

### CCS Administrative Allocation Questions and Answers

1. Will there be a new FY08-09 allocation for Diagnostic & Treatment Budget?

No. CCS Diagnosis and Treatment continues to be governed by the provisions of Section 123940 of the Health and Safety Code.

2. Can money be shifted from the therapy allocation to treatment?

Yes.

3. Can money be shifted between administration and the MTP?

No.

4. Are the county administration allocations caseload driven, i.e., Medi-Cal funds must be used for services provided to Medi-Cal caseload?

Yes.

5. It appears that the county was given 3 separate allocations (MediCal, Healthy Families, and CCS Only) rather than 1 total allocation. Will the counties be allowed to shift funds between those three separate allocations as long as the total amount is not exceeded?

No

6. Since the state has determined that CCS is no longer considered an entitlement program, will the counties be allowed to establish caseload caps and waiting lists for the 3 categories of allocations (MediCal, Healthy Families, and CCS Only) if the allocations can not be shifted between the three categories?

Under existing law which dates back to the State Local Program Realignment Initiative of 1991, CCS is not an "entitlement." Also under the CCS statutes that were in effect prior to Realignment, CCS was not an "entitlement." Existing law makes no provision for CCS caseload caps or waiting lists.

7. Will the county be allowed to backfill the State share (county match budgets) in order to draw down Federal dollars?

This is a possibility for the Medi-Cal component of the CCS county admin budget but no methodology has been identified to enable this. If a methodology is identified, separate instructions on this will be issued.

8. Will counties be held to the allocations of each specific funding stream (CCS-only, CCS Healthy Families - State and Federal, and Medi-Cal - State and Federal) Specifically, we want to know if counties can draw down additional Federal funds by maximizing enhanced activities, such as enhancing supportive staff that have not previously completed Time Studies and drawn down enhanced funding.

Yes. If a methodology is established for county match budgets it would be applicable only the Medi-Cal caseload and would not be a blank check. It is not clear to us what is meant by "maximizing enhanced activities." We expect that any enhanced FFP claimed staff from this funding stream would be claimed in full conformance with federal guidelines. Complete documentation, including time studies would have to be maintained for any possible county match FFP draw down.

9. What will be the process/plan to evaluate county interest and potential cost effectiveness of developing the CCS "County-Match" budget concept?

No process has been identified. The Department is exploring ways to accomplish this.

10. Will the county receive reimbursement for the FY07-08 Budget Revisions?

Yes. However, all county administration claims, without regard to fiscal year, adjudicated and paid in FY 2008-09 cannot exceed the allocations for CCS county administration in the FY 2008-09 appropriations.

11. How will the State address the fiscal impact of requiring both the 4th Quarter FY07-08 claim and the 1st Quarter FY08-09 claim to be paid out of this year's allocation?

CCS has always functioned on a cash basis. Claims for a prior fiscal year adjudicated and paid after the end of that fiscal year have always been paid from the appropriation for the subsequent fiscal year. For example claims for the 4<sup>th</sup> quarter of 2008-09 adjudicated subsequent June 30, 2009 will be paid from the 2009-10 appropriation.

12. I understood the State of California to operate on a modified accrual basis; is this true and if so why does CCS not do so?

CCS has always functioned on a cash basis.

11/17/08

13. Counties were assured that fiscal year 07-08 budgets would be honored. CCS appears to be retreating from this assurance by charging claims billed after June 30<sup>th</sup> 08 to fiscal year 08-09 allocations.

FY 2007-08 county administration invoices are being adjudicated and paid. As always (for CCS) prior year claims adjudicated and paid subsequent to June 30 are paid from the current year appropriation.

14. Do the allocation amounts for Healthy Families include both federal and State funds?

Yes.

15. Four quarters of 2007-08 claims are used to calculate the CCS Admin allocation for 08-09, but State CCS seems to want to pay five or more quarters in 08-09 against the allocation for four. This represents a greater reduction than the legislature intended.

There was no Legislative reduction of the aggregate CCS county administration allocation. The aggregate 2008-09 CCS county administration allocation was not based 2007-08 claims. The ratio of a county's 2007-08 county administration reimbursement to total (all) county 2007-08 administration reimbursements was applied to the aggregate 2008-09 General Fund allocation for CCS administration to determine the county's individual allocation.

16. Has there been a deadline established for submission of the budget?

Counties should submit administrative budgets and their county CCS plan by December 15, 2008.

17. Will we need to adhere to current staffing standards?

No.

