEDERAL DRUG REBATE PROGRAM	-\$999,547,000	-\$501,328,700	-\$498,218,300
195	UBL AND MAIC INJUNCTION	\$83,336,400	\$41,668,200	\$41,668,200
198	ELIMINATION OF SELECTED OVER-THE-COUNTER D	-\$6,200,000	-\$3,100,000	-\$3,100,000
	PHARMACY SUBTOTAL	-\$1,362,021,230	-\$703,798,820	-\$658,222,410
<u>MANAGED CARE</u>				
57	MANAGED CARE INTERGOVERNMENTAL TRANSFER	\$365,969,000	\$207,372,000	\$158,597,000
65	ADDITION OF LTC, LAB, PHARMACY & CHDP TO THE	\$1,347,000	\$673,500	\$673,500
67	COVERAGE FOR FORMER AGNEWS RESIDENTS	-\$8,995,000	-\$4,497,500	-\$4,497,500
72	MANAGED CARE EXPANSION - VENTURA	\$42,920,000	\$21,460,000	\$21,460,000
73	MANAGED CARE EXPANSION REGIONAL TWO-PLAN	\$14,551,000	\$7,275,500	\$7,275,500
76	FAMILY PLANNING INCREASED FED MATCHING FUN	\$0	\$50,500,000	-\$50,500,000
77	FFS COSTS FOR MANAGED CARE ENROLLEES	\$0	\$0	\$0
176	DISCONTINUE UNDOCUMENTED BENEFICIARIES FRI	-\$546,000	-\$273,000	-\$273,000
185	MANDATORY ENROLLMENT INTO MANAGED CARE F	-\$357,496,000	-\$175,444,000	-\$182,052,000
	MANAGED CARE SUBTOTAL	\$57,750,000	\$107,066,500	-\$49,316,500
<u>PROVIDER RATES</u>				
34	ELIMINATION OF ADHC FY 2009-10 RATE INCREASE	-\$12,590,000	-\$6,295,000	-\$6,295,000
80	NF-B RATE CHANGES AND QA FEE	\$192,012,000	\$96,006,000	\$96,006,000
81	FQHC/RHC/CBRC RECONCILIATION PROCESS	\$158,283,000	\$79,141,500	\$79,141,500
82	LTC RATE ADJUSTMENT	\$57,991,000	\$28,995,500	\$28,995,500
83	EXPANSION OF REVENUE BASE FOR AB 1629 QA FE	\$29,308,000	\$14,654,000	\$14,654,000
84	ANNUAL MEI INCREASE FOR FQHCS/RHCS	\$26,911,730	\$13,455,870	\$13,455,870
85	HOSPICE RATE INCREASES	\$2,823,910	\$1,411,950	\$1,411,950
88	ELIMINATE HOSPICE ROOM AND BOARD RATE INCR	-\$1,118,110	-\$559,050	-\$559,050
89	REDUCTION TO SMALL & RURAL HOSPITALS	-\$4,175,880	-\$2,087,940	-\$2,087,940
91	ELIMINATE NON-AB 1629 LTC RATE INCREASES	-\$57,616,000	-\$28,808,000	-\$28,808,000

Costs shown include application of payment lag and percent reflected in base calculation.

**SUMMARY OF REGULAR POLICY CHANGES
FISCAL YEAR 2010-11**

<u>POLICY CHG. NO.</u>	<u>CATEGORY & TITLE</u>	<u>TOTAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>STATE FUNDS</u>
<u>PROVIDER RATES</u>				
92	ELIMINATE COLA INCREASE TO AB 1629 FACILITIES	-\$191,304,000	-\$95,652,000	-\$95,652,000
175	SANTA ROSA MEMORIAL HOSPITAL INJUNCTION	\$10,033,520	\$5,016,760	\$5,016,760
177	CHA V. MAXWELL-JOLLY INJUNCTION	\$56,300,200	\$28,150,100	\$28,150,100
186	INDEPENDENT LIVING CENTER INJUNCTION	\$35,500,000	\$17,750,000	\$17,750,000
191	REDUCTION TO RADIOLOGY RATES	-\$27,240,370	-\$13,620,190	-\$13,620,190
193	QA FEE FOR MLRCs	\$40,824,000	\$22,780,000	\$18,044,000
194	AB 1629 QA FEE TRENDING METHODOLOGY	\$88,777,000	\$49,538,000	\$39,239,000
196	QAF INCREASE DUE TO L&C FEE REDUCTION	\$9,325,000	\$5,203,000	\$4,122,000
	PROVIDER RATES SUBTOTAL	\$414,044,990	\$215,080,500	\$198,964,500
<u>HOSPITAL FINANCING</u>				
93	HOSP FINANCING - DSH PMT	\$1,725,858,000	\$1,129,239,000	\$596,619,000
94	HOSP FINANCING - PRIVATE HOSPITAL DSH REPLAC	\$515,974,000	\$257,987,000	\$257,987,000
95	HOSP FINANCING - SAFETY NET CARE POOL	\$516,001,000	\$516,001,000	\$0
96	FEDERAL FLEXIBILITY & STABILIZATION - SNCP ARR	\$154,172,000	\$154,172,000	\$0
97	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT	\$276,994,000	\$138,497,000	\$138,497,000
98	FEDERAL FLEXIBILITY & STABILIZATION-SNCP	\$245,000,000	\$245,000,000	\$0
99	HOSP FINANCING - HEALTH CARE COVERAGE INITIA	\$180,000,000	\$180,000,000	\$0
100	HOSP FINANCING - SOUTH LA PRESERVATION FUNE	\$90,000,000	\$90,000,000	\$0
101	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAI	\$67,114,000	\$67,114,000	\$0
102	HOSP FINANCING - STABILIZATION FUNDING	\$80,910,000	\$40,455,000	\$40,455,000
103	HOSP FINANCING - DPH INTERIM RATE GROWTH	\$64,998,000	\$32,499,000	\$32,499,000
104	HOSP FINANCING - DPH INTERIM & FINAL RECONS	\$63,316,000	\$63,316,000	\$0
105	HOSP FINANCING - CCS AND GHPP	\$40,000,000	\$40,000,000	\$0
107	HOSP FINANCING - NDPH SUPPLEMENTAL PMT	\$3,822,000	\$1,911,000	\$1,911,000
108	HOSP FINANCING - MIA LTC	\$0	\$8,725,000	-\$8,725,000
109	HOSP FINANCING - BCCTP	\$0	\$500,000	-\$500,000
110	BASE ADJUSTMENT - DPH INTERIM RATE	\$0	\$559,528,500	-\$559,528,500
	HOSPITAL FINANCING SUBTOTAL	\$4,024,159,000	\$3,524,944,500	\$499,214,500
<u>SUPPLEMENTAL PMNTS.</u>				
114	FREESTANDING CLINICS & VETERANS' HOMES SUPP	\$270,750,000	\$270,750,000	\$0
115	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT	\$221,500,000	\$221,500,000	\$0
116	IGT FOR NON-SB 1100 HOSPITALS	\$115,087,000	\$65,087,000	\$50,000,000
117	CAPITAL PROJECT DEBT REIMBURSEMENT	\$105,382,000	\$57,246,000	\$48,136,000
118	FFP FOR LOCAL TRAUMA CENTERS	\$67,130,000	\$33,565,000	\$33,565,000
119	CERTIFICATION PAYMENTS FOR DP-NFS	\$33,625,000	\$33,625,000	\$0
120	DSH OUTPATIENT PAYMENT METHOD CHANGE	\$10,000,000	\$5,000,000	\$5,000,000
121	SRH OUTPATIENT PAYMENT METHOD CHANGE	\$8,000,000	\$4,000,000	\$4,000,000

Costs shown include application of payment lag and percent reflected in base calculation.

**SUMMARY OF REGULAR POLICY CHANGES
FISCAL YEAR 2010-11**

<u>POLICY CHG. NO.</u>	<u>CATEGORY & TITLE</u>	<u>TOTAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>STATE FUNDS</u>
<u>SUPPLEMENTAL PMNTS.</u>				
122	SPECIALTY MENTAL HEALTH SVCS SUPP REIMBURS	\$110,861,000	\$110,861,000	\$0
170	HOSPITAL QAF - HOSPITAL PAYMENTS	\$8,613,101,000	\$4,710,100,000	\$3,903,001,000
	SUPPLEMENTAL PMNTS. SUBTOTAL	\$9,555,436,000	\$5,511,734,000	\$4,043,702,000
<u>OTHER</u>				
133	ICF-DD TRANSPORTATION AND DAY CARE COSTS- C	\$234,242,000	\$234,242,000	\$0
137	HEALTHY FAMILIES - CDMH	\$27,939,000	\$27,939,000	\$0
138	NONCONTRACT HOSP INPATIENT COST SETTLEMEN	\$7,746,000	\$3,873,000	\$3,873,000
139	MINOR CONSENT SETTLEMENT	\$7,989,000	\$0	\$7,989,000
142	ESTATE RECOVERY MEDICARE PREMIUMS	\$0	\$0	\$0
144	TWO-PLAN MODEL NOTICES OF DISPUTE	\$1,000,000	\$0	\$1,000,000
145	SELF-DIRECTED SERVICES WAIVER - CDDS	\$71,000	\$71,000	\$0
146	CIGARETTE AND TOBACCO SURTAX FUNDS	\$0	\$0	\$0
147	PERSONAL INJURY FEDERAL REPAYMENTS	\$0	-\$2,000,000	\$2,000,000
149	ADDITIONAL CIGARETTE AND TOBACCO SURTAX FU	\$0	\$0	\$0
150	IMD ANCILLARY SERVICES	\$0	-\$12,000,000	\$12,000,000
152	INDIAN HEALTH SERVICES	\$0	\$8,056,000	-\$8,056,000
153	FQHC/RHC AUDIT STAFFING	-\$2,737,270	-\$1,368,630	-\$1,368,630
154	ANTI-FRAUD INITIATIVE	-\$6,500,000	-\$3,250,000	-\$3,250,000
155	REDUCTION IN IMD ANCILLARY SERVICES COSTS	-\$12,000,000	\$0	-\$12,000,000
156	EDS COST CONTAINMENT PROJECTS	-\$551,490	-\$275,750	-\$275,740
157	PHARMACY LITIGATION SETTLEMENTS	-\$15,200,000	\$0	-\$15,200,000
158	IHSS ANTI-FRAUD INITIATIVE	-\$252,996,000	-\$252,996,000	\$0
160	UNSPECIFIED BUDGET REDUCTION	-\$744,147,000	-\$420,850,000	-\$323,297,000
161	ARRA-ADDITIONAL FFP FOR DHCS	\$0	\$1,529,799,000	-\$1,529,799,000
162	ARRA-ADDITIONAL FFP FOR LOCAL MATCH	\$103,519,000	\$103,519,000	\$0
168	DELAY CHECKWRITE JUNE 2011 TO JULY 2011	-\$254,188,000	-\$134,211,000	-\$119,977,000
169	ANTI-FRAUD ACTIVITIES FOR PHARMACY AND PHYS	-\$56,517,000	-\$28,258,500	-\$28,258,500
172	HOSPITAL QAF - CHILDREN'S HEALTH CARE COVER.	\$0	\$0	\$0
173	MEDI-CAL COST CONTAINMENT STRATEGIES	\$0	\$0	\$0
178	ARRA HITECH - PROVIDER PAYMENTS	\$3,000,000	\$3,000,000	\$0
180	MEDICARE PAYMENTS - PART D PHASED-DOWN ARI	-\$234,978,000	\$0	-\$234,978,000
181	SSI/SSP RETROACTIVE MEDICARE PREMIUMS	-\$18,360,000	-\$8,263,500	-\$10,096,500
182	NUVARING COST SHIFT	\$0	\$4,569,600	-\$4,569,600
189	PROVIDER OVERPAYMENT REPAYMENTS	-\$77,794,000	\$0	-\$77,794,000
192	DISCONTINUE PART B PREMIUM FOR UNMET SOC B	-\$1,038,000	\$0	-\$1,038,000
212	ICF-DD ADMIN. AND QA FEE REIMBURSEMENT - CDC	\$29,839,160	\$16,648,830	\$13,190,330
213	RECONCILIATION	\$92,482,000	\$0	\$92,482,000

Costs shown include application of payment lag and percent reflected in base calculation.

**SUMMARY OF REGULAR POLICY CHANGES
FISCAL YEAR 2010-11**

<u>POLICY CHG. NO.</u>	<u>CATEGORY & TITLE</u>	<u>TOTAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>STATE FUNDS</u>
	OTHER			
215	RECONCILIATION WITH BUDGET ACT - HCSF	\$27,500,000	\$27,500,000	\$0
216	RECONCILIATION WITH BUDGET ACT - SPECIAL FUN	-\$352,388,000	-\$176,194,000	-\$176,194,000
217	RECONCILIATION WITH BUDGET ACT - FEDERAL FU	-\$2,868,430,000	-\$2,868,430,000	\$0
	OTHER SUBTOTAL	-\$4,362,497,600	-\$1,948,879,950	-\$2,413,617,650
	GRAND TOTAL	\$9,707,529,360	\$7,731,363,730	\$1,976,165,630

MEDI-CAL EXPENDITURES BY SERVICE CATEGORY FISCAL YEAR 2010-11

SERVICE CATEGORY	TOTAL FUNDS	FEDERAL FUNDS	STATE FUNDS
PROFESSIONAL	\$4,623,124,000	\$2,580,750,790	\$2,042,373,210
PHYSICIANS	\$1,232,124,470	\$624,973,640	\$607,150,830
OTHER MEDICAL	\$2,268,773,090	\$1,178,938,050	\$1,089,835,040
COUNTY OUTPATIENT	\$360,598,320	\$309,112,660	\$51,485,650
COMMUNITY OUTPATIENT	\$761,628,120	\$467,726,430	\$293,901,690
PHARMACY	\$1,450,695,890	\$662,415,660	\$788,280,240
HOSPITAL INPATIENT	\$13,384,381,010	\$8,063,330,150	\$5,321,050,860
COUNTY INPATIENT	\$3,344,054,740	\$2,545,161,630	\$798,893,110
COMMUNITY INPATIENT	\$10,040,326,280	\$5,518,168,520	\$4,522,157,760
LONG TERM CARE	\$4,302,937,400	\$2,263,700,930	\$2,039,236,480
NURSING FACILITIES	\$3,900,698,330	\$2,054,924,980	\$1,845,773,350
ICF-DD	\$402,239,070	\$208,775,950	\$193,463,120
OTHER SERVICES	\$1,271,157,640	\$656,611,870	\$614,545,770
MEDICAL TRANSPORTATION	\$143,564,710	\$64,456,690	\$79,108,020
OTHER SERVICES	\$967,859,610	\$516,838,580	\$451,021,040
HOME HEALTH	\$159,733,310	\$75,316,600	\$84,416,710
TOTAL FEE-FOR-SERVICE	\$25,032,295,950	\$14,226,809,400	\$10,805,486,550
MANAGED CARE	\$10,379,973,100	\$5,328,977,130	\$5,050,995,970
TWO PLAN MODEL	\$5,390,586,230	\$2,754,489,930	\$2,636,096,300
COUNTY ORGANIZED HEALTH SYSTEMS	\$3,814,183,660	\$1,979,806,450	\$1,834,377,210
GEOGRAPHIC MANAGED CARE	\$881,301,170	\$447,240,720	\$434,060,440
PHP & OTHER MANAG. CARE	\$293,902,030	\$147,440,030	\$146,462,010
DENTAL	\$564,931,670	\$308,913,450	\$256,018,220
MENTAL HEALTH	\$1,811,180,020	\$1,810,831,010	\$349,010
AUDITS/ LAWSUITS	-\$4,340,770	-\$973,610	-\$3,367,170
EPSDT SCREENS	\$63,428,940	\$35,357,920	\$28,071,020
MEDICARE PAYMENTS	\$3,705,493,190	\$1,473,621,490	\$2,231,871,690
STATE HOSP./DEVELOPMENTAL CNTRS.	\$273,985,850	\$273,985,860	\$0
MISC. SERVICES	\$5,408,434,420	\$5,385,649,490	\$22,784,930
RECOVERIES	-\$296,527,120	-\$92,009,130	-\$204,518,000
GRAND TOTAL MEDI-CAL	\$46,938,855,240	\$28,751,163,020	\$18,187,692,220

**MEDI-CAL EXPENDITURES BY SERVICE CATEGORY
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

<u>SERVICE CATEGORY</u>	<u>MAY 2010 EST. FOR 2009-10</u>	<u>MAY 2010 EST. FOR 2010-11</u>	<u>DOLLAR DIFFERENCE</u>	<u>% CHANGE</u>
PROFESSIONAL	\$4,860,381,680	\$4,623,124,000	-\$237,257,680	-4.88
PHYSICIANS	\$1,498,564,020	\$1,232,124,470	-\$266,439,550	-17.78
OTHER MEDICAL	\$2,441,849,530	\$2,268,773,090	-\$173,076,430	-7.09
COUNTY OUTPATIENT	\$223,520,470	\$360,598,320	\$137,077,850	61.33
COMMUNITY OUTPATIENT	\$696,447,670	\$761,628,120	\$65,180,450	9.36
PHARMACY	\$1,724,234,970	\$1,450,695,890	-\$273,539,070	-15.86
HOSPITAL INPATIENT	\$8,450,390,560	\$13,384,381,010	\$4,933,990,450	58.39
COUNTY INPATIENT	\$2,544,419,830	\$3,344,054,740	\$799,634,910	31.43
COMMUNITY INPATIENT	\$5,905,970,730	\$10,040,326,280	\$4,134,355,540	70.00
LONG TERM CARE	\$4,411,609,570	\$4,302,937,400	-\$108,672,170	-2.46
NURSING FACILITIES	\$4,005,810,340	\$3,900,698,330	-\$105,112,010	-2.62
ICF-DD	\$405,799,230	\$402,239,070	-\$3,560,160	-0.88
OTHER SERVICES	\$1,466,259,040	\$1,271,157,640	-\$195,101,400	-13.31
MEDICAL TRANSPORTATION	\$164,332,160	\$143,564,710	-\$20,767,450	-12.64
OTHER SERVICES	\$1,106,525,230	\$967,859,610	-\$138,665,610	-12.53
HOME HEALTH	\$195,401,650	\$159,733,310	-\$35,668,340	-18.25
TOTAL FEE-FOR-SERVICE	\$20,912,875,820	\$25,032,295,950	\$4,119,420,130	19.70
MANAGED CARE	\$8,040,697,470	\$10,379,973,100	\$2,339,275,620	29.09
TWO PLAN MODEL	\$4,441,317,740	\$5,390,586,230	\$949,268,490	21.37
COUNTY ORGANIZED HEALTH SYSTEMS	\$2,688,158,580	\$3,814,183,660	\$1,126,025,090	41.89
GEOGRAPHIC MANAGED CARE	\$693,956,650	\$881,301,170	\$187,344,510	27.00
PHP & OTHER MANAG. CARE	\$217,264,500	\$293,902,030	\$76,637,530	35.27
DENTAL	\$625,566,360	\$564,931,670	-\$60,634,690	-9.69
MENTAL HEALTH	\$1,397,418,060	\$1,811,180,020	\$413,761,960	29.61
AUDITS/ LAWSUITS	-\$46,417,240	-\$4,340,770	\$42,076,470	-90.65
EPSDT SCREENS	\$61,852,690	\$63,428,940	\$1,576,250	2.55
MEDICARE PAYMENTS	\$3,154,614,100	\$3,705,493,190	\$550,879,090	17.46
STATE HOSP./DEVELOPMENTAL CNTRS.	\$320,927,590	\$273,985,850	-\$46,941,730	-14.63
MISC. SERVICES	\$5,499,583,250	\$5,408,434,420	-\$91,148,830	-1.66
RECOVERIES	-\$217,572,000	-\$296,527,120	-\$78,955,120	36.29
GRAND TOTAL MEDI-CAL	\$39,749,546,100	\$46,938,855,240	\$7,189,309,140	18.09
STATE FUNDS	\$12,336,265,700	\$18,187,692,220	\$5,851,426,510	47.43

**MEDI-CAL EXPENDITURES BY SERVICE CATEGORY
MAY 2010 ESTIMATE COMPARED TO NOVEMBER 2009 ESTIMATE
FISCAL YEAR 2010-11**

SERVICE CATEGORY	NOV. 2009 EST. FOR 2010-11	MAY 2010 EST. FOR 2010-11	DOLLAR DIFFERENCE	% CHANGE
PROFESSIONAL	\$5,643,696,200	\$4,623,124,000	-\$1,020,572,200	-18.08
PHYSICIANS	\$1,221,710,450	\$1,232,124,470	\$10,414,030	0.85
OTHER MEDICAL	\$2,247,926,340	\$2,268,773,090	\$20,846,750	0.93
COUNTY OUTPATIENT	\$263,988,240	\$360,598,320	\$96,610,070	36.60
COMMUNITY OUTPATIENT	\$1,910,071,170	\$761,628,120	-\$1,148,443,050	-60.13
PHARMACY	\$1,470,775,920	\$1,450,695,890	-\$20,080,030	-1.37
HOSPITAL INPATIENT	\$8,139,503,620	\$13,384,381,010	\$5,244,877,400	64.44
COUNTY INPATIENT	\$2,598,389,460	\$3,344,054,740	\$745,665,270	28.70
COMMUNITY INPATIENT	\$5,541,114,150	\$10,040,326,280	\$4,499,212,120	81.20
LONG TERM CARE	\$3,831,889,920	\$4,302,937,400	\$471,047,490	12.29
NURSING FACILITIES	\$3,464,376,800	\$3,900,698,330	\$436,321,530	12.59
ICF-DD	\$367,513,120	\$402,239,070	\$34,725,950	9.45
OTHER SERVICES	\$893,338,240	\$1,271,157,640	\$377,819,390	42.29
MEDICAL TRANSPORTATION	\$159,762,510	\$143,564,710	-\$16,197,800	-10.14
OTHER SERVICES	\$577,974,240	\$967,859,610	\$389,885,380	67.46
HOME HEALTH	\$155,601,490	\$159,733,310	\$4,131,820	2.66
TOTAL FEE-FOR-SERVICE	\$19,979,203,890	\$25,032,295,950	\$5,053,092,050	25.29
MANAGED CARE	\$8,506,010,210	\$10,379,973,100	\$1,873,962,890	22.03
TWO PLAN MODEL	\$4,413,120,150	\$5,390,586,230	\$977,466,090	22.15
COUNTY ORGANIZED HEALTH SYSTEMS	\$3,152,298,440	\$3,814,183,660	\$661,885,220	21.00
GEOGRAPHIC MANAGED CARE	\$693,694,960	\$881,301,170	\$187,606,200	27.04
PHP & OTHER MANAG. CARE	\$246,896,650	\$293,902,030	\$47,005,380	19.04
DENTAL	\$516,392,050	\$564,931,670	\$48,539,620	9.40
MENTAL HEALTH	\$1,152,710,010	\$1,811,180,020	\$658,470,010	57.12
AUDITS/ LAWSUITS	\$10,867,360	-\$4,340,770	-\$15,208,130	-139.94
EPSDT SCREENS	\$62,335,370	\$63,428,940	\$1,093,570	1.75
MEDICARE PAYMENTS	\$4,037,721,540	\$3,705,493,190	-\$332,228,350	-8.23
STATE HOSP./DEVELOPMENTAL CNTRS.	\$250,082,550	\$273,985,850	\$23,903,310	9.56
MISC. SERVICES	\$2,758,011,210	\$5,408,434,420	\$2,650,423,210	96.10
RECOVERIES	-\$252,842,000	-\$296,527,120	-\$43,685,120	17.28
GRAND TOTAL MEDI-CAL	\$37,020,492,190	\$46,938,855,240	\$9,918,363,050	26.79
STATE FUNDS	\$14,348,875,520	\$18,187,692,220	\$3,838,816,690	26.75

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
ELIGIBILITY							
1	FAMILY PLANNING INITIATIVE	\$667,174,000	\$226,874,400	\$676,495,000	\$170,303,800	\$9,321,000	-\$56,570,600
2	BREAST AND CERVICAL CANCER TREATMENT	\$135,636,000	\$60,722,850	\$142,622,000	\$64,233,300	\$6,986,000	\$3,510,450
3	CHDP GATEWAY - PREENROLLMENT	\$18,763,000	\$6,567,050	\$16,763,000	\$5,867,050	-\$2,000,000	-\$700,000
4	BRIDGE TO HFP	\$20,335,000	\$7,117,250	\$17,290,000	\$6,051,500	-\$3,045,000	-\$1,065,750
5	REFUGEES	\$10,106,000	\$10,106,000	\$7,713,000	\$7,713,000	-\$2,393,000	-\$2,393,000
6	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.	\$23,690,000	\$14,938,000	\$24,136,000	\$15,161,000	\$446,000	\$223,000
7	SHIFT OF CCS STATE/COUNTY COSTS TO MEDI-CAL	\$1,200,000	\$600,000	\$0	\$0	-\$1,200,000	-\$600,000
8	CHIPRA - M/C FOR CHILDREN & PREGNANT WOMEN	\$0	-\$6,614,200	\$0	-\$15,522,500	\$0	-\$8,908,300
10	NEW QUALIFIED ALIENS	\$0	\$117,063,500	\$0	\$97,806,000	\$0	-\$19,257,500
11	RESOURCE DISREGARD - % PROGRAM CHILDREN	\$0	-\$35,664,000	\$0	-\$36,335,550	\$0	-\$671,550
12	FEDERAL FLEX & STABILIZATION-FPACT UNDOC FACT	\$0	-\$58,240,300	\$0	-\$58,240,300	\$0	\$0
13	REDUCE CEC AND IMPLEMENT MID-YEAR STATUS REF	-\$4,941,000	-\$2,470,500	\$0	\$0	\$4,941,000	\$2,470,500
14	PROGRAM INTEGRITY AND ELIGIBILITY VERIFICATION	-\$204,000	-\$102,000	-\$2,539,000	-\$1,269,500	-\$2,335,000	-\$1,167,500
15	DISCONTINUANCE OF EWCP SCREENING FOR THE BC	-\$6,464,000	-\$2,892,900	-\$6,371,000	-\$2,851,250	\$93,000	\$41,650
16	ELIMINATE CDSS IHSS SOC BUYOUT ELIGIBLES	-\$23,610,000	-\$17,496,500	-\$20,901,000	-\$15,480,500	\$2,709,000	\$2,016,000
163	ELIMINATION OF PRUCOL	-\$39,598,000	-\$63,797,000	\$0	\$0	\$39,598,000	\$63,797,000
164	ELIMINATION OF NON-EMERGENCY SERVICES FOR NC	-\$33,424,000	-\$53,849,000	\$0	\$0	\$33,424,000	\$53,849,000
	ELIGIBILITY SUBTOTAL	\$768,663,000	\$202,862,650	\$855,208,000	\$237,436,050	\$86,545,000	\$34,573,400
BENEFITS							
18	ADULT DAY HEALTH CARE - CDA	\$433,248,000	\$216,624,000	\$433,248,000	\$216,624,000	\$0	\$0
19	LOCAL EDUCATION AGENCY (LEA) PROVIDERS	\$93,706,000	\$0	\$100,000,000	\$0	\$6,294,000	\$0
20	MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA	\$45,464,000	\$22,732,000	\$45,464,000	\$20,097,000	\$0	-\$2,635,000
21	H1N1 VACCINE	\$2,154,000	\$1,077,000	\$2,156,000	\$1,078,000	\$2,000	\$1,000
22	CALIFORNIA COMMUNITY TRANSITIONS COSTS	\$10,383,000	\$2,295,000	\$7,325,000	\$1,619,000	-\$3,058,000	-\$676,000
23	SF COMMUNITY-LIVING SUPPORT WAIVER PILOT PRO.	\$2,712,000	\$0	\$4,430,000	\$0	\$1,718,000	\$0
24	ELIMINATION OF THE CDSS IHSS SHARE-OF-COST BU	\$0	-\$6,445,500	\$0	-\$4,445,500	\$0	\$2,000,000

