



Department of Health Care Services  
**MEMORANDUM**

**DATE:** March 26, 2015

**TO:** Members of the California Legislature

**FROM:** Carol Gallegos  
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**SUBJECT:** Report to the Legislature – Nondesignated Public Hospital Intergovernmental Transfer Program

This serves as the final legislative report from the Department of Health Care Services for the Nondesignated Public Hospital Intergovernmental Transfer (NDPH-IGT) Program, prepared in compliance with Assembly Bill 113 (Monning, Chapter 20, Statutes of 2011) and mandated by Welfare and Institutions Code Section 14165.57(l). This report is due to the Legislature by March 1, 2015. The NDPH-IGT Program provides supplemental reimbursement for Medicaid fee-for-service inpatient hospital services on an annual basis.

**Principal findings and recommendations:**

The purpose of this report is to identify the amount of funds available within the upper payment limit (UPL), the total amount of IGT funds transferred by public entities, the total amount of federal financial participation (FFP) received by NDPHs, and information on the effectiveness of the IGT allocation formula to distribute available federal matching funds among participating NDPHs.

NDPH-IGT FY 2013-14*	
Available UPL	\$111,652,447.00
Total IGT	\$ 42,069,836.50
Total FFP	\$ 69,582,610.50

\*The Total FFP includes the federal share for the 100% FFP Affordable Care Act (ACA) Optional Population. The methodology for calculating the federal share for the 100% FFP ACA Optional Population is pending the CMS approval. Public entities are not required to submit IGTs for the UPL room attributable to the 100% FFP ACA Optional Population.

The effectiveness of the allocation formula/model was approved by the Centers for Medicare and Medicaid Services (CMS) on October 20, 2011. The NDPH-IGT program has been successful in supplementing \$69,582,611 in federal financial relief to 44 participating facilities, along with retaining \$4,160,753 to reimburse DHCS for administrative costs and for the benefit of Medi-Cal children's health care programs.