

FAMILY HEALTH
November 2017
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2017-18 *and* 2018-19



The Great Seal

STATE OF CALIFORNIA
DEPARTMENT OF HEALTH CARE SERVICES

**FAMILY HEALTH
November 2017
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2017-18 and 2018-19**

Fiscal Forecasting Division
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Family Health Local Assistance Estimate Management Summary November 2017 Estimate

The Family Health Local Assistance Estimate forecasts the current and budget year expenditures for four of the Department's state-only programs; California Children's Services, Child Health and Disability Prevention, Genetically Handicapped Persons Program, and Every Woman Counts. These programs assist families and individuals by providing services for low-income children and adults with special health care needs who do not qualify for enrollment in the Medi-Cal program. Costs for individuals with these special health care needs who qualify for Medi-Cal are included in the Medi-Cal Local Assistance Estimate.

The Family Health Local Assistance Estimate is categorized into four separate state-only programs. Each category includes estimated expenditures for benefits, administration, and fiscal intermediary costs:

- Benefits: Expenditures for the care of the individuals enrolled in the program, including estimated base expenditures and those added through a policy change.
- Administration: Expenditures to determine program eligibility and the costs to administer the program.
- Fiscal Intermediary: Expenditures associated with the processing of medical claims.

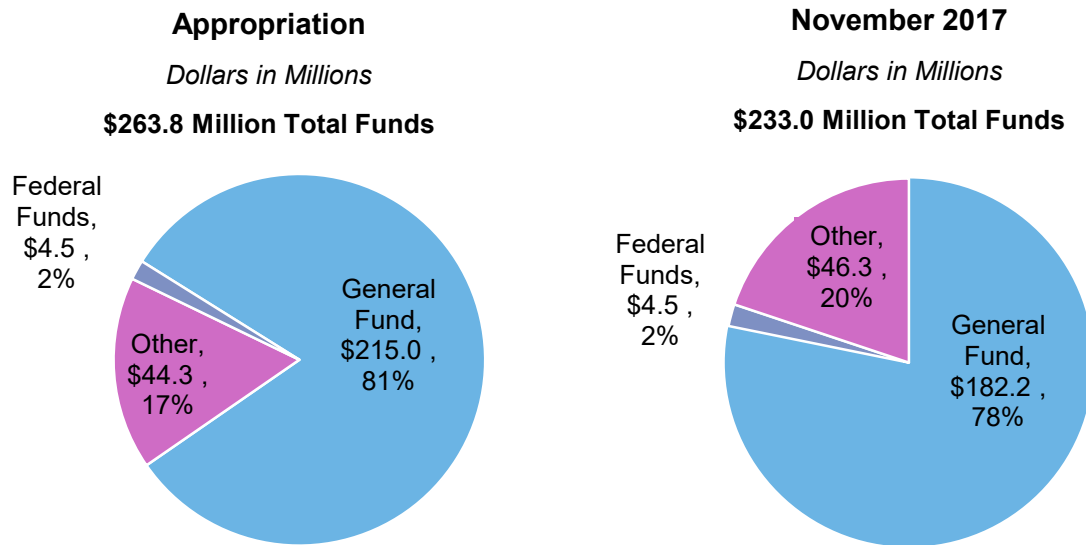
The following is a brief description of each program.

- California Children's Services (CCS): The CCS program, established in 1927, is one of the oldest public health care programs in the nation and administered in partnership with county health departments. The CCS state-only program provides health care services to children up to age 21 who have a CCS-eligible condition, such as: cystic fibrosis, hemophilia, cerebral palsy, heart disease, cancer, or traumatic injury. Either children enrolled in the CCS state-only program do not qualify for full-scope Medi-Cal or their families cannot afford the catastrophic health care costs for the child's care.
- Child Health and Disability Prevention (CHDP): The CHDP program, established in 1973 provides complete health assessments (screens) and immunizations for children at or under 18 years of age whose family income is at or below 200% of the Federal Poverty Level (FPL) and who are not eligible for Medi-Cal. This program also administers the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit for Fee-For-Service Medi-Cal recipients.
- Genetically Handicapped Persons Program (GHPP): The GHPP program, established in 1975, provides medically necessary services and administrative case management for individuals age 21 and over with a GHPP-eligible condition, such as cystic fibrosis, hemophilia, sickle cell, Huntington's, or metabolic diseases. The GHPP state-only program is for those individuals who do not qualify for full scope Medi-Cal.
- Every Woman Counts (EWC) Program: The EWC program provides free breast and cervical cancer screening and diagnostic services to uninsured and underinsured Californians who do not qualify for Medi-Cal. In prior Family Health Estimates, program benefits and administrative costs were budgeted on an accrual basis, while other programs in the Family Health Estimate are budgeted on a cash basis. Beginning with

FY 2017-18, the EWC program benefits and administrative costs transitioned from an accrual basis to budgeting on a cash basis.

Family Health program’s estimated expenditures are \$233.02 million in FY 2017-18 and \$257.65 million in FY 2018-19. This does not include funds spent by county health departments on these programs.

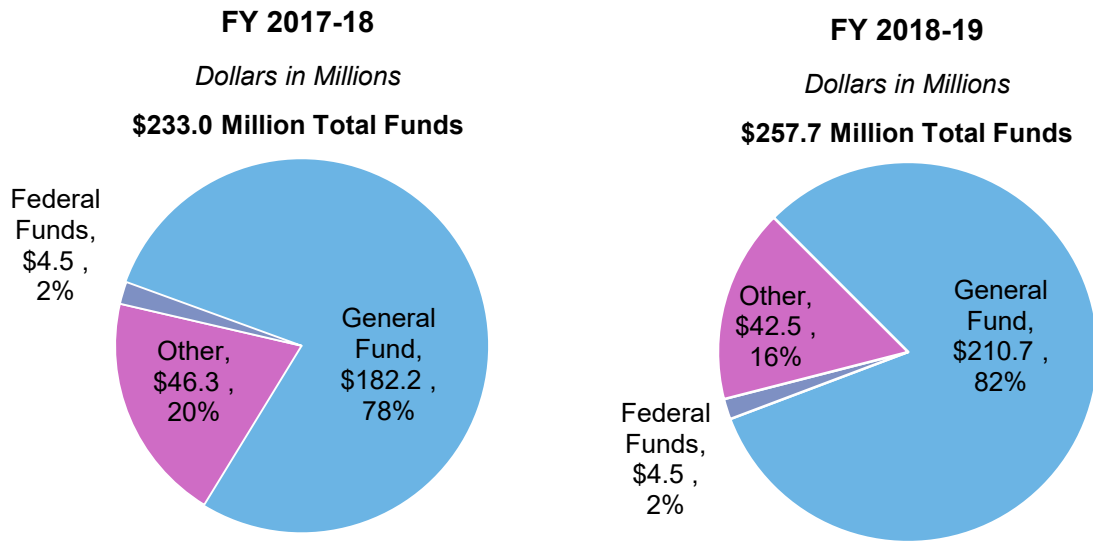
FY 2017-18



The November 2017 Family Health Estimate for FY 2017-18 is \$32.81 million less in General Fund costs than the FY 2017-18 Budget Appropriation.

	FY 2017-18 General Fund		
	Appropriation	November 2017	Change
<u>Fund 4260-111-0001</u>			
California Children’s Services (CCS)	\$ 81.78	\$ 77.48	\$ (4.30)
Child Health and Disability Prevention Program (CHDP)	\$ 0.001	\$ 0.003	\$ 0.002
Genetically Handicapped Persons Program (GHPP)	\$ 133.14	\$ 98.72	\$ (34.42)
Total Fund 4260-111-0001	\$ 214.92	\$ 176.20	\$ (38.72)
<u>Fund 4260-114-0001</u>			
Every Woman Counts Program (EWC)	\$ 0.09	\$ 6.00	\$ 5.91
Total Fund 4260-114-0001	\$ 0.09	\$ 6.00	\$ 5.91
Total General Fund	\$ 215.01	\$ 182.20	\$ (32.81)

(Dollars in Millions, Rounded)



The Family Health General Fund costs are estimated to increase by \$28.47 million between FY 2017-18 and FY 2018-19.