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
BENEFITS							
25	REDUCE ADHC PROGRAM	\$0	\$0	\$0	\$0	\$0	\$0
26	FAMILY PACT STATE ONLY SERVICES	\$0	\$2,000,000	\$0	\$2,000,000	\$0	\$0
27	SCHIP FUNDING FOR PRENATAL CARE	\$0	-\$114,357,750	\$0	-\$107,953,950	\$0	\$6,403,800
28	CDSS IHSS SHARE-OF-COST BUYOUT	\$0	\$6,445,500	\$0	\$5,445,500	\$0	-\$1,000,000
29	ADULT DAY HEALTH CARE REFORMS	-\$34,775,000	-\$17,387,500	\$0	\$0	\$34,775,000	\$17,387,500
30	PEDIATRIC PALLIATIVE CARE	-\$1,178,000	-\$589,000	-\$1,296,000	-\$648,000	-\$118,000	-\$59,000
31	MEDICAL ACUITY ELIGIBILITY CRITERIA FOR ADHC SVI	-\$31,803,000	-\$15,901,500	\$0	\$0	\$31,803,000	\$15,901,500
32	CALIFORNIA COMMUNITY TRANSITIONS SAVINGS	-\$10,671,000	-\$5,335,500	-\$10,935,000	-\$5,467,500	-\$264,000	-\$132,000
33	ADHC ONSITE TAR REVIEWS	-\$38,946,000	-\$19,473,000	-\$1,847,000	-\$923,500	\$37,099,000	\$18,549,500
35	DISCONTINUE ADULT OPTIONAL BENEFITS	-\$263,040,000	-\$131,520,000	\$0	\$0	\$263,040,000	\$131,520,000
167	ELIMINATE ADHC SERVICES	-\$350,770,530	-\$175,385,260	\$0	\$0	\$350,770,530	\$175,385,260
171	ADDITIONAL SERVICES FOR HCBS CLIENTS	\$133,636,000	\$0	\$105,533,000	\$0	-\$28,103,000	\$0
190	REINSTATEMENT OF OPTOMETRY SERVICES	\$0	\$0	\$2,620,560	\$1,310,280	\$2,620,560	\$1,310,280
209	HOSPITAL INPATIENT RATE FREEZE	\$0	\$0	-\$168,962,000	-\$84,481,000	-\$168,962,000	-\$84,481,000
214	INCREASED FEDERAL MATCHING FUNDS FOR FPACT	\$0	\$0	\$0	-\$5,000,000	\$0	-\$5,000,000
	BENEFITS SUBTOTAL	-\$9,880,530	-\$235,221,510	\$517,736,560	\$39,254,330	\$527,617,090	\$274,475,840
PHARMACY							
37	NON FFP DRUGS	\$0	\$433,500	\$0	\$1,317,000	\$0	\$883,500
39	PHYSICIAN-ADMINISTERED DRUG REIMBURSEMENT	-\$26,340,000	-\$13,170,000	-\$12,840,000	-\$6,420,000	\$13,500,000	\$6,750,000
40	ENTERAL NUTRITION PRODUCTS	-\$16,212,480	-\$8,106,240	-\$16,212,480	-\$8,106,240	\$0	\$0
41	MEDICAL SUPPLY CONTRACTING	-\$1,000,000	-\$500,000	\$0	\$0	\$1,000,000	\$500,000
42	COAGULATION FACTOR STATE SUPPLEMENTAL REBA	-\$2,088,000	-\$1,044,000	\$0	\$0	\$2,088,000	\$1,044,000
43	PHARMACY TAR AUTO-ADJUDICATION	-\$2,697,880	-\$1,348,940	-\$2,440,660	-\$1,220,330	\$257,230	\$128,610
44	AGED DRUG REBATE RESOLUTION	-\$6,000,000	-\$3,000,000	-\$6,000,000	-\$3,000,000	\$0	\$0
45	BCCTP DRUG REBATES	-\$800,000	-\$280,000	-\$6,000,000	-\$2,100,000	-\$5,200,000	-\$1,820,000
46	MEDICAL SUPPLY REBATES	-\$10,000,000	-\$5,000,000	-\$10,000,000	-\$5,000,000	\$0	\$0

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
PHARMACY							
47	PHYSICIAN-ADMINISTERED DRUG REBATES	-\$25,000,000	-\$10,500,000	-\$25,000,000	-\$10,500,000	\$0	\$0
48	DISPUTED DRUG REBATE RESOLUTIONS	-\$40,000,000	-\$19,140,800	-\$40,000,000	-\$19,140,800	\$0	\$0
49	FAMILY PACT DRUG REBATES	-\$50,928,000	-\$7,504,400	-\$44,721,000	-\$6,590,100	\$6,207,000	\$914,300
50	MEDI-CAL PHARMACY REFORMS	-\$91,326,880	-\$45,663,440	-\$91,400,000	-\$45,700,000	-\$73,120	-\$36,560
51	ESTIMATED ACQUISITION COST PHARMACY SAVINGS	-\$219,822,400	-\$109,911,200	-\$218,743,010	-\$109,371,500	\$1,079,400	\$539,700
52	STATE SUPPLEMENTAL DRUG REBATES	-\$281,630,000	-\$140,377,000	-\$248,288,000	-\$123,757,600	\$33,342,000	\$16,619,400
53	FEDERAL DRUG REBATE PROGRAM	-\$986,857,000	-\$491,892,900	-\$999,547,000	-\$498,218,300	-\$12,690,000	-\$6,325,400
195	UBL AND MAIC INJUNCTION	\$0	\$0	\$83,336,400	\$41,668,200	\$83,336,400	\$41,668,200
198	ELIMINATION OF SELECTED OVER-THE-COUNTER DRL	\$0	\$0	-\$6,200,000	-\$3,100,000	-\$6,200,000	-\$3,100,000
	PHARMACY SUBTOTAL	-\$1,760,702,640	-\$857,005,420	-\$1,644,055,740	-\$799,239,670	\$116,646,900	\$57,765,750
MANAGED CARE							
57	MANAGED CARE INTERGOVERNMENTAL TRANSFERS	\$239,561,000	\$104,078,000	\$365,969,000	\$158,597,000	\$126,408,000	\$54,519,000
58	INCREASE IN CAPITATION RATES FOR MCO TAX	\$162,613,000	\$71,883,000	\$0	\$0	-\$162,613,000	-\$71,883,000
61	MANAGED CARE EXPANSION - MERCED	\$794,000	\$397,000	\$0	\$0	-\$794,000	-\$397,000
62	MANAGED CARE EXPANSION - SONOMA	\$758,000	\$379,000	\$0	\$0	-\$758,000	-\$379,000
65	ADDITION OF LTC, LAB, PHARMACY & CHDP TO THE HI	\$3,614,000	\$1,807,000	\$1,347,000	\$673,500	-\$2,267,000	-\$1,133,500
67	COVERAGE FOR FORMER AGNEWS RESIDENTS	\$4,412,000	\$2,206,000	-\$8,995,000	-\$4,497,500	-\$13,407,000	-\$6,703,500
72	MANAGED CARE EXPANSION - VENTURA	\$64,788,000	\$32,394,000	\$42,920,000	\$21,460,000	-\$21,868,000	-\$10,934,000
73	MANAGED CARE EXPANSION REGIONAL TWO-PLAN M	\$18,206,000	\$9,103,000	\$14,551,000	\$7,275,500	-\$3,655,000	-\$1,827,500
74	MANAGED CARE EXPANSION - MENDOCINO	\$14,104,000	\$7,052,000	\$0	\$0	-\$14,104,000	-\$7,052,000
75	MANAGED CARE EXPANSION - LAKE	\$12,711,000	\$6,355,500	\$0	\$0	-\$12,711,000	-\$6,355,500
76	FAMILY PLANNING INCREASED FED MATCHING FUNDS	\$0	-\$20,200,000	\$0	-\$50,500,000	\$0	-\$30,300,000
77	FFS COSTS FOR MANAGED CARE ENROLLEES	\$0	\$0	\$0	\$0	\$0	\$0
78	WORKING DISABLED IN MANAGED CARE	-\$4,218,000	-\$2,109,000	\$0	\$0	\$4,218,000	\$2,109,000
176	DISCONTINUE UNDOCUMENTED BENEFICIARIES FROM	\$0	\$0	-\$546,000	-\$273,000	-\$546,000	-\$273,000
185	MANDATORY ENROLLMENT INTO MANAGED CARE FOR	\$0	\$0	-\$357,496,000	-\$182,052,000	-\$357,496,000	-\$182,052,000

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
MANAGED CARE							
	MANAGED CARE SUBTOTAL	\$517,343,000	\$213,345,500	\$57,750,000	-\$49,316,500	-\$459,593,000	-\$262,662,000
PROVIDER RATES							
34	ELIMINATION OF ADHC FY 2009-10 RATE INCREASE	-\$12,590,000	-\$6,295,000	-\$12,590,000	-\$6,295,000	\$0	\$0
80	NF-B RATE CHANGES AND QA FEE	\$190,930,000	\$95,465,000	\$192,012,000	\$96,006,000	\$1,082,000	\$541,000
81	FQHC/RHC/CBRC RECONCILIATION PROCESS	\$110,419,000	\$55,209,500	\$158,283,000	\$79,141,500	\$47,864,000	\$23,932,000
82	LTC RATE ADJUSTMENT	\$57,991,000	\$28,995,500	\$57,991,000	\$28,995,500	\$0	\$0
83	EXPANSION OF REVENUE BASE FOR AB 1629 QA FEE	\$26,215,000	\$13,107,500	\$29,308,000	\$14,654,000	\$3,093,000	\$1,546,500
84	ANNUAL MEI INCREASE FOR FQHCS/RHCS	\$32,369,810	\$16,184,910	\$36,230,120	\$18,115,060	\$3,860,310	\$1,930,150
85	HOSPICE RATE INCREASES	\$5,771,480	\$2,885,740	\$5,884,360	\$2,942,180	\$112,880	\$56,440
86	REDUCTION TO NON-CONTRACT HOSPITALS	-\$74,821,000	-\$37,410,500	\$0	\$0	\$74,821,000	\$37,410,500
87	CAL PHARMACY PROVIDER PAYMENT INJUNCTION	\$137,857,000	\$69,027,500	\$0	\$0	-\$137,857,000	-\$69,027,500
88	ELIMINATE HOSPICE ROOM AND BOARD RATE INCREA	-\$2,731,000	-\$1,365,500	-\$3,695,000	-\$1,847,500	-\$964,000	-\$482,000
89	REDUCTION TO SMALL & RURAL HOSPITALS	-\$10,142,000	-\$5,071,000	-\$13,800,000	-\$6,900,000	-\$3,658,000	-\$1,829,000
90	NON-SPCP HOSPITAL REIMBURSEMENT CHANGE	-\$93,725,000	-\$46,862,500	\$0	\$0	\$93,725,000	\$46,862,500
91	ELIMINATE NON-AB 1629 LTC RATE INCREASES	-\$57,616,000	-\$28,808,000	-\$57,616,000	-\$28,808,000	\$0	\$0
92	ELIMINATE COLA INCREASE TO AB 1629 FACILITIES	-\$190,223,000	-\$95,111,500	-\$191,304,000	-\$95,652,000	-\$1,081,000	-\$540,500
166	ROLLBACK OF FAMILY PLANNING RATE INCREASE	-\$55,673,200	-\$12,079,940	\$0	\$0	\$55,673,200	\$12,079,940
175	SANTA ROSA MEMORIAL HOSPITAL INJUNCTION	\$0	\$0	\$10,713,850	\$5,356,920	\$10,713,850	\$5,356,920
177	CHA V. MAXWELL-JOLLY INJUNCTION	\$0	\$0	\$56,300,190	\$28,150,100	\$56,300,190	\$28,150,100
186	INDEPENDENT LIVING CENTER INJUNCTION	\$0	\$0	\$35,500,000	\$17,750,000	\$35,500,000	\$17,750,000
191	REDUCTION TO RADIOLOGY RATES	\$0	\$0	-\$27,240,370	-\$13,620,190	-\$27,240,370	-\$13,620,190
193	QA FEE FOR MLRCs	\$0	\$0	\$40,824,000	\$18,044,000	\$40,824,000	\$18,044,000
194	AB 1629 QA FEE TRENDING METHODOLOGY	\$0	\$0	\$88,777,000	\$39,239,000	\$88,777,000	\$39,239,000
196	QAF INCREASE DUE TO L&C FEE REDUCTION	\$0	\$0	\$9,325,000	\$4,122,000	\$9,325,000	\$4,122,000
	PROVIDER RATES SUBTOTAL	\$64,032,100	\$47,871,710	\$414,903,150	\$199,393,570	\$350,871,050	\$151,521,860
HOSPITAL FINANCING							

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
HOSPITAL FINANCING							
93	HOSP FINANCING - DSH PMT	\$1,748,638,000	\$615,802,500	\$1,725,858,000	\$596,619,000	-\$22,780,000	-\$19,183,500
94	HOSP FINANCING - PRIVATE HOSPITAL DSH REPLACEI	\$520,000,000	\$260,000,000	\$515,974,000	\$257,987,000	-\$4,026,000	-\$2,013,000
95	HOSP FINANCING - SAFETY NET CARE POOL	\$393,831,000	\$0	\$516,001,000	\$0	\$122,170,000	\$0
96	FEDERAL FLEXIBILITY & STABILIZATION - SNCP ARRA	\$43,501,000	\$0	\$154,172,000	\$0	\$110,671,000	\$0
97	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT	\$277,600,000	\$138,800,000	\$276,994,000	\$138,497,000	-\$606,000	-\$303,000
98	FEDERAL FLEXIBILITY & STABILIZATION-SNCP	\$0	\$0	\$245,000,000	\$0	\$245,000,000	\$0
99	HOSP FINANCING - HEALTH CARE COVERAGE INITIATI	\$180,000,000	\$0	\$180,000,000	\$0	\$0	\$0
100	HOSP FINANCING - SOUTH LA PRESERVATION FUND	\$97,500,000	\$0	\$90,000,000	\$0	-\$7,500,000	\$0
101	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN C	\$66,850,000	\$0	\$67,114,000	\$0	\$264,000	\$0
102	HOSP FINANCING - STABILIZATION FUNDING	\$60,210,000	\$30,105,000	\$80,910,000	\$40,455,000	\$20,700,000	\$10,350,000
103	HOSP FINANCING - DPH INTERIM RATE GROWTH	\$96,864,000	\$48,432,000	\$64,998,000	\$32,499,000	-\$31,866,000	-\$15,933,000
104	HOSP FINANCING - DPH INTERIM & FINAL RECONS	\$63,316,000	\$0	\$63,316,000	\$0	\$0	\$0
105	HOSP FINANCING - CCS AND GHPP	\$40,000,000	\$0	\$40,000,000	\$0	\$0	\$0
107	HOSP FINANCING - NDPH SUPPLEMENTAL PMT	\$3,822,000	\$1,911,000	\$3,822,000	\$1,911,000	\$0	\$0
108	HOSP FINANCING - MIA LTC	\$0	-\$8,725,000	\$0	-\$8,725,000	\$0	\$0
109	HOSP FINANCING - BCCTP	\$0	-\$500,000	\$0	-\$500,000	\$0	\$0
110	BASE ADJUSTMENT - DPH INTERIM RATE	\$0	-\$480,006,500	\$0	-\$559,528,500	\$0	-\$79,522,000
111	REDUCTION TO HOSP. FINANCING-DPH SNCP BY 10%	\$0	-\$2,500,000	\$0	\$0	\$0	\$2,500,000
113	REDUCTION TO HOSP FINANCING-DSH REPLACEMENT	-\$52,000,000	-\$26,000,000	\$0	\$0	\$52,000,000	\$26,000,000
	HOSPITAL FINANCING SUBTOTAL	\$3,540,132,000	\$577,319,000	\$4,024,159,000	\$499,214,500	\$484,027,000	-\$78,104,500
SUPPLEMENTAL PMNTS.							
114	FREESTANDING CLINICS & VETERANS' HOMES SUPPL.	\$72,600,000	\$0	\$270,750,000	\$0	\$198,150,000	\$0
115	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT	\$221,500,000	\$0	\$221,500,000	\$0	\$0	\$0
116	IGT FOR NON-SB 1100 HOSPITALS	\$115,087,000	\$50,000,000	\$115,087,000	\$50,000,000	\$0	\$0
117	CAPITAL PROJECT DEBT REIMBURSEMENT	\$100,894,000	\$45,892,000	\$105,382,000	\$48,136,000	\$4,488,000	\$2,244,000
118	FFP FOR LOCAL TRAUMA CENTERS	\$67,130,000	\$33,565,000	\$67,130,000	\$33,565,000	\$0	\$0

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
SUPPLEMENTAL PMNTS.							
119	CERTIFICATION PAYMENTS FOR DP-NFS	\$33,625,000	\$0	\$33,625,000	\$0	\$0	\$0
120	DSH OUTPATIENT PAYMENT METHOD CHANGE	\$10,000,000	\$5,000,000	\$10,000,000	\$5,000,000	\$0	\$0
121	SRH OUTPATIENT PAYMENT METHOD CHANGE	\$8,000,000	\$4,000,000	\$8,000,000	\$4,000,000	\$0	\$0
122	SPECIALTY MENTAL HEALTH SVCS SUPP REIMBURSEI	\$110,861,000	\$0	\$110,861,000	\$0	\$0	\$0
170	HOSPITAL QAF - HOSPITAL PAYMENTS	\$2,009,553,000	\$867,334,000	\$8,613,101,000	\$3,903,001,000	\$6,603,548,000	\$3,035,667,000
	SUPPLEMENTAL PMNTS. SUBTOTAL	\$2,749,250,000	\$1,005,791,000	\$9,555,436,000	\$4,043,702,000	\$6,806,186,000	\$3,037,911,000
OTHER							
133	ICF-DD TRANSPORTATION AND DAY CARE COSTS- CD	\$49,100,000	\$0	\$234,242,000	\$0	\$185,142,000	\$0
137	HEALTHY FAMILIES - CDMH	\$34,655,000	\$0	\$27,939,000	\$0	-\$6,716,000	\$0
138	NONCONTRACT HOSP INPATIENT COST SETTLEMENT!	\$11,101,000	\$5,550,500	\$7,746,000	\$3,873,000	-\$3,355,000	-\$1,677,500
139	MINOR CONSENT SETTLEMENT	\$7,989,000	\$7,989,000	\$7,989,000	\$7,989,000	\$0	\$0
142	ESTATE RECOVERY MEDICARE PREMIUMS	\$1,373,000	\$686,500	\$2,744,000	\$1,372,000	\$1,371,000	\$685,500
144	TWO-PLAN MODEL NOTICES OF DISPUTE	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0
145	SELF-DIRECTED SERVICES WAIVER - CDDS	\$3,649,000	\$0	\$71,000	\$0	-\$3,578,000	\$0
146	CIGARETTE AND TOBACCO SURTAX FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
147	PERSONAL INJURY FEDERAL REPAYMENTS	\$0	\$3,000,000	\$0	\$2,000,000	\$0	-\$1,000,000
149	ADDITIONAL CIGARETTE AND TOBACCO SURTAX FUNI	\$0	\$0	\$0	\$0	\$0	\$0
150	IMD ANCILLARY SERVICES	\$0	\$12,000,000	\$0	\$12,000,000	\$0	\$0
152	INDIAN HEALTH SERVICES	\$0	-\$8,056,000	\$0	-\$8,056,000	\$0	\$0
153	FQHC/RHC AUDIT STAFFING	-\$2,737,270	-\$1,368,630	-\$2,737,270	-\$1,368,630	\$0	\$0
154	ANTI-FRAUD INITIATIVE	-\$6,500,000	-\$3,250,000	-\$6,500,000	-\$3,250,000	\$0	\$0
155	REDUCTION IN IMD ANCILLARY SERVICES COSTS	-\$12,000,000	-\$12,000,000	-\$12,000,000	-\$12,000,000	\$0	\$0
156	EDS COST CONTAINMENT PROJECTS	-\$13,203,000	-\$6,601,500	-\$1,029,280	-\$514,640	\$12,173,720	\$6,086,860
157	PHARMACY LITIGATION SETTLEMENTS	\$0	\$0	-\$15,200,000	-\$15,200,000	-\$15,200,000	-\$15,200,000
158	IHSS ANTI-FRAUD INITIATIVE	-\$114,011,000	\$0	-\$252,996,000	\$0	-\$138,985,000	\$0
160	UNSPECIFIED BUDGET REDUCTION	-\$744,147,000	-\$323,297,000	-\$744,147,000	-\$323,297,000	\$0	\$0

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER							
161	ARRA-ADDITIONAL FFP FOR DHCS	\$0	-\$1,378,022,000	\$0	-\$1,529,799,000	\$0	-\$151,777,000
162	ARRA-ADDITIONAL FFP FOR LOCAL MATCH	\$249,173,000	\$0	\$103,519,000	\$0	-\$145,654,000	\$0
165	SPECIAL NEEDS TRUST RECOVERY	-\$3,565,000	-\$1,782,500	\$0	\$0	\$3,565,000	\$1,782,500
168	DELAY CHECKWRITE JUNE 2011 TO JULY 2011	\$0	\$38,500,000	-\$254,188,000	-\$119,977,000	-\$254,188,000	-\$158,477,000
169	ANTI-FRAUD ACTIVITIES FOR PHARMACY AND PHYSIC	-\$56,600,000	-\$28,300,000	-\$56,517,000	-\$28,258,500	\$83,000	\$41,500
172	HOSPITAL QAF - CHILDREN'S HEALTH CARE COVERAG	\$0	\$0	\$0	\$0	\$0	\$0
173	MEDI-CAL COST CONTAINMENT STRATEGIES	-\$2,387,775,000	-\$1,055,515,500	\$0	\$0	\$2,387,775,000	\$1,055,515,500
178	ARRA HITECH - PROVIDER PAYMENTS	\$0	\$0	\$3,000,000	\$0	\$3,000,000	\$0
180	MEDICARE PAYMENTS - PART D PHASED-DOWN ARRA	\$0	\$0	-\$234,978,000	-\$234,978,000	-\$234,978,000	-\$234,978,000
181	SSI/SSP RETROACTIVE MEDICARE PREMIUMS	\$0	\$0	-\$18,360,000	-\$10,096,500	-\$18,360,000	-\$10,096,500
182	NUVARING COST SHIFT	\$0	\$0	\$0	-\$4,569,600	\$0	-\$4,569,600
189	PROVIDER OVERPAYMENT REPAYMENTS	\$0	\$0	-\$77,794,000	-\$77,794,000	-\$77,794,000	-\$77,794,000
192	DISCONTINUE PART B PREMIUM FOR UNMET SOC BEN	\$0	\$0	-\$1,038,000	-\$1,038,000	-\$1,038,000	-\$1,038,000
212	ICF-DD ADMIN. AND QA FEE REIMBURSEMENT - CDDS	\$0	\$0	\$29,839,160	\$13,190,330	\$29,839,160	\$13,190,330
213	RECONCILIATION	\$0	\$0	\$92,482,000	\$92,482,000	\$92,482,000	\$92,482,000
215	RECONCILIATION WITH BUDGET ACT - HCSF	\$0	\$0	\$27,500,000	\$0	\$27,500,000	\$0
216	RECONCILIATION WITH BUDGET ACT - SPECIAL FUND€	\$0	\$0	-\$352,388,000	-\$176,194,000	-\$352,388,000	-\$176,194,000
217	RECONCILIATION WITH BUDGET ACT - FEDERAL FUND	\$0	\$0	-\$2,868,430,000	\$0	-\$2,868,430,000	\$0
	OTHER SUBTOTAL	-\$2,982,498,270	-\$2,749,467,130	-\$4,360,231,390	-\$2,412,484,540	-\$1,377,733,120	\$336,982,590
	GRAND TOTAL	\$2,886,338,660	-\$1,794,504,210	\$9,420,905,580	\$1,757,959,740	\$6,534,566,920	\$3,552,463,950

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
ELIGIBILITY							
1	FAMILY PLANNING INITIATIVE	\$608,726,000	\$153,243,100	\$676,495,000	\$170,303,800	\$67,769,000	\$17,060,700
2	BREAST AND CERVICAL CANCER TREATMENT	\$135,569,000	\$61,126,450	\$142,622,000	\$64,233,300	\$7,053,000	\$3,106,850
3	CHDP GATEWAY - PREENROLLMENT	\$16,763,000	\$5,867,050	\$16,763,000	\$5,867,050	\$0	\$0
4	BRIDGE TO HFP	\$18,029,000	\$6,310,150	\$17,290,000	\$6,051,500	-\$739,000	-\$258,650
5	REFUGEES	\$7,950,000	\$7,950,000	\$7,713,000	\$7,713,000	-\$237,000	-\$237,000
6	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.	\$3,012,000	\$2,009,500	\$24,136,000	\$15,161,000	\$21,124,000	\$13,151,500
8	CHIPRA - M/C FOR CHILDREN & PREGNANT WOMEN	\$0	-\$15,522,500	\$0	-\$15,522,500	\$0	\$0
9	REFUGEE MEDICAL/ENTRANT MEDI-CAL REIMBURSEM	\$0	\$1,121,000	\$0	\$0	\$0	-\$1,121,000
10	NEW QUALIFIED ALIENS	\$0	\$90,983,000	\$0	\$97,806,000	\$0	\$6,823,000
11	RESOURCE DISREGARD - % PROGRAM CHILDREN	\$0	-\$34,670,700	\$0	-\$36,335,550	\$0	-\$1,664,850
12	FEDERAL FLEX & STABILIZATION-FPACT UNDOC FACT	\$0	-\$50,828,600	\$0	-\$58,240,300	\$0	-\$7,411,700
14	PROGRAM INTEGRITY AND ELIGIBILITY VERIFICATION	-\$421,000	-\$210,500	-\$2,539,000	-\$1,269,500	-\$2,118,000	-\$1,059,000
15	DISCONTINUANCE OF EWCP SCREENING FOR THE BC	-\$1,793,000	-\$802,400	-\$6,371,000	-\$2,851,250	-\$4,578,000	-\$2,048,850
16	ELIMINATE CDSS IHSS SOC BUYOUT ELIGIBLES	-\$13,522,000	-\$10,081,000	-\$20,901,000	-\$15,480,500	-\$7,379,000	-\$5,399,500
	ELIGIBILITY SUBTOTAL	\$774,313,000	\$216,494,550	\$855,208,000	\$237,436,050	\$80,895,000	\$20,941,500
BENEFITS							
18	ADULT DAY HEALTH CARE - CDA	\$424,338,000	\$212,169,000	\$433,248,000	\$216,624,000	\$8,910,000	\$4,455,000
19	LOCAL EDUCATION AGENCY (LEA) PROVIDERS	\$113,655,000	\$0	\$100,000,000	\$0	-\$13,655,000	\$0
20	MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA	\$45,464,000	\$17,463,000	\$45,464,000	\$20,097,000	\$0	\$2,634,000
21	H1N1 VACCINE	\$6,168,830	\$3,084,410	\$2,156,000	\$1,078,000	-\$4,012,830	-\$2,006,410
22	CALIFORNIA COMMUNITY TRANSITIONS COSTS	\$1,957,000	\$376,000	\$7,325,000	\$1,619,000	\$5,368,000	\$1,243,000
23	SF COMMUNITY-LIVING SUPPORT WAIVER PILOT PRO.	\$0	\$0	\$4,430,000	\$0	\$4,430,000	\$0
24	ELIMINATION OF THE CDSS IHSS SHARE-OF-COST BUY	\$0	-\$3,334,000	\$0	-\$4,445,500	\$0	-\$1,111,500
26	FAMILY PACT STATE ONLY SERVICES	\$0	\$2,000,000	\$0	\$2,000,000	\$0	\$0
27	SCHIP FUNDING FOR PRENATAL CARE	\$0	-\$106,512,900	\$0	-\$107,953,950	\$0	-\$1,441,050

Costs shown include application of payment lag factor, but not percent reflected in base calculation.