18. Is vendored therapy covered by the MTP allocations?

No. As in the past vendored therapy claims paid by EDS will have always been paid from the DX/RX/Therapy services allocation.

19. Is the MTU reimbursement from Medi-Cal (based on PTR submission) be subject to a % reduction in this fiscal year?

Yes. It will be subject to the applicable provider reimbursement reduction.

20. Do we need to adhere to coming in at (or below) each of the budget amounts or do we need to come in at (or below) the total budgeted number?

It is up to each county to determine their budget goals. Invoices must be submitted based on actual caseload composition and expenditures. CCS Administration invoices adjudicated in FY 2008-09 will be reimbursed up to the level of the allocations.

21. Will counties still be able to claim 100% funds for IEP Attendance and SELPA/LEA Liaison activities? If so, are those funds included and/or specified in the allocations?

Yes. These funds are included in the allocation but not specifically identified.

22. Will the MTU's continue to do quarterly time studies for the 100% IAA/SELPA activities and draw 100% funding for that time as previously?

Yes.

23. What will be the future method & due dates for certifying funds for Diagnosis & Treatment?

At this time we anticipate no change in the process or timeline for certifying diagnosis and treatment funding.

24. Are the current Quarterly Report of Expenditure forms still applicable for use with this new method?

Yes.

25. Is there a mechanism for approval & payment of M&T expenditures for the Medi-Cal, HF and CCS population outside of our fixed allocations?

No. Maintenance and transportation has always been paid from county administration. That is the only way FFP can be drawn down to reimburse counties for M & T expenditures for Medi-Cal clients.

26. How will the money be disbursed following quarterly invoicing?

There will be no change except that reimbursements for the fiscal year will be capped at the level of the allocation.

27. What will happen if there is extra money? Would there be a re-allocation process?

No determination has been made on this.

28. If the federal SCHIP is not reauthorized after March 2009, might the HF allocation be reduced?

This is unknown to us at this time. If SCHIP is not reauthorized anything is possible.

29. If a county runs out of its allocation, can it tell families they are not eligible for CCS in order to make the child eligible for county funding available only to those not eligible for other programs?

There is no provision in existing law for a county to determine that an otherwise eligible child is not eligible for CCS in order for that child to be eligible for some other type of health care coverage.

30. Will a county volunteering to pilot the palliative care project get reimbursed through other funding for costs associated with that project?

The Department continues to explore options for providing Medi-Cal administrative funding for staffing the waiver program.

31. Please confirm the MTU allocations are the allocations for the State portion only. The county budget would match this amount. What are covered in the MTU allocations?

The MTU allocations are the State General Fund component only. These allocations will cover the state share of cost for operating the counties MTUs including the AB 3632 100% state funded costs.

32. The providers have a 10% reduction in reimbursement. Should we expect other impact on the FY 08-09 Diagnostic, Treatment and Therapy (DTT) budget allocations?

The counties should accrue savings for CCS-only and CCS/Healthy Families diagnosis and treatment because of the provider reimbursement reductions.

33. Title XIX is federal entitlement program funding – why is the federal portion being capped?

The Department is exploring mechanisms that would uncap the Title XIX component and enable a county to maximize use of the General Fund in their Medi-Cal allocation by drawing down more Title XIX.

34. Will Diagnostic, Treatment & Therapy expenditures on the 940's still have a 50/50 State/County split

Yes.

35. Will the Healthy Families Quarterly Report of Expenditures remain the same?

Yes.

36. Will there be an ongoing discussion about future year's budgetary methodology?

We anticipate an ongoing dialog. However, we are not able to discuss the FY 2009-2010 budget issues until the 2009 Governor's Budget is released in January.

37. What does the term "adjudication" mean in the context of CCS county administration quarterly invoices?

When the CMS Branch "adjudicates" a Quarterly CCS County Administration invoice or claim for reimbursement it means that the CMS Branch: 1) has checked the claim to see that it computes; 2) has checked the claim for conformance with the county's administrative budget; and 3) has checked the funding reported on the claim for conformance with the counties actual caseload metrics reported for the quarter, i.e., CCS-only, CCS/Healthy Families, and CCS/Medi-Cal caseload. The CMS Branch then completes the DHCS internal claim transmittal documents with the appropriate CALSTARS Accounting System coding and approved reimbursement amounts and transmits these to the three service desks, i.e., CCS-only, Healthy Families, and Medi-Cal, in the DHCS Accounting Section where electronic payment schedules are prepared and transmitted to the State Controller for payment.