	November 2017 General Fund		
	FY 2017-18	FY 2018-19	Change
<u>Fund 4260-111-0001</u>			
California Children’s Services (CCS)	\$ 77.48	\$ 83.37	\$ 5.89
Child Health and Disability Prevention Program (CHDP)	\$ 0.003	\$ 0.003	\$ -
Genetically Handicapped Persons Program (GHPP)	\$ 98.72	\$ 118.33	\$ 19.61
<u>Total Fund 4260-111-0001</u>	<u>\$ 176.20</u>	<u>\$ 201.70</u>	<u>\$ 25.50</u>
<u>Fund 4260-114-0001</u>			
Every Woman Counts Program (EWC)	\$ 6.00	\$ 8.96	\$ 2.96
<u>Total Fund 4260-114-0001</u>	<u>\$ 6.00</u>	<u>\$ 8.96</u>	<u>\$ 2.96</u>
Total General Fund	<u>\$ 182.20</u>	<u>\$ 210.66</u>	<u>\$ 28.47</u>

(Dollars in Millions, Rounded)

Significant Changes

Dollars in Millions

		Change from Appropriation		Change from Appropriation		Change from FY 2017-18	
		FY 2017-18		FY 2018-19		FY 2018-19	
Name	PC	TF	GF	TF	GF	TF	GF
CCS							
CCS Treatment		-\$1.03	-\$1.03	-\$1.03	-\$1.03	\$0.00	\$0.00
New High Cost Treatments for Specific Conditions	9	-\$2.24	-\$2.24	\$2.00	\$2.00	\$4.24	\$4.24
CCS MTP – Special Education	11	-\$1.34	-\$1.34	-\$0.79	-\$0.79	\$0.54	\$0.54
CHDP							
CHDP Screens & FI		\$0.002	\$0.002	\$0.002	\$0.002	\$0.000	\$0.000
GHPP							
GHPP Treatment		-\$29.23	-\$29.23	-\$21.25	-\$21.25	\$7.98	\$7.98
Blood Factor Drug Rebates and Contract Savings	3	-\$2.00	-\$2.00	\$1.91	\$1.91	\$3.91	\$3.91
New High Cost Treatments for Specific Conditions	6	-\$3.55	-\$3.55	\$4.70	\$4.70	\$8.25	\$8.25
EWC							
EWC Base Services		\$5.76	\$5.76	\$8.83	\$8.83	\$3.07	\$3.07

CCS Treatment

CCS State-Only treatment base expenditures have been decreasing, the Department has estimated expenditures at this recent lower level.

New High Cost Treatments for Specific Conditions (CCS PC 9)

This policy change budgets new high cost services and treatments recently approved by the FDA separately until the costs of these services are fully incorporated into the CCS treatment Base expenditures.

The updated estimated expenditures reflect phase-in changes and the addition of new treatments.

CCS MTP – Special Education (CCS PC 11)

CCS–MTP is required by a precedent setting decision of the California Fifth Appellate District Court to provide educationally necessary PT/OT services without regard to medical necessity for those CCS-MTP clients/pupils enrolled in special education and have CCS-MTP PT/OT services included in their Individual Education Program (IEP) as a “related service.” Any proposed change in the level of PT/OT services based on CCS-MTP medical findings can be vetoed by a member of the IEP team, which includes the parent/family. The level of services that will be required under the precedent established by the court exceeds the levels based solely on medical necessity. In addition, because these services are not medically necessary, they are deemed not eligible for federal financial participation.

The change from the prior estimate, for FY 2017-18, is a decrease due to a change in methodology for calculating the cost of service delivery.

The increase from FY 2017-18 to FY 2018-19 is due to additional beneficiaries maintaining active therapy status.

CHDP Screens and Fiscal Intermediary Costs

CHDP screens were expected to fully transition to Medi-Cal with the implementation of the SB 75 Expansion of Medi-Cal for all Children. Some children continue to be enrolled in the CHDP gateway program for limited-scope emergency Medi-Cal and share of cost Medi-Cal where their health assessments and immunizations are covered by the State-Only CHDP benefit (Health & Safety Code 104395 & 124090). Therefore, the Department is estimating low continuing costs for this program.

GHPP Treatment

GHPP treatment base expenditures have been decreasing; the Department has estimated expenditures at this recent lower level.

Blood Factor Drug Rebates and Contract Savings (GHPP PC 3)

The GHPP participates in the Medi-Cal blood factor rebates program for clotting factor replacement therapy for beneficiaries with hemophilia.

The change from the prior estimate, for FY 2017-18, is a one-time increase in savings due to receiving higher than estimated rebates in the prior year.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is a decrease in savings due to the continued trending of fewer rebates as well as the elimination of the one-time increase in savings from FY 2017-18. The data suggests GHPP clients are shifting away from blood factor products into the use of long-lasting and lower cost drugs.

New High Cost Treatments for Specific Conditions (GHPP PC 6)

This policy change budgets new high cost services and treatments recently approved by the FDA separately until the costs of these services are fully incorporated into the GHPP Base expenditures. Orkambi is currently the only GHPP treatment and service approved by the FDA.

The Department estimates a decrease in FY 2017-18 due to a lower than anticipated number of GHPP recipients receiving Orkambi.

The increase from FY 2017-18 to FY 2018-19 is due to the projected phase-in of eligibles through June 30, 2018 based on recent actual expenditures.

Every Woman Counts Services

As of July 1, 2017, the EWC program began budgeting on a cash basis.

Expenditure data through June 2017 showed higher expenditures than previously projected. In addition, reprocessing and correction of some claims are anticipated to increase costs. Therefore, EWC base expenditures are estimated to increase in both FY 2017-18 and FY 2018-19.

In addition, EWC caseload now reflects the estimated average monthly caseload instead of total annual caseload (starting with FY 2017-18).

Management Summary
Fiscal Year 2017-18
Comparison of Appropriation to November Estimate

	<u>Approp Est.</u> <u>FY 2017-18</u>	<u>Nov. 17 Est.</u> <u>FY 2017-18</u>	<u>Chg Approp -</u> <u>Nov. 2017 Est.</u>
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 81,779,000	\$ 77,478,000	\$ (4,301,000)
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
County Funds ¹	\$ 81,527,000	\$ 82,771,000	\$ 1,244,000
TOTAL CCS	<u>\$ 87,232,000</u>	<u>\$ 82,931,000</u>	<u>\$ (4,301,000)</u>
<u>Child Health and Disability Prevention Program</u>			
4260-111-0001 (General Fund)	\$ 1,000	\$ 3,000	\$ 2,000
4260-111-0080 (CLPP Funds)	\$ 0	\$ 0	\$ 0
TOTAL CHDP	<u>\$ 1,000</u>	<u>\$ 3,000</u>	<u>\$ 2,000</u>
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 133,138,000	\$ 98,718,000	\$ (34,420,000)
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
4260-601-0995 (Enrollment Fees)	\$ 427,000	\$ 435,000	\$ 8,000
4260-601-3079 (Rebates Special Fund)	\$ 16,000,000	\$ 18,000,000	\$ 2,000,000
TOTAL GHPP	<u>\$ 149,565,000</u>	<u>\$ 117,153,000</u>	<u>\$ (32,412,000)</u>
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 87,000	\$ 6,000,000	\$ 5,913,000
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Account)	\$ 7,912,000	\$ 7,912,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 4,509,000	\$ 4,509,000	\$ 0
TOTAL EWC	<u>\$ 27,023,000</u>	<u>\$ 32,936,000</u>	<u>\$ 5,913,000</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 263,821,000</u>	<u>\$ 233,023,000</u>	<u>\$ (30,798,000)</u>
4260-111-0001	\$ 214,918,000	\$ 176,199,000	\$ (38,719,000)
4260-111-0080	\$ 0	\$ 0	\$ 0
4260-114-0001	\$ 87,000	\$ 6,000,000	\$ 5,913,000
4260-114-0009	\$ 7,912,000	\$ 7,912,000	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 4,509,000	\$ 4,509,000	\$ 0
4260-601-0995	\$ 5,880,000	\$ 5,888,000	\$ 8,000
4260-601-3079	\$ 16,000,000	\$ 18,000,000	\$ 2,000,000
4260-601-7503	\$ 0	\$ 0	\$ 0
County Funds ¹	\$ 81,527,000	\$ 82,771,000	\$ 1,244,000

¹ County Funds are not included in Total Funds. They are shown for display only.