**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
BENEFITS							
28	CDSS IHSS SHARE-OF-COST BUYOUT	\$0	\$5,445,500	\$0	\$5,445,500	\$0	\$0
30	PEDIATRIC PALLIATIVE CARE	-\$589,000	-\$294,500	-\$1,296,000	-\$648,000	-\$707,000	-\$353,500
31	MEDICAL ACUITY ELIGIBILITY CRITERIA FOR ADHC SVI	\$0	\$0	\$0	\$0	\$0	\$0
32	CALIFORNIA COMMUNITY TRANSITIONS SAVINGS	-\$4,446,000	-\$2,223,000	-\$10,935,000	-\$5,467,500	-\$6,489,000	-\$3,244,500
33	ADHC ONSITE TAR REVIEWS	-\$89,000	-\$44,500	-\$1,847,000	-\$923,500	-\$1,758,000	-\$879,000
171	ADDITIONAL SERVICES FOR HCBS CLIENTS	\$48,420,000	\$0	\$105,533,000	\$0	\$57,113,000	\$0
190	REINSTATEMENT OF OPTOMETRY SERVICES	\$0	\$0	\$2,620,560	\$1,310,280	\$2,620,560	\$1,310,280
209	HOSPITAL INPATIENT RATE FREEZE	\$0	\$0	-\$168,962,000	-\$84,481,000	-\$168,962,000	-\$84,481,000
214	INCREASED FEDERAL MATCHING FUNDS FOR FPACT	\$0	\$0	\$0	-\$5,000,000	\$0	-\$5,000,000
	BENEFITS SUBTOTAL	\$634,878,830	\$128,129,010	\$517,736,560	\$39,254,330	-\$117,142,270	-\$88,874,680
PHARMACY							
36	HIV/AIDS PHARMACY PILOT PROGRAM	\$0	\$879,000	\$0	\$0	\$0	-\$879,000
37	NON FFP DRUGS	\$0	\$1,738,500	\$0	\$1,317,000	\$0	-\$421,500
39	PHYSICIAN-ADMINISTERED DRUG REIMBURSEMENT	\$0	\$0	-\$12,840,000	-\$6,420,000	-\$12,840,000	-\$6,420,000
40	ENTERAL NUTRITION PRODUCTS	-\$15,434,000	-\$7,717,000	-\$16,212,480	-\$8,106,240	-\$778,470	-\$389,240
43	PHARMACY TAR AUTO-ADJUDICATION	-\$1,835,900	-\$917,950	-\$2,440,660	-\$1,220,330	-\$604,760	-\$302,380
44	AGED DRUG REBATE RESOLUTION	-\$4,000,000	-\$2,000,000	-\$6,000,000	-\$3,000,000	-\$2,000,000	-\$1,000,000
45	BCCTP DRUG REBATES	-\$16,000,000	-\$5,600,000	-\$6,000,000	-\$2,100,000	\$10,000,000	\$3,500,000
46	MEDICAL SUPPLY REBATES	-\$8,938,000	-\$4,469,000	-\$10,000,000	-\$5,000,000	-\$1,062,000	-\$531,000
47	PHYSICIAN-ADMINISTERED DRUG REBATES	-\$15,000,000	-\$6,000,000	-\$25,000,000	-\$10,500,000	-\$10,000,000	-\$4,500,000
48	DISPUTED DRUG REBATE RESOLUTIONS	-\$34,000,000	-\$16,269,600	-\$40,000,000	-\$19,140,800	-\$6,000,000	-\$2,871,200
49	FAMILY PACT DRUG REBATES	-\$43,447,000	\$3,097,700	-\$44,721,000	-\$6,590,100	-\$1,274,000	-\$9,687,800
50	MEDI-CAL PHARMACY REFORMS	-\$57,850,000	-\$28,925,000	-\$91,400,000	-\$45,700,000	-\$33,550,000	-\$16,775,000
51	ESTIMATED ACQUISITION COST PHARMACY SAVINGS	-\$217,638,000	-\$108,819,000	-\$218,743,010	-\$109,371,500	-\$1,105,010	-\$552,500
52	STATE SUPPLEMENTAL DRUG REBATES	-\$256,216,000	-\$127,709,200	-\$248,288,000	-\$123,757,600	\$7,928,000	\$3,951,600

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**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
PHARMACY							
53	FEDERAL DRUG REBATE PROGRAM	-\$1,031,463,000	-\$514,126,700	-\$999,547,000	-\$498,218,300	\$31,916,000	\$15,908,400
195	UBL AND MAIC INJUNCTION	\$6,371,600	\$3,185,800	\$83,336,400	\$41,668,200	\$76,964,800	\$38,482,400
198	ELIMINATION OF SELECTED OVER-THE-COUNTER DRL	\$0	\$0	-\$6,200,000	-\$3,100,000	-\$6,200,000	-\$3,100,000
	PHARMACY SUBTOTAL	-\$1,695,450,300	-\$813,652,450	-\$1,644,055,740	-\$799,239,670	\$51,394,560	\$14,412,780
MANAGED CARE							
57	MANAGED CARE INTERGOVERNMENTAL TRANSFERS	\$443,667,000	\$172,700,000	\$365,969,000	\$158,597,000	-\$77,698,000	-\$14,103,000
58	INCREASE IN CAPITATION RATES FOR MCO TAX	\$82,157,000	\$31,557,000	\$0	\$0	-\$82,157,000	-\$31,557,000
64	COURT-ORDERED MANAGED CARE RATE ADJUSTMEN	\$17,427,000	\$8,713,500	\$0	\$0	-\$17,427,000	-\$8,713,500
65	ADDITION OF LTC, LAB, PHARMACY & CHDP TO THE HI	\$13,572,000	\$6,786,000	\$1,347,000	\$673,500	-\$12,225,000	-\$6,112,500
67	COVERAGE FOR FORMER AGNEWS RESIDENTS	\$12,543,000	\$6,271,500	-\$8,995,000	-\$4,497,500	-\$21,538,000	-\$10,769,000
70	RISK PAYMENTS FOR MANAGED CARE PLANS	\$192,000	\$96,000	\$0	\$0	-\$192,000	-\$96,000
72	MANAGED CARE EXPANSION - VENTURA	\$0	\$0	\$42,920,000	\$21,460,000	\$42,920,000	\$21,460,000
73	MANAGED CARE EXPANSION REGIONAL TWO-PLAN M	\$0	\$0	\$14,551,000	\$7,275,500	\$14,551,000	\$7,275,500
76	FAMILY PLANNING INCREASED FED MATCHING FUNDS	\$0	-\$20,846,000	\$0	-\$50,500,000	\$0	-\$29,654,000
77	FFS COSTS FOR MANAGED CARE ENROLLEES	\$0	\$0	\$0	\$0	\$0	\$0
79	MATERNITY SUPPLEMENTAL PAYMENT	-\$35,575,000	-\$17,787,500	\$0	\$0	\$35,575,000	\$17,787,500
176	DISCONTINUE UNDOCUMENTED BENEFICIARIES FROM	\$0	\$0	-\$546,000	-\$273,000	-\$546,000	-\$273,000
185	MANDATORY ENROLLMENT INTO MANAGED CARE FOR	\$0	\$0	-\$357,496,000	-\$182,052,000	-\$357,496,000	-\$182,052,000
	MANAGED CARE SUBTOTAL	\$533,983,000	\$187,490,500	\$57,750,000	-\$49,316,500	-\$476,233,000	-\$236,807,000
PROVIDER RATES							
34	ELIMINATION OF ADHC FY 2009-10 RATE INCREASE	-\$11,541,000	-\$5,770,500	-\$12,590,000	-\$6,295,000	-\$1,049,000	-\$524,500
80	NF-B RATE CHANGES AND QA FEE	\$154,964,750	\$77,482,380	\$192,012,000	\$96,006,000	\$37,047,250	\$18,523,630
81	FQHC/RHC/CBRC RECONCILIATION PROCESS	\$119,742,000	\$59,871,000	\$158,283,000	\$79,141,500	\$38,541,000	\$19,270,500
82	LTC RATE ADJUSTMENT	\$46,392,320	\$23,196,160	\$57,991,000	\$28,995,500	\$11,598,680	\$5,799,340
83	EXPANSION OF REVENUE BASE FOR AB 1629 QA FEE	\$29,004,000	\$14,502,000	\$29,308,000	\$14,654,000	\$304,000	\$152,000

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**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
PROVIDER RATES							
84	ANNUAL MEI INCREASE FOR FQHCS/RHCS	\$12,724,080	\$6,362,040	\$36,230,120	\$18,115,060	\$23,506,040	\$11,753,020
85	HOSPICE RATE INCREASES	\$3,434,020	\$1,717,010	\$5,884,360	\$2,942,180	\$2,450,340	\$1,225,170
88	ELIMINATE HOSPICE ROOM AND BOARD RATE INCREA	-\$2,784,110	-\$1,392,060	-\$3,695,000	-\$1,847,500	-\$910,890	-\$455,440
89	REDUCTION TO SMALL & RURAL HOSPITALS	-\$10,407,960	-\$5,203,980	-\$13,800,000	-\$6,900,000	-\$3,392,040	-\$1,696,020
91	ELIMINATE NON-AB 1629 LTC RATE INCREASES	-\$46,054,680	-\$23,027,340	-\$57,616,000	-\$28,808,000	-\$11,561,320	-\$5,780,660
92	ELIMINATE COLA INCREASE TO AB 1629 FACILITIES	-\$151,688,130	-\$75,844,070	-\$191,304,000	-\$95,652,000	-\$39,615,870	-\$19,807,940
175	SANTA ROSA MEMORIAL HOSPITAL INJUNCTION	\$4,287,500	\$2,143,750	\$10,713,850	\$5,356,920	\$6,426,350	\$3,213,170
177	CHA V. MAXWELL-JOLLY INJUNCTION	\$12,192,160	\$6,096,080	\$56,300,190	\$28,150,100	\$44,108,040	\$22,054,020
186	INDEPENDENT LIVING CENTER INJUNCTION	\$35,700,000	\$17,850,000	\$35,500,000	\$17,750,000	-\$200,000	-\$100,000
191	REDUCTION TO RADIOLOGY RATES	\$0	\$0	-\$27,240,370	-\$13,620,190	-\$27,240,370	-\$13,620,190
193	QA FEE FOR MLRCs	\$0	\$0	\$40,824,000	\$18,044,000	\$40,824,000	\$18,044,000
194	AB 1629 QA FEE TRENDING METHODOLOGY	\$0	\$0	\$88,777,000	\$39,239,000	\$88,777,000	\$39,239,000
196	QAF INCREASE DUE TO L&C FEE REDUCTION	\$0	\$0	\$9,325,000	\$4,122,000	\$9,325,000	\$4,122,000
	PROVIDER RATES SUBTOTAL	\$195,964,930	\$97,982,470	\$414,903,150	\$199,393,570	\$218,938,220	\$101,411,110
HOSPITAL FINANCING							
93	HOSP FINANCING - DSH PMT	\$1,719,646,000	\$592,475,000	\$1,725,858,000	\$596,619,000	\$6,212,000	\$4,144,000
94	HOSP FINANCING - PRIVATE HOSPITAL DSH REPLACEI	\$528,748,000	\$264,374,000	\$515,974,000	\$257,987,000	-\$12,774,000	-\$6,387,000
95	HOSP FINANCING - SAFETY NET CARE POOL	\$313,925,000	\$0	\$516,001,000	\$0	\$202,076,000	\$0
96	FEDERAL FLEXIBILITY & STABILIZATION - SNCP ARRA	\$298,597,000	\$0	\$154,172,000	\$0	-\$144,425,000	\$0
97	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT	\$372,080,000	\$186,040,000	\$276,994,000	\$138,497,000	-\$95,086,000	-\$47,543,000
98	FEDERAL FLEXIBILITY & STABILIZATION-SNCP	\$115,000,000	\$0	\$245,000,000	\$0	\$130,000,000	\$0
99	HOSP FINANCING - HEALTH CARE COVERAGE INITIATI	\$318,530,000	\$0	\$180,000,000	\$0	-\$138,530,000	\$0
100	HOSP FINANCING - SOUTH LA PRESERVATION FUND	\$95,000,000	\$0	\$90,000,000	\$0	-\$5,000,000	\$0
101	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN C	\$113,475,000	\$0	\$67,114,000	\$0	-\$46,361,000	\$0
102	HOSP FINANCING - STABILIZATION FUNDING	\$54,684,000	\$27,342,000	\$80,910,000	\$40,455,000	\$26,226,000	\$13,113,000

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**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
<u>HOSPITAL FINANCING</u>							
103	HOSP FINANCING - DPH INTERIM RATE GROWTH	\$55,031,000	\$27,515,500	\$64,998,000	\$32,499,000	\$9,967,000	\$4,983,500
104	HOSP FINANCING - DPH INTERIM & FINAL RECONS	\$6,000,000	\$0	\$63,316,000	\$0	\$57,316,000	\$0
105	HOSP FINANCING - CCS AND GHPP	\$92,975,000	\$0	\$40,000,000	\$0	-\$52,975,000	\$0
106	HOSP FINANCING - DISTRESSED HOSPITAL FUND	\$38,374,000	\$19,187,000	\$0	\$0	-\$38,374,000	-\$19,187,000
107	HOSP FINANCING - NDPH SUPPLEMENTAL PMT	\$4,156,000	\$2,078,000	\$3,822,000	\$1,911,000	-\$334,000	-\$167,000
108	HOSP FINANCING - MIA LTC	\$0	-\$21,040,000	\$0	-\$8,725,000	\$0	\$12,315,000
109	HOSP FINANCING - BCCTP	\$0	-\$1,000,000	\$0	-\$500,000	\$0	\$500,000
110	BASE ADJUSTMENT - DPH INTERIM RATE	\$0	-\$530,461,000	\$0	-\$559,528,500	\$0	-\$29,067,500
111	REDUCTION TO HOSP. FINANCING-DPH SNCP BY 10%	\$0	-\$5,100,000	\$0	\$0	\$0	\$5,100,000
112	REDUCTION TO DISTRESSED HOSPITAL FUNDING	-\$32,572,000	-\$12,068,000	\$0	\$0	\$32,572,000	\$12,068,000
113	REDUCTION TO HOSP FINANCING-DSH REPLACEMENT	-\$51,597,000	-\$25,798,500	\$0	\$0	\$51,597,000	\$25,798,500
	HOSPITAL FINANCING SUBTOTAL	\$4,042,052,000	\$523,544,000	\$4,024,159,000	\$499,214,500	-\$17,893,000	-\$24,329,500
<u>SUPPLEMENTAL PMNTS.</u>							
114	FREESTANDING CLINICS & VETERANS' HOMES SUPPL.	\$0	\$0	\$270,750,000	\$0	\$270,750,000	\$0
115	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT	\$195,380,000	\$0	\$221,500,000	\$0	\$26,120,000	\$0
116	IGT FOR NON-SB 1100 HOSPITALS	\$130,174,000	\$50,000,000	\$115,087,000	\$50,000,000	-\$15,087,000	\$0
117	CAPITAL PROJECT DEBT REIMBURSEMENT	\$101,025,000	\$46,083,500	\$105,382,000	\$48,136,000	\$4,357,000	\$2,052,500
118	FFP FOR LOCAL TRAUMA CENTERS	\$74,460,000	\$37,230,000	\$67,130,000	\$33,565,000	-\$7,330,000	-\$3,665,000
119	CERTIFICATION PAYMENTS FOR DP-NFS	\$31,375,000	\$0	\$33,625,000	\$0	\$2,250,000	\$0
120	DSH OUTPATIENT PAYMENT METHOD CHANGE	\$10,000,000	\$5,000,000	\$10,000,000	\$5,000,000	\$0	\$0
121	SRH OUTPATIENT PAYMENT METHOD CHANGE	\$8,000,000	\$4,000,000	\$8,000,000	\$4,000,000	\$0	\$0
122	SPECIALTY MENTAL HEALTH SVCS SUPP REIMBURSE	\$0	\$0	\$110,861,000	\$0	\$110,861,000	\$0
170	HOSPITAL QAF - HOSPITAL PAYMENTS	\$0	\$0	\$8,613,101,000	\$3,903,001,000	\$8,613,101,000	\$3,903,001,000
	SUPPLEMENTAL PMNTS. SUBTOTAL	\$550,414,000	\$142,313,500	\$9,555,436,000	\$4,043,702,000	\$9,005,022,000	\$3,901,388,500
<u>OTHER</u>							

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**COMPARISON OF FISCAL IMPACTS OF REGULAR POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
132	DENTAL RETROACTIVE RATE CHANGES	\$62,077,000	\$31,038,500	\$0	\$0	-\$62,077,000	-\$31,038,500
133	ICF-DD TRANSPORTATION AND DAY CARE COSTS- CD	\$0	\$0	\$234,242,000	\$0	\$234,242,000	\$0
137	HEALTHY FAMILIES - CDMH	\$24,311,000	\$0	\$27,939,000	\$0	\$3,628,000	\$0
138	NONCONTRACT HOSP INPATIENT COST SETTLEMENTS	\$10,478,000	\$5,239,000	\$7,746,000	\$3,873,000	-\$2,732,000	-\$1,366,000
139	MINOR CONSENT SETTLEMENT	\$8,359,000	\$8,359,000	\$7,989,000	\$7,989,000	-\$370,000	-\$370,000
142	ESTATE RECOVERY MEDICARE PREMIUMS	\$1,372,000	\$686,000	\$2,744,000	\$1,372,000	\$1,372,000	\$686,000
144	TWO-PLAN MODEL NOTICES OF DISPUTE	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0
145	SELF-DIRECTED SERVICES WAIVER - CDDS	\$0	\$0	\$71,000	\$0	\$71,000	\$0
146	CIGARETTE AND TOBACCO SURTAX FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
147	PERSONAL INJURY FEDERAL REPAYMENTS	\$0	\$2,000,000	\$0	\$2,000,000	\$0	\$0
148	DENTAL MANAGED CARE DISALLOWANCE	\$0	\$50,000	\$0	\$0	\$0	-\$50,000
149	ADDITIONAL CIGARETTE AND TOBACCO SURTAX FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
150	IMD ANCILLARY SERVICES	\$0	\$12,000,000	\$0	\$12,000,000	\$0	\$0
152	INDIAN HEALTH SERVICES	\$0	-\$7,828,000	\$0	-\$8,056,000	\$0	-\$228,000
153	FQHC/RHC AUDIT STAFFING	\$0	\$0	-\$2,737,270	-\$1,368,630	-\$2,737,270	-\$1,368,630
154	ANTI-FRAUD INITIATIVE	\$0	\$0	-\$6,500,000	-\$3,250,000	-\$6,500,000	-\$3,250,000
155	REDUCTION IN IMD ANCILLARY SERVICES COSTS	\$0	\$0	-\$12,000,000	-\$12,000,000	-\$12,000,000	-\$12,000,000
156	EDS COST CONTAINMENT PROJECTS	-\$624,730	-\$312,370	-\$1,029,280	-\$514,640	-\$404,550	-\$202,270
157	PHARMACY LITIGATION SETTLEMENTS	-\$76,700,000	-\$76,700,000	-\$15,200,000	-\$15,200,000	\$61,500,000	\$61,500,000
158	IHSS ANTI-FRAUD INITIATIVE	-\$56,699,000	\$0	-\$252,996,000	\$0	-\$196,297,000	\$0
160	UNSPECIFIED BUDGET REDUCTION	\$0	\$0	-\$744,147,000	-\$323,297,000	-\$744,147,000	-\$323,297,000
161	ARRA-ADDITIONAL FFP FOR DHCS	\$0	-\$2,909,855,000	\$0	-\$1,529,799,000	\$0	\$1,380,056,000
162	ARRA-ADDITIONAL FFP FOR LOCAL MATCH	\$148,967,000	\$0	\$103,519,000	\$0	-\$45,448,000	\$0
168	DELAY CHECKWRITE JUNE 2011 TO JULY 2011	\$0	\$0	-\$254,188,000	-\$119,977,000	-\$254,188,000	-\$119,977,000
169	ANTI-FRAUD ACTIVITIES FOR PHARMACY AND PHYSIC	\$0	\$0	-\$56,517,000	-\$28,258,500	-\$56,517,000	-\$28,258,500

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CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER							
172	HOSPITAL QAF - CHILDREN'S HEALTH CARE COVERAG	\$0	\$0	\$0	\$0	\$0	\$0
173	MEDI-CAL COST CONTAINMENT STRATEGIES	\$0	\$0	\$0	\$0	\$0	\$0
178	ARRA HITECH - PROVIDER PAYMENTS	\$0	\$0	\$3,000,000	\$0	\$3,000,000	\$0
179	CEDARS-SINAI MEDICAL CENTER OVERPAYMENT	-\$148,000	-\$74,000	\$0	\$0	\$148,000	\$74,000
180	MEDICARE PAYMENTS - PART D PHASED-DOWN ARRA	-\$447,253,000	-\$447,253,000	-\$234,978,000	-\$234,978,000	\$212,275,000	\$212,275,000
181	SSI/SSP RETROACTIVE MEDICARE PREMIUMS	-\$6,120,000	-\$3,366,000	-\$18,360,000	-\$10,096,500	-\$12,240,000	-\$6,730,500
182	NUVARING COST SHIFT	\$0	-\$11,112,600	\$0	-\$4,569,600	\$0	\$6,543,000
183	GGNSC HOLDINGS COURT ORDER	\$970,000	\$485,000	\$0	\$0	-\$970,000	-\$485,000
189	PROVIDER OVERPAYMENT REPAYMENTS	\$0	\$0	-\$77,794,000	-\$77,794,000	-\$77,794,000	-\$77,794,000
192	DISCONTINUE PART B PREMIUM FOR UNMET SOC BEN	\$0	\$0	-\$1,038,000	-\$1,038,000	-\$1,038,000	-\$1,038,000
212	ICF-DD ADMIN. AND QA FEE REIMBURSEMENT - CDDS	\$0	\$0	\$29,839,160	\$13,190,330	\$29,839,160	\$13,190,330
213	RECONCILIATION	\$4,313,000	\$4,313,000	\$92,482,000	\$92,482,000	\$88,169,000	\$88,169,000
215	RECONCILIATION WITH BUDGET ACT - HCSF	\$0	\$0	\$27,500,000	\$0	\$27,500,000	\$0
216	RECONCILIATION WITH BUDGET ACT - SPECIAL FUNDS	\$0	\$0	-\$352,388,000	-\$176,194,000	-\$352,388,000	-\$176,194,000
217	RECONCILIATION WITH BUDGET ACT - FEDERAL FUND	\$0	\$0	-\$2,868,430,000	\$0	-\$2,868,430,000	\$0
	OTHER SUBTOTAL	-\$325,697,730	-\$3,391,330,470	-\$4,360,231,390	-\$2,412,484,540	-\$4,034,533,660	\$978,845,920
	GRAND TOTAL	\$4,710,457,720	-\$2,909,028,890	\$9,420,905,580	\$1,757,959,740	\$4,710,447,860	\$4,666,988,630

Costs shown include application of payment lag factor, but not percent reflected in base calculation.

FISCAL YEAR 2010-11 COST PER ELIGIBLE BASED ON MAY 2010 ESTIMATE

<u>SERVICE CATEGORY</u>	<u>PA-OAS</u>	<u>PA-AB</u>	<u>PA-ATD</u>	<u>PA-AFDC</u>	<u>LT-OAS</u>	<u>LT-AB</u>
PHYSICIANS	\$45,401,140	\$8,352,290	\$385,208,280	\$77,963,290	\$4,447,320	\$130,630
OTHER MEDICAL	\$69,373,170	\$16,713,960	\$496,989,280	\$258,315,770	\$8,139,380	\$396,870
COUNTY OUTPATIENT	\$535,210	\$500,860	\$27,755,970	\$5,173,210	\$73,610	\$1,700
COMMUNITY OUTPATIENT	\$11,618,480	\$3,369,290	\$223,176,140	\$46,551,920	\$772,410	\$8,010
PHARMACY	\$52,267,990	\$19,617,870	\$1,193,307,020	\$88,090,770	\$10,267,070	\$202,460
COUNTY INPATIENT	\$9,026,520	\$2,874,630	\$204,876,590	\$30,745,330	\$1,086,930	\$40
COMMUNITY INPATIENT	\$206,141,730	\$29,221,770	\$1,400,295,440	\$309,511,170	\$28,966,930	\$248,300
NURSING FACILITIES	\$467,398,770	\$22,683,910	\$694,047,470	\$3,555,360	\$2,054,220,180	\$7,734,390
ICF-DD	\$280,000	\$10,268,140	\$208,877,660	\$430,550	\$25,820,420	\$3,419,130
MEDICAL TRANSPORTATION	\$18,346,830	\$5,045,200	\$73,347,920	\$5,269,760	\$4,613,500	\$184,320
OTHER SERVICES	\$148,922,990	\$12,210,360	\$509,420,700	\$23,528,090	\$84,055,690	\$333,620
HOME HEALTH	\$262,120	\$9,856,560	\$106,518,320	\$3,805,350	\$3,360	\$0
FFS SUBTOTAL	\$1,029,574,950	\$140,714,840	\$5,523,820,800	\$852,940,570	\$2,222,466,800	\$12,659,480
DENTAL	\$30,801,030	\$1,675,230	\$72,601,270	\$113,055,560	\$3,646,360	\$16,470
TWO PLAN MODEL	\$32,066,690	\$7,806,070	\$608,599,630	\$1,250,231,580	\$0	\$0
COUNTY ORGANIZED HEALTH SYSTEMS	\$179,925,770	\$19,831,950	\$879,843,000	\$301,699,230	\$480,192,550	\$1,245,610
GEOGRAPHIC MANAGED CARE	\$7,426,540	\$1,631,190	\$128,593,660	\$235,821,770	\$0	\$0
PHP & OTHER MANAG. CARE	\$92,793,880	\$2,482,560	\$55,398,640	\$11,712,720	\$5,109,050	\$0
EPSDT SCREENS	\$0	\$0	\$0	\$16,734,310	\$0	\$0
MEDICARE PAYMENTS	\$1,230,907,320	\$65,937,270	\$1,890,989,160	\$0	\$168,095,260	\$2,258,680
STATE HOSP./DEVELOPMENTAL CNTRS.	\$153,320	\$1,572,550	\$63,800,120	\$617,530	\$13,840,640	\$1,361,630
MISC. SERVICES	\$792,919,160	\$42,999,950	\$3,205,068,800	\$1,272,240	\$130	\$10
NON-FFS SUBTOTAL	\$2,366,993,710	\$143,936,780	\$6,904,894,300	\$1,931,144,930	\$670,883,990	\$4,882,400
TOTAL DOLLARS (1)	\$3,396,568,670	\$284,651,610	\$12,428,715,090	\$2,784,085,500	\$2,893,350,790	\$17,541,880
ELIGIBLES ***	405,800	22,100	956,400	1,489,400	48,000	200
ANNUAL \$/ELIGIBLE	\$8,370	\$12,880	\$12,995	\$1,869	\$60,278	\$87,709
AVG. MO. \$/ELIGIBLE	\$698	\$1,073	\$1,083	\$156	\$5,023	\$7,309

(1) Does not include Audits & Lawsuits, Recoveries, and Mental Health Services.

*** Eligibles include the estimated impact of eligibility policy changes.

Excluded policy changes: 46. Refer to page following report for listing.

FISCAL YEAR 2010-11 COST PER ELIGIBLE BASED ON MAY 2010 ESTIMATE

<u>SERVICE CATEGORY</u>	<u>LT-ATD</u>	<u>MN-OAS</u>	<u>MN-AB</u>	<u>MN-ATD</u>	<u>MN-AFDC</u>	<u>MI-C</u>
PHYSICIANS	\$7,650,900	\$69,670,250	\$623,200	\$92,644,900	\$335,625,630	\$36,836,820
OTHER MEDICAL	\$7,613,300	\$96,945,890	\$2,277,210	\$160,120,930	\$638,107,860	\$93,482,530
COUNTY OUTPATIENT	\$529,810	\$4,640,930	\$29,630	\$13,481,220	\$27,651,440	\$2,765,680
COMMUNITY OUTPATIENT	\$1,140,160	\$21,653,210	\$148,730	\$46,420,650	\$151,714,970	\$16,661,760
PHARMACY	\$14,931,450	\$85,378,600	\$745,780	\$118,160,850	\$191,378,730	\$46,076,070
COUNTY INPATIENT	\$14,251,190	\$36,251,480	\$291,710	\$172,089,120	\$245,119,490	\$19,797,140
COMMUNITY INPATIENT	\$44,324,970	\$135,954,410	\$1,932,830	\$379,244,750	\$1,185,579,120	\$115,601,080
NURSING FACILITIES	\$536,304,620	\$201,781,350	\$802,800	\$71,583,270	\$14,004,070	\$3,747,030
ICF-DD	\$180,035,460	\$478,850	\$0	\$5,848,860	\$790,420	\$2,373,260
MEDICAL TRANSPORTATION	\$3,193,300	\$14,843,180	\$375,590	\$22,358,120	\$15,816,850	\$1,842,890
OTHER SERVICES	\$16,133,690	\$127,507,900	\$547,360	\$112,413,530	\$78,223,130	\$12,188,040
HOME HEALTH	\$335,060	\$871,260	\$7,050	\$50,629,700	\$8,099,460	\$9,914,520
FFS SUBTOTAL	\$826,443,910	\$795,977,300	\$7,781,890	\$1,244,995,890	\$2,892,111,170	\$361,286,810
DENTAL	\$1,151,240	\$19,766,080	\$42,740	\$11,783,340	\$255,948,880	\$17,280,670
TWO PLAN MODEL	\$0	\$37,777,550	\$178,000	\$43,503,530	\$2,112,394,970	\$40,220,610
COUNTY ORGANIZED HEALTH SYSTEMS	\$194,552,690	\$130,096,060	\$383,490	\$184,734,990	\$683,726,940	\$31,169,950
GEOGRAPHIC MANAGED CARE	\$0	\$5,555,440	\$0	\$9,198,870	\$293,789,750	\$6,777,540
PHP & OTHER MANAG. CARE	\$267,730	\$56,714,420	\$8,570	\$5,521,950	\$26,012,550	\$1,755,450
EPSDT SCREENS	\$0	\$0	\$0	\$0	\$37,885,160	\$2,557,860
MEDICARE PAYMENTS	\$39,934,930	\$320,143,930	\$2,209,150	\$201,775,150	\$18,220,340	\$0
STATE HOSP./DEVELOPMENTAL CNTRS.	\$190,951,330	-\$187,820	\$86,490	\$368,130	\$286,170	\$247,530
MISC. SERVICES	\$410	\$320,596,360	\$770,050	\$392,022,710	\$2,940,380	\$199,210
NON-FFS SUBTOTAL	\$426,858,320	\$890,462,020	\$3,678,470	\$848,908,680	\$3,431,205,120	\$100,208,820
TOTAL DOLLARS (1)	\$1,253,302,230	\$1,686,439,320	\$11,460,360	\$2,093,904,570	\$6,323,316,290	\$461,495,630
ELIGIBLES ***	15,200	266,800	600	159,300	3,371,800	227,700
ANNUAL \$/ELIGIBLE	\$82,454	\$6,321	\$19,101	\$13,144	\$1,875	\$2,027
AVG. MO. \$/ELIGIBLE	\$6,871	\$527	\$1,592	\$1,095	\$156	\$169

(1) Does not include Audits & Lawsuits, Recoveries, and Mental Health Services.

*** Eligibles include the estimated impact of eligibility policy changes.

Excluded policy changes: 46. Refer to page following report for listing.

