

ATTACHMENT 3

EPSDT Cost Settlement

**Final Settlement: EPSDT SD/MC - (SGF)**

The final settlement of SGFs for EPSDT services is based on the cost report and claims. Interim payments from the initial and quarterly distributions and the quarterly claims payment adjustments will be reconciled during settlement. The methodology described below considers the fact that the final settlement for EPSDT **will occur by County of Beneficiary while** the cost report settlement occurs by County of Service. In addition, all counties including those with negotiated rates, will be settled in the same manner which is detailed as follows:

**A. County of Service Information:**

As **shown below**, County of Service information for Fiscal Years (FYs) 1994-95 and 1995-96 **will be obtained from** the Health and Welfare Data Center (HWDC) Short-Doyle Medi-Cal (SD/MC) **paid** claims information database and from the Cost Report/Data Collection cost report fiscal **year-end** settlement documentation. The distribution of children's paid claims (full scope, non-hospital, SD/MC) among County of Beneficiary within this County of Service is displayed in "A 1." In addition, the Amount of SGF advanced and paid on an interim basis to the county for EPSDT SD/MC from DMH Accounting will be identified in "A9."

county of service AAA  
FY 1994-95

	<i>County of Beneficiary AAA</i>	<i>county of Beneficiary x x x</i>	<i>county of Beneficiary YYY</i>	<i>TOTAL</i>
1. Determine \$ amount of children's paid claims (Full scope, non-hospital, SD/MC from HWDC).	\$157,250	\$18,500	\$9,250	\$185,000
2. Determine total \$ amount of paid claims (total non-hospital from HWDC).				\$450,000
3. Calculate total SD/MC actuals (after settlement excluding UR/Admin./MAA from CR/DC).				\$210,000
4. Ratio of total SD/MC actuals to total claims.				46.67%

<i>County of Service AAA FY 1995-96</i>	<i>County of Beneficiary AAA</i>	<i>County of Beneficiary xxx</i>	<i>County of Beneficiary YYY</i>	<i>TOTAL</i>
5. Determine \$ amount of children's paid claims (full scope, non-hospital, SD/MC from HWDC).	\$119,000	\$ 14,000	\$7,000	\$140,000
6. Determine total \$ amount of paid claims (total non-hospital from HWDC).				\$410,000
7. Calculate total SD/MC actuals (after settlement excluding UR/Admin./MAA from CR/DC).				\$300,000
8. Ratio of total SD/MC actuals to total claims.				73.17%
9. 1995-96 Advance amount and interim payments for EPSDT SD/MC SGF match from accounting.				\$4,500

B. Calculation of Children's SD/MC Actuals by County of Beneficiary within each County of Service:

To obtain the estimated children's SD/MC actuals for each county of beneficiary, multiply the ratio of total SD/MC actuals to total claims ("A4" and "A8") by the total children's claims ("A1" and "AS") for each county of beneficiary.

*County of Service  
AAA  
FY 1994-95*

1. Multiply ratio ("A4") by total children's claims ("A1") for each county of beneficiary within the county of service.

<i>county of Beneficiary</i>	<i>Total Children's Paid Claims in \$\$</i>	<i>Ratio of Actuals to Total</i>	<i>Children's SD/MC Actuals</i>
AAA	\$157,250	46.67%	<b>\$73,389</b> = .4667 X \$157,250
xxx	\$18,500	46.67%	<b>\$8,634</b> = .4667 X \$18,500
YYY	\$9,250	46.67%	<b>\$4,317</b> = .4667 X \$9,250
Total	\$ 185,000	46.67%	<b>\$86,340</b>

County of Service  
 AAA  
 FY 1995-96

2. Multiply ratio ("A8") by total children's claims ("A5") for each county of beneficiary within the county of service.

<i>county of Beneficiary</i>	<i>Total Children's Paid Claims in \$\$</i>	<i>Ratio of Actuals to Total</i>	<i>Children s SD/MC Actuals</i>
AAA	\$1 19,000	73.17%	<u>\$87,072</u> = .7317 x \$1 19,000
x x x	\$14,000	73.17%	<u>\$10,244</u> = .7317 X \$14,000
YYY	\$7,000	73.17%	<u>\$5,122</u> = .7317 X \$7,000
Total	\$140,000	73.17%	<u>\$102,438</u>

C. **Determination of Increase in Children's Actuals due to EPSDT by County of Beneficiary within County of Service:**

To obtain the total EPSDT SD/MC amount for each county of beneficiary, subtract the FY 1994-95 children's SD/MC actuals ("B1") from the FY 1995-96 children's SD/MC actuals ("B2") for each county of beneficiary within the county of service. To determine the amount of EPSDT SD/MC SGF match for each county of beneficiary within the county of service, multiply each EPSDT SD/MC amount by .50.

**County of Service AAA**

<i>county of Beneficiary</i>	<i>Children's SD/MC Actuals 95-96</i>	<i>Children's SD/MC Actuals 94-95</i>	<i>EPSDT SD/MC</i>	<i>EPSDT SD/MC SGF</i>
AAA	\$87,072	\$73,309	<b>\$13,663</b> = \$87,072 - \$73,389	<b>\$6,841</b> = \$13,683 X .50
XXX	\$10,244	\$8,634	<b>\$1,610</b> = \$10,244 - \$8,634	<b>\$805</b> = \$1,610 X .50
YYY	\$5,122	\$4,317	\$805 = \$5,122 - \$4,317	<b>\$403</b> = \$805 X .50
Total	\$102,438	\$86,340	<b>\$ 16,098</b>	<b>\$8,049</b>

**D. County of Beneficiary Total EPSDT State General Fund Match Determination:**

To determine the total **EPSDT SGF** match amount, all counties of **service** that distributed **EPSDT SGF amounts to the county of beneficiary** being settled must be identified. In the example displayed, county XXX and YYY are hypothetical and include data that assume county of service calculations were **performed and resulted in the amounts** used in the example.

**County of Beneficiary AAA  
FY 1995-96**

County of Service	EPSDT SGF amounts allocated to County of Beneficiary AAA
AAA	<p style="text-align: right;"><b>\$6.841</b></p> <p style="text-align: right;">= \$13,683 X .5</p>
<p style="text-align: center;">xxx (hypothetical data)</p>	<p style="text-align: right;"><b>-\$100</b></p>
<p style="text-align: center;">yyy (hypothetical data)</p>	<p style="text-align: right;"><b>\$354</b></p>
<p style="text-align: center;">Total</p>	<p style="text-align: right;"><b>\$7.191</b></p>

**E. Settlement of EPSDT SD/MC Slate General Fund by County of Beneficiary:**

The settlement of the EPSDT SD/MC SGF amount will occur by comparing the total EPSDT SD/MC SGF calculation with the amount of EPSDT SD/MC SGF amounts advanced and paid on an interim basis to each county during the year.

<b>County of <i>Bene ficiary</i> AAA FY 1995-96</b>	<b>State General Fund Match for EPSDT SD/MC</b>
1. Total EPSDT SD/MC SGF match allocated to county of beneficiary AAA ("D" total).	<u><b>\$7,191</b></u>
2. 1995-96 advance amount and interim payments for EPSDT SD/MC SGF match ("A9").	<u><b>\$4,500</b></u>
3. Line 1 minus line 2 equals the amount of SGF for EPSDT SD/MC owed to the county of beneficiary or owed back to the State.	<u><b>\$2,691</b></u>  = \$7,191 - \$4,500