Management Summary
Fiscal Year 2017-18 Compared to Fiscal Year 2018-19

	Nov. 17 Est. FY 2017-18	Nov. 17 Est. FY 2018-19	Difference Incr./(Decr.)
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 77,478,000	\$ 83,372,000	\$ 5,894,000
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
County Funds ¹	\$ 82,771,000	\$ 88,128,000	\$ 5,357,000
TOTAL CCS	\$ 82,931,000	\$ 88,825,000	\$ 5,894,000
<u>Child Health and Disability Prevention Program</u>			
4260-111-0001 (General Fund)	\$ 3,000	\$ 3,000	\$ 0
4260-111-0080 (CLPP Funds)	\$ 0	\$ 0	\$ 0
TOTAL CHDP	\$ 3,000	\$ 3,000	\$ 0
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 98,718,000	\$ 118,327,000	\$ 19,609,000
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
4260-601-0995 (Enrollment Fees)	\$ 435,000	\$ 435,000	\$ 0
4260-601-3079 (Rebates Special Fund)	\$ 18,000,000	\$ 14,088,000	\$ (3,912,000)
TOTAL GHPP	\$ 117,153,000	\$ 132,850,000	\$ 15,697,000
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 6,000,000	\$ 8,962,000	\$ 2,962,000
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Account)	\$ 7,912,000	\$ 7,989,000	\$ 77,000
4260-114-0890 (Center for Disease Control)	\$ 4,509,000	\$ 4,509,000	\$ 0
TOTAL EWC	\$ 32,936,000	\$ 35,975,000	\$ 3,039,000
GRAND TOTAL - ALL FUNDS	\$ 233,023,000	\$ 257,653,000	\$ 24,630,000
4260-111-0001	\$ 176,199,000	\$ 201,702,000	\$ 25,503,000
4260-111-0080	\$ 0	\$ 0	\$ 0
4260-114-0001	\$ 6,000,000	\$ 8,962,000	\$ 2,962,000
4260-114-0009	\$ 7,912,000	\$ 7,989,000	\$ 77,000
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 4,509,000	\$ 4,509,000	\$ 0
4260-601-0995	\$ 5,888,000	\$ 5,888,000	\$ 0
4260-601-3079	\$ 18,000,000	\$ 14,088,000	\$ (3,912,000)
4260-601-7503	\$ 0	\$ 0	\$ 0
County Funds ¹	\$ 82,771,000	\$ 88,128,000	\$ 5,357,000

¹ County Funds are not included in Total Funds. They are shown for display only.

Management Summary
Fiscal Year 2018-19
Comparison of Appropriation to November Estimate

	<u>Approp Est.</u> <u>FY 2017-18</u>	<u>Nov. 17 Est.</u> <u>FY 2018-19</u>	<u>Chg Approp -</u> <u>Nov. 2017 Est.</u>
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 81,779,000	\$ 83,372,000	\$ 1,593,000
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
County Funds ¹	\$ 81,527,000	\$ 88,127,900	\$ 6,600,900
TOTAL CCS	<u>\$ 87,232,000</u>	<u>\$ 88,825,000</u>	<u>\$ 1,593,000</u>
<u>Child Health and Disability Prevention Program</u>			
4260-111-0001 (General Fund)	\$ 1,000	\$ 3,000	\$ 2,000
4260-111-0080 (CLPP Funds)	\$ 0	\$ 0	\$ 0
TOTAL CHDP	<u>\$ 1,000</u>	<u>\$ 3,000</u>	<u>\$ 2,000</u>
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 133,138,000	\$ 118,327,000	\$ (14,811,000)
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
4260-601-0995 (Enrollment Fees)	\$ 427,000	\$ 435,000	\$ 8,000
4260-601-3079 (Rebates Special Fund)	\$ 16,000,000	\$ 14,088,000	\$ (1,912,000)
TOTAL GHPP	<u>\$ 149,565,000</u>	<u>\$ 132,850,000</u>	<u>\$ (16,715,000)</u>
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 87,000	\$ 8,962,000	\$ 8,875,000
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Account)	\$ 7,912,000	\$ 7,989,000	\$ 77,000
4260-114-0890 (Center for Disease Control)	\$ 4,509,000	\$ 4,509,000	\$ 0
TOTAL EWC	<u>\$ 27,023,000</u>	<u>\$ 35,975,000</u>	<u>\$ 8,952,000</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 263,821,000</u>	<u>\$ 257,653,000</u>	<u>\$ (6,168,000)</u>
4260-111-0001	\$ 214,918,000	\$ 201,702,000	\$ (13,216,000)
4260-111-0080	\$ 0	\$ 0	\$ 0
4260-114-0001	\$ 87,000	\$ 8,962,000	\$ 8,875,000
4260-114-0009	\$ 7,912,000	\$ 7,989,000	\$ 77,000
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 4,509,000	\$ 4,509,000	\$ 0
4260-601-0995	\$ 5,880,000	\$ 5,888,000	\$ 8,000
4260-601-3079	\$ 16,000,000	\$ 14,088,000	\$ (1,912,000)
4260-601-7503	\$ 0	\$ 0	\$ 0
County Funds ¹	\$ 81,527,000	\$ 88,127,900	\$ 6,600,900

¹ County Funds are not included in Total Funds. They are shown for display only.

CALIFORNIA CHILDREN'S SERVICES
Funding Summary

FY 2017-18, November 2017 Estimate Compared to May 2017 Estimate

	<u>Appropriation FY 2017-18</u>	<u>Nov. 2017 Est. FY 2017-18</u>	<u>Difference Incr./((Decr.)</u>
CCS State-Only Caseload:	16,069	15,621	(448)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 81,778,900	\$ 77,478,100	\$ (4,300,800)
Health Care Support Fund (4260-601-7503)	\$ 0	\$ 0	\$ 0
Title XXI - GF Match (4260-111-0001)	\$ 0	\$ 0	\$ 0
Total General Fund	\$ 81,778,900	\$ 77,478,100	\$ (4,300,800)
Federal Funds			
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
Total Federal Funds	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Funds	\$ 87,231,900	\$ 82,931,100	\$ (4,300,800)

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19

	<u>Nov. 2017 Est. FY 2017-18</u>	<u>Nov. 2017 Est. FY 2018-19</u>	<u>Difference Incr./((Decr.)</u>
CCS State-Only Caseload:	15,621	15,621	0
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 77,478,100	\$ 83,371,700	\$ 5,893,600
Health Care Support Fund (4260-601-7503)	\$ 0	\$ 0	\$ 0
Title XXI - GF Match (4260-111-0001)	\$ 0	\$ 0	\$ 0
Total General Fund	\$ 77,478,100	\$ 83,371,700	\$ 5,893,600
Federal Funds			
4260-601-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
Total Federal Funds	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Funds	\$ 82,931,100	\$ 88,824,700	\$ 5,893,600