FISCAL YEAR 2010-11 COST PER ELIGIBLE BASED ON MAY 2010 ESTIMATE

<u>SERVICE CATEGORY</u>	<u>MI-A</u>	<u>REFUGEE</u>	<u>OBRA</u>	<u>POV 185</u>	<u>POV 133</u>	<u>POV 100</u>
PHYSICIANS	\$3,088,180	\$816,590	\$27,875,610	\$181,727,410	\$5,057,470	\$5,959,480
OTHER MEDICAL	\$2,629,760	\$1,439,010	\$44,754,850	\$215,837,760	\$25,234,430	\$16,727,730
COUNTY OUTPATIENT	\$204,900	\$218,410	\$4,148,310	\$6,586,310	\$510,320	\$601,050
COMMUNITY OUTPATIENT	\$808,380	\$151,980	\$7,259,270	\$30,058,650	\$3,549,000	\$3,560,140
PHARMACY	\$2,138,110	\$702,880	\$14,616,200	\$14,401,090	\$3,076,980	\$6,452,730
COUNTY INPATIENT	\$1,677,880	\$53,730	\$63,976,820	\$69,315,780	\$949,000	\$3,010,340
COMMUNITY INPATIENT	\$9,833,740	\$658,610	\$119,841,230	\$440,264,210	\$12,546,090	\$19,116,570
NURSING FACILITIES	\$30,226,620	\$0	\$20,468,050	\$0	\$0	\$0
ICF-DD	\$682,130	\$0	\$280,310	\$0	\$0	\$0
MEDICAL TRANSPORTATION	\$174,280	\$20,360	\$3,621,320	\$1,792,990	\$238,600	\$300,010
OTHER SERVICES	\$432,980	\$84,140	\$1,916,300	\$12,970,310	\$3,847,360	\$3,729,020
HOME HEALTH	\$12,680	\$3,220	\$45,230	\$667,860	\$719,780	\$727,050
FFS SUBTOTAL	\$51,909,650	\$4,148,930	\$308,803,500	\$973,622,360	\$55,729,040	\$60,184,120
DENTAL	\$195,920	\$414,030	\$313,880	\$658,840	\$16,747,810	\$18,112,630
TWO PLAN MODEL	\$364,520	\$2,176,440	\$0	\$39,717,890	\$104,021,380	\$96,590,630
COUNTY ORGANIZED HEALTH SYSTEMS	\$753,920	\$392,440	\$1,531,230	\$25,910,840	\$52,767,780	\$37,246,200
GEOGRAPHIC MANAGED CARE	\$23,410	\$515,190	\$0	\$7,733,070	\$22,287,070	\$17,857,530
PHP & OTHER MANAG. CARE	\$18,230	\$0	\$0	\$1,089,120	\$1,138,060	\$1,106,830
EPSDT SCREENS	\$0	\$0	\$0	\$0	\$1,797,750	\$1,749,670
MEDICARE PAYMENTS	\$0	\$0	\$0	\$0	\$0	\$0
STATE HOSP./DEVELOPMENTAL CNTRS.	\$247,730	\$0	\$359,590	\$131,230	\$56,810	\$92,850
MISC. SERVICES	\$1,820	\$0	\$0	\$131,970	\$33,520	\$30,710
NON-FFS SUBTOTAL	\$1,605,560	\$3,498,090	\$2,204,700	\$75,372,960	\$198,850,190	\$172,787,040
TOTAL DOLLARS (1)	\$53,515,210	\$7,647,020	\$311,008,210	\$1,048,995,330	\$254,579,230	\$232,971,170
ELIGIBLES ***	2,600	3,600	66,800	186,700	160,000	155,700
ANNUAL \$/ELIGIBLE	\$20,583	\$2,124	\$4,656	\$5,619	\$1,591	\$1,496
AVG. MO. \$/ELIGIBLE	\$1,715	\$177	\$388	\$468	\$133	\$125

(1) Does not include Audits & Lawsuits, Recoveries, and Mental Health Services.

*** Eligibles include the estimated impact of eligibility policy changes.

Excluded policy changes: 46. Refer to page following report for listing.

FISCAL YEAR 2010-11 COST PER ELIGIBLE BASED ON MAY 2010 ESTIMATE

<u>SERVICE CATEGORY</u>	<u>TOTAL</u>
PHYSICIANS	\$1,289,079,390
OTHER MEDICAL	\$2,155,099,690
COUNTY OUTPATIENT	\$95,408,560
COMMUNITY OUTPATIENT	\$568,623,160
PHARMACY	\$1,861,812,650
COUNTY INPATIENT	\$875,393,710
COMMUNITY INPATIENT	\$4,439,282,960
NURSING FACILITIES	\$4,128,557,880
ICF-DD	\$439,585,200
MEDICAL TRANSPORTATION	\$171,385,030
OTHER SERVICES	\$1,148,465,200
HOME HEALTH	\$192,478,580
FFS SUBTOTAL	\$17,365,172,000
DENTAL	\$564,211,980
TWO PLAN MODEL	\$4,375,649,490
COUNTY ORGANIZED HEALTH SYSTEMS	\$3,206,004,650
GEOGRAPHIC MANAGED CARE	\$737,211,030
PHP & OTHER MANAG. CARE	\$261,129,760
EPSDT SCREENS	\$60,724,740
MEDICARE PAYMENTS	\$3,940,471,190
STATE HOSP./DEVELOPMENTAL CNTRS.	\$273,985,850
MISC. SERVICES	\$4,758,987,420
NON-FFS SUBTOTAL	\$18,178,376,110
TOTAL DOLLARS (1)	\$35,543,548,110
ELIGIBLES ***	7,538,700
ANNUAL \$/ELIGIBLE	\$4,715
AVG. MO. \$/ELIGIBLE	\$393

(1) Does not include Audits & Lawsuits, Recoveries, and Mental Health Services.

*** Eligibles include the estimated impact of eligibility policy changes.

Excluded policy changes: 46. Refer to page following report for listing.

FISCAL YEAR 2010-11 COST PER ELIGIBLE BASED ON MAY 2010 ESTIMATE

EXCLUDED POLICY CHANGES: 46

1	FAMILY PLANNING INITIATIVE
2	BREAST AND CERVICAL CANCER TREATMENT
3	CHDP GATEWAY - PREENROLLMENT
4	BRIDGE TO HFP
24	ELIMINATION OF THE CDSS IHSS SHARE-OF-COST BUYOUT
28	CDSS IHSS SHARE-OF-COST BUYOUT
49	FAMILY PACT DRUG REBATES
64	COURT-ORDERED MANAGED CARE RATE ADJUSTMENTS
93	HOSP FINANCING - DSH PMT
94	HOSP FINANCING - PRIVATE HOSPITAL DSH REPLACEMENT
95	HOSP FINANCING - SAFETY NET CARE POOL
96	FEDERAL FLEXIBILITY & STABILIZATION - SNCP ARRA
97	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT
98	FEDERAL FLEXIBILITY & STABILIZATION-SNCP
99	HOSP FINANCING - HEALTH CARE COVERAGE INITIATIVE
100	HOSP FINANCING - SOUTH LA PRESERVATION FUND
101	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN COSTS
102	HOSP FINANCING - STABILIZATION FUNDING
105	HOSP FINANCING - CCS AND GHPP
106	HOSP FINANCING - DISTRESSED HOSPITAL FUND
107	HOSP FINANCING - NDPH SUPPLEMENTAL PMT
110	BASE ADJUSTMENT - DPH INTERIM RATE
112	REDUCTION TO DISTRESSED HOSPITAL FUNDING
113	REDUCTION TO HOSP FINANCING-DSH REPLACEMENT BY 10%
114	FREESTANDING CLINICS & VETERANS' HOMES SUPPL.
115	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT
116	IGT FOR NON-SB 1100 HOSPITALS
117	CAPITAL PROJECT DEBT REIMBURSEMENT
118	FFP FOR LOCAL TRAUMA CENTERS
119	CERTIFICATION PAYMENTS FOR DP-NFS
120	DSH OUTPATIENT PAYMENT METHOD CHANGE
121	SRH OUTPATIENT PAYMENT METHOD CHANGE

FISCAL YEAR 2010-11 COST PER ELIGIBLE BASED ON MAY 2010 ESTIMATE

EXCLUDED POLICY CHANGES: 46

122	SPECIALTY MENTAL HEALTH SVCS SUPP REIMBURSEMENT
132	DENTAL RETROACTIVE RATE CHANGES
134	MEDI-CAL TCM PROGRAM (Misc. Svcs.)
137	HEALTHY FAMILIES - CDMH
139	MINOR CONSENT SETTLEMENT
160	UNSPECIFIED BUDGET REDUCTION
168	DELAY CHECKWRITE JUNE 2011 TO JULY 2011
170	HOSPITAL QAF - HOSPITAL PAYMENTS
172	HOSPITAL QAF - CHILDREN'S HEALTH CARE COVERAGE
180	MEDICARE PAYMENTS - PART D PHASED-DOWN ARRA
213	RECONCILIATION
215	RECONCILIATION WITH BUDGET ACT - HCSF
216	RECONCILIATION WITH BUDGET ACT - SPECIAL FUNDS
217	RECONCILIATION WITH BUDGET ACT - FEDERAL FUNDS

**ESTIMATED COST OF 1% RATE INCREASE
FISCAL YEAR 2010-11**

SERVICE CATEGORY	ESTIMATE WITHOUT RATE INCREASE	ADJUSTMENT FACTOR (1)	FULL YEAR COST FOR EACH 1% RATE INCREASE		ASSUMING AUG. 2010 IMPLEMENTATION			
			TOTAL	STATE	11 MONTH ADJUSTMENT	PAYMENT LAG (2)	LAGGED COST FOR EACH 1% RATE INCREASE	
							TOTAL	STATE
PHYSICIANS	\$1,289,079,390	0.9660	\$12,452,510	\$5,786,120	0.9167	0.7844	\$8,953,560	\$4,160,320
OTHER MEDICAL	\$2,155,099,690	0.9760	\$21,033,770	\$9,788,880	0.9167	0.8324	\$16,049,420	\$7,469,220
COUNTY OUTPATIENT	\$95,408,560	0.9600	\$915,920	\$436,150	0.9167	0.7398	\$621,170	\$295,790
COMMUNITY OUTPATIENT	\$568,623,160	0.9100	\$5,174,470	\$2,387,870	0.9167	0.8350	\$3,960,620	\$1,827,710
PHARMACY	\$1,861,812,650	0.0793	\$1,477,160	\$634,590	0.9167	0.9300	\$1,259,310	\$541,000
COUNTY INPATIENT	\$875,393,710	1.0000	N/A	N/A	0.9167	0.5865	N/A	N/A
COMMUNITY INPATIENT	\$4,439,282,960	1.0000	N/A	N/A	0.9167	0.7319	N/A	N/A
NURSING FACILITIES	\$4,128,557,880	1.1578	\$47,800,030	\$21,805,670	0.9167	0.8651	\$37,905,530	\$17,291,950
ICF-DD	\$439,585,200	1.1578	\$5,089,470	\$2,296,010	0.9167	0.8999	\$4,198,370	\$1,894,010
MEDICAL TRANSPORTATION	\$171,385,030	0.9660	\$1,655,580	\$788,660	0.9167	0.8062	\$1,223,520	\$582,840
OTHER SERVICES	\$1,148,465,200	0.9540	\$10,956,360	\$4,469,250	0.9167	0.8218	\$8,253,590	\$3,366,750
HOME HEALTH	\$192,478,580	0.9800	\$1,886,290	\$856,450	0.9167	0.8118	\$1,403,630	\$637,300
DENTAL	\$564,211,980	0.9990	\$5,636,480	\$2,554,910	0.9167	1.0000	\$5,166,770	\$2,342,000
MENTAL HEALTH	\$1,672,380,020	1.0000	N/A	N/A	0.9167	1.0000	N/A	N/A
TWO PLAN MODEL	\$4,375,649,490	1.0000	\$43,756,490	\$19,185,180	0.9167	1.0000	\$40,110,120	\$17,586,420
COUNTY ORGANIZED HEALTH SYSTEMS	\$3,206,004,650	1.0000	\$32,060,050	\$14,233,130	0.9167	1.0000	\$29,388,380	\$13,047,040
GEOGRAPHIC MANAGED CARE	\$737,211,030	1.0000	\$7,372,110	\$3,232,800	0.9167	1.0000	\$6,757,770	\$2,963,400
PHP & OTHER MANAG. CARE	\$261,129,760	1.0000	\$2,611,300	\$1,163,130	0.9167	1.0000	\$2,393,690	\$1,066,200
AUDITS/ LAWSUITS	-\$12,329,770	1.0000	N/A	N/A	0.9167	1.0000	N/A	N/A
EPSDT SCREENS	\$60,724,740	1.0000	\$607,250	\$271,250	0.9167	1.0000	\$556,640	\$248,640
MEDICARE PAYMENTS (4)	\$3,940,471,190	1.0000	N/A	N/A	0.9167	1.0000	N/A	N/A
STATE HOSP./DEVELOPMENTAL CNTRS.	\$273,985,850	0.9782	\$2,680,100	\$0	0.9167	1.0000	\$2,456,760	\$0
MISC. SERVICES	\$4,758,987,420	1.0000	\$47,589,870	\$227,850	0.9167	1.0000	\$43,624,050	\$208,860
RECOVERIES	-\$296,527,120	1.0000	N/A	N/A	0.9167	1.0000	N/A	N/A
TOTAL	\$36,907,071,240		\$250,755,220	\$90,117,910 (3)			\$214,282,910	\$75,529,470

(1) Reflects adjustment for services not affected by rate increases due to Medicare crossover and unlisted procedures.
 Adjustment factor for Dental services due primarily to prior year reconciliations.
 Adjustment factor for SNF & ICF services compensates for the impact of shares of cost on average payments.
 Adjustment factor for Pharmacy includes an adjustment for the dispensing fee only.

(2) Reflects adjustment for the lag between actual rendering of service and payment for that service.

(3) Excludes service categories noted above with N/A and all policy changes excluded from Cost/Eligible report.

(4) Medicare Payments cost increase included as base adjustment.

BUDGET ACT OF 2010
CHANGES TO THE
MAY 2010
MEDI-CAL ESTIMATE

BASE
POLICY CHANGES

**SUMMARY OF BASE POLICY CHANGES
FISCAL YEAR 2010-11**

<u>POLICY CHG. NO.</u>	<u>CATEGORY & TITLE</u>	<u>TOTAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>STATE FUNDS</u>
MANAGED CARE				
54	TWO PLAN MODEL	\$4,330,123,000	\$2,166,374,200	\$2,163,748,800
55	COUNTY ORGANIZED HEALTH SYSTEMS	\$2,874,159,000	\$1,440,628,200	\$1,433,530,800
56	GEOGRAPHIC MANAGED CARE	\$763,277,000	\$382,066,150	\$381,210,850
59	PACE (Other M/C)	\$146,335,000	\$73,167,500	\$73,167,500
60	DENTAL MANAGED CARE (Other M/C)	\$51,847,000	\$25,923,500	\$25,923,500
63	SENIOR CARE ACTION NETWORK (Other M/C)	\$45,727,000	\$22,970,500	\$22,756,500
66	AIDS HEALTHCARE CENTERS (Other M/C)	\$11,300,000	\$5,674,500	\$5,625,500
68	FAMILY MOSAIC CAPITATED CASE MGMT. (Oth. M/C)	\$3,217,000	\$1,608,500	\$1,608,500
69	PHP	\$1,932,000	\$965,100	\$966,900
	MANAGED CARE SUBTOTAL	\$8,227,917,000	\$4,119,378,150	\$4,108,538,850
OTHER				
123	PERSONAL CARE SERVICES (Misc. Svcs.)	\$3,392,863,000	\$3,392,863,000	\$0
124	MEDICARE PMNTS.- BUY-IN PART A & B PREMIUMS	\$2,583,989,000	\$1,212,523,000	\$1,371,466,000
125	MENTAL HEALTH SERVICES-CDMH	\$1,606,979,000	\$1,606,979,000	\$0
126	MEDICARE PAYMENTS - PART D PHASED-DOWN	\$1,376,469,000	\$0	\$1,376,469,000
127	HOME & COMMUNITY BASED SVCS.-CDDS (Misc.)	\$1,064,485,000	\$1,064,485,000	\$0
128	DENTAL SERVICES	\$562,636,000	\$281,318,000	\$281,318,000
129	DEVELOPMENTAL CENTERS/STATE OP SMALL FAC	\$273,220,000	\$273,220,000	\$0
130	TARGETED CASE MGMT. SVCS. - CDDS (Misc. Svcs.)	\$152,331,000	\$152,331,000	\$0
131	MENTAL HEALTH DRUG MEDI-CAL-CDADP	\$60,157,000	\$60,157,000	\$0
134	MEDI-CAL TCM PROGRAM (Misc. Svcs.)	\$70,275,000	\$70,275,000	\$0
135	EPSDT SCREENS	\$60,555,000	\$30,277,500	\$30,277,500
136	WAIVER PERSONAL CARE SERVICES (Misc. Svcs.)	\$38,020,000	\$19,010,000	\$19,010,000
140	HIPP PREMIUM PAYOUTS (Misc. Svcs.)	\$4,586,000	\$2,293,000	\$2,293,000
141	LAWSUITS/CLAIMS	\$1,865,000	\$932,500	\$932,500
143	CLPP CASE MANAGEMENT SERVICES (Misc. Svcs.)	\$1,028,000	\$1,028,000	\$0
151	AUDIT SETTLEMENTS	\$0	\$0	\$0
159	BASE RECOVERIES	-\$218,716,000	-\$91,992,000	-\$126,724,000
	OTHER SUBTOTAL	\$11,030,742,000	\$8,075,700,000	\$2,955,042,000
	GRAND TOTAL	\$19,258,659,000	\$12,195,078,150	\$7,063,580,850

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
MANAGED CARE							
54	TWO PLAN MODEL	\$4,052,963,000	\$2,036,885,250	\$4,330,123,000	\$2,163,748,800	\$277,160,000	\$126,863,550
55	COUNTY ORGANIZED HEALTH SYSTEMS	\$2,121,246,000	\$1,062,387,650	\$2,874,159,000	\$1,433,530,800	\$752,913,000	\$371,143,150
56	GEOGRAPHIC MANAGED CARE	\$683,617,000	\$343,396,050	\$763,277,000	\$381,210,850	\$79,660,000	\$37,814,800
59	PACE (Other M/C)	\$156,337,000	\$78,168,500	\$146,335,000	\$73,167,500	-\$10,002,000	-\$5,001,000
60	DENTAL MANAGED CARE (Other M/C)	\$59,507,000	\$29,753,500	\$51,847,000	\$25,923,500	-\$7,660,000	-\$3,830,000
63	SENIOR CARE ACTION NETWORK (Other M/C)	\$44,609,000	\$22,304,500	\$45,727,000	\$22,756,500	\$1,118,000	\$452,000
66	AIDS HEALTHCARE CENTERS (Other M/C)	\$10,988,000	\$5,494,000	\$11,300,000	\$5,625,500	\$312,000	\$131,500
68	FAMILY MOSAIC CAPITATED CASE MGMT. (Oth. M/C)	\$3,550,000	\$1,775,000	\$3,217,000	\$1,608,500	-\$333,000	-\$166,500
69	PHP	\$1,784,000	\$892,450	\$1,932,000	\$966,900	\$148,000	\$74,450
	MANAGED CARE SUBTOTAL	\$7,134,601,000	\$3,581,056,900	\$8,227,917,000	\$4,108,538,850	\$1,093,316,000	\$527,481,950
OTHER							
123	PERSONAL CARE SERVICES (Misc. Svcs.)	\$1,090,671,000	\$0	\$3,392,863,000	\$0	\$2,302,192,000	\$0
124	MEDICARE PMNTS.- BUY-IN PART A & B PREMIUMS	\$2,624,280,000	\$1,392,848,500	\$2,583,989,000	\$1,371,466,000	-\$40,291,000	-\$21,382,500
125	MENTAL HEALTH SERVICES-CDMH	\$975,939,000	\$0	\$1,606,979,000	\$0	\$631,040,000	\$0
126	MEDICARE PAYMENTS - PART D PHASED-DOWN	\$1,408,168,000	\$1,408,168,000	\$1,376,469,000	\$1,376,469,000	-\$31,699,000	-\$31,699,000
127	HOME & COMMUNITY BASED SVCS.-CDDS (Misc.)	\$1,076,675,000	\$0	\$1,064,485,000	\$0	-\$12,190,000	\$0
128	DENTAL SERVICES	\$731,424,000	\$365,712,000	\$562,636,000	\$281,318,000	-\$168,788,000	-\$84,394,000
129	DEVELOPMENTAL CENTERS/STATE OP SMALL FAC	\$248,304,000	\$0	\$273,220,000	\$0	\$24,916,000	\$0
130	TARGETED CASE MGMT. SVCS. - CDDS (Misc. Svcs.)	\$154,930,000	\$0	\$152,331,000	\$0	-\$2,599,000	\$0
131	MENTAL HEALTH DRUG MEDI-CAL-CDADP	\$117,622,000	\$0	\$60,157,000	\$0	-\$57,465,000	\$0
134	MEDI-CAL TCM PROGRAM (Misc. Svcs.)	\$70,275,000	\$0	\$70,275,000	\$0	\$0	\$0
135	EPSDT SCREENS	\$58,719,000	\$29,359,500	\$60,555,000	\$30,277,500	\$1,836,000	\$918,000
136	WAIVER PERSONAL CARE SERVICES (Misc. Svcs.)	\$40,609,000	\$20,304,500	\$38,020,000	\$19,010,000	-\$2,589,000	-\$1,294,500
140	HIPP PREMIUM PAYOUTS (Misc. Svcs.)	\$7,197,000	\$3,598,500	\$4,586,000	\$2,293,000	-\$2,611,000	-\$1,305,500
141	LAWSUITS/CLAIMS	\$1,865,000	\$932,500	\$1,865,000	\$932,500	\$0	\$0
143	CLPP CASE MANAGEMENT SERVICES (Misc. Svcs.)	\$1,028,000	\$0	\$1,028,000	\$0	\$0	\$0
151	AUDIT SETTLEMENTS	\$0	\$0	\$0	\$0	\$0	\$0
159	BASE RECOVERIES	-\$249,277,000	-\$142,337,000	-\$218,716,000	-\$126,724,000	\$30,561,000	\$15,613,000
	OTHER SUBTOTAL	\$8,358,429,000	\$3,078,586,500	\$11,030,742,000	\$2,955,042,000	\$2,672,313,000	-\$123,544,500

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

NO.	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	GRAND TOTAL	\$15,493,030,000	\$6,659,643,400	\$19,258,659,000	\$7,063,580,850	\$3,765,629,000	\$403,937,450

**COMPARISON OF FISCAL IMPACTS OF BASE POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
MANAGED CARE							
54	TWO PLAN MODEL	\$4,014,207,000	\$2,005,290,300	\$4,330,123,000	\$2,163,748,800	\$315,916,000	\$158,458,500
55	COUNTY ORGANIZED HEALTH SYSTEMS	\$2,523,491,000	\$1,256,423,900	\$2,874,159,000	\$1,433,530,800	\$350,668,000	\$177,106,900
56	GEOGRAPHIC MANAGED CARE	\$687,588,000	\$343,452,200	\$763,277,000	\$381,210,850	\$75,689,000	\$37,758,650
59	PACE (Other M/C)	\$124,460,000	\$62,230,000	\$146,335,000	\$73,167,500	\$21,875,000	\$10,937,500
60	DENTAL MANAGED CARE (Other M/C)	\$48,225,000	\$24,112,500	\$51,847,000	\$25,923,500	\$3,622,000	\$1,811,000
63	SENIOR CARE ACTION NETWORK (Other M/C)	\$27,966,000	\$13,983,000	\$45,727,000	\$22,756,500	\$17,761,000	\$8,773,500
66	AIDS HEALTHCARE CENTERS (Other M/C)	\$8,905,000	\$4,452,500	\$11,300,000	\$5,625,500	\$2,395,000	\$1,173,000
68	FAMILY MOSAIC CAPITATED CASE MGMT. (Oth. M/C)	\$2,869,000	\$1,434,500	\$3,217,000	\$1,608,500	\$348,000	\$174,000
69	PHP	\$2,604,000	\$1,303,900	\$1,932,000	\$966,900	-\$672,000	-\$337,000
MANAGED CARE SUBTOTAL		\$7,440,315,000	\$3,712,682,800	\$8,227,917,000	\$4,108,538,850	\$787,602,000	\$395,856,050
OTHER							
123	PERSONAL CARE SERVICES (Misc. Svcs.)	\$3,205,311,000	\$0	\$3,392,863,000	\$0	\$187,552,000	\$0
124	MEDICARE PMNTS.- BUY-IN PART A & B PREMIUMS	\$2,284,989,000	\$1,210,202,000	\$2,583,989,000	\$1,371,466,000	\$299,000,000	\$161,264,000
125	MENTAL HEALTH SERVICES-CDMH	\$1,247,729,000	\$0	\$1,606,979,000	\$0	\$359,250,000	\$0
126	MEDICARE PAYMENTS - PART D PHASED-DOWN	\$1,312,104,000	\$1,312,104,000	\$1,376,469,000	\$1,376,469,000	\$64,365,000	\$64,365,000
127	HOME & COMMUNITY BASED SVCS.-CDDS (Misc.)	\$1,243,687,000	\$0	\$1,064,485,000	\$0	-\$179,202,000	\$0
128	DENTAL SERVICES	\$553,103,000	\$276,551,500	\$562,636,000	\$281,318,000	\$9,533,000	\$4,766,500
129	DEVELOPMENTAL CENTERS/STATE OP SMALL FAC	\$319,561,000	\$0	\$273,220,000	\$0	-\$46,341,000	\$0
130	TARGETED CASE MGMT. SVCS. - CDDS (Misc. Svcs.)	\$207,131,000	\$0	\$152,331,000	\$0	-\$54,800,000	\$0
131	MENTAL HEALTH DRUG MEDI-CAL-CDADP	\$119,484,000	\$0	\$60,157,000	\$0	-\$59,327,000	\$0
134	MEDI-CAL TCM PROGRAM (Misc. Svcs.)	\$60,581,000	\$0	\$70,275,000	\$0	\$9,694,000	\$0
135	EPSDT SCREENS	\$58,891,000	\$29,445,500	\$60,555,000	\$30,277,500	\$1,664,000	\$832,000
136	WAIVER PERSONAL CARE SERVICES (Misc. Svcs.)	\$31,767,000	\$15,883,500	\$38,020,000	\$19,010,000	\$6,253,000	\$3,126,500
140	HIPP PREMIUM PAYOUTS (Misc. Svcs.)	\$5,288,000	\$2,644,000	\$4,586,000	\$2,293,000	-\$702,000	-\$351,000
141	LAWSUITS/CLAIMS	\$2,516,000	\$1,258,000	\$1,865,000	\$932,500	-\$651,000	-\$325,500
143	CLPP CASE MANAGEMENT SERVICES (Misc. Svcs.)	\$1,020,000	\$0	\$1,028,000	\$0	\$8,000	\$0
151	AUDIT SETTLEMENTS	\$0	\$0	\$0	\$0	\$0	\$0
159	BASE RECOVERIES	-\$218,944,000	-\$126,856,500	-\$218,716,000	-\$126,724,000	\$228,000	\$132,500

Costs shown include application of payment lag factor, but not percent reflected in base calculation.

**COMPARISON OF FISCAL IMPACTS OF BASE POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

NO.	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
	OTHER SUBTOTAL	\$10,434,218,000	\$2,721,232,000	\$11,030,742,000	\$2,955,042,000	\$596,524,000	\$233,810,000
	GRAND TOTAL	\$17,874,533,000	\$6,433,914,800	\$19,258,659,000	\$7,063,580,850	\$1,384,126,000	\$629,666,050

Costs shown include application of payment lag factor, but not percent reflected in base calculation.

**MEDI-CAL PROGRAM BASE
POLICY CHANGE INDEX****POLICY CHANGE
NUMBER****POLICY CHANGE TITLE**

MANAGED CARE

54	TWO PLAN MODEL
55	COUNTY ORGANIZED HEALTH SYSTEMS
56	GEOGRAPHIC MANAGED CARE
59	PACE (Other M/C)
60	DENTAL MANAGED CARE (Other M/C)
63	SENIOR CARE ACTION NETWORK (Other M/C)
66	AIDS HEALTHCARE CENTERS (Other M/C)
68	FAMILY MOSAIC CAPITATED CASE MGMT. (Oth. M/C)
69	PHP

OTHER

123	PERSONAL CARE SERVICES (Misc. Svcs.)
124	MEDICARE PMNTS.- BUY-IN PART A & B PREMIUMS
125	MENTAL HEALTH SERVICES-CDMH
126	MEDICARE PAYMENTS - PART D PHASED-DOWN
127	HOME & COMMUNITY BASED SVCS.-CDDS (Misc.)
128	DENTAL SERVICES
129	DEVELOPMENTAL CENTERS/STATE OP SMALL FAC
130	TARGETED CASE MGMT. SVCS. - CDDS (Misc. Svcs.)
131	MENTAL HEALTH DRUG MEDI-CAL-CDADP
134	MEDI-CAL TCM PROGRAM (Misc. Svcs.)
135	EPSDT SCREENS
136	WAIVER PERSONAL CARE SERVICES (Misc. Svcs.)
140	HIPP PREMIUM PAYOUTS (Misc. Svcs.)
141	LAWSUITS/CLAIMS
143	CLPP CASE MANAGEMENT SERVICES (Misc. Svcs.)
151	AUDIT SETTLEMENTS
159	BASE RECOVERIES

TWO PLAN MODEL

BASE POLICY CHANGE NUMBER: 54
IMPLEMENTATION DATE: 7/2000
ANALYST: Karen del Gallego
FISCAL REFERENCE NUMBER: 56

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$4,014,207,000	\$4,330,123,000
- STATE FUNDS	\$2,005,290,300	\$2,163,748,800
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$4,014,207,000	\$4,330,123,000
STATE FUNDS	\$2,005,290,300	\$2,163,748,800
FEDERAL FUNDS	\$2,008,916,700	\$2,166,374,200

DESCRIPTION

This policy change (PC) reflects the impact of the Two-Plan Model. Each designated county has two managed care plans, a local initiative and a commercial plan, which provide medically necessary services to Medi-Cal beneficiaries residing within the county. Fresno County has two commercial plans. A regional Two-Plan Model, including Fresno, Kings and Madera Counties is set for implementation in October 2010.

The FY 2009-10 and FY 2010-11 costs include the annual rate redetermination, maternity supplemental adjustment, provider payment reduction (reflects all injunctions through March 2009), risk adjustment for Family/Adult and Aged/Disabled Medi-Cal only rate groups, the QIF sunset impact, and AB 1422 (Chapter 157, Statutes of 2009). Additionally, for FY 2009-10 and FY 2010-11, this policy change reflects the increase in capitation payments related to AB 1422 (Chapter 157, Statutes of 2009), including the additional 11.59% FFP due to the American Recovery and Reinvestment Act of 2009. The tax revenue to the GF is not included in the Medi-Cal budget.

Title XXI payment for the June 2009 capitation was paid in FY 2009-10.

The Department increased payments to managed care plans by drawing down federal matching funds to reimburse plans for a Quality Improvement Assessment Fee (QIF). The QIF provision ended on September 30, 2009.

The cost increase between FY 2009-10 and FY 2010-11 due to increased eligibles is estimated to be \$199,086,000. The cost increase between FY 2009-10 and FY 2010-11 due to rate changes is estimated to be \$119,356,000. The cost increase for the new eligibles at the increased rate is estimated to be \$3,965,000. The total increase between FY 2009-10 and FY 2010-11, excluding line item adjustments, is estimated to be \$322,407,000 (\$4,342,395,000 - \$4,019,988,000 = \$322,407,000). The FY 2010-11 capitation rate increase percentage on a fiscal year basis, excluding the pharmacy pricing adjustment, is 4.41%. This percentage adjusts for the sunset of the QIF rate increase.

This policy change includes the restoration of funding in the Budget Act of 2010 due to the elimination of the proposal to rollback family planning rates.

TWO PLAN MODEL
BASE POLICY CHANGE NUMBER: 54

FY 2009-10	Total	Eligible Months	Average Monthly Eligibles
Alameda	\$235,748,000	1,433,165	119,430
Contra Costa	\$127,931,000	798,195	66,516
Kern	\$198,015,000	1,581,708	131,809
Los Angeles	\$1,706,395,000	14,745,955	1,228,830
Riverside	\$316,367,000	2,539,229	211,602
San Bernardino	\$375,342,000	2,957,158	246,430
San Francisco	\$91,079,000	577,926	48,161
San Joaquin	\$162,864,000	1,197,879	99,823
Santa Clara	\$227,304,000	1,541,907	128,492
Stanislaus	\$122,414,000	813,956	67,830
Tulare	\$153,142,000	1,223,106	101,926
Fresno	\$303,386,000	2,383,959	198,663
Subtotal	\$4,019,988,000		
June 2009 XXI Payment (65/35)	\$5,005,000		
Elimination of LTC increase	(\$751,000)		
AB 1183 Provider Payment Reduction	(\$10,460,000)		
Cal Pharmacy Injunction (08-09 & 09-10)	\$3,984,000		
Elimination of Optional Benefits	(\$3,559,000)		
Total FY 2009-10	\$4,014,207,000	31,794,142	2,649,512
		Eligible Months	Average Monthly Eligibles
FY 2010-11	Total		
Alameda	\$264,355,000	1,515,402	126,284
Contra Costa	\$142,284,000	851,399	70,950
Kern	\$210,843,000	1,619,070	134,923
Los Angeles	\$1,802,249,000	15,245,095	1,270,425
Riverside	\$359,416,000	2,732,540	227,712
San Bernardino	\$424,949,000	3,176,589	264,716
San Francisco	\$97,314,000	607,391	50,616
San Joaquin	\$175,464,000	1,268,199	105,683
Santa Clara	\$246,339,000	1,630,705	135,892
Stanislaus	\$124,103,000	839,111	69,926
Tulare	\$157,308,000	1,263,668	105,306
Fresno	\$337,771,000	2,602,552	216,879
Subtotal	\$4,342,395,000		
CHA vs. Maxwell-Jolly Injunction	\$101,000		
Pharmacy Pricing Adjustment	(\$29,311,000)		
Reinstatement of Optometry	\$457,000		
Family Planning Rate Rollback	\$16,481,000		
Total FY 2010-11	\$4,330,123,000	33,351,723	2,779,310

COUNTY ORGANIZED HEALTH SYSTEMS

BASE POLICY CHANGE NUMBER: 55
IMPLEMENTATION DATE: 12/1987
ANALYST: Karen del Gallego
FISCAL REFERENCE NUMBER: 57

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$2,523,491,000	\$2,874,159,000
- STATE FUNDS	\$1,256,423,900	\$1,433,530,800
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$2,523,491,000	\$2,874,159,000
STATE FUNDS	\$1,256,423,900	\$1,433,530,800
FEDERAL FUNDS	\$1,267,067,100	\$1,440,628,200

DESCRIPTION

This policy change reflects the impact of the County Organized Health Systems in eleven counties. Effective February 1, 2010, the Health Plan of San Mateo added long term care services to their contract. Currently, all COHS plans provide long term care services to their enrollees. The Partnership Health Plan of California (PHC) includes undocumented residents and documented alien beneficiaries (OBRA). PHC is negotiating with the Department to remove OBRA beneficiaries from their contract effective January 1, 2011. Effective October 1, 2009 PHC expanded into Sonoma County, and Central California Alliance for Health expanded into Merced.

The FY 2009-10 and FY 2010-11 costs include the annual rate redetermination, provider payment reductions (reflects all injunctions through March 2009), post stabilization services reduction and the QIF sunset impact. The FY 2010-11 costs also include the Family Planning rate increase rollback, H1N1 Vaccine, AB 1183 Provider Payment Reduction impact, Cal Pharmacy injunction impact, and the elimination of optional benefits. Additionally, for FY 2009-10 and FY 2010-11, this policy change reflects the increase in capitation payments related to AB 1422 (Chapter 157, Statutes of 2009), including the additional 11.59% FFP due to the American Recovery and Reinvestment Act of 2009. The tax revenue to the GF is not included in the Medi-Cal budget.

The Department increased payments to managed care plans by drawing down federal matching funds to reimburse plans for a Quality Improvement Assessment Fee (QIF). HPSM was the only COHS subject to the QIF. The QIF ended September 30, 2009.

The cost increase between FY 2009-10 and FY 2010-11 due to increased eligibles is estimated to be \$173,453,000. The cost increase between FY 2009-10 and FY 10-11 due to rate changes is estimated to be \$161,990,000. The cost increase for the new eligibles at the increased rate is estimated to be \$9,500,000. The total increase between FY 2009-10 and FY 2010-11, excluding line item adjustments, is estimated to be \$344,943,000 (\$2,885,348,000 - \$2,540,405,000 = \$344,943,000). The FY 2010-11 capitation rate increase percentage on a fiscal year basis, excluding the pharmacy pricing adjustment, is 3.71%. The percentage adjusts for the sunset of the QIF rate increases.

COUNTY ORGANIZED HEALTH SYSTEMS

BASE POLICY CHANGE NUMBER: 55

FY 2009-10	Eligible Months	Average Monthly Eligibles	Total
San Luis Obispo	328,256	27,355	\$87,868,000
CalOPTIMA (Orange)	4,172,129	347,677	\$1,043,877,000
Monterey	819,780	68,315	\$205,409,000
Napa	156,436	13,036	\$55,719,000
San Mateo	685,019	57,085	\$223,851,000
Santa Barbara	736,247	61,354	\$193,697,000
Santa Cruz	413,007	34,417	\$116,763,000
Solano	724,403	60,367	\$221,602,000
Yolo	317,820	26,485	\$98,021,000
Sonoma	437,418	36,452	\$145,904,000
Merced	620,212	51,684	\$147,696,000
Subtotal			\$2,540,405,000
June 2009 XXI Payment			\$1,866,000
Elimination of LTC increase			(\$24,614,000)
AB 1183 Provider Payment Reduction			(\$3,475,000)
Cal Pharmacy Injunction (08-09 & 09-10)			\$10,150,000
Elimination of Optional Benefits			(\$843,000)
Total FY 2009-10	9,410,727	784,227	\$2,523,491,000

FY 2010-11	Eligible Months	Average Monthly Eligibles	Total
San Luis Obispo	344,202	28,684	\$97,217,000
CalOPTIMA (Orange)	4,391,881	365,990	\$1,125,551,000
Monterey	879,068	73,256	\$214,807,000
Napa	165,718	13,810	\$57,815,000
San Mateo	710,785	59,232	\$313,459,000
Santa Barbara	767,774	63,981	\$208,423,000
Santa Cruz	426,462	35,539	\$126,677,000
Solano	757,118	63,093	\$230,429,000
Yolo	330,806	27,567	\$106,352,000
Sonoma	582,583	48,549	\$202,125,000
Merced	826,375	68,865	\$202,493,000
Subtotal			\$2,885,348,000
Family Planning Rate Rollback*			\$5,229,000
CHA vs. Maxwell-Jolly Injunction			\$713,000
Pharmacy Pricing Adjustment			(\$17,312,000)
Reinstatement of Optometry			\$181,000
Total FY 2010-11	10,182,772	848,564	\$2,874,159,000

* The COHS rates for FY 2010-11 include the impact of twelve months of the Family Planning Rate Increase Rollback. The Legislature rejected the Family Planning Rate Increase Rollback; therefore, funding for twelve months is included in this line item.

GEOGRAPHIC MANAGED CARE

BASE POLICY CHANGE NUMBER: 56
IMPLEMENTATION DATE: 4/1994
ANALYST: Karen del Gallego
FISCAL REFERENCE NUMBER: 58

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$687,588,000	\$763,277,000
- STATE FUNDS	\$343,452,200	\$381,210,850
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$687,588,000	\$763,277,000
STATE FUNDS	\$343,452,200	\$381,210,850
FEDERAL FUNDS	\$344,135,800	\$382,066,150

DESCRIPTION

The GMC program requires mandatory enrollment of most AFDC, PA/MN, MIC, and Refugee beneficiaries, and Poverty Aid codes 1, 2, 8, 0A, 30, 32, 33, 34, 35, 38, 39, 3A, 3C, 3E, 3G, 3H, 3L, 3M, 3N, 3P, 3R, 3U, 3W, 47, 54, 59, 72, 7A, 7X, 82, 8P, and 8R. Aid Codes that can voluntarily enroll are Family codes 3, 4, 6, 40, 42, 45, 46, 4A, 4F, 4G, 4K, 4M, 5K, 7J. Disabled codes 20, 24, 26, 2E, 2H, 36, 60, 64, 66, 6A, 6C, 6E, 6G, 6H, 6J, 6N, 6P, 6V, Aged codes 10, 14, 16, 1E, 1H, Adult code 86, and BCCTP codes 0N and 0P.

The FY 2009-10 and FY 2010-11 costs include the annual rate redetermination, maternity supplemental payments, provider payment reductions (reflects all injunctions through March 2009) and risk adjustment for Family/Adult and Aged/Disabled Medi-Cal only rate groups. The FY 2010-11 costs also include the Family Planning rate increase rollback, H1N1 Vaccine, AB 1183 Provider Payment Reduction impact, Cal Pharmacy injunction impact, and the elimination of optional benefits. Additionally, for FY 2009-10 and FY 2010-11, this policy change reflects the increase in capitation payments related to AB 1422 (Chapter 157, Statutes of 2009), including the additional 11.59% FFP due to the American Recovery and Reinvestment Act of 2009. The tax revenue to the GF is not included in the Medi-Cal budget.

The Department increased payments to managed care plans by drawing down federal matching funds to reimburse plans for a Quality Improvement Assessment Fee (QIF). The QIF ended on September 30, 2009.

Capitation rates for Geographic Managed Care contracts are currently negotiated by the California Medical Assistance Commission (CMAC). The Department has proposed legislation to transfer the authority for negotiating capitation rates to the Department. It is estimated that the savings from reassigning contract negotiation authority from the CMAC will be \$680,000 in FY 2010-11.

This policy change includes the restoration of funding in the Budget Act of 2010 due to the elimination of the proposal to rollback family planning rates.

GEOGRAPHIC MANAGED CARE

BASE POLICY CHANGE NUMBER: 56

	Eligible Months	Average Monthly Eligibles	Total
FY 2009-10			
Sacramento GMC	2,263,118	188,593	\$346,630,000
San Diego GMC	2,437,302	203,109	\$342,991,000
Subtotal			\$689,621,000
Elimination of LTC increase			(\$200,000)
AB 1183 Provider Payment Reduction			(\$1,590,000)
Cal Pharmacy Injunction (08-09 & 09-10)			\$674,000
Elimination of Optional Benefits			(\$917,000)
Total FY 2009-10	4,700,420	391,702	\$687,588,000
	Eligible Months	Average Monthly Eligibles	Total
FY 2010-11			
Sacramento GMC	2,363,299	196,942	\$380,543,000
San Diego GMC	2,590,264	215,855	\$384,251,000
Subtotal			\$764,794,000
CHA vs. Maxwell-Jolly Injunction (09-10 & 10-11)			\$25,000
CMAC Contract Savings			(\$680,000)
Pharmacy Pricing Adjustment			(\$3,442,000)
Reinstatement of Optometry			\$62,000
Family Planning Rate Rollback			\$2,518,000
Total FY 2010-11	4,953,563	412,797	\$763,277,000

The cost increase between FY 2009-10 and FY 2010-11 due to increased eligibles is estimated to be \$31,856,000. The cost increase between FY 2009-10 and FY 10-11 due to rate changes is estimated to be \$43,280,000. The cost increase for the new eligibles at the increased rate is estimated to be \$37,000. The total increase between FY 2009-10 and FY 2010-11, excluding line item adjustments, is estimated to be \$75,173,000 (\$764,794,000 - \$689,621,000 = \$75,173,000). The FY 2010-11 capitation rate increase percentage on a fiscal year basis, excluding the pharmacy pricing adjustment, is 7.78%. This percentage adjusts for the sunset of the QIF rate increase.

BUDGET ACT OF 2010
CHANGES TO THE
MAY 2010
MEDI-CAL ESTIMATE

REGULAR
POLICY CHANGES

MEDI-CAL PROGRAM REGULAR POLICY CHANGE INDEX

POLICY CHANGE NUMBER	POLICY CHANGE TITLE
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1	FAMILY PLANNING INITIATIVE
2	BREAST AND CERVICAL CANCER TREATMENT
3	CHDP GATEWAY - PREENROLLMENT
4	BRIDGE TO HFP
5	REFUGEES
6	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.
8	CHIPRA - M/C FOR CHILDREN & PREGNANT WOMEN
9	REFUGEE MEDICAL/ENTRANT MEDI-CAL REIMBURSEMENT
10	NEW QUALIFIED ALIENS
11	RESOURCE DISREGARD - % PROGRAM CHILDREN
12	FEDERAL FLEX & STABILIZATION-FPACT UNDOC FACTOR
14	PROGRAM INTEGRITY AND ELIGIBILITY VERIFICATION
15	DISCONTINUANCE OF EWCP SCREENING FOR THE BCCTP
16	ELIMINATE CDSS IHSS SOC BUYOUT ELIGIBLES
<u>BENEFITS</u>	
18	ADULT DAY HEALTH CARE - CDA
19	LOCAL EDUCATION AGENCY (LEA) PROVIDERS
20	MULTIPURPOSE SENIOR SERVICES PROGRAM-CDA
21	H1N1 VACCINE
22	CALIFORNIA COMMUNITY TRANSITIONS COSTS
23	SF COMMUNITY-LIVING SUPPORT WAIVER PILOT PROJECT
24	ELIMINATION OF THE CDSS IHSS SHARE-OF-COST BUYOUT
26	FAMILY PACT STATE ONLY SERVICES
27	SCHIP FUNDING FOR PRENATAL CARE
28	CDSS IHSS SHARE-OF-COST BUYOUT
30	PEDIATRIC PALLIATIVE CARE
31	MEDICAL ACUITY ELIGIBILITY CRITERIA FOR ADHC SVCS
32	CALIFORNIA COMMUNITY TRANSITIONS SAVINGS
33	ADHC ONSITE TAR REVIEWS
171	ADDITIONAL SERVICES FOR HCBS CLIENTS
190	REINSTATEMENT OF OPTOMETRY SERVICES
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214	INCREASED FEDERAL MATCHING FUNDS FOR FPACT

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36	HIV/AIDS PHARMACY PILOT PROGRAM
37	NON FFP DRUGS
39	PHYSICIAN-ADMINISTERED DRUG REIMBURSEMENT
40	ENTERAL NUTRITION PRODUCTS
43	PHARMACY TAR AUTO-ADJUDICATION
44	AGED DRUG REBATE RESOLUTION
45	BCCTP DRUG REBATES
46	MEDICAL SUPPLY REBATES
47	PHYSICIAN-ADMINISTERED DRUG REBATES
48	DISPUTED DRUG REBATE RESOLUTIONS
49	FAMILY PACT DRUG REBATES
50	MEDI-CAL PHARMACY REFORMS
51	ESTIMATED ACQUISITION COST PHARMACY SAVINGS
52	STATE SUPPLEMENTAL DRUG REBATES
53	FEDERAL DRUG REBATE PROGRAM
195	UBL AND MAIC INJUNCTION
198	ELIMINATION OF SELECTED OVER-THE-COUNTER DRUGS
MANAGED CARE	
57	MANAGED CARE INTERGOVERNMENTAL TRANSFERS
58	INCREASE IN CAPITATION RATES FOR MCO TAX
64	COURT-ORDERED MANAGED CARE RATE ADJUSTMENTS
65	ADDITION OF LTC, LAB, PHARMACY & CHDP TO THE HPSM
67	COVERAGE FOR FORMER AGNEWS RESIDENTS
70	RISK PAYMENTS FOR MANAGED CARE PLANS
72	MANAGED CARE EXPANSION - VENTURA
73	MANAGED CARE EXPANSION REGIONAL TWO-PLAN MODEL
76	FAMILY PLANNING INCREASED FED MATCHING FUNDS
77	FFS COSTS FOR MANAGED CARE ENROLLEES
79	MATERNITY SUPPLEMENTAL PAYMENT
176	DISCONTINUE UNDOCUMENTED BENEFICIARIES FROM PHC
185	MANDATORY ENROLLMENT INTO MANAGED CARE FOR SPDs
PROVIDER RATES	
34	ELIMINATION OF ADHC FY 2009-10 RATE INCREASE

**MEDI-CAL PROGRAM REGULAR
POLICY CHANGE INDEX**

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80	NF-B RATE CHANGES AND QA FEE
81	FQHC/RHC/CBRC RECONCILIATION PROCESS
82	LTC RATE ADJUSTMENT
83	EXPANSION OF REVENUE BASE FOR AB 1629 QA FEE
84	ANNUAL MEI INCREASE FOR FQHCS/RHCS
85	HOSPICE RATE INCREASES
88	ELIMINATE HOSPICE ROOM AND BOARD RATE INCREASES
89	REDUCTION TO SMALL & RURAL HOSPITALS
91	ELIMINATE NON-AB 1629 LTC RATE INCREASES
92	ELIMINATE COLA INCREASE TO AB 1629 FACILITIES
175	SANTA ROSA MEMORIAL HOSPITAL INJUNCTION
177	CHA V. MAXWELL-JOLLY INJUNCTION
186	INDEPENDENT LIVING CENTER INJUNCTION
191	REDUCTION TO RADIOLOGY RATES
193	QA FEE FOR MLRCs
194	AB 1629 QA FEE TRENDING METHODOLOGY
196	QAF INCREASE DUE TO L&C FEE REDUCTION
<u>HOSPITAL FINANCING</u>	
93	HOSP FINANCING - DSH PMT
94	HOSP FINANCING - PRIVATE HOSPITAL DSH REPLACEMENT
95	HOSP FINANCING - SAFETY NET CARE POOL
96	FEDERAL FLEXIBILITY & STABILIZATION - SNCP ARRA
97	HOSP FINANCING - PRIVATE HOSPITAL SUPP PMT
98	FEDERAL FLEXIBILITY & STABILIZATION-SNCP
99	HOSP FINANCING - HEALTH CARE COVERAGE INITIATIVE
100	HOSP FINANCING - SOUTH LA PRESERVATION FUND
101	HOSP FINANCING-DPH PHYSICIAN & NON-PHYSICIAN COSTS
102	HOSP FINANCING - STABILIZATION FUNDING
103	HOSP FINANCING - DPH INTERIM RATE GROWTH
104	HOSP FINANCING - DPH INTERIM & FINAL RECONS
105	HOSP FINANCING - CCS AND GHPP
106	HOSP FINANCING - DISTRESSED HOSPITAL FUND
107	HOSP FINANCING - NDPH SUPPLEMENTAL PMT
108	HOSP FINANCING - MIA LTC
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111	REDUCTION TO HOSP. FINANCING-DPH SNCP BY 10%
112	REDUCTION TO DISTRESSED HOSPITAL FUNDING
113	REDUCTION TO HOSP FINANCING-DSH REPLACEMENT BY 10%
<u>SUPPLEMENTAL PMNTS.</u>	
114	FREESTANDING CLINICS & VETERANS' HOMES SUPPL.
115	HOSPITAL OUTPATIENT SUPPLEMENTAL PAYMENT
116	IGT FOR NON-SB 1100 HOSPITALS
117	CAPITAL PROJECT DEBT REIMBURSEMENT
118	FFP FOR LOCAL TRAUMA CENTERS
119	CERTIFICATION PAYMENTS FOR DP-NFS
120	DSH OUTPATIENT PAYMENT METHOD CHANGE
121	SRH OUTPATIENT PAYMENT METHOD CHANGE
122	SPECIALTY MENTAL HEALTH SVCS SUPP REIMBURSEMENT
170	HOSPITAL QAF - HOSPITAL PAYMENTS
<u>OTHER</u>	
132	DENTAL RETROACTIVE RATE CHANGES
133	ICF-DD TRANSPORTATION AND DAY CARE COSTS- CDDS
137	HEALTHY FAMILIES - CDMH
138	NONCONTRACT HOSP INPATIENT COST SETTLEMENTS
139	MINOR CONSENT SETTLEMENT
142	ESTATE RECOVERY MEDICARE PREMIUMS
144	TWO-PLAN MODEL NOTICES OF DISPUTE
145	SELF-DIRECTED SERVICES WAIVER - CDDS
146	CIGARETTE AND TOBACCO SURTAX FUNDS
147	PERSONAL INJURY FEDERAL REPAYMENTS
148	DENTAL MANAGED CARE DISALLOWANCE
149	ADDITIONAL CIGARETTE AND TOBACCO SURTAX FUNDS
150	IMD ANCILLARY SERVICES
152	INDIAN HEALTH SERVICES
153	FQHC/RHC AUDIT STAFFING
154	ANTI-FRAUD INITIATIVE
155	REDUCTION IN IMD ANCILLARY SERVICES COSTS

**MEDI-CAL PROGRAM REGULAR
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157	PHARMACY LITIGATION SETTLEMENTS
158	IHSS ANTI-FRAUD INITIATIVE
160	UNSPECIFIED BUDGET REDUCTION
161	ARRA-ADDITIONAL FFP FOR DHCS
162	ARRA-ADDITIONAL FFP FOR LOCAL MATCH
168	DELAY CHECKWRITE JUNE 2011 TO JULY 2011
169	ANTI-FRAUD ACTIVITIES FOR PHARMACY AND PHYSICIANS
172	HOSPITAL QAF - CHILDREN'S HEALTH CARE COVERAGE
173	MEDI-CAL COST CONTAINMENT STRATEGIES
178	ARRA HITECH - PROVIDER PAYMENTS
179	CEDARS-SINAI MEDICAL CENTER OVERPAYMENT
180	MEDICARE PAYMENTS - PART D PHASED-DOWN ARRA
181	SSI/SSP RETROACTIVE MEDICARE PREMIUMS
182	NUVARING COST SHIFT
183	GGNSC HOLDINGS COURT ORDER
189	PROVIDER OVERPAYMENT REPAYMENTS
192	DISCONTINUE PART B PREMIUM FOR UNMET SOC BENES
212	ICF-DD ADMIN. AND QA FEE REIMBURSEMENT - CDDS
213	RECONCILIATION
215	RECONCILIATION WITH BUDGET ACT - HCSF
216	RECONCILIATION WITH BUDGET ACT - SPECIAL FUNDS
217	RECONCILIATION WITH BUDGET ACT - FEDERAL FUNDS

FEDERAL FLEXIBILITY & STABILIZATION - SNCP ARRA

REGULAR POLICY CHANGE NUMBER: 96
 IMPLEMENTATION DATE: 4/2010
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 1460

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$298,597,000	\$154,172,000
- STATE FUNDS	\$0	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$298,597,000	\$154,172,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$298,597,000	\$154,172,000

DESCRIPTION

On February 17, 2009, the President signed the American Recovery and Reinvestment Act (ARRA) of 2009 (P.L. 111-5). Under ARRA, states are provided a temporary Federal Medical Assistance Percentage (FMAP) increase. Based on the formulas in ARRA, California will receive an 11.59% FMAP increase for Medi-Cal program benefits, including the Safety Net Care Pool (SNCP). The annual SNCP federal funds allotment will increase for dates of service October 1, 2008 to August 31, 2010, resulting in additional \$423.769 million federal funds available in the SNCP.

The Department will claim these funds using certified public expenditures from Designated Public Hospitals, the Coverage Initiative Program, and State-Only funded programs, including Breast and Cervical Cancer Treatment, Medically Indigent Adults/Long Term Care, California Children's Services, Genetically Handicapped Persons, County Medical Services Program, County Mental Health Services for the Uninsured funded through Mental Health Services Act, Expanded Access to Primary Care, Department of Veterans Affairs, and AIDS Drug Assistance Program.

These flexibilities are expected to result in reductions to the General Fund of \$298.597 million in FY 2009-10 and \$154.172 million in FY 2010-11. The Department estimates that the claiming process will begin by April 2010. The General Fund savings are included in a separate budget control section.

The Budget Act of 2010 includes the two months of extension for the Medi-Cal Hospital/Uninsured Care section 1115(a) Medicaid Demonstration.

	<u>FF</u>
FY 2009-10	\$ 298,597,000
FY 2010-11	\$ 154,172,000

HOSP FINANCING - CCS AND GHPP

REGULAR POLICY CHANGE NUMBER: 105
IMPLEMENTATION DATE: 9/2005
ANALYST: Karen Fairgrievies
FISCAL REFERENCE NUMBER: 1108

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$92,975,000	\$40,000,000
- STATE FUNDS	\$0	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$92,975,000	\$40,000,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$92,975,000	\$40,000,000

DESCRIPTION

Effective September 1, 2005, based on the Special Terms and Conditions of the Medi-Cal Hospital/Uninsured Care Demonstration (MH/UCD), the Department may claim federal reimbursement for the California Children Services (CCS) Program and Genetically Handicapped Persons Program (GHPP) from the Safety Net Care Pool funding established by the MH/UCD. The CCS program provides diagnostic and treatment services, medical case management, and physical and occupational therapy health care services to children under 21 years of age with CCS-eligible conditions in families unable to afford catastrophic health care costs. The GHPP program provides comprehensive health care coverage for persons over 21 with specified genetic diseases including: cystic fibrosis; hemophilia; sickle cell disease and thalassemia; and chronic degenerative neurological diseases, including phenylketonuria.

This policy change reflects the 50 percent federal reimbursement received by the Department for a portion of the CCS and GHPP program claims based on the certification of public expenditures. Total eligible expenditures have been reduced by 17.79 percent to adjust for services provided to undocumented aliens. The FFP received for CCS and GHPP will be deposited in the Health Care Support Fund, Item 4260-601-7503. These funds are transferred to the Family Health Estimate.

The General Fund savings created will be used to support safety net hospitals under the MH/UCD. The General Fund needed to support the safety net hospitals as stabilization funding is currently less than the potential maximum of 50% of the expenditures for the four state-funded programs.

ABX3 5 (Chapter 20, Statutes of 2009), reduced the Safety Net Care Pool (SNCP) payments to Designated Public Hospitals and the South Los Angeles Medical Services Preservation Fund by 10% effective July 1, 2009 for Demonstration Year 5 (2009-10). The Department will increase the amount of the CPE of the four State-Only programs to utilize any remaining federal funds in the SNCP. The additional FFP received for CPEs using the CCS and GHPP programs are budgeted in this policy change. Additional information regarding this reduction is in the Reduction to Hosp. Financing-DPH SNCP by 10% policy change.