**CALIFORNIA CHILDREN'S SERVICES
Fiscal Year 2017-18
Funding Sources By Program**

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>Federal Title XIX HCSF</u>	<u>County Funds</u>
A. State Only Services					
1. Treatment Costs					
Treatment Base	6,461,000	6,461,000	-	-	5,962,000
Bone Marrow Xplant 1/	125,000	125,000	-	-	(125,000)
Small County Adj. 2/	400,000	400,000	-	-	(400,000)
Total Treatment Base	6,986,000	6,986,000	-	-	5,437,000
2. Therapy Costs					
Therapy Base	65,127,000	65,127,000	-	-	65,127,000
MTU Medi-Cal Offset 3/	(5,258,000)	(5,258,000)	-	-	(1,753,000)
AB3632 4/	804,000	804,000	-	-	(804,000)
Total Therapy Base	60,673,000	60,673,000	-	-	62,570,000
3. Enroll/Assess Fees	(54,000)	(54,000)	-	-	(54,000)
4. Benefits Policy Changes	4,329,100	4,329,100	-	-	4,056,800
5. HF Safety Net Care Pool	-	-	-	-	-
	\$ 71,934,100	\$ 71,934,100	\$ 0	\$ 0	\$ 72,009,800
B. State Only Admin.					
1. County Admin.	10,761,000	5,308,000	5,453,000	-	10,761,000
2. Fiscal Inter.	32,000	32,000	-	-	-
3. FI Dental	6,000	6,000	-	-	-
4. CMS Net	198,000	198,000	-	-	-
	\$ 10,997,000	\$ 5,544,000	\$ 5,453,000	\$ 0	\$ 10,761,000
Total CCS State Only	\$ 82,931,100	\$ 77,478,100	\$ 5,453,000	\$ 0	\$ 82,770,800
GRAND TOTAL	\$ 82,931,100	\$ 77,478,100	\$ 5,453,000	\$ 0	\$ 82,770,800

NOTE: County Funds are shown for information only, and are not included in Total Funds.

- 1/ An estimated \$250,000 in certain bone marrow transplant costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$125,000 is shifted from County to General Fund.
- 2/ An estimated \$800,000 in catastrophic small county services costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$400,000 is shifted from County to General Fund.
- 3/ Medical Therapy Unit (MTU) costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF/50% County funds. The costs that are reimbursed by Medi-Cal reduce program costs 75% GF, 25% County funds.
- 4/ AB3632 costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF, 50% County funds. Since they are funded by 100% GF, 50% of the total AB3632 costs are is shifted from County to General Fund.

**CALIFORNIA CHILDREN'S SERVICES
Fiscal Year 2018-19
Funding Sources By Program**

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>Federal Title XIX HCSF</u>	<u>County Funds</u>
A. State Only Services					
1. Treatment Costs					
Treatment Base	6,461,000	6,461,000	-	-	5,962,000
Bone Marrow Xplant 1/	125,000	125,000	-	-	(125,000)
Small County Adj. 2/	400,000	400,000	-	-	(400,000)
Total Treatment Base	6,986,000	6,986,000	-	-	5,437,000
2. Therapy Costs					
Therapy Base	66,211,000	66,211,000	-	-	66,212,000
MTU Medi-Cal Offset 3/	(5,258,000)	(5,258,000)	-	-	(1,753,000)
AB3632 4/	804,000	804,000	-	-	(804,000)
Total Therapy Base	61,757,000	61,757,000	-	-	63,655,000
3. Enroll/Assess Fees	(54,000)	(54,000)	-	-	(54,000)
4. Benefits Policy Changes	9,145,700	9,145,700	-	-	8,328,900
5. HF Safety Net Care Pool	-	-	-	-	-
	\$ 77,834,700	\$ 77,834,700	\$ 0	\$ 0	\$ 77,366,900
B. State Only Admin.					
1. County Admin.	10,761,000	5,308,000	5,453,000	-	10,761,000
2. Fiscal Inter.	31,000	31,000	-	-	-
3. FI Dental	2,000	2,000	-	-	-
4. CMS Net	196,000	196,000	-	-	-
	\$ 10,990,000	\$ 5,537,000	\$ 5,453,000	\$ 0	\$ 10,761,000
Total CCS State Only	\$ 88,824,700	\$ 83,371,700	\$ 5,453,000	\$ 0	\$ 88,127,900
GRAND TOTAL	\$ 88,824,700	\$ 83,371,700	\$ 5,453,000	\$ 0	\$ 88,127,900

NOTE: County Funds are shown for information only, and are not included in Total Funds.

- 1/ An estimated \$250,000 in certain bone marrow transplant costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$125,000 is shifted from County to General Fund.
- 2/ An estimated \$800,000 in catastrophic small county services costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$400,000 is shifted from County to General Fund.
- 3/ Medical Therapy Unit (MTU) costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF/50% County funds. The costs that are reimbursed by Medi-Cal reduce program costs 75% GF, 25% County funds.
- 4/ AB3632 costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF, 50% County funds. Since they are funded by 100% GF, 50% of the total AB3632 costs are is shifted from County to General Fund.

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, Total Funds
Fiscal Year 2017-18

November 2017 Estimate Compared to May 2017 Estimate, Total Funds			
	Appropriation	Nov. 2017 Est.	Difference
	FY 2017-18	FY 2017-18	Incr./ (Decr.)
A. Total CCS State Only Services	<u>\$ 76,211,900</u>	<u>\$ 71,934,100</u>	<u>\$ (4,277,800)</u>
1. Treatment Services	8,019,000	6,986,000	(1,033,000)
2. Medical Therapy Program	60,325,000	60,673,000	348,000
3. Benefits Policy Changes	7,920,900	4,329,100	(3,591,800)
4. Enroll/Assessment Fees	(53,000)	(54,000)	(1,000)
B. CCS Administration			
1. County Administration	10,762,000	10,761,000	(1,000)
2. Fiscal Intermediary	258,000	236,000	(22,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 87,231,900</u>	<u>\$ 82,931,100</u>	<u>\$ (4,300,800)</u>
TOTAL CCS PROGRAM	<u>\$ 87,231,900</u>	<u>\$ 82,931,100</u>	<u>\$ (4,300,800)</u>

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, General Fund and Federal Funds
Fiscal Year 2017-18

November 2017 Estimate Compared to May 2017 Estimate, General Fund

	<u>Appropriation</u> <u>FY 2017-18</u>	<u>Nov. 2017 Est.</u> <u>FY 2017-18</u>	<u>Difference</u> <u>Incr./(Decr.)</u>
A. Total CCS State Only Services	<u>\$ 76,211,900</u>	<u>\$ 71,934,100</u>	<u>\$ (4,277,800)</u>
1. Treatment Services	8,019,000	6,986,000	(1,033,000)
2. Medical Therapy Program	60,325,000	60,673,000	348,000
3. Benefits Policy Changes	7,920,900	4,329,100	(3,591,800)
4. Enroll/Assessment Fees	(53,000)	(54,000)	(1,000)
5. HF Safety Net Care Pool	-	-	-
B. CCS Administration			
1. County Administration	5,309,000	5,308,000	(1,000)
2. Fiscal Intermediary	258,000	236,000	(22,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 81,778,900</u>	<u>\$ 77,478,100</u>	<u>\$ (4,300,800)</u>
TOTAL CCS PROGRAM	<u>\$ 81,778,900</u>	<u>\$ 77,478,100</u>	<u>\$ (4,300,800)</u>

November 2017 Estimate Compared to May 2017 Estimate, Federal Funds

	<u>Appropriation</u> <u>FY 2017-18</u>	<u>Nov. 2017 Est.</u> <u>FY 2017-18</u>	<u>Difference</u> <u>Incr./(Decr.)</u>
A. Total CCS State Only Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
1. Title XIX Health Care Support Fund	-	-	-
B. CCS Administration			
1. County Administration	5,453,000	5,453,000	-
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>
TOTAL CCS PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, Total Funds
Budget Year Compared to Current Year

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19, Total Funds			
	Nov. 2017 Est.	Nov. 2017 Est.	Difference
	FY 2017-18	FY 2018-19	Incr./ (Decr.)
A. Total CCS State Only Services	\$ 71,934,100	\$ 77,834,700	\$ 5,900,600
1. Treatment Services	6,986,000	6,986,000	-
2. Medical Therapy Program	60,673,000	61,757,000	1,084,000
3. Benefits Policy Changes	4,329,100	9,145,700	4,816,600
4. Enroll/Assessment Fees	(54,000)	(54,000)	-
B. CCS Administration			
1. County Administration	10,761,000	10,761,000	-
2. Fiscal Intermediary	236,000	229,000	(7,000)
TOTAL CCS STATE ONLY PROGRAM	\$ 82,931,100	\$ 88,824,700	\$ 5,893,600
TOTAL CCS PROGRAM	\$ 82,931,100	\$ 88,824,700	\$ 5,893,600

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, General Fund and Federal Funds
Budget Year Compared to Current Year

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19, General Fund

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./(Decr.)
A. Total CCS State Only Services	\$ 71,934,100	\$ 77,834,700	\$ 5,900,600
1. Treatment Services	6,986,000	6,986,000	-
2. Medical Therapy Program	60,673,000	61,757,000	1,084,000
3. Benefits Policy Changes	4,329,100	9,145,700	4,816,600
4. Enroll/Assessment Fees	(54,000)	(54,000)	-
5. HF Safety Net Care Pool	-	-	-
B. CCS Administration			
1. County Administration	5,308,000	5,308,000	-
2. Fiscal Intermediary	236,000	229,000	(7,000)
TOTAL CCS STATE ONLY PROGRAM	\$ 77,478,100	\$ 83,371,700	\$ 5,893,600
TOTAL CCS PROGRAM	\$ 77,478,100	\$ 83,371,700	\$ 5,893,600

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19, Federal Funds

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./(Decr.)
A. Total CCS State Only Services	\$ 0	\$ 0	\$ 0
1. Title XIX Health Care Support Fund	-	-	-
B. CCS Administration			
1. County Administration	5,453,000	5,453,000	-
TOTAL CCS STATE ONLY PROGRAM	\$ 5,453,000	\$ 5,453,000	\$ 0
TOTAL CCS PROGRAM	\$ 5,453,000	\$ 5,453,000	\$ 0

CALIFORNIA CHILDREN'S SERVICES
Comparison of Assumed Fiscal Impacts of Policy Changes

Fiscal Year 2017-18, November 2017 Estimate Compared to Appropriation							
POLICY CHG.		FY 2017-18 APPROPRIATION		NOVEMBER 2017 ESTIMATE		DIFFERENCE, Incr./Decr.	
TYPE	NO. DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CCS STATE ONLY							
Other	1 ENROLLMENT AND ASSESSMENT FEES	-\$53,000	-\$53,000	-\$54,000	-\$54,000	-\$1,000	-\$1,000
Co. Admin.	2 COUNTY ADMINISTRATIVE COSTS - CCS STATE ONLY	\$11,819,000	\$11,819,000	\$11,818,000	\$11,818,000	-\$1,000	-\$1,000
FI	3 FISCAL INTERMEDIARY EXPENDITURES - CCS STATE ONLY	\$31,000	\$31,000	\$32,000	\$32,000	\$1,000	\$1,000
FI	4 DENTAL ADMINISTRATIVE EXPENDITURES - CCS STATE ONLY	\$8,000	\$8,000	\$6,000	\$6,000	-\$2,000	-\$2,000
FI	5 CMS NET - CCS STATE ONLY	\$219,000	\$219,000	\$198,000	\$198,000	-\$21,000	-\$21,000
Co. Admin.	7 TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$5,992,000	\$0	-\$5,992,000	\$0	\$0
Benefits	8 CCS DRUG REBATES	-\$47,000	-\$47,000	-\$60,000	-\$60,000	-\$13,000	-\$13,000
Benefits	9 NEW HIGH COST TREATMENTS FOR SPECIFIC CONDITIONS - CCS	\$6,358,900	\$6,358,900	\$4,116,800	\$4,116,800	-\$2,242,100	-\$2,242,100
Co. Admin.	10 UNDOCUMENTED CHILDREN FULL SCOPE EXPANSION - CCS ADMIN.	-\$1,057,000	-\$518,000	-\$1,057,000	-\$518,000	\$0	\$0
Benefits	11 CCS-MTP - SPECIAL EDUCATION	\$1,609,000	\$1,609,000	\$272,300	\$272,300	-\$1,336,700	-\$1,336,700
		\$18,887,900	\$13,434,900	\$15,272,100	\$9,819,100	-\$3,615,800	-\$3,615,800
	CCS TOTAL	<u>\$18,887,900</u>	<u>\$13,434,900</u>	<u>\$15,272,100</u>	<u>\$9,819,100</u>	<u>-\$3,615,800</u>	<u>-\$3,615,800</u>

¹ Funds are referenced separately in the CCS Funding Sources pages.

* Dollars shown include payment lag and percent in base.

CALIFORNIA CHILDREN'S SERVICES
Comparison of Assumed Fiscal Impacts of Policy Changes

Fiscal Year 2017-18 Compared to Fiscal Year 2018-19								
POLICY CHG.			Nov. 2017 Est. for FY 2017-18		Nov. 2017 Est. for FY 2018-19		DIFFERENCE, Incr./((Decr.))	
TYPE	NO.	DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CCS STATE ONLY								
Other	1	ENROLLMENT AND ASSESSMENT FEES	-\$54,000	-\$54,000	-\$54,000	-\$54,000	\$0	\$0
Co. Admin.	2	COUNTY ADMINISTRATIVE COSTS - CCS STATE ONLY	\$11,818,000	\$11,818,000	\$11,818,000	\$11,818,000	\$0	\$0
FI	3	FISCAL INTERMEDIARY EXPENDITURES - CCS STATE ONLY	\$32,000	\$32,000	\$31,000	\$31,000	-\$1,000	-\$1,000
FI	4	DENTAL ADMINISTRATIVE EXPENDITURES - CCS STATE ONLY	\$6,000	\$6,000	\$2,000	\$2,000	-\$4,000	-\$4,000
FI	5	CMS NET - CCS STATE ONLY	\$198,000	\$198,000	\$196,000	\$196,000	-\$2,000	-\$2,000
Co. Admin.	7	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$5,992,000	\$0	-\$5,992,000	\$0	\$0
Benefits	8	CCS DRUG REBATES	-\$60,000	-\$60,000	-\$27,000	-\$27,000	\$33,000	\$33,000
Benefits	9	NEW HIGH COST TREATMENTS FOR SPECIFIC CONDITIONS - CCS	\$4,116,800	\$4,116,800	\$8,355,900	\$8,355,900	\$4,239,100	\$4,239,100
Co. Admin.	10	UNDOCUMENTED CHILDREN FULL SCOPE EXPANSION - CCS ADMIN.	-\$1,057,000	-\$518,000	-\$1,057,000	-\$518,000	\$0	\$0
Benefits	11	CCS-MTP - SPECIAL EDUCATION	\$272,300	\$272,300	\$816,800	\$816,800	\$544,500	\$544,500
			\$15,272,100	\$9,819,100	\$20,081,700	\$14,628,700	\$4,809,600	\$4,809,600
CCS-HFP								
			\$0	\$0	\$0	\$0	\$0	\$0
		CCS TOTAL	<u>\$15,272,100</u>	<u>\$9,819,100</u>	<u>\$20,081,700</u>	<u>\$14,628,700</u>	<u>\$4,809,600</u>	<u>\$4,809,600</u>

¹ Funds are referenced separately in the CCS Funding Sources pages.

* Dollars shown include payment lag and percent in base.

ENROLLMENT AND ASSESSMENT FEES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1994
ANALYST: Stephanie Hockman

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	-\$54,000	-\$54,000
	- GENERAL FUND	-\$54,000	-\$54,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$54,000	-\$54,000
	- GENERAL FUND	-\$54,000	-\$54,000
	- COUNTY FUNDS	-\$54,000	-\$54,000

Purpose:

This policy change estimates the total collected annual assessment fees and enrollment fees from California Children's Services (CCS) clients.

Authority:

Health & Safety Code 123870 and 123900

Interdependent Policy Changes:

Not Applicable

Background:

The CCS program requires an annual assessment fee and an annual enrollment fee. The fees are based on family income and CCS services received. Fees received are split 50/50 between the State and the counties by offsetting the counties' allocated fee revenues against the State's portion of reimbursements to the counties. Clients are evaluated on a case by case basis and not all clients are assessed a fee.

Reason for Change:

Actual enrollment and assessment fees collected are relatively consistent with the May 2017 FY 2017-18 Estimate. There is no change between FY 2017-18 and FY 2018-19.