The Budget Act of 2010 eliminated the 10% reduction for the DPH SNCP payments for FY 2010-11.

HOSP FINANCING - CCS AND GHPP**REGULAR POLICY CHANGE NUMBER: 105**

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

	CCS	GHPP	Total
FY 2005-06	\$ 15,523,000	\$ 8,485,000	\$ 24,008,000
FY 2006-07	\$ 46,856,000	\$ 15,300,000	\$ 62,156,000
FY 2007-08	\$ 18,000,000	\$ 8,000,000	\$ 26,000,000
FY 2008-09	\$ 19,700,000	\$ 13,900,000	\$ 33,600,000
FY 2009-10			
Stabilization	\$ 25,741,000	\$ 18,134,000	\$ 43,875,000
10% reduction	\$ 32,157,000	\$ 16,943,000	\$ 49,100,000
FY 2009-10	\$ 57,898,000	\$ 35,077,000	\$ 92,975,000
FY 2010-11			
Stabilization	\$ 22,000,000	\$ 18,000,000	\$ 40,000,000

REDUCTION TO HOSP. FINANCING-DPH SNCP BY 10%

REGULAR POLICY CHANGE NUMBER: 111
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Karen Fairgrievies
 FISCAL REFERENCE NUMBER: 1256

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$0
- STATE FUNDS	-\$5,100,000	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	\$0
STATE FUNDS	-\$5,100,000	\$0
FEDERAL FUNDS	\$5,100,000	\$0

DESCRIPTION

As required by ABX3 5 (Chapter 20, Statutes of 2009), the Safety Net Care Pool (SNCP) payments to Designated Public Hospitals (DPHs) and the South Los Angeles Medical Services Preservation (SLAMSP) Fund will be reduced by 10% beginning on or after the first day of the month following 90 days after the enacted date. ABX3 5 was enacted on March 3, 2009 and the 10% reduction is effective July 1, 2009 for the SNCP Demonstration Year 2009-10. The Department will increase the amount of CPE of the four State-Only programs to utilize any remaining federal funds in the SNCP. The payment reductions to the DPHs and the SLAMSP are factored into the Hosp Financing - Safety Net Care Pool policy change and the Hosp Financing - South LA Preservation Fund policy change. This policy change reflects the GF savings from CPE'ing the four State-Only programs.

The Budget Act of 2010 eliminated the 10% reduction for the DPH SNCP payments for FY 2010-11.

Assumptions:

1. The annualized DPH and SLAMSP Fund's SNCP estimated payments are expected to be \$542 million; a 10% reduction equals \$54.2 million.
2. There is a lag between the date of the service and the date that the expenditures are paid and used to CPE against the SNCP. Due to the lag, \$32.46 million of the \$54.2 million for 2009-10 is expected to be CPE'd during FY 2009-10 for the Demonstration Year 2009-10 services.
3. The Department will use the available State-Only programs' expenditures for Demonstration Year 2007-08 to fulfill the \$54.2 million CPE for 2009-10. The Department estimates \$21.74 million will be claimed for Demonstration Year 2007-08 services in FY 2009-10.
4. All of the \$54.2 million is expected to be CPE'd during FY 2009-10.

REDUCTION TO HOSP. FINANCING-DPH SNCP BY 10%

REGULAR POLICY CHANGE NUMBER: 111

The specific State-Only programs' additional FFP is shown below:

	FY 2009-10
	FFP
CCS	\$32,157,000
GHPP	\$16,943,000
MIA-LTC	\$ 5,100,000
BCCTP	\$ 0
Total Savings	\$54,200,000

The CCS and GHPP programs are budgeted in the Family Health Local Assistance Estimate. The General Fund savings related to the CPE of CCS and GHPP is included in the Family Health Local Assistance Estimate. The FY 2009-10 savings for these programs is estimated to be \$49,100,000.

The MIA-LTC and BCCTP programs are budgeted in the Medi-Cal Local Assistance Estimate. The General Fund savings related to the CPE of the MIA-LTC and BCCTP programs is \$5,100,000.

REDUCTION TO HOSP FINANCING-DSH REPLACEMENT BY 10%

REGULAR POLICY CHANGE NUMBER: 113
 IMPLEMENTATION DATE: 10/2009
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 1413

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	-\$51,597,000	\$0
- STATE FUNDS	-\$25,798,500	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	-\$51,597,000	\$0
STATE FUNDS	-\$25,798,500	\$0
FEDERAL FUNDS	-\$25,798,500	\$0

DESCRIPTION

As required by ABX4 5 (Chapter 5, Statutes of 2009), the Medi-Cal DSH replacement payments to private hospitals will be reduced by 10% for 2009-10. These payments are determined using the formulas and methodology in effect for the 2004-05 fiscal year. The federal share of the DSH replacement payments is regular Title XIX funding and will not be claimed from the federal DSH allotment. The non-federal share of these payments is State General Fund.

The Budget Act of 2010 eliminated the 10% reduction for the DPH SNCP payments for FY 2010-11.

Assumptions:

1. DSH Replacement payments are estimated to be \$515,974,000 in 2009-10.
2. DSH Replacement payments will be reduced by 10%.
3. The reduction in 2009-10 payments will occur in FY 2009-10.

	<u>TF</u>	<u>GF</u>	<u>FF</u>
FY 2009-10	\$51,597,000	\$25,798,500	\$25,798,500

ADDITIONAL CIGARETTE AND TOBACCO SURTAX FUNDS

REGULAR POLICY CHANGE NUMBER: 149
 IMPLEMENTATION DATE: 10/2009
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 1398

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$0
- STATE FUNDS	\$0	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	\$0
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	\$0

DESCRIPTION

The amendments to the Budget Act of 2009 include revisions to the Cigarette and Tobacco Products Surtax (CTPS/Proposition 99) funding of Medi-Cal hospital outpatient services for FY 2009-10. Additional Cigarette and Tobacco Products Surtax funds have been allocated to aid in the funding of Medi-Cal hospital outpatient services for FY 2010-11.

The Budget Act of 2010 includes revisions to the Cigarette and Tobacco Products Surtax (CTPS/Proposition 99) funding of \$11,153,000 to aid in the funding of Medi-Cal hospital outpatient services for FY 2010-11.

FY 2009-10

Hospital Services Account	4260-101-0232	\$57,218,000
Unallocated Account	4260-101-0236	-\$7,218,000
Total		\$50,000,000

FY 2010-11

Hospital Services Account	4260-101-0232	\$33,741,000
Physicians' Services Account	4260-101-0233	\$475,000
Unallocated Account	4260-101-0236	\$12,970,000
Total		\$47,186,000

This funding and the corresponding GF savings are identified in the management summary funding pages.

PHARMACY LITIGATION SETTLEMENTS

REGULAR POLICY CHANGE NUMBER: 157
 IMPLEMENTATION DATE: 8/2009
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1449

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	-\$76,700,000	-\$15,200,000
- STATE FUNDS	-\$76,700,000	-\$15,200,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	-\$76,700,000	-\$15,200,000
STATE FUNDS	-\$76,700,000	-\$15,200,000
FEDERAL FUNDS	\$0	\$0

DESCRIPTION

Pfizer, Inc. has agreed to pay \$1 billion in civil damages to settle allegations that the company illegally promoted certain drugs and paid kickbacks for others. This settlement is based on nine cases and covers thirteen drugs. California was awarded \$34.7 million, as part of the settlement. Of this amount, half (\$17,350,000) was paid to the Department on December 19, 2009, and half to the Office of the Attorney General.

Eli Lilly entered in a global settlement for the inappropriate off label use of the prescription drug Zyprexa, which resulted in a settlement to the Department of \$37.2 million. Payment was made on August 7, 2009.

Schering-Plough has agreed to pay a \$69 million settlement involving California, Florida, the federal government, and a whistleblower, to settle allegations that the company illegally overcharged the states for the asthma drug, Albuterol. The Medi-Cal program will be reimbursed \$20,150,000 GF in civil damages. Payment was received in March 2010.

Abbott Laboratories, Fournier Industrie et Sante, and Laboratories Fournier, S.A. have entered into a settlement for restitution in the Tricor antitrust case, which resulted in a settlement to the Department of \$2 million. Payment was made in February 2010.

AstraZeneca Pharmaceuticals entered into a settlement agreement with the federal and multiple state governments to repay \$520 million, to settle allegations of illegal marketing of the drug Seroquel and allegations of illegal kickbacks to physicians. The Department will receive \$15.2 million in November 2010.

Settlement Payments	<u>FY 2009-10</u>	<u>FY 2010-11</u>
Pfizer	\$17,350,000	\$0
Eli Lilly	\$37,200,000	\$0
Schering-Plough	\$20,150,000	\$0
Abbott and Fournier Lab.	\$ 2,000,000	\$0
AstraZeneca	\$0	\$15,200,000
Total GF	\$76,700,000	\$15,200,000

ARRA-ADDITIONAL FFP FOR DHCS

REGULAR POLICY CHANGE NUMBER: 161
 IMPLEMENTATION DATE: 10/2008
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 1385

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$0
- STATE FUNDS	-\$2,909,855,000	-\$1,529,799,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	\$0
STATE FUNDS	-\$2,909,855,000	-\$1,529,799,000
FEDERAL FUNDS	\$2,909,855,000	\$1,529,799,000

DESCRIPTION

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

This policy change reflects the estimated additional FFP that will be received by DHCS, prior to the reduction in FFP due to the Unallocated Reduction policy change. The additional ARRA funding for other departments is included in the other departments' policy changes, and the additional DHCS-related ARRA funding for local governments is included in the ARRA-Additional FFP for Local Match policy change.

(In Thousands)	<u>TF</u>	<u>GF</u>	<u>FFP</u>
<u>FY 2009-10</u>			
Title XIX	\$0	-\$2,909,855	\$2,909,855
<u>FY 2010-11</u>			
Title XIX	\$0	-\$1,529,799	\$1,529,799

ELIMINATION OF PRUCOL

REGULAR POLICY CHANGE NUMBER: 163
 IMPLEMENTATION DATE: 10/2010
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 1470

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$23,903,000
- STATE FUNDS	\$0	-\$38,510,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$23,903,000
STATE FUNDS	\$0	-\$38,510,000
FEDERAL FUNDS	\$0	\$14,607,000

DESCRIPTION

The federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 redefined which immigrants were eligible for full-scope Medi-Cal with federal financial participation (FFP) but did not change the requirement to provide emergency services with FFP to eligible immigrants regardless of immigration status. California has not updated its State law to specifically limit full-scope coverage for immigrants as defined in PRWORA. As a result, California has continued to provide full-scope Medi-Cal to some Permanently Residing (in the United States) Under Color of Law (PRUCOL) immigrants and some amnesty aliens, funded with GF/FFP for emergency services and 100% GF for the non-emergency services provided.

Effective October 1, 2010 the Department will eliminate PRUCOL as a basis for providing full-scope Medi-Cal to otherwise eligible immigrants. Current beneficiaries and new applicants who will not be eligible for full-scope Medi-Cal when PRUCOL is eliminated will continue to be eligible for emergency services, prenatal services (including 60 days of postpartum care), State-only tuberculosis services, State-only BCCTP, and State-only long-term care if they meet all eligibility requirements.

Assumptions:

1. Savings will begin October 2010.
2. It is assumed that the total annual expenditures for PRUCOL immigrants would be \$335,779,000, based on calendar year 2008 expenditure data.
3. Assume PRUCOL immigrants will continue to receive TB, BCCTP, LTC, and prenatal (including 60-days postpartum) services.
4. Assume 43% of the expenditures are for non-emergency and 57% are for emergency services. FFP was not claimed for PRUCOL non-emergency services.
5. Assume 45% of the PRUCOL non-emergency costs will be eliminated.

ELIMINATION OF PRUCOL
REGULAR POLICY CHANGE NUMBER: 163

6. Assume 55% of the non-emergency costs will shift to emergency services, which will result in a savings to the Department since these services will now qualify for FFP.

Annual	GF	FFP	TF
Eliminated Services	-\$47,426,000	\$ -	\$47,426,000
Shift to Emergency Cost	-\$28,983,000	\$28,983,000	\$ -
Total	-\$76,409,000	\$28,983,000	\$47,426,000

FY 2010-11 (lagged)	GF	FFP	TF
Eliminated Services	-\$23,903,000	\$ -	\$23,903,000
Shift to Emergency Cost	-\$14,607,000	\$14,607,000	\$ -
Total	-\$38,510,000	\$14,607,000	\$23,903,000

DELETED

ELIMINATION OF NON-EMERGENCY SERVICES FOR NQAS

REGULAR POLICY CHANGE NUMBER: 164
 IMPLEMENTATION DATE: 10/2010
 ANALYST: Calah Frazier
 FISCAL REFERENCE NUMBER: 1308

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$20,048,000
- STATE FUNDS	\$0	-\$32,300,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$20,048,000
STATE FUNDS	\$0	-\$32,300,000
FEDERAL FUNDS	\$0	\$12,252,000

DESCRIPTION

Under current federal law, an immigrant must be a "Qualified Alien" to be eligible for full-scope Medi-Cal. Federal law also requires some qualified aliens to be in the United States for five years before they can get federal full-scope Medi-Cal. Qualified Aliens who are not eligible for full-scope Medi-Cal due to the five-year bar are currently eligible for emergency services that qualify for FFP as well as non-emergency services that are 100% state-funded.

Effective October 1, 2010 non-emergency services will no longer be provided for New Qualified Aliens (Qualified Aliens who have been in the country for less than five years who are subject to the five-year bar). Children (under 8 years of age) and pregnant women are excluded from this change, as CHIPRA gave states the option to eliminate the five-year bar for them. California is seeking federal approval to implement this action. New Qualified Aliens (NQAs) who are subject to the 5-year bar will continue to be eligible for emergency services, prenatal services (including 60-days of postpartum care), State-only Breast and Cervical Cancer Treatment Program (BCCTP), State-only long-term care (LTC), and State-only Tuberculosis (TB) services.

Assumptions:

1. Savings will begin October 2010.
2. It is assumed that the total annual expenditures for NQA immigrants will be \$219,280,000, based on calendar year 2008 expenditures.
3. Assume New Qualified Aliens will continue to receive TB, BCCTP, and LTC services.
4. Assume 43% of the expenditures are for non-emergency and 57% are for emergency services. FFP cannot be claimed for NQA non-emergency services.
5. Assume 45% of the non-emergency costs will be eliminated.

ELIMINATION OF NON-EMERGENCY SERVICES FOR NQAS

REGULAR POLICY CHANGE NUMBER: 164

6. Assume 55% of the non-emergency costs will shift to emergency services, which will create a savings to the Department since these services will now qualify for FFP.

Annual	GF	FFP	TF
Eliminated Services	-\$33,966,000	\$ -	-\$33,966,000
Shift to Emergency Cost	-\$20,757,000	\$20,757,000	\$ -
Total	-\$54,723,000	\$20,757,000	-\$33,966,000
FY 2010-11 (lagged)	GF	FFP	TF
Eliminated Services	-\$20,048,000	\$ -	-\$20,048,000
Shift to Emergency Cost	-\$12,252,000	\$12,252,000	\$ -
Total	-\$32,300,000	\$12,252,000	-\$20,048,000

DELETED

ROLLBACK OF FAMILY PLANNING RATE INCREASE

REGULAR POLICY CHANGE NUMBER: 166
 IMPLEMENTATION DATE: 10/2010
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 1390

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$47,449,000
- STATE FUNDS	\$0	-\$10,295,200
PAYMENT LAG	1.0000	0.7410
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	\$35,159,700
STATE FUNDS	\$0	-\$7,628,740
FEDERAL FUNDS	\$0	-\$27,530,970

DESCRIPTION

SB 94 (Chapter 636, Statutes of 2007) required the Department to augment the reimbursement for eight specified office visit codes billed for comprehensive family planning services by the Family Planning Access Care and Treatment (Family PACT) program and the Medi-Cal program to the equivalent of the weighted average of at least 95 percent of the 2007 federal Medicare reimbursement rate for the same or similar service. The increase was implemented January 1, 2008.

This policy change rolls back the reimbursement augmentation for the eight specified office visit codes to pre-January 2008 levels, effective October 2010.

The impact of the rollback to managed care providers is estimated to be \$22,890,000 (\$2,289,000 GF) in FY 2010-11 and \$30,520,000 (\$3,052,000 GF) annually. The rollback savings for managed care providers will be included in the FY 2010-11 capitation rates.

Enhanced FP funding due to the American Recovery and Reinvestment Act of 2009 (ARRA) does not apply to this policy change, because family planning services are currently paid at a federally enhanced rate.

	<u>FY 2010-11</u>	<u>Annual</u>
Medi-Cal FFS	\$3,237,000	\$4,316,000
FPACT	\$44,212,000	\$58,949,000
Total FFS Savings	\$47,449,000	\$63,265,000

ELIMINATE ADHC SERVICES

REGULAR POLICY CHANGE NUMBER: 167
 IMPLEMENTATION DATE: 10/2010
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1472

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$340,456,000
- STATE FUNDS	\$0	-\$170,228,000
PAYMENT LAG	1.0000	0.7870
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$267,938,900
STATE FUNDS	\$0	-\$133,969,440
FEDERAL FUNDS	\$0	-\$133,969,440

DESCRIPTION

The Department will eliminate ADHC services beginning October 1, 2010.

Assumptions:

- Expenditures for ADHC services are estimated to be \$468,378,000 in FY 2010-11.
- The ADHC Onsite TAR reviews policy change is estimated to be \$1,847,000 and Elimination of the ADHC 2009-10 Rate Increase policy change is estimated to be \$12,590,000 with a total savings of \$14,437,000 in FY 2010-11. This policy change reflects the additional savings above those amounts.

FY 2010-11: (\$468,378,000 - \$14,437,000) / 12 months x 9 months = \$340,456,000 Total Savings

Effective February 24, 2010, in the case of *Brantley v. Maxwell-Jolly*, superseded by *Carry Cota et. al. v. Maxwell-Jolly*, the federal court placed an injunction against DHCS implementing new ADHC medical eligibility criteria.

ELIMINATION OF SELECTED OVER-THE-COUNTER DRUGS

REGULAR POLICY CHANGE NUMBER: 198
 IMPLEMENTATION DATE: 10/2010
 ANALYST: Jenn Brooks
 FISCAL REFERENCE NUMBER: 1512

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$6,200,000
- STATE FUNDS	\$0	-\$3,100,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$6,200,000
STATE FUNDS	\$0	-\$3,100,000
FEDERAL FUNDS	\$0	-\$3,100,000

DESCRIPTION

The Budget Act of 2010 eliminated nonprescription acetaminophen-containing products as Medi-Cal benefits. Liquid Tylenol would remain a benefit for children.

Assumptions:

1. The elimination of specific over-the-counter (OTC) drugs will be implemented effective October 1, 2010.
2. Fee-for-service expenditures for OTC drugs for adults are approximately \$60,500,000 annually.
3. Of this amount, expenditures for the acetaminophen-containing products are approximately \$7,638,000 annually.
4. The annual managed care savings is estimated to be \$1,359,000.

Annual Savings:	<u>TF</u>	<u>GF</u>
FFS	\$7,638,000	\$3,819,000
Managed Care	\$1,359,000	\$ 680,000
Total Annual Savings	\$8,997,000	\$4,499,000
FY 2010-11 Savings:	<u>TF</u>	<u>GF</u>
FFS (Lagged)	\$5,200,000	\$2,600,000
Managed Care	\$1,000,000	\$ 500,000
Total FY 2010-11	\$6,200,000	\$3,100,000

LIMIT ENTERAL NUTRITION TO TUBE FEEDING

REGULAR POLICY CHANGE NUMBER: 199
 IMPLEMENTATION DATE: 10/2010
 ANALYST: Jenn Brooks
 FISCAL REFERENCE NUMBER: 1513

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$20,574,000
- STATE FUNDS	\$0	-\$10,287,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$20,574,000
STATE FUNDS	\$0	-\$10,287,000
FEDERAL FUNDS	\$0	-\$10,287,000

DESCRIPTION

The Department is proposing legislation to limit enteral nutrition products, when used by adult beneficiaries, to only those individuals who must be tube-fed. Conditions which require tube feeding include, but are not limited to, anatomical defects of the digestive tract or neuromuscular diseases. Pregnant women and beneficiaries in LTC facilities are exempt from this limitation.

Assumptions:

1. Legislation is assumed to be enacted July 1, 2010, and the limitation on enteral nutrition products will be implemented October 1, 2010.
2. Fee-for-service expenditures for enteral nutrition products for adults, excluding pregnant women and those in LTC facilities, are approximately \$31,419,000 annually.
3. Of this amount, expenditures for tube-fed adults are approximately \$1,641,000 annually.
4. The FFS savings is estimated to be:

\$31,419,000
-\$1,641,000
\$29,778,000 (\$14,889,000 GF) annual FFS savings
5. The managed care savings is estimated to be \$156,000 (\$78,000 GF) annually.

LIMIT ENTERAL NUTRITION TO TUBE FEEDING

REGULAR POLICY CHANGE NUMBER: 199

Total Annual Savings:	TF	GF
FFS	\$29,778,000	\$14,889,000
Managed Care	\$156,000	\$78,000
Total Annual Savings	\$29,934,000	\$14,967,000

FY 2010-11 Savings:	TF	GF
FFS (Lagged)	\$20,457,000	\$10,228,500
Managed Care	\$117,000	\$58,500
Total FY 2010-11	\$20,574,000	\$10,287,000

DELETED

SIX-PRESCRIPTION CAP ON OUTPATIENT DRUGS

REGULAR POLICY CHANGE NUMBER: 200
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Jenn Brooks
 FISCAL REFERENCE NUMBER: 1514

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$10,898,000
- STATE FUNDS	\$0	-\$5,449,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$10,898,000
STATE FUNDS	\$0	-\$5,449,000
FEDERAL FUNDS	\$0	-\$5,449,000

DESCRIPTION

The Department is proposing legislation to implement a six-prescription per month hard cap beyond which the Medi-Cal program would not pay for prescriptions. Drugs deemed to be life-saving, such as those used for the treatment of HIV/AIDS, cancer, hypertension, diabetes, coagulation disorders and mental health disorders, are exempted from the cap, but would still be subject to utilization controls. The cap will apply to adults not residing in long-term care facilities. Pregnant women are also exempt. The cap will be implemented in both the fee-for-service and managed care settings.

Assumptions:

1. Legislation is assumed to be enacted July 1, 2010, and the six-prescription cap will be implemented February 1, 2011.
2. The estimated FFS expenditures for prescriptions above six per month, excluding the exempted drugs, are \$27,875,000 annually, prior to the collection of rebates.
3. Rebates are assumed to be 40% of the cost, resulting in a net cost for the drugs of \$16,725,000 annually. This is assumed to be the FFS amount that will be saved annually.
4. Savings under the managed care setting are estimated to be \$11,839,000 annually.

Total Annual Savings:	TF	GF
FFS	\$16,725,000	\$8,362,500
Managed Care	\$11,839,000	\$5,919,500
Total Annual Savings	\$28,564,000	\$14,282,000
FY 2010-11 Savings:	TF	GF
FFS (Lagged)	\$5,965,000	\$2,982,500
Managed Care	\$4,933,000	\$2,466,500
Total FY 2010-11	\$10,898,000	\$5,449,000

HEARING AID CAP

REGULAR POLICY CHANGE NUMBER: 201
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Jenn Brooks
 FISCAL REFERENCE NUMBER: 1515

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$529,000
- STATE FUNDS	\$0	-\$264,500
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$529,000
STATE FUNDS	\$0	-\$264,500
FEDERAL FUNDS	\$0	-\$264,500

DESCRIPTION

The Department is proposing legislation to cap the maximum expenditures per beneficiary for hearing aid expenditures at a level in which 90% of the beneficiaries who use the benefit will not be affected. Hearing aid reimbursements are composed of three primary categories: 1) repairs, 2) ear molds, and 3) hearing aids. The majority of the reimbursements are for the actual costs of hearing aids. The hearing aid cap is for adults 21 years of age or older who are not in nursing facilities or pregnant women.

Assumptions:

1. Assume legislation will be passed July 1, 2010, and the cap will be implemented February 1, 2011.
2. Annual hearing aid FFS expenditures for FY 2008-09 were \$21,476,000 for 26,836 unduplicated users. Expenditures for non-pregnant adults not in LTC were \$18,098,000 for 20,626 users.
3. Assume total hearing aid FFS expenditures for the 90% of these users under the cap were \$14,378,000 for 18,333 users. Total DME FFS expenditures for the 10% of the users above the cap were \$3,620,000 for 2,293 users.
4. The cap at the 90th percentile will be \$1,510 per beneficiary per year.
5. \$1,579 per year is the average spent by beneficiaries above the 90% percentile.

	<u>Users</u>	<u>Expenditures</u>
Total unduplicated users	26,836	\$21,476,000
LTC, children, & pregnant women	3,917	\$ 3,378,000
90 th percentile adults	20,626	\$18,098,000
Above the 90% percentile adults	2,293	\$ 3,620,000

HEARING AID CAP

REGULAR POLICY CHANGE NUMBER: 201

(In Thousands)	TF	GF	FFP
Annual FFS Expenditures	\$21,476	\$10,738	\$10,738
LTC, children, & pregnant women	-\$3,378	-\$1,689	-\$1,689
Expenditures Subject to Cap	\$18,098	\$9,049	\$9,049
FFS Expenditures <90%	-\$14,478	-\$7,239	-\$7,239
FFS Expenditures >90%	\$3,620	\$1,810	\$1,810
Allowable costs for >90% under the cap	-\$3,462	-\$1,731	\$1,731
Annual FFS savings due to cap	\$158	\$79	\$79
Annual Managed Care savings due to cap	\$1,166	\$583	\$583
Total Annual savings	\$1,324	\$662	\$662
<u>FY 2010-11</u>			
FFS	\$43	\$27	\$27
Managed Care	\$186	\$216	\$243
Total FY 2010-11	\$229	\$243	\$3,270

DELETED

COPAYMENTS FOR PHYSICIAN/FQHC/RHC OFFICE VISITS

REGULAR POLICY CHANGE NUMBER: 202
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Jenn Brooks
 FISCAL REFERENCE NUMBER: 1516

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$157,686,000
- STATE FUNDS	\$0	-\$78,843,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$157,686,000
STATE FUNDS	\$0	-\$78,843,000
FEDERAL FUNDS	\$0	-\$78,843,000

DESCRIPTION

The Department is proposing legislation to implement mandatory copayments of \$5 for physician and Federally Qualified Health Center/Rural Health Center (FQHC/RHC) office visits at the point of service. This copayment will be implemented without exceptions and in the fee-for-service, managed care and Family PACT settings. The providers will collect the \$5 copayment from the beneficiaries at the time of service, and the providers will be reimbursed the appropriate Medi-Cal reimbursement rate minus the \$5 copayment.

Assumptions:

1. Legislation is assumed to be enacted July 1, 2010, and the copayment will be implemented February 1, 2011.
2. There are approximately 5,883,000 fee-for-service (FFS) physician office visits and 7,989,800 fee-for-service FQHC/RHC visits annually.
3. It is assumed that there will be an 8% reduction in the number of office visits once the copayment is implemented. The average cost of a FFS physician office visit is \$82.49, and the average cost of an FQHC/RHC visit is \$140.16. The weighted average cost of an office visit is \$115.70.
4. The savings from the copayment is estimated to be:

$$5,883,000 \text{ physician visits} + 7,989,800 \text{ FQHC/RHC visits} = 13,872,800 \text{ visits}$$

$$13,872,800 \times 92\% \text{ to pay copayment} \times \$5 \text{ copayment} = \$63,815,000 \text{ annual savings}$$
5. The savings from the reduction in the number of office visits is estimated to be:

$$13,872,800 \text{ visits} \times 8\% \times \$115.70 = \$128,407,000 \text{ annual savings}$$

Total Annual FFS Savings: $\$63,815,000 + \$128,407,000 = \$192,222,000$ (\$96,111,000 GF)

COPAYMENTS FOR PHYSICIAN/FQHC/RHC OFFICE VISITS

REGULAR POLICY CHANGE NUMBER: 202

6. The managed care savings is estimated to be \$256,190,000 (\$128,095,000 GF) annually.
7. The Family PACT impact has not yet been calculated and is not included in these savings figures.

Total Annual Savings:	TF	GF
FFS	\$192,222,000	\$96,111,000
Managed Care	\$256,190,000	\$128,095,000
Total Annual Savings	\$448,412,000	\$224,206,000
FY 2010-11 Savings:	TF	GF
FFS (Lagged)	\$50,940,000	\$25,470,000
Managed Care	\$106,740,000	\$53,373,000
Total FY 2010-11	\$157,686,000	\$78,843,000

DELETED

COPAYMENTS FOR HOSPITAL INPATIENT DAYS

REGULAR POLICY CHANGE NUMBER: 203
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 1517

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$156,205,000
- STATE FUNDS	\$0	-\$72,561,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$156,205,000
STATE FUNDS	\$0	-\$72,561,000
FEDERAL FUNDS	\$0	-\$83,644,000

DESCRIPTION

The Department is proposing legislation to implement mandatory copayments of \$100 per hospital inpatient day up to a maximum of \$200 per admission. This copayment will be implemented without exemptions and in both the fee-for-service and managed care settings. The hospitals will request the copayment from the beneficiaries in accordance with the hospital's collection policy for all copayment clients. The hospitals will be reimbursed the appropriate Medi-Cal reimbursement rate minus the copayment.