Methodology:

1. The enrollment and assessment fees are estimated using the trend in enrollment and assessment fees received for September 2008 - March 2017.

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
Enrollment Fees:	\$91,000	\$91,000
Assessment Fees:	\$17,000	\$17,000
Total:	\$108,000 (\$54,000 GF Offset)	\$108,000 (\$54,000 GF Offset)

Funding:

General Fund (4260-111-0001)

County Funds*

* Not Included in Total Funds

COUNTY ADMINISTRATIVE COSTS - CCS STATE ONLY

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2003
ANALYST: Stephanie Hockman

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$11,818,000	\$11,818,000
	- GENERAL FUND	\$11,818,000	\$11,818,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$11,818,000	\$11,818,000
	- GENERAL FUND	\$11,818,000	\$11,818,000
	- COUNTY FUNDS	\$11,818,000	\$11,818,000

Purpose:

This policy change estimates the county administrative costs of California Children's Services (CCS) State Only Program.

Authority:

Health & Safety Code 123955(a)(e)

Interdependent Policy Changes:

Medi-Cal Expansion For Undocumented Children CCS Admin

Background:

Beginning in FY 2003-04, a portion of County Administrative Costs is being claimed under CCS State Only. The State reimburses counties for 50% of their CCS State Only actual case management administrative costs.

Reason for Change:

There is no change for FY 2017-18 from the prior estimate or between FY 2017-18 and FY 2018-19 in the current estimate.

Methodology:

1. For FY 2017-18, the CCS State Only base county administration reimbursement level is based on budgeted county expenditures for FY 2017-18 in the May 2017 Estimate:

FY 2017-18 : \$23,636,000 (\$11,818,000 GF) (Includes County Funds)

2. FY 2018-19 is calculated based on the change in caseload between fiscal years in the November 2017 Family Health Estimate. CCS State-Only caseload is expected to remain steady at 15,621 for FY 2017-18 and FY 2018-19.

FY 2018-19: \$23,636,000 (\$11,818,000 GF) (Includes County Funds)

Funding:

General Fund (4260-111-0001)
 County Funds*

* Not included in Total Funds

FISCAL INTERMEDIARY EXPENDITURES - CCS STATE ONLY

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 7/1993
ANALYST: Matthew Wong

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST - TOTAL FUNDS	\$32,000	\$31,000
- GENERAL FUND	\$32,000	\$31,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$32,000	\$31,000
- GENERAL FUND	\$32,000	\$31,000

Purpose:

This policy change estimates the expenditures paid to the medical fiscal intermediary (FI) for the administrative cost of adjudicating California Children's Services (CCS) State Only medical claims.

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

CCS medical claims are paid by the medical FI. Administrative costs are reimbursed based on cost per adjudicated claim line (ACL).

Reason for Change:

The change from the prior estimate, for FY 2017-18, is an increase due to updated projected ACLs and updated average costs per ACLs. The change from FY 2017-18 to FY 2018-19, in the current estimate, is a decrease due to updated average costs per ACLs.

Methodology:

1. The estimated medical FI administrative costs are:

FY 2017-18	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	50,304	\$ 0.59	\$ 30,000
Online ACLs	12,187	\$ 0.17	\$ 2,000
Total FY 2017-18			\$ 32,000

FY 2018-19	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	50,304	\$ 0.58	\$ 29,000
Online ACLs	12,187	\$ 0.18	\$ 2,000
Total FY 2018-19			\$ 31,000

Funding:

100% GF (4260-111-0001)

DENTAL ADMINISTRATIVE EXPENDITURES - CCS STATE ONLY

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 8/2003
ANALYST: Ila Zapanta

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST - TOTAL FUNDS	\$6,000	\$2,000
- GENERAL FUND	\$6,000	\$2,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$6,000	\$2,000
- GENERAL FUND	\$6,000	\$2,000

Purpose:

This policy change estimates the administrative expenditures for the adjudication of California Children's Services (CCS) State Only dental claims.

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

CCS State Only dental claims are adjudicated by the current Fiscal Intermediary (FI), Delta Dental. The administrative costs are reimbursed based on cost per adjudicated claim line (ACL) and Treatment Authorization Request (TAR).

Effective FY 2012-13, the Department began reimbursing Delta Dental for indirect costs related to CCS State Only dental claims.

The new Administrative Services Organization (ASO) contractor and the new FI contractor will continue this effort upon Assumption Of Operations (AOO) in February 2018. The FI scans documents while the ASO processes ACLs and TARs.

Reason for Change:

There is no net change in overall expenditures from the prior estimate for FY 2017-18. The change from FY 2017-18 to FY 2018-19, in the current estimate, is a due to a change in rates as a result of the transition to the new contractors.

Methodology:

1. The CCS State Only dental ACL & TAR rates for a partial year in FY 2017-18 under the current FI contractor are \$3.08 and \$12.26, respectively.
2. The new FI contractor rates for scanning ACL documents are \$0.32 for a partial year in FY 2017-18 and \$0.31 in FY 2018-19.
3. The new FI contractor rates for scanning TAR documents are \$0.32 for a partial year in FY 2017-18 and \$0.31 in FY 2018-19.
4. The new ASO contractor CCS State Only dental ACL & TAR adjudicating rates for a partial year in FY 2017-18 are \$0.14 and \$2.88, respectively.
5. The new ASO contractor CCS State Only dental ACL & TAR adjudicating rates for FY 2018-19 are \$0.15 and \$4.28, respectively.

Current FI FY 2017-18	<u>Estimated Claims</u>	<u>Rates</u>	<u>Estimated Expenditure</u>	<u>Partial Year Expenditure</u>
ACLs	1,821	\$ 3.08	\$ 5,609	\$ 3,272
TARs	241	\$ 12.26	\$ 2,955	\$ 1,723
			\$ 9,000	\$ 5,000

New FI FY 2017-18	<u>Estimated Claims</u>	<u>Rates</u>	<u>Estimated Expenditure</u>	<u>Partial Year Expenditure</u>
ACLs	629	\$ 0.32	\$ 201	\$ 84
TARs	241	\$ 0.32	\$ 77	\$ 32
			\$ 300	\$ 100

ASO FY 2017-18	<u>Estimated Claims</u>	<u>Rates</u>	<u>Estimated Expenditure</u>	<u>Partial Year Expenditure</u>
ACLs	1,301	\$ 0.14	\$ 182	\$ 76
TARs	241	\$ 2.88	\$ 694	\$ 289
			\$ 1,000	\$ 400
Total FY 2017-18			\$ 6,000	(\$6,000 GF)

FI FY 2018-19	<u>Estimated Claims</u>	<u>Rates</u>	<u>Estimated Expenditure</u>
ACLs	629	\$ 0.31	\$ 195
TARs	241	\$ 0.31	\$ 75
			\$ 300

ASO FY 2018-19	<u>Estimated Documents</u>	<u>Rates</u>	<u>Estimated Expenditure</u>	
ACLs	3,122	\$ 0.15	\$ 468	
TARs	241	\$ 4.28	\$ 1,031	
			\$ 1,500	
Total FY 2018-19			\$ 2,000	(\$2,000 GF)

Funding:
100% GF (4260-111-0001)

CMS NET - CCS STATE ONLY

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 7/2004
ANALYST: Stephanie Hockman

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST - TOTAL FUNDS	\$198,000	\$196,000
- GENERAL FUND	\$198,000	\$196,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$198,000	\$196,000
- GENERAL FUND	\$198,000	\$196,000

Purpose:

This policy change estimates the costs for Children's Medical Services Network (CMS Net).

Authority:

AB 442 (Chapter 1161, Statutes of 2002)
 Health & Safety Code 123800 et seq.

Interdependent Policy Changes:

Not Applicable

Background:

The California Children's Services (CCS) program utilizes the CMS Net automated system to support case management activities such as patient registration, medical and financial eligibility determination, letter generation, and authorization of services. CMS Net was implemented in 1992 for the State regional offices and several small counties. In 2004, CMS Net was expanded to all 58 CCS counties, the three State CCS regional offices, and the Genetically Handicapped Persons Program.

Reason for Change:

The FY 2017-18 expenditures are lower than the prior estimate due to a correction in CMS Net System expenditures. The CMS Net System was incorrectly billed for charges not related to CCS case management activities. The billing issue was corrected in May 2017. There is no significant change between FY 2017-18 and FY 2018-19.

Methodology:

1. CMS Net costs are allocated to the CCS programmatic caseload, CCS State-Only, CCS Medi-Cal, and CCS Optional Targeted Low Income Children's Program (OTLICP) Medi-Cal, based on caseload as a percentage of the overall CCS caseload.
2. CMS Net system costs for FY 2017-18 are estimated to be \$2,424,000. FY 2018-19 costs are estimated to be \$2,400,000.
3. Based on estimated FY 2017-18 and FY 2018-19 caseload counts, costs for CMS Net are projected to be split:

	FY 2017-18			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	15,621	8.2%	\$	198,000
CCS Medi-Cal	152,993	80.1%	\$	1,943,000
CCS OTLICP	<u>22,329</u>	<u>11.7%</u>	\$	<u>283,000</u>
Total	190,943	100%	\$	2,424,000

	FY 2018-19			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	15,621	8.1%	\$	196,000
CCS Medi-Cal	155,733	80.4%	\$	1,929,000
CCS OTLICP	<u>22,329</u>	<u>11.5%</u>	\$	<u>275,000</u>
Total	193,683	100%	\$	2,400,000

4. Data processing estimated costs are based on:
 - a) system utilization;
 - b) system functionality, including the Health Insurance Portability and Accountability Act (HIPAA) compliance and disaster recovery; and
 - c) the Stephen P. Teale Data Center base rates, including increasing licensing fees.
5. CCS State Only costs for CMS Net are 100% General Fund.

Funding:

100% General Fund (4260-111-0001)

TITLE V REIMBURSEMENT FROM CDPH

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2007
ANALYST: Matthew Wong

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$5,992,000	-\$5,992,000
- FEDERAL FUNDS TITLE V	\$5,992,000	\$5,992,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$5,992,000	-\$5,992,000
- FEDERAL FUNDS TITLE V	\$5,992,000	\$5,992,000

Purpose:

This policy change estimates the Title V grant authorized for the California Children's Services (CCS) program.

Authority:

Social Security Act 501 and 505 (42 USC 701 and 705)

Interdependent Policy Changes:

Not Applicable

Background:

The federal Title V Maternal and Child Health Program provides funding for preventive and primary care services for children; infant and mothers; and children and youth with special health care needs (CYSHCN). The CCS program is California's designated CYSHCN program and, therefore, receives a portion of California's Title V funds. The California Department of Public Health, as the single state agency for Title V, administers the Title V grant. The Title V federal funding for the CCS program is shown as a reimbursement in the Department's Family Health Estimate.

Reason for Change:

There is no change from the prior estimate for FY 2017-18.

There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. For FY 2017-18 and FY 2018-19, the amount expected to be received is \$5,992,000.

Funding:

CDPH Title V Reimbursement (4260-601-0995)
100% General Fund (4260-111-0001)

CCS DRUG REBATES

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 7/2011
ANALYST: Matthew Wong

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	- \$60,000	- \$27,000
	- GENERAL FUND	- \$60,000	- \$27,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	- \$60,000	- \$27,000
	- GENERAL FUND	- \$60,000	- \$27,000
	- COUNTY FUNDS	- \$60,000	- \$27,000

Purpose:

This policy change estimates the savings for California Children's Services (CCS) drug rebates.

Authority:

SB 1100 (Chapter 560, Statutes of 2005)
 Medi-Cal Hospital/Uninsured Care Section 1115(a) Medicaid Demonstration (MH/UCD)
 California Bridge to Reform Section 1115(a) Medicaid Demonstration (BTR)
 California Medi-Cal 2020 Section 1115(a) Medicaid Demonstration

Interdependent Policy Changes:

Not Applicable

Background:

Effective September 1, 2005, the Special Terms and Conditions of the MH/UCD, BTR, Medi-Cal 2020, and SB 1100 provide for the Department to claim federal reimbursement for CCS service expenditures as certified public expenditures through the Safety Net Care Pool. Because of this federal funding, the program no longer qualifies as a State Pharmaceutical Assistance Program and is ineligible to collect rebates under its independent rebate contracts. However, it enabled CCS to participate in the Medi-Cal factor rebates.

Reason for Change:

The change from the prior estimate, for FY 2017-18, is an increase due to a change in methodology to base the estimate on actual collections. The data has shown CCS clients shifting away from blood factor products and to a use of long-lasting and lower cost drugs.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is due to the continued trending of fewer rebates.

Methodology:

1. Rebate projections for FY 2017-18 and FY 2018-19 are based on actual collections during FY 2016-17.
2. Assume the percentage change from FY 2015-16 to FY 2016-17 is applied to FY 2016-17 and FY 2017-18.
3. CCS drug rebate collections, for FY 2017-18 and FY 2018-19, are estimated to be:

Fiscal Year	TF	GF	CF*
FY 2017-18	(\$60,000)	(\$60,000)	(\$60,000)
FY 2018-19	(\$27,000)	(\$27,000)	(\$27,000)

Funding:

Children's Medical Services Rebates Fund (4260-601-3079)
 100% General Fund (4260-101-0001)
 County Funds*

*Not Included in Total Fund

NEW HIGH COST TREATMENTS FOR SPECIFIC CONDITIONS - CCS

POLICY CHANGE NUMBER: 9
IMPLEMENTATION DATE: 7/2015
ANALYST: Matthew Wong

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$4,295,000	\$8,543,000
	- GENERAL FUND	\$4,295,000	\$8,543,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		4.15%	2.19%
APPLIED TO BASE	- TOTAL FUNDS	\$4,116,800	\$8,355,900
	- GENERAL FUND	\$4,116,800	\$8,355,900
	- COUNTY FUNDS	\$4,116,800	\$8,355,900

Purpose:

This policy change estimates the cost of new high cost treatments for specific medical conditions of California Children's Services (CCS) - State Only beneficiaries.

Authority:

Social Security Act, section 1927 [42 U.S.C. 1396r-8]

Interdependent Policy Changes:

Not Applicable

Background:

The California Children's Services (CCS) state-only program provides health care services to children who have a CCS-eligible condition and do not qualify for full-scope Medi-Cal or whose families cannot afford the catastrophic health care costs. This policy change budgets new high cost services and treatments recently approved by the U.S. Food and Drug Administration (FDA) separately until the costs of these services are fully incorporated into the rates.

Recently approved FDA treatments and services are:

DEFLAZACORT: A lifetime treatment of Duchenne Muscular Dystrophy (DMD) patients.

Exondys 51: A lifetime treatment of DMD in patients who have a confirmed mutation in the DMD.

SPINRAZA: A lifetime treatment program for spinal muscular atrophy (SMA).

CERLIPONASE ALFA (BRINEURA): A lifetime treatment to slow the progression of infantile ceroid lipofuscinoses, neuronal, type 2 (CLN2).

Reason for Change:

The net decrease from the prior estimate, for FY 2017-18, is due to distribution and supply issues for several drugs causing the phase-in of the clients to be delayed for SPINRAZA, Exondys 51, DEFLAZACORT; however Brineura was added as new treatment for CCS-eligible children.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is an increase due to the continued phase-in of additional CCS beneficiaries receiving the four recently approved treatments and services DEFLAZACORT, Exondys 51, SPINRAZA, and Brineura.

Methodology:

1. For FY 2017-18 and FY 2018-19, DEFLAZACORT cost are estimated as follows:

Assume a \$7,400 per member per month (PMPM) cost for each beneficiary receiving DEFLAZACORT.

Assume a 24-month phase in of 25 beneficiaries beginning July 1, 2017.