Assumptions:

1. Legislation is assumed to be enacted July 1, 2010, and the copayment will be implemented February 1, 2011.
2. There are approximately 752,500 FFS hospital inpatient admissions annually. Of the admissions, 155,900 are for 1 day's stay, and the remaining 616,600 are for 2 or more days' stay.
3. The FFS savings from the copayment is estimated to be:

156,750 admissions x \$100 copayment =	\$15,675,000
582,745 admissions x \$200 copayment =	<u>\$116,549,000</u>
	\$132,224,000 (\$62,264,000 GF) annual FFS savings
4. It is assumed that there will also be a 5% reduction in FFS hospital inpatient costs once the copayment is implemented. This savings is estimated to be \$235,634,000 (\$104,857,000 GF) annually.

Total Annual FFS Savings: \$132,224,000 + \$235,634,000 = \$367,858,000 (\$167,121,000 GF)
5. The managed care savings is estimated to be \$180,504,000 (\$90,252,000 GF) annually.

COPAYMENTS FOR HOSPITAL INPATIENT DAYS

REGULAR POLICY CHANGE NUMBER: 203

	TF	GF
Total Annual Savings:		
FFS	\$367,858,000	\$167,121,000
Managed Care	\$180,504,000	\$90,252,000
Total Annual	\$548,362,000	\$257,373,000

	TF	GF
FY 2010-11 Savings:		
FFS (Lagged)	\$80,995,000	\$34,956,000
Managed Care	\$75,210,000	\$37,605,000
Total FY 2010-11	\$156,205,000	\$72,561,000

DELETED

CAP ON PHYSICIAN AND FQHC/RHC OFFICE VISITS

REGULAR POLICY CHANGE NUMBER: 205
 IMPLEMENTATION DATE: 1/2011
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1519

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$224,526,000
- STATE FUNDS	\$0	-\$112,263,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$224,526,000
STATE FUNDS	\$0	-\$112,263,000
FEDERAL FUNDS	\$0	-\$112,263,000

DESCRIPTION

The Department is proposing legislation to cap the number of physician office visits and FQHC/RHC visits allowed per Medi-Cal beneficiary at 30 per year. The cap on the number of physician and FQHC/RHC office visits is for adults 21 years of age or older who are not in nursing facilities or pregnant women. The cap applies in both the FFS and managed care settings.

Assumptions:

1. Assume legislation will be passed July 1, 2010, and the cap will be implemented January 1, 2011.
2. Annual FFS visits for FY 2008-09 were 3,329,000. The number of visits above the cap was 1,340,200. The average cost per visit was \$143.02.
 $1,340,200 \times \$143.02 = \$191,675,000$ TF (\$95,837,500 GF) annually
3. The managed care savings is estimated to be \$316,836,000 TF (\$158,418,000 GF) annually.

	<u>TF</u>	<u>GF</u>
Total Annual Savings:		
FFS (Lagged)	\$191,675,000	\$95,837,500
Managed Care	\$316,836,000	\$158,418,000
Total Annual Savings	\$508,511,000	\$254,255,500
FY 2010-11 Savings:		
FFS (Lagged)	\$66,108,000	\$33,054,000
Managed Care	\$158,418,000	\$79,209,000
Total FY 2010-11	\$224,526,000	\$112,263,000

PHARMACY COPAYMENTS

REGULAR POLICY CHANGE NUMBER: 206
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1520

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$149,227,000
- STATE FUNDS	\$0	-\$74,613,500
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$149,227,000
STATE FUNDS	\$0	-\$74,613,500
FEDERAL FUNDS	\$0	-\$74,613,500

DESCRIPTION

The Department is proposing legislation to implement mandatory copayments of \$3 per prescription for preferred drugs and \$5 per prescription for non-preferred drugs. This copayment will be implemented without exemptions and in both the fee-for-service and managed care settings. The pharmacy will collect the \$3 or \$5 copayment from the beneficiaries at the time of service, and the pharmacy will be reimbursed the appropriate Medi-Cal reimbursement rate minus the \$3 or \$5 copayment.

Assumptions:

1. Legislation is assumed to be enacted July 1, 2010, and the copayment will be implemented February 1, 2011.
2. There are approximately 30,519,000 fee-for-service (FFS) prescriptions annually. There are 1,367,000 non-preferred prescriptions and 29,152,000 preferred prescriptions.
3. It is assumed that there will be a 5% reduction in the number of prescriptions once the copayment is implemented. The average cost of a prescription is \$92.

	Non-Preferred	Preferred	Total
Prescriptions	1,367,000	29,152,000	30,519,000
5% Reduction due to Copayment	-68,350	-1,457,600	-1,525,950
Remaining Prescriptions	1,298,650	27,694,400	28,993,050
25% Switch to Preferred Drugs	-324,663	324,663	0
Prescriptions after Switch	973,987	28,019,063	28,993,050

1,525,950 reduced prescriptions x \$92 average cost = \$140,387,000 annual savings

4. It is assumed that 25% of the prescriptions will switch from non-preferred to preferred drugs. The average savings for a prescription that switches from a non-preferred to a preferred drug is \$240.

1,298,650 non-preferred prescriptions x 25% x \$240 savings = \$77,919,000 annual savings

PHARMACY COPAYMENTS

REGULAR POLICY CHANGE NUMBER: 206

5. The FFS savings from the copayment is estimated to be:

973,987 non-preferred prescriptions x \$5 copayment = \$4,870,000 annual savings
 28,019,063 preferred prescriptions x \$3 copayment = \$84,057,000 annual savings
 \$4,870,000 + \$84,057,000 = \$88,927,000

6. It is assumed that there will be a loss of rebates of \$57,233,000 due to the reduction in prescriptions.

Total Annual FFS Savings:

$\$140,387,000 + \$77,919,000 + \$88,927,000 - \$57,233,000 = \$250,000,000$ TF (\$125,000,000 GF)

7. The managed care savings is estimated to be \$144,145,000 (\$72,072,500 GF) annually.

Total Annual Savings:	TF	GF
FFS	\$250,000,000	\$125,000,000
Managed Care	\$144,145,000	\$72,072,500
Total Annual Savings	\$394,145,000	\$197,072,500

FY 2010-11 Savings:	TF	GF
FFS (Lagged)	\$80,167,000	\$44,583,500
Managed Care	\$69,060,000	\$30,030,000
Total FY 2010-11	\$149,227,000	\$74,613,500

DURABLE MEDICAL EQUIPMENT CAP

REGULAR POLICY CHANGE NUMBER: 207
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1521

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$7,145,000
- STATE FUNDS	\$0	-\$3,572,500
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$7,145,000
STATE FUNDS	\$0	-\$3,572,500
FEDERAL FUNDS	\$0	-\$3,572,500

DESCRIPTION

The Department is proposing legislation to cap the maximum expenditures per beneficiary for durable medical equipment (DME) at a level in which 90% of the beneficiaries who use the benefit will not be affected. DME items include ambulation devices, bathroom equipment, decubitus (bedsore) care equipment, hospital beds and accessories, patient lifts, traction and trapeze equipment, communication devices, IV equipment, oxygen and respiratory equipment, and wheelchairs and accessories. Respiratory and oxygen equipment will be exempted. The DME cap is for adults 21 years of age or older who are not in nursing facilities or pregnant women.

Assumptions:

1. Assume legislation will be passed July 1, 2010, and the cap will be implemented February 1, 2011.
2. Annual DME FFS expenditures for FY 2008-09 were \$70,221,000 for 88,628 unduplicated users. Expenditures for non-pregnant adults not in LTC were \$43,307,000 for 67,739 users.
3. Assume total DME FFS expenditures for the 90% of these users under the cap were \$11,702,000 for 60,966 users. Total DME FFS expenditures for the 10% of the users above the cap were \$31,605,000 for 6,773 users.
4. The cap at the 90th percentile will be \$1,604 per beneficiary per year.
5. \$4,666 per year is the average spent by beneficiaries above the 90% percentile.

	Users	Expenditures
Total unduplicated users	88,628	\$70,221,000
LTC, children, & pregnant women	20,889	\$26,914,000
90 th percentile adults	60,966	\$11,702,000
Above the 90% percentile adults	6,773	\$31,605,000

DURABLE MEDICAL EQUIPMENT CAP

REGULAR POLICY CHANGE NUMBER: 207

(In Thousands)	TF	GF	FFP
Annual FFS Expenditures	\$70,221	\$35,111	\$35,110
LTC, children, & pregnant women	-\$26,914	-\$13,457	-\$13,457
Expenditures Subject to Cap	\$43,307	\$21,654	\$21,653
FFS Expenditures <90%	-\$11,702	-\$5,851	-\$5,851
FFS Expenditures >90%	\$31,605	\$15,803	\$15,802
Allowable costs for >90% under the cap	-\$10,864	-\$5,432	\$5,432
Annual FFS savings due to cap	\$20,741	\$10,371	\$10,370
Annual Managed Care savings due to cap	\$3,666	\$1,833	\$1,833
Total Annual savings	\$24,407	\$12,204	\$12,203
<u>FY 2010-11</u>			
FFS	\$2,817	\$2,808	\$2,808
Managed Care	\$764	\$764	\$764
Total FY 2010-11	\$7,111	\$6,573	\$3,572

DELETED

MEDICAL SUPPLIES CAP

REGULAR POLICY CHANGE NUMBER: 208
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1522

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$1,566,000
- STATE FUNDS	\$0	-\$783,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$1,566,000
STATE FUNDS	\$0	-\$783,000
FEDERAL FUNDS	\$0	-\$783,000

DESCRIPTION

The Department is proposing legislation to cap the maximum expenditures per beneficiary for select medical supplies at a level in which 90% of the beneficiaries who use the benefit will not be affected. The medical supply cap would apply to wound dressings, incontinence products, and urinary catheters, for adults 21 years of age or older who are not in nursing facilities or pregnant women.

Assumptions:

1. Assume legislation will be passed July 1, 2010, and the cap will be implemented February 1, 2011.
2. Annual FY expenditures for FY 2008-09 were \$2,391,000 for wound care, \$85,630,000 for incontinence supplies, and \$13,506,000 for urologicals.
3. The cap at the 90th percentile will be \$391 for wound care, \$1,659 for incontinence supplies, and \$6,435 for urologicals per beneficiary per year.
4. Assume the average spent by beneficiaries per year above the 90th percentile is \$1,191 for wound care, \$1,872 for incontinence supplies, and \$7,295 for urologicals.

MEDICAL SUPPLIES CAP

REGULAR POLICY CHANGE NUMBER: 208

Unduplicated FFS Users	Total	LTC, children, & pregnant women	Below 90 th percentile adults	Above 90 th percentile adults	
Wound Care	13,077	4,257	7,938	882	
Incontinence Supplies	105,622	15,131	81,440	9,050	
Urologicals	8,091	3,509	4,033	59	
FFS Expenditures (In Thousands)	Wound Care	Incontinence Supplies	Urologicals		
Annual FFS Expenditures	\$2,391	\$85,000	\$3,506		
LTC, children, & pregnant women	-\$881	-\$15,090	\$4,115		
Expenditures Subject to Cap	\$1,510	\$70,532	\$9,391		
FFS Expenditures <90%	-\$46	-\$53,095	-\$6,042		
FFS Expenditures >90%	\$1,550	\$16,937	\$3,349		
Allowable costs for >90% under the cap	-\$144	\$15,011	-\$2,954	Total Savings	
Annual FFS savings due to cap	\$76	\$1,926	\$395	\$3,027	
Annual Managed Care savings due to cap	\$74	\$854	\$241	\$1,169	
Total Annual Savings	\$75	\$2,780	\$636	\$4,196	
FFS 20-11 (Managed)	\$252	\$687	\$140	\$1,079	
Managed Care	\$31	\$356	\$100	\$487	
Total FFS 2010-11	\$283	\$1,043	\$240	\$1,566	

COPAYMENT FOR NON-EMERGENCY ER VISITS

REGULAR POLICY CHANGE NUMBER: 210
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 1524

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$70,848,000
- STATE FUNDS	\$0	-\$35,424,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$70,848,000
STATE FUNDS	\$0	-\$35,424,000
FEDERAL FUNDS	\$0	-\$35,424,000

DESCRIPTION

The Department is proposing legislation to implement mandatory copayments of \$50 for non-emergency use of the emergency rooms at the point of service. This copayment will be implemented without exemptions and in both the fee-for-service and managed care settings. The hospital will collect the \$50 copayment from the beneficiaries at the time of service, and the hospital will be reimbursed the appropriate Medi-Cal reimbursement rate minus the \$50 copayment.

Assumptions:

1. Legislation is assumed to be enacted July 1, 2010, and the copayment will be implemented February 1, 2011.
2. There are approximately 2,879,000 fee-for-service (FFS) non-emergency visits annually.
3. It is assumed that there will be an 8% reduction in the number of non-emergency visits once the copayment is implemented. The average cost of a non-emergency visit is \$125.94.
4. The savings from the copayment is estimated to be:

$$2,879,000 \text{ non-emergency visits} \times 92\% \text{ to pay copayment} \times \$50 \text{ copayment} = \$132,434,000$$
 annual savings
5. The savings from the reduction in the number of non-emergency visits are estimated to be:

$$2,879,000 \text{ non-emergency visits} \times 8\% \times \$125.94 = \$29,007,000$$
 annual savings

 Total Annual FFS Savings: $\$132,434,000 + \$29,007,000 = \$161,441,000$ (\$80,720,500 GF)
6. The managed care savings are estimated to be \$66,390,000 (\$33,195,000 GF) annually.

COPAYMENT FOR NON-EMERGENCY ER VISITS

REGULAR POLICY CHANGE NUMBER: 210

Total Annual Savings:	TF	GF
FFS	\$161,441,000	\$80,720,500
Managed Care	\$66,390,000	\$33,195,000
Total Annual	\$227,831,000	\$113,915,500

FY 2010-11 Savings:	TF	GF
FFS (Lagged)	\$43,185,000	\$21,592,500
Managed Care	\$27,663,000	\$13,831,500
Total FY 2010-11	\$70,848,000	\$35,424,000

DELETED

COPAYMENT FOR EMERGENCY ER VISITS

REGULAR POLICY CHANGE NUMBER: 211
 IMPLEMENTATION DATE: 2/2011
 ANALYST: Marc Lowry
 FISCAL REFERENCE NUMBER: 1525

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$37,242,000
- STATE FUNDS	\$0	-\$18,621,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$37,242,000
STATE FUNDS	\$0	-\$18,621,000
FEDERAL FUNDS	\$0	-\$18,621,000

DESCRIPTION

The Department is proposing legislation to implement mandatory copayments of \$50 for emergency use of the emergency rooms at the point of service. This copayment will be implemented without exemptions and in both the fee-for-service and managed care settings. The hospital will collect the \$50 copayment from the beneficiaries at the time of service, and the hospital will be reimbursed the appropriate Medi-Cal reimbursement rate minus the \$50 copayment.

Assumptions:

1. Legislation is assumed to be enacted July 1, 2010, and the copayment will be implemented February 1, 2011.
2. There are approximately 1,410,000 fee-for-service (FFS) emergency visits annually.
3. It is assumed that there will be an 8% reduction in the number of emergency visits once the copayment is implemented. The average cost of a emergency visit is \$143.57.
4. The savings from the copayment is estimated to be:
 - 1,410,000 emergency visits x 92% to pay copayment x \$50 copayment = \$64,860,000 annual savings
5. The savings from the reduction in the number of emergency visits are estimated to be:
 - 1,410,000 emergency visits x 8% x \$143.57 = \$16,195,000 annual savings
 - Total Annual FFS Savings: \$64,860,000 + \$16,195,000 = \$81,055,000 (\$40,527,500 GF)
6. The managed care savings are estimated to be \$37,344,000 (\$18,672,000 GF) annually.

COPAYMENT FOR EMERGENCY ER VISITS

REGULAR POLICY CHANGE NUMBER: 211

Total Annual Savings:	TF	GF
FFS	<u>\$81,055,000</u>	<u>\$40,527,500</u>
Managed Care	<u>\$37,344,000</u>	<u>\$18,672,000</u>
Total Annual	<u>\$118,399,000</u>	<u>\$59,199,500</u>

FY 2010-11 Savings:	TF	GF
FFS (Lagged)	<u>\$21,682,000</u>	<u>\$10,841,000</u>
Managed Care	<u>\$15,560,000</u>	<u>\$7,780,000</u>
Total FY 2010-11	<u>\$37,242,000</u>	<u>\$18,621,000</u>

DELETED

RECONCILIATION

REGULAR POLICY CHANGE NUMBER: 213
 IMPLEMENTATION DATE: 5/2009
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 1527

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$4,313,000	\$92,482,000
- STATE FUNDS	\$4,313,000	\$92,482,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$4,313,000	\$92,482,000
STATE FUNDS	\$4,313,000	\$92,482,000
FEDERAL FUNDS	\$0	\$0

DESCRIPTION

Due to the compressed timeframe of the May Estimate process, not all of the policy change impacts were completed in time for the Department of Finance's deadline for posting the May Estimate. Therefore, an estimated GF amount was included for the Medi-Cal budget.

This policy change reconciles the May Medi-Cal Estimate to the posted GF amount in the May 2010 Medi-Cal Estimate. This policy change also reconciles the GF to the Budget Act of 2010.

(In Thousands)	<u>TF</u>	<u>GF</u>
4260-101-0001 (Title XIX) to May 2010 Estimate	\$4,313	\$45,202
4260-101-0001 (Title XIX) to Budget Act	\$0	\$47,280
Total	\$4,313	\$92,482

INCREASED FEDERAL MATCHING FUNDS FOR FPACT

REGULAR POLICY CHANGE NUMBER: 214
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Irene Gen
 FISCAL REFERENCE NUMBER: 1528

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$0
- STATE FUNDS	\$0	-\$5,000,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	\$0
STATE FUNDS	\$0	-\$5,000,000
FEDERAL FUNDS	\$0	\$5,000,000

DESCRIPTION

The Department is requesting that CMS approve an amendment to the State Plan to replace the Family PACT Waiver in accordance with the Federal Patient Protection and Affordable Care Act. Under the State Plan Amendment, eligible family planning services and supplies formerly reimbursed exclusively with 100% State General Fund will receive a 90% federal matching rate, and family planning-related services will receive reimbursement at the State's regular FMAP rate effective retroactively to July 1, 2010.

Assumptions:

1. Assume a SPA implementation date of July 1, 2010.
2. Costs for eligible family planning services and supplies which were previously paid with 100% GF will now be claimed at 90%, and costs for family planning-related services at 50% FFP.
3. Based on FY 2009-10 data, costs for eligible family planning services and supplies were \$4,210,000 GF, and costs for family planning-related services were \$2,422,000 GF, for a total cost of \$6,631,000 GF.

<u>Total Cost</u>	<u>New FFP</u>
\$4,210,000 x 90% =	\$3,789,000
\$2,422,000 x 50% =	\$1,211,000
<u>\$6,631,000</u>	<u>\$5,000,000</u>

4. With enhanced funding, costs for these services and supplies will be \$3,789,000 FFP and \$1,211,000 GF for a GF savings of \$5,000,000 annually.

RECONCILIATION WITH BUDGET ACT - HCSF

REGULAR POLICY CHANGE NUMBER: 215
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 1529

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$27,500,000
- STATE FUNDS	\$0	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	\$27,500,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	\$27,500,000

DESCRIPTION

This policy change reconciles the Health Care Support Fund for the May 2010 Medi-Cal Estimate to the Budget Act of 2010.

(In Thousands)		<u>TF</u>	<u>FFP</u>
4260-601-7503 Health Care Support Fund		\$27,500	\$27,500

RECONCILIATION WITH BUDGET ACT - SPECIAL FUNDS

REGULAR POLICY CHANGE NUMBER: 216
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 1530

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$352,388,000
- STATE FUNDS	\$0	-\$176,194,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$352,388,000
STATE FUNDS	\$0	-\$176,194,000
FEDERAL FUNDS	\$0	-\$176,194,000

DESCRIPTION

This policy change reconciles special funds for the May 2010 Medi-Cal Estimate to the Budget Act of 2010.

(In Thousands)	<u>TF</u>	<u>SF</u>	<u>FFP</u>
4260-601-3158 Hosp. Quality Assurance Rev. Fund	-\$320,000	-\$160,000	-\$160,000
4260-601-3156 MCO Tax Fund	-\$32,388	-\$16,194	-\$16,194
Total	-\$352,388	-\$176,194	-\$176,194

RECONCILIATION WITH BUDGET ACT - FEDERAL FUNDS

REGULAR POLICY CHANGE NUMBER: 217
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 1531

	FY 2009-10	FY 2010-11
FULL YEAR COST - TOTAL FUNDS	\$0	-\$2,868,430,000
- STATE FUNDS	\$0	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00 %	0.00 %
APPLIED TO BASE		
TOTAL FUNDS	\$0	-\$2,868,430,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	-\$2,868,430,000

DESCRIPTION

This policy change reconciles federal funds for the May 2010 Medi-Cal Estimate to the Budget Act of 2010.

	TF	FFP
(In Thousands)		
4260-101-0890 (Title XIX)	-\$2,875,146	-\$2,875,146
4260-113-0890 (Title XXI)	6,716	6,716
Total	-\$2,868,430	-\$2,868,430

BUDGET ACT OF 2010
CHANGES TO THE
MAY 2010
MEDI-CAL ESTIMATE

COUNTY
ADMINISTRATION

May 2010 Medi-Cal Appropriation Estimate

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

FY 2009-2010 ESTIMATE:	Total Funds	Federal Funds	State Funds
BASE	\$1,379,034,000	\$689,517,000	\$689,517,000
POLICY CHANGES	\$175,936,000	\$134,380,000	\$41,556,000
SubTotal County Admin.	\$1,554,970,000	\$823,897,000	\$731,073,000
OTHER ADMINISTRATION	\$1,311,622,000	\$1,217,381,000	\$94,241,000
TOTAL CURRENT YEAR	\$2,866,592,000	\$2,041,278,000	\$825,314,000

FY 2010-2011 ESTIMATE:	Total Funds	Federal Funds	State Funds
BASE	\$1,302,681,000	\$651,340,000	\$651,341,000
POLICY CHANGES	\$108,917,000	\$96,759,000	\$12,158,000
SubTotal County Admin.	\$1,411,598,000	\$748,099,000	\$663,499,000
OTHER ADMINISTRATION	\$1,445,722,000	\$1,303,266,000	\$142,456,000
TOTAL BUDGET YEAR	\$2,857,320,000	\$2,051,365,000	\$805,955,000

Note:

C/Y Title XXI (Item 113) activities	\$4,530,000	\$4,237,000	\$293,000
B/Y Title XXI (Item 113) activities	\$4,432,000	\$4,125,000	\$307,000
C/Y HIPAA (Item 117) activities	\$4,892,000	\$4,642,000	\$250,000
B/Y HIPAA (Item 117) activities	\$3,808,000	\$3,768,000	\$40,000

**MEDI-CAL COUNTY ADMINISTRATION
POLICY CHANGE SUMMARY
FISCAL YEAR 2010-11**

NO.	POLICY CHANGE TITLE	ONE-TIME CHANGES		ON-GOING CHANGES		TOTAL POLICY CHANGE	TOTAL STATE FUNDS
		PROCEDURAL	CASELOAD	PROCEDURAL	CASELOAD		
OTHER							
1	SAWS	\$74,577,000	\$0	\$0	\$0	\$74,577,000	\$8,799,000
2	ELIGIBLE GROWTH	\$0	\$0	\$0	\$54,941,000	\$54,941,000	\$27,470,500
3	CalWORKs APPLICATIONS	\$0	\$0	\$72,580,000	\$0	\$72,580,000	\$36,290,000
4	MEDI-CAL DATA PRIVACY AND SECURITY AGREEMENT	\$22,792,000	\$0	\$6,429,000	\$0	\$29,221,000	\$14,610,500
5	FY 2009-10 COST OF DOING BUSINESS	\$0	\$0	\$49,360,000	\$0	\$49,360,000	\$24,680,000
7	LOS ANGELES COUNTY HOSPITAL INTAKES	\$0	\$0	\$0	\$18,601,000	\$18,601,000	\$4,050,500
8	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.	\$0	\$0	\$6,639,000	\$0	\$6,639,000	\$3,319,500
13	FY 2010-11 COST OF DOING BUSINESS	\$0	\$0	\$21,651,000	\$0	\$21,651,000	\$10,825,500
15	SAVE	\$0	\$0	\$0	\$0	\$0	-\$8,561,000
16	REDUCTION TO COLA TO COUNTIES FOR FY 2010-11	\$0	\$0	-\$21,651,000	\$0	-\$21,651,000	-\$10,825,500
17	CHIPRA - DRA CITIZENSHIP OPTION	\$0	\$0	-\$26,504,000	\$0	-\$26,504,000	-\$13,252,000
18	REDUCTION TO COLA TO COUNTIES FOR FY 2009-10	\$0	\$0	-\$49,360,000	\$0	-\$49,360,000	-\$24,680,000
19	REDUCTION TO COUNTY ADMINISTRATION	\$0	\$0	-\$121,138,000	\$0	-\$121,138,000	-\$60,569,000
	OTHER SUBTOTAL	\$97,369,000	\$0	-\$61,994,000	\$73,542,000	\$108,917,000	\$12,158,000
	GRAND TOTAL	\$97,369,000	\$0	-\$61,994,000	\$73,542,000	\$108,917,000	\$12,158,000

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

NOV. PC#	MAY PC#	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
		OTHER						
1	1	SAWS	\$81,182,000	\$9,253,000	\$74,577,000	\$8,799,000	-\$6,605,000	-\$454,000
2	2	ELIGIBLE GROWTH	\$188,591,000	\$94,295,500	\$54,941,000	\$27,470,500	-\$133,650,000	-\$66,825,000
3	3	CalWORKs APPLICATIONS	\$73,837,000	\$36,918,500	\$72,580,000	\$36,290,000	-\$1,257,000	-\$628,500
5	5	FY 2009-10 COST OF DOING BUSINESS	\$49,360,000	\$24,680,000	\$49,360,000	\$24,680,000	\$0	\$0
6	6	DRA CITIZENSHIP VERIFICATION REQUIREMENTS	\$27,470,000	\$13,735,000	\$27,470,000	\$13,735,000	\$0	\$0
7	7	LOS ANGELES COUNTY HOSPITAL INTAKES	\$19,632,000	\$3,816,000	\$18,601,000	\$4,050,500	-\$1,031,000	\$234,500
8	8	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APP	\$6,639,000	\$3,319,500	\$6,639,000	\$3,319,500	\$0	\$0
13	13	FY 2010-11 COST OF DOING BUSINESS	\$44,267,000	\$22,133,500	\$21,651,000	\$10,825,500	-\$22,616,000	-\$11,308,000
15	15	SAVE	\$0	-\$8,561,000	\$0	-\$8,561,000	\$0	\$0
16	16	REDUCTION TO COLA TO COUNTIES FOR FY 2010-11	-\$44,267,000	-\$22,133,500	-\$21,651,000	-\$10,825,500	\$22,616,000	\$11,308,000
17	17	CHIPRA - DRA CITIZENSHIP OPTION	-\$26,504,000	-\$13,252,000	-\$26,504,000	-\$13,252,000	\$0	\$0
18	18	REDUCTION TO COLA TO COUNTIES FOR FY 2009-10	-\$49,360,000	-\$24,680,000	-\$49,360,000	-\$24,680,000	\$0	\$0
19	19	REDUCTION TO COUNTY ADMINISTRATION	-\$121,138,000	-\$60,569,000	-\$121,138,000	-\$60,569,000	\$0	\$0
--	4	MEDI-CAL DATA PRIVACY AND SECURITY AGREEMENT	\$0	\$0	\$29,221,000	\$14,610,500	\$29,221,000	\$14,610,500
		OTHER SUBTOTAL	\$249,709,000	\$78,955,500	\$136,387,000	\$25,893,000	-\$113,322,000	-\$53,062,500
		COUNTY ADMINISTRATION GRAND TOTAL	\$249,709,000	\$78,955,500	\$136,387,000	\$25,893,000	-\$113,322,000	-\$53,062,500

**COMPARISON OF FISCAL IMPACTS OF COUNTY ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

MAY PC#	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER						
1	SAWS	\$83,708,000	\$9,253,000	\$74,577,000	\$8,799,000	-\$9,131,000	-\$454,000
2	ELIGIBLE GROWTH	\$74,760,000	\$37,380,000	\$54,941,000	\$27,470,500	-\$19,819,000	-\$9,909,500
3	CalWORKs APPLICATIONS	\$72,250,000	\$36,125,000	\$72,580,000	\$36,290,000	\$330,000	\$165,000
4	MEDI-CAL DATA PRIVACY AND SECURITY AGREEMENT	\$27,540,000	\$13,770,000	\$29,221,000	\$14,610,500	\$1,681,000	\$840,500
5	FY 2009-10 COST OF DOING BUSINESS	\$49,360,000	\$24,680,000	\$49,360,000	\$24,680,000	\$0	\$0
6	DRA CITIZENSHIP VERIFICATION REQUIREMENTS	\$27,470,000	\$13,735,000	\$27,470,000	\$13,735,000	\$0	\$0
7	LOS ANGELES COUNTY HOSPITAL INTAKES	\$18,132,000	\$3,816,000	\$18,601,000	\$4,050,500	\$469,000	\$234,500
8	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.	\$3,320,000	\$1,660,000	\$6,639,000	\$3,319,500	\$3,319,000	\$1,659,500
9	COUNTY COSTS FOR SSI/SSP REDUCTION	\$3,052,000	\$1,526,000	\$0	\$0	-\$3,052,000	-\$1,526,000
10	COUNTY COSTS FOR REDUCTION OF SSI/SSP GRANTS	\$859,000	\$429,500	\$0	\$0	-\$859,000	-\$429,500
11	CALWORKS 4% MAP REDUCTION	\$524,000	\$262,000	\$0	\$0	-\$524,000	-\$262,000
12	CRAIG V. BONTA LAWSUIT	\$120,000	\$60,000	\$0	\$0	-\$120,000	-\$60,000
13	FY 2010-11 COST OF DOING BUSINESS	\$0	\$0	\$21,651,000	\$10,825,500	\$21,651,000	\$10,825,500
14	PRIOR YEAR RECONCILIATIONS	-\$1,409,000	-\$704,500	\$0	\$0	\$1,409,000	\$704,500
15	SAVE	\$0	-\$8,561,000	\$0	-\$8,561,000	\$0	\$0
16	REDUCTION TO COLA TO COUNTIES FOR FY 2010-11	\$0	\$0	-\$21,651,000	-\$10,825,500	-\$21,651,000	-\$10,825,500
17	CHIPRA - DRA CITIZENSHIP OPTION	-\$13,252,000	-\$6,626,000	-\$26,504,000	-\$13,252,000	-\$13,252,000	-\$6,626,000
18	REDUCTION TO COLA TO COUNTIES FOR FY 2009-10	-\$49,360,000	-\$24,680,000	-\$49,360,000	-\$24,680,000	\$0	\$0
19	REDUCTION TO COUNTY ADMINISTRATION	-\$121,138,000	-\$60,569,000	-\$121,138,000	-\$60,569,000	\$0	\$0
	OTHER SUBTOTAL	\$175,936,000	\$41,556,000	\$136,387,000	\$25,893,000	-\$39,549,000	-\$15,663,000
	COUNTY ADMINISTRATION GRAND TOTAL	\$175,936,000	\$41,556,000	\$136,387,000	\$25,893,000	-\$39,549,000	-\$15,663,000

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	SAWS
2	ELIGIBLE GROWTH
3	CalWORKs APPLICATIONS
4	MEDI-CAL DATA PRIVACY AND SECURITY AGREEMENTS
5	FY 2009-10 COST OF DOING BUSINESS
6	DRA CITIZENSHIP VERIFICATION REQUIREMENTS
7	LOS ANGELES COUNTY HOSPITAL INTAKES
8	LOW-INCOME SUBSIDY APPS. TREATED AS M/C APPS.
9	COUNTY COSTS FOR SSI/SSP REDUCTION
10	COUNTY COSTS FOR REDUCTION OF SSI/SSP GRANTS
11	CALWORKS 4% MAP REDUCTION
12	CRAIG V. BONTA LAWSUIT
13	FY 2010-11 COST OF DOING BUSINESS
14	PRIOR YEAR RECONCILIATIONS
15	SAVE
16	REDUCTION TO COLA TO COUNTIES FOR FY 2010-11
17	CHIPRA - DRA CITIZENSHIP OPTION
18	REDUCTION TO COLA TO COUNTIES FOR FY 2009-10
19	REDUCTION TO COUNTY ADMINISTRATION

CALWORKS 15.7% MAP REDUCTION

COUNTY ADMIN. POLICY CHANGE NUMBER: 20
 IMPLEMENTATION DATE: 10/2010
 ANALYST: Christine Marion
 FISCAL REFERENCE NUMBER: 1495

	FY 2009-10		FY 2010-11	
	ONE-TIME	ON-GOING	ONE-TIME	ON-GOING
PROCEDURAL - TOT.	\$0	\$0	\$355,000	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$355,000	\$0
STATE FUNDS	\$0	\$0	\$177,500	\$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.	\$0	\$0	\$355,000	\$0
CASELOAD - TOT.	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$0	\$0	\$355,000	\$0
STATE FUNDS	\$0	\$0	\$177,500	\$0

DESCRIPTION

CDSS is proposing legislation to reduce the Maximum Aid Payment (MAP) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program by 15.7%, which results in a reduction in the number of families that qualify for Medi-Cal through enrollment in CalWORKs. It is assumed that those families will remain eligible for Medi-Cal benefits in other Medi-Cal aid codes, and will require a one-time re-enrollment into those aid codes by county eligibility workers.

ASSUMPTIONS:

1. Assume implementation will begin October 1, 2010.
2. Based on CDS data, assume 10,921 cases will lose their CalWORKs eligibility in FY 2010-11.
3. Assume it will take an eligibility worker (EW) 30 minutes to process each Medi-Cal case.
4. Assume the average cost per hour for an EW is \$65.03

FY 2010-11 costs:

10,921 cases x \$65.03 x .5 hour = **\$355,000 TF (\$177,500 GF)**

BUDGET ACT OF 2010
CHANGES TO THE
MAY 2010
MEDI-CAL ESTIMATE

OTHER
ADMINISTRATION

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

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

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2009-10		FISCAL YEAR 2010-11	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS					
27	EPOCRATES	\$158,000	\$79,000	\$158,000	\$79,000
28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$0	\$0	\$137,000	\$68,500
29	EMILY Q. SPECIAL MASTER	\$171,000	\$85,500	\$171,000	\$85,500
30	HCO TAKEOVER CONSULTANT CONTRACT	\$34,000	\$17,000	\$0	\$0
31	PROVIDER ENROLLMENT AUTOMATION PROJECT	\$0	\$0	\$1,499,000	\$374,800
32	DISEASE MANAGEMENT PROGRAM	\$4,424,000	\$2,212,000	\$1,241,000	\$620,500
61	Q5i AUTOMATED DATA SYSTEM ACQUISTION	\$0	\$0	\$184,000	\$92,000
63	ARRA-ADDITIONAL FFP FOR SWCAP	\$1,651,000	\$0	\$0	\$0
64	RATE STUDY FOR MAIC	\$0	\$0	\$500,000	\$250,000
65	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$0	\$0	\$300,000	\$150,000
69	MIS/DSS CLAIMING ADJUSTMENT	\$0	\$911,000	\$0	\$0
71	RECONCILIATION WITH BUDGET ACT - GENERAL FUND	\$0	\$0	\$43,022,000	\$43,022,000
72	RECONCILIATION WITH BUDGET ACT - FEDERAL FUNDS	\$0	\$0	-\$87,959,000	\$0
CDHS SUBTOTAL		\$553,498,000	\$92,474,200	\$705,645,000	\$141,391,600
OTHER DEPARTMENTS					
34	PERSONAL CARE SERVICES	\$278,386,000	\$0	\$262,116,000	\$0
35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$186,942,000	\$0	\$195,188,000	\$0
36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$154,864,000	\$0	\$156,793,000	\$0
37	MATERNAL AND CHILD HEALTH	\$28,438,000	\$0	\$35,405,000	\$0
38	CDDS ADMINISTRATIVE COSTS	\$51,027,000	\$0	\$31,908,000	\$0
39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$17,633,000	\$0	\$20,511,000	\$0
40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COSTS	\$8,613,000	\$0	\$7,736,000	\$0
41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,747,000	\$0	\$6,165,000	\$0
42	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS	\$4,178,000	\$0	\$4,257,000	\$0
43	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2009-10		FISCAL YEAR 2010-11	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS					
44	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,094,000	\$0	\$3,715,000	\$0
45	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,379,000	\$0	\$2,499,000	\$0
46	FAMILY PACT MIP AND I&E PROGRAMS	\$634,000	\$0	\$986,000	\$0
47	OUTREACH - CHILDREN	\$1,653,000	\$799,000	\$1,626,000	\$813,000
48	BABY WELCOME KITS	\$5,761,000	\$0	\$1,719,000	\$0
49	FAMILY PACT WAIVER DEMO EVALUATION	\$1,165,000	\$0	\$1,431,000	\$0
50	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0
51	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0
52	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH	\$446,000	\$0	\$616,000	\$0
53	IMMUNIZATION REGISTRY	\$284,000	\$0	\$851,000	\$0
54	MERIT SYSTEM SERVICES FOR COUNTIES	\$200,000	\$100,000	\$184,000	\$92,000
55	IMMUNIZATION REGISTRY IMPROVEMENT - DATA EXCHAN	\$137,000	\$14,000	\$308,000	\$31,000
56	PERINATAL HIV TESTING PROJECT	\$119,000	\$0	\$0	\$0
57	CMIPS II	\$111,000	\$111,000	\$0	\$0
58	HEALTH-E APP	\$20,000	\$0	\$0	\$0
59	PIA EYEWEAR COURIER SERVICE	\$1,486,000	\$743,000	\$256,000	\$128,000
OTHER DEPARTMENTS SUBTOTAL		\$758,124,000	\$1,767,000	\$740,077,000	\$1,064,000
GRAND TOTAL		\$1,311,622,000	\$94,241,200	\$1,445,722,000	\$142,455,600

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

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

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

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS								
	19	CHIPRA - DRA CITIZENSHIP OPTION	\$0	\$0	\$200,000	\$20,000	\$200,000	\$20,000
	22	MITA	\$0	\$0	\$150,000	\$15,000	\$150,000	\$15,000
	25	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$0	\$0	\$60,000	\$30,000	\$60,000	\$30,000
	64	RATE STUDY FOR MAIC	\$0	\$0	\$500,000	\$250,000	\$500,000	\$250,000
	65	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$0	\$0	\$300,000	\$150,000	\$300,000	\$150,000
	71	RECONCILIATION WITH BUDGET ACT - GENERAL FUND	\$0	\$0	\$43,022,000	\$43,022,000	\$43,022,000	\$43,022,000
	72	RECONCILIATION WITH BUDGET ACT - FEDERAL FUND	\$0	\$0	-\$87,959,000	\$0	-\$87,959,000	\$0
		CDHS SUBTOTAL	\$767,252,000	\$97,682,750	\$705,645,000	\$141,391,600	-\$61,607,000	\$43,708,850
OTHER DEPARTMENTS								
34	34	PERSONAL CARE SERVICES	\$125,214,000	\$0	\$262,116,000	\$0	\$136,902,000	\$0
35	35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$184,261,000	\$0	\$195,188,000	\$0	\$10,927,000	\$0
36	36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$163,269,000	\$0	\$156,793,000	\$0	-\$6,476,000	\$0
37	37	MATERNAL AND CHILD HEALTH	\$36,324,000	\$0	\$35,405,000	\$0	-\$919,000	\$0
38	38	CDDS ADMINISTRATIVE COSTS	\$33,801,000	\$0	\$31,908,000	\$0	-\$1,893,000	\$0
39	39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$29,026,000	\$0	\$20,511,000	\$0	-\$8,515,000	\$0
40	40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COSTS	\$7,736,000	\$0	\$7,736,000	\$0	\$0	\$0
41	41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,891,000	\$0	\$6,165,000	\$0	\$1,274,000	\$0
42	42	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS	\$4,761,000	\$0	\$4,257,000	\$0	-\$504,000	\$0
43	43	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0
44	44	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,718,000	\$0	\$3,715,000	\$0	-\$3,000	\$0
45	45	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,943,000	\$0	\$2,499,000	\$0	-\$444,000	\$0
46	46	FAMILY PACT MIP AND I&E PROGRAMS	\$2,369,000	\$0	\$986,000	\$0	-\$1,383,000	\$0
47	47	OUTREACH - CHILDREN	\$2,038,000	\$650,000	\$1,626,000	\$813,000	-\$412,000	\$163,000
48	48	BABY WELCOME KITS	\$1,940,000	\$0	\$1,719,000	\$0	-\$221,000	\$0
49	49	FAMILY PACT WAIVER DEMO EVALUATION	\$1,413,000	\$0	\$1,431,000	\$0	\$18,000	\$0
50	50	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0	\$0	\$0
51	51	CHHS AGENCY HIPAA FUNDING	\$700,000	\$0	\$651,000	\$0	-\$49,000	\$0
52	52	FUNCT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH	\$649,000	\$0	\$616,000	\$0	-\$33,000	\$0

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

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2009 EST. FOR 2010-11		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS								
53	53	IMMUNIZATION REGISTRY	\$851,000	\$0	\$851,000	\$0	\$0	\$0
54	54	MERIT SYSTEM SERVICES FOR COUNTIES	\$215,000	\$107,500	\$184,000	\$92,000	-\$31,000	-\$15,500
55	55	IMMUNIZATION REGISTRY IMPROVEMENT - DATA E	\$308,000	\$31,000	\$308,000	\$31,000	\$0	\$0
59	59	PIA EYEWEAR COURIER SERVICE	\$251,000	\$125,500	\$256,000	\$128,000	\$5,000	\$2,500
60		ELIMINATE CERTIFIED APPLICATION ASSISTANCE	-\$412,000	\$163,000	\$0	\$0	\$412,000	-\$163,000
OTHER DEPARTMENTS SUBTOTAL			\$611,422,000	\$1,077,000	\$740,077,000	\$1,064,000	\$128,655,000	-\$13,000
OTHER ADMINISTRATION SUBTOTAL			\$1,378,674,000	\$98,759,750	\$1,445,722,000	\$142,455,600	\$67,048,000	\$43,695,850
GRAND TOTAL ALL ADMIN. ADJUSTMENTS			\$1,628,383,000	\$177,715,250	\$1,582,109,000	\$168,348,600	-\$46,274,000	-\$9,366,650

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

MAY PC#	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	CDHS						
1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$291,264,000	\$0	\$353,930,000	\$0	\$62,666,000	\$0
2	CCS CASE MANAGEMENT	\$137,519,000	\$55,710,250	\$142,571,000	\$57,747,000	\$5,052,000	\$2,036,750
3	HEALTH CARE COVERAGE INITIATIVE - ADMIN COSTS	\$11,000,000	\$0	\$133,452,000	\$0	\$122,452,000	\$0
4	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$0	\$0
5	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT	\$21,498,000	\$0	\$10,749,000	\$0	-\$10,749,000	\$0
6	POSTAGE & PRINTING	\$12,695,000	\$6,226,700	\$12,695,000	\$6,226,700	\$0	\$0
7	CA-MMIS TAKEOVER OTHER STATE TRANSITION COST	\$769,000	\$192,250	\$6,948,000	\$1,737,000	\$6,179,000	\$1,544,750
8	CA-MMIS REPLACEMENT AND OVERSIGHT CONTRACT	\$2,100,000	\$559,000	\$8,522,000	\$1,495,150	\$6,422,000	\$936,150
9	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$7,313,000	\$2,549,250	\$7,313,000	\$2,549,250	\$0	\$0
10	LITIGATION RELATED SERVICES	\$9,386,000	\$4,693,000	\$9,400,000	\$4,700,000	\$14,000	\$7,000
11	MIS/DSS CONTRACT	\$7,680,000	\$2,303,500	\$7,159,000	\$1,953,000	-\$521,000	-\$350,500
12	COORDINATED CARE MANAGEMENT PILOTS	\$2,363,000	\$1,181,500	\$8,100,000	\$4,050,000	\$5,737,000	\$2,868,500
13	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$1,413,000	\$706,500	\$1,487,000	\$743,500	\$74,000	\$37,000
14	ARRA HITECH INCENTIVE PROGRAM	\$1,569,000	\$157,000	\$4,431,000	\$443,000	\$2,862,000	\$286,000
15	HIPAA CAPITATION PAYMENT PROJECT	\$1,600,000	\$250,000	\$400,000	\$40,000	-\$1,200,000	-\$210,000
16	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,100,000	\$550,000	\$1,200,000	\$600,000	\$100,000	\$50,000
17	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,000,000	\$500,000	\$1,000,000	\$500,000	\$0	\$0
18	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0
19	CHIPRA - DRA CITIZENSHIP OPTION	\$580,000	\$58,000	\$200,000	\$20,000	-\$380,000	-\$38,000
20	SPD EDUCATION AND OUTREACH	\$680,000	\$340,000	\$67,000	\$33,500	-\$613,000	-\$306,500
22	MITA	\$150,000	\$15,000	\$150,000	\$15,000	\$0	\$0
23	ENCRYPTION OF PHI DATA	\$485,000	\$242,500	\$200,000	\$100,000	-\$285,000	-\$142,500
24	ELECTRONIC VERIFICATION OF ASSETS	\$0	\$0	\$1,550,000	\$775,000	\$1,550,000	\$775,000
25	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$88,000	\$44,000	\$60,000	\$30,000	-\$28,000	-\$14,000
26	TAR POSTAGE	\$140,000	\$70,000	\$140,000	\$70,000	\$0	\$0
27	EPOCRATES	\$158,000	\$79,000	\$158,000	\$79,000	\$0	\$0
28	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$0	\$0	\$137,000	\$68,500	\$137,000	\$68,500

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

MAY PC#	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS							
29	EMILY Q. SPECIAL MASTER	\$171,000	\$85,500	\$171,000	\$85,500	\$0	\$0
30	HCO TAKEOVER CONSULTANT CONTRACT	\$34,000	\$17,000	\$0	\$0	-\$34,000	-\$17,000
31	PROVIDER ENROLLMENT AUTOMATION PROJECT	\$0	\$0	\$1,499,000	\$374,750	\$1,499,000	\$374,750
32	DISEASE MANAGEMENT PROGRAM	\$4,424,000	\$2,212,000	\$1,241,000	\$620,500	-\$3,183,000	-\$1,591,500
61	Q5i AUTOMATED DATA SYSTEM ACQUISITION	\$0	\$0	\$184,000	\$92,000	\$184,000	\$92,000
63	ARRA-ADDITIONAL FFP FOR SWCAP	\$1,651,000	\$0	\$0	\$0	-\$1,651,000	\$0
64	RATE STUDY FOR MAIC	\$0	\$0	\$500,000	\$250,000	\$500,000	\$250,000
65	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$0	\$0	\$300,000	\$150,000	\$300,000	\$150,000
69	MIS/DSS CLAIMING ADJUSTMENT	\$0	\$911,000	\$0	\$0	\$0	-\$911,000
71	RECONCILIATION WITH BUDGET ACT - GENERAL FUNC	\$0	\$0	\$43,022,000	\$43,022,000	\$43,022,000	\$43,022,000
72	RECONCILIATION WITH BUDGET ACT - FEDERAL FUND	\$0	\$0	-\$87,959,000	\$0	-\$87,959,000	\$0
	CDHS SUBTOTAL	\$553,498,000	\$92,474,200	\$705,645,000	\$141,391,600	\$152,147,000	\$48,917,400
OTHER DEPARTMENTS							
34	PERSONAL CARE SERVICES	\$278,386,000	\$0	\$262,116,000	\$0	-\$16,270,000	\$0
35	HEALTH RELATED ACTIVITIES/TITLE XIX	\$186,942,000	\$0	\$195,188,000	\$0	\$8,246,000	\$0
36	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$154,864,000	\$0	\$156,793,000	\$0	\$1,929,000	\$0
37	MATERNAL AND CHILD HEALTH	\$28,438,000	\$0	\$35,405,000	\$0	\$6,967,000	\$0
38	CDDS ADMINISTRATIVE COSTS	\$51,027,000	\$0	\$31,908,000	\$0	-\$19,119,000	\$0
39	PUBLIC HEALTH NURSES FOR FOSTER CARE	\$17,633,000	\$0	\$20,511,000	\$0	\$2,878,000	\$0
40	DEPARTMENT OF PUBLIC HEALTH (CDPH) ADMIN COS	\$8,613,000	\$0	\$7,736,000	\$0	-\$877,000	\$0
41	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,747,000	\$0	\$6,165,000	\$0	\$1,418,000	\$0
42	DEPARTMENT OF ALCOHOL AND DRUG ADMIN. COSTS	\$4,178,000	\$0	\$4,257,000	\$0	\$79,000	\$0
43	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0
44	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,094,000	\$0	\$3,715,000	\$0	\$621,000	\$0
45	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,379,000	\$0	\$2,499,000	\$0	\$120,000	\$0
46	FAMILY PACT MIP AND I&E PROGRAMS	\$634,000	\$0	\$986,000	\$0	\$352,000	\$0

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2009-10 AND 2010-11**

MAY PC#	POLICY CHANGE TITLE	MAY 2010 EST. FOR 2009-10		MAY 2010 EST. FOR 2010-11		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS							
47	OUTREACH - CHILDREN	\$1,653,000	\$799,000	\$1,626,000	\$813,000	-\$27,000	\$14,000
48	BABY WELCOME KITS	\$5,761,000	\$0	\$1,719,000	\$0	-\$4,042,000	\$0
49	FAMILY PACT WAIVER DEMO EVALUATION	\$1,165,000	\$0	\$1,431,000	\$0	\$266,000	\$0
50	VETERANS BENEFITS	\$956,000	\$0	\$956,000	\$0	\$0	\$0
51	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0	\$0	\$0
52	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH	\$446,000	\$0	\$616,000	\$0	\$170,000	\$0
53	IMMUNIZATION REGISTRY	\$284,000	\$0	\$851,000	\$0	\$567,000	\$0
54	MERIT SYSTEM SERVICES FOR COUNTIES	\$200,000	\$100,000	\$184,000	\$92,000	-\$16,000	-\$8,000
55	IMMUNIZATION REGISTRY IMPROVEMENT - DATA EXCHANGE	\$137,000	\$14,000	\$308,000	\$31,000	\$171,000	\$17,000
56	PERINATAL HIV TESTING PROJECT	\$119,000	\$0	\$0	\$0	-\$119,000	\$0
57	CMIPS II	\$111,000	\$111,000	\$0	\$0	-\$111,000	-\$111,000
58	HEALTH-E APP	\$20,000	\$0	\$0	\$0	-\$20,000	\$0
59	PIA EYEWEAR COURIER SERVICE	\$1,486,000	\$743,000	\$256,000	\$128,000	-\$1,230,000	-\$615,000
	OTHER DEPARTMENTS SUBTOTAL	\$758,124,000	\$1,767,000	\$740,077,000	\$1,064,000	-\$18,047,000	-\$703,000
	OTHER ADMINISTRATION SUBTOTAL	\$1,311,622,000	\$94,241,200	\$1,445,722,000	\$142,455,600	\$134,100,000	\$48,214,400
	GRAND TOTAL COUNTY AND OTHER ADMIN.	\$1,487,558,000	\$135,797,200	\$1,582,109,000	\$168,348,600	\$94,551,000	\$32,551,400

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

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

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

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

RECONCILIATION WITH BUDGET ACT - GENERAL FUND

OTHER ADMIN. POLICY CHANGE NUMBER: 71
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 1532

	<u>FY 2009-10</u>	<u>FY 2010-11</u>
TOTAL FUNDS	\$0	\$43,022,000
STATE FUNDS	\$0	\$43,022,000
FEDERAL FUNDS	\$0	\$0

DESCRIPTION

This policy change reconciles General Funds for the May 2010 Medi-Cal Estimate to the Budget Act of 2010.

(In Thousands)	<u>TF</u>	<u>GF</u>
4260-101-0001 (Title XIX)	\$43,059	\$43,059
4260-610-0995 (Reimbursement)	-\$37	-\$37
Total	\$43,022	\$43,022

RECONCILIATION WITH BUDGET ACT - FEDERAL FUNDS

OTHER ADMIN. POLICY CHANGE NUMBER: 72
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 1533

	FY 2009-10	FY 2010-11
TOTAL FUNDS	\$0	-\$87,959,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	-\$87,959,000

DESCRIPTION

This policy change reconciles federal funds for the May 2010 Medi-Cal Estimate to the Budget Act of 2010.

	TF	FFP
(In Thousands)		
4260-101-0890 (Title XIX)	-\$86,958	-\$86,958
4260-113-0890 (Title XXI)	-\$1,003	-\$1,003
4230-117-0890 (HIPAA)	\$2	\$2
Total	-\$87,959	-\$87,959

BUDGET ACT OF 2010
CHANGES TO THE
MAY 2010
MEDI-CAL ESTIMATE

FISCAL
INTERMEDIARY

FISCAL INTERMEDIARY ESTIMATE

May 2010 Appropriation

FY 2010-11	TOTAL	FEDERAL	STATE
HP MEDICAL FISCAL INTERMEDIARY CONTRACT (a)	\$125,055,000	\$89,462,000	\$35,593,000
ACS MEDICAL FISCAL INTERMEDIARY CONTRACT (a)	\$111,511,000	\$85,528,000	\$25,983,000
DENTAL FISCAL INTERMEDIARY CONTRACT (b)	\$61,804,000	\$43,542,000	\$18,262,000
HEALTH CARE OPTIONS	\$55,731,000	\$27,865,000	\$27,866,000
STATE CONTROLLER/STATE TREASURER	\$2,795,000	\$1,807,000	\$988,000
INSURANCE I.D. CONTRACTS	\$5,500,000	\$4,125,000	\$1,375,000
PROVIDER VERIFICATION FILE	\$4,000	\$3,000	\$1,000
RECONCILIATION WITH BUDGET ACT	\$4,533,000	\$4,278,000	\$255,000
TOTAL MEDI-CAL COSTS	<u>\$366,933,000</u>	<u>\$256,610,000</u>	<u>\$110,323,000</u>

Optional Contractual Services expenditures of \$409,163 are included in the Reimbursement line (4260-610-0995) in the Management Summary.

Refugee expenditures of \$178,341 are included in the Reimbursement line (4260-610-0995) in the Management Summary.

(a) Includes \$778,987 (\$331,144 GF) for Title XXI activities (4260-113-0001/0890), and \$42,195,148 (\$5,877,392 GF) for HIPAA (4260-117-0001/0890).

(b) Includes \$285,000 (\$99,750 GF) for Title XXI activities (4260-113-0001/0890), and \$3,063,000 (\$540,750 GF) for HIPAA (4260-117-0001/0890).

FISCAL INTERMEDIARY

Comparison of May 2010 Estimate to Appropriation and November 2009 Estimate

Current Year 2009-10 Comparison

	<u>2009-10 Appropriation</u>		<u>November 2009 Estimate CY</u>		<u>May 2010 Estimate CY</u>		<u>Difference between May 2010 & Appropriation</u>		<u>Difference between May 2010 & November 2009</u>	
	<u>Total Funds</u>	<u>State Funds</u>	<u>Total Funds</u>	<u>State Funds</u>	<u>Total Funds</u>	<u>State Funds</u>	<u>Total Funds</u>	<u>State Funds</u>	<u>Total Funds</u>	<u>State Funds</u>
	Total Medical Fiscal Intermediary	\$205,888,000	\$61,783,000	\$182,885,000	\$49,966,000	\$159,267,000	\$46,179,000	(\$46,621,000)	(\$15,604,000)	(\$23,618,000)
Total Dental Fiscal Intermediary	\$73,005,000	\$22,498,000	\$64,437,000	\$19,599,000	\$63,473,000	\$18,956,000	(\$9,532,000)	(\$3,542,000)	(\$964,000)	(\$643,000)
Total Health Care Options	\$54,252,000	\$27,126,000	\$53,604,000	\$26,802,000	\$50,557,000	\$25,279,000	(\$3,695,000)	(\$1,847,000)	(\$3,047,000)	(\$1,523,000)
Total Miscellaneous Expenditures	(\$13,173,000)	(\$2,341,000)	\$8,937,000	\$2,685,000	\$8,799,000	\$2,489,000	\$21,972,000	\$4,830,000	(\$138,000)	(\$196,000)
GRAND TOTAL	\$319,972,000	\$109,066,000	\$309,863,000	\$99,052,000	\$282,096,000	\$92,903,000	(\$37,876,000)	(\$16,163,000)	(\$27,767,000)	(\$6,149,000)

Budget Year 2010-11 Comparison

	<u>November 2009 Estimate BY</u>		<u>May 2010 Appropriation Estimate BY</u>		<u>Difference between May 2010 & November 2009</u>	
	<u>Total Funds</u>	<u>State Funds</u>	<u>Total Funds</u>	<u>State Funds</u>	<u>Total Funds</u>	<u>State Funds</u>
	HP Medical Fiscal Intermediary	\$177,746,000	\$49,560,000	\$125,055,000	\$35,593,000	(\$52,691,000)
ACS Medical Fiscal Intermediary	\$0	\$0	\$111,511,000	\$25,983,000	\$111,511,000	\$25,983,000
Total Dental Fiscal Intermediary	\$65,393,000	\$19,497,000	\$61,804,000	\$18,262,000	(\$3,589,000)	(\$1,235,000)
Total Health Care Options	\$51,051,000	\$25,526,000	\$55,731,000	\$27,866,000	\$4,680,000	\$2,340,000
Total Miscellaneous Expenditures	\$8,437,000	\$2,560,000	\$12,832,000	\$2,619,000	\$4,395,000	\$59,000
GRAND TOTAL	\$302,627,000	\$97,143,000	\$366,933,000	\$110,323,000	\$64,306,000	\$13,180,000