Total estimated costs for DEFLAZACORT are:

FY 2017-18 : \$578,000 (\$578,000 GF) (Includes County Funds)

FY 2018-19 : \$1,650,000 (\$1,532,000 GF) (Includes County Funds)

2. For FY 2017-18 and FY 2018-19, Exondys 51 cost are estimated as follows:

Assume a \$25,000 PMPM cost for each beneficiary receiving Exondys 51.

Assume a 24-month phase in of 8 eligible beneficiaries beginning July 1, 2017. Phase-in does not add a person until September 1, 2017.

Total estimated costs for Exondys 51 are:

FY 2017-18 : \$550,000 (\$550,000 GF) (Includes County Funds)

FY 2018-19 : \$1,750,000 (\$1,750,000 GF) (Includes County Funds)

3. For FY 2017-18 and FY 2018-19, SPINRAZA cost are estimated as follows:

Assume a 24-month phase in of 6 eligible beneficiaries beginning January 1, 2017.

Assume each beneficiary will receive 4 loading doses over the first 72 days of treatment for a total one-time cost of \$500,000 per beneficiary, and then one dose every four months, for life, at a cost of \$125,000 per dose.

Total estimated costs for SPINRAZA are:

FY 2017-18 : \$2,250,000 (\$2,250,000 GF) (Includes County Funds)

FY 2018-19 : \$2,875,000 (\$2,875,000 GF) (Includes County Funds)

4. For FY 2017-18 and FY 2018-19, Brineura cost are estimated as follows:

Assuming treatment requires 1 kit every 2 weeks and each kit is \$26,892.

Assume a 12-month phase in of the 3 state-only eligible beneficiaries between August 1, 2017 through June 30, 2018.

Assume a growth of 1 eligible beneficiary in FY 2018-19.

Total estimated costs for Brineura are:

FY 2017-18 : \$918,000 (\$918,000 GF) (Includes County Funds)

FY 2018-19 : \$1,944,000 (\$1,944,000 GF) (Includes County Funds)

5. Total estimated costs for new high cost treatments for specific medical conditions:

Fiscal Year	TF	GF	CF*
FY 2017-18	\$4,295,000	\$4,295,000	\$4,295,000
FY 2018-19	\$8,543,000	\$8,543,000	\$8,543,000

Funding:

100% General Fund (4260-111-0001)

*County Funds (CF), not included in total funds

UNDOCUMENTED CHILDREN FULL SCOPE EXPANSION - CCS ADMIN.

POLICY CHANGE NUMBER: 10
IMPLEMENTATION DATE: 5/2016
ANALYST: Matthew Wong

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	-\$1,057,000	-\$1,057,000
	- GENERAL FUND	-\$518,000	-\$518,000
	- FEDERAL TITLE V	-\$539,000	-\$539,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$1,057,000	-\$1,057,000
	- GENERAL FUND	-\$518,000	-\$518,000
	- FEDERAL FUNDS TITLE V	-\$539,000	-\$539,000
	- COUNTY FUNDS	-\$1,057,000	-\$1,057,000

Purpose:

This policy change estimates California Children's Services (CCS) administrative savings resulting from the implementation of the expansion of Medi-Cal for children regardless of immigration status.

Authority:

SB 75 (Chapter 18, Statutes of 2015)
 Welfare & Institutions Code 14007.8

Interdependent Policy Changes:

Not Applicable

Background:

Effective May 1, 2016, the Medi-Cal expansion provided full scope Medi-Cal coverage to children and adolescents under the age of 19 with undocumented immigration status. Prior to May 1, 2016, when this population had a CCS medical condition, CCS State Only paid for the administrative expenditures. Under the Medi-Cal expansion, a child eligible for full scope Medi-Cal benefits is funded by Medi-Cal, resulting in CCS State Only administrative savings.

Reason for Change:

There is no change from the prior estimate for FY 2017-18.
 There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. The expansion began on May 1, 2016.
2. For FY 2017-18 and FY 2018-19, assume 1,024 beneficiaries per year transition to full scope Medi-Cal.

3. Assume the administration cost per case is \$1,032.

FY 2017-18: $1,024 \times \$1,032 = \$1,057,000$

FY 2018-19: $1,024 \times \$1,032 = \$1,057,000$

4. For FY 2017-18 and FY 2018-19 total estimated administrative saving are:

Fiscal Year	TF	GF	Title V	CF*
FY 2017-18	(\$1,057,000)	(\$518,000)	(\$539,000)	(\$1,057,000)
FY 2018-19	(\$1,057,000)	(\$518,000)	(\$539,000)	(\$1,057,000)

Funding:

100% General Fund (4260-111-0001)

CDPH Title V Reimbursement (4260-601-0995)

*County Funds (CF), not included in total funds

CCS-MTP - SPECIAL EDUCATION

POLICY CHANGE NUMBER: 11
IMPLEMENTATION DATE: 7/2017
ANALYST: Matthew Wong

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$272,250	\$816,750
	- GENERAL FUND	\$272,250	\$816,750
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$272,300	\$816,800
	- GENERAL FUND	\$272,300	\$816,800

Purpose:

This policy change estimates costs to enable the California Children's Services (CCS) – Medical Therapy Program (MTP) to provide educationally necessary physical therapy/occupational therapy (PT/OT) services without regard to medical necessity.

Authority:

Individuals with Disabilities Education Act (20 U.S.C. 1400)
 Government Code 7570

Interdependent Policy Changes:

Not Applicable

Background:

The CCS–MTP is required by a precedent setting decision of the California Fifth Appellate District Court to provide educationally necessary PT/OT services without regard to medical necessity for CCS-MTP clients/pupils enrolled in special education who have CCS-MTP PT/OT services included in their Individual Education Program (IEP) as a “related service.” Any proposed change in the level of PT/OT services based on CCS-MTP medical findings can be vetoed by a member of the IEP team, which includes the parent/family. The level of services that will be required under the precedent established by the court exceeds the levels based solely on medical necessity. In addition, because these services are not medically necessary, they are deemed not eligible for federal financial participation. The majority of the children in special education with an IEP are currently being monitored with minimal expenses. Many children will not shift from active therapy to monitoring as they age.

Reason for Change:

The change from the prior estimate, for FY 2017-18, is a decrease due to a change in methodology for calculating the cost of service delivery. The cost difference between active therapy and monitoring visits is included for beneficiaries who have maintained their active therapy status.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is due to additional beneficiaries maintaining active therapy status.

Methodology:

1. Assume implementation began on July 1, 2017.
2. Current CCS-MTP statewide caseload is approximately 22,690 clients.
3. Assume monitoring visits cost \$275 per year and active therapy cost \$5,720.

$$\$5,720 - \$275 = \$5,445 \text{ additional cost per beneficiary}$$

4. For FY 2017-18, assume 50 beneficiaries will maintain active therapy status. For FY 2018-19, assume additional 100 beneficiaries who will maintain their active therapy status.

$$\text{FY 2017-18: } 50 \text{ beneficiaries} \times \$5,445 = \$272,250 \text{ TF (rounded)}$$

$$\text{FY 2018-19: } 150 \text{ beneficiaries} \times \$5,445 = \$816,750 \text{ TF (rounded)}$$

Funding:

100% GF (4260-111-0001)

CALIFORNIA CHILDREN'S SERVICES
Total Average Quarterly Caseload by Program

**Total Non-Medi-Cal Caseload
(CC State Only)**

<u>All Counties</u>	<u>Fiscal Year 2016-17 ¹</u>	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>	<u>FY 2017-18 - FY 2018-19 % Change</u>
CCS State Only	15,814	15,621	15,621	0.00%
SUBTOTAL	15,814	15,621	15,621	0.00%

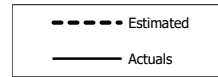
**Total Medi-Cal Caseload
(CC Medi-Cal / OTLIPC)**

<u>All Counties</u>	<u>Fiscal Year 2016-17 ¹</u>	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>	<u>FY 2017-18 - FY 2018-19 % Change</u>
CCS Medi-Cal	150,082	152,993	155,733	1.79%
CCS OTLIPC	22,275	22,329	22,329	0.00%
SUBTOTAL	172,357	175,322	178,062	1.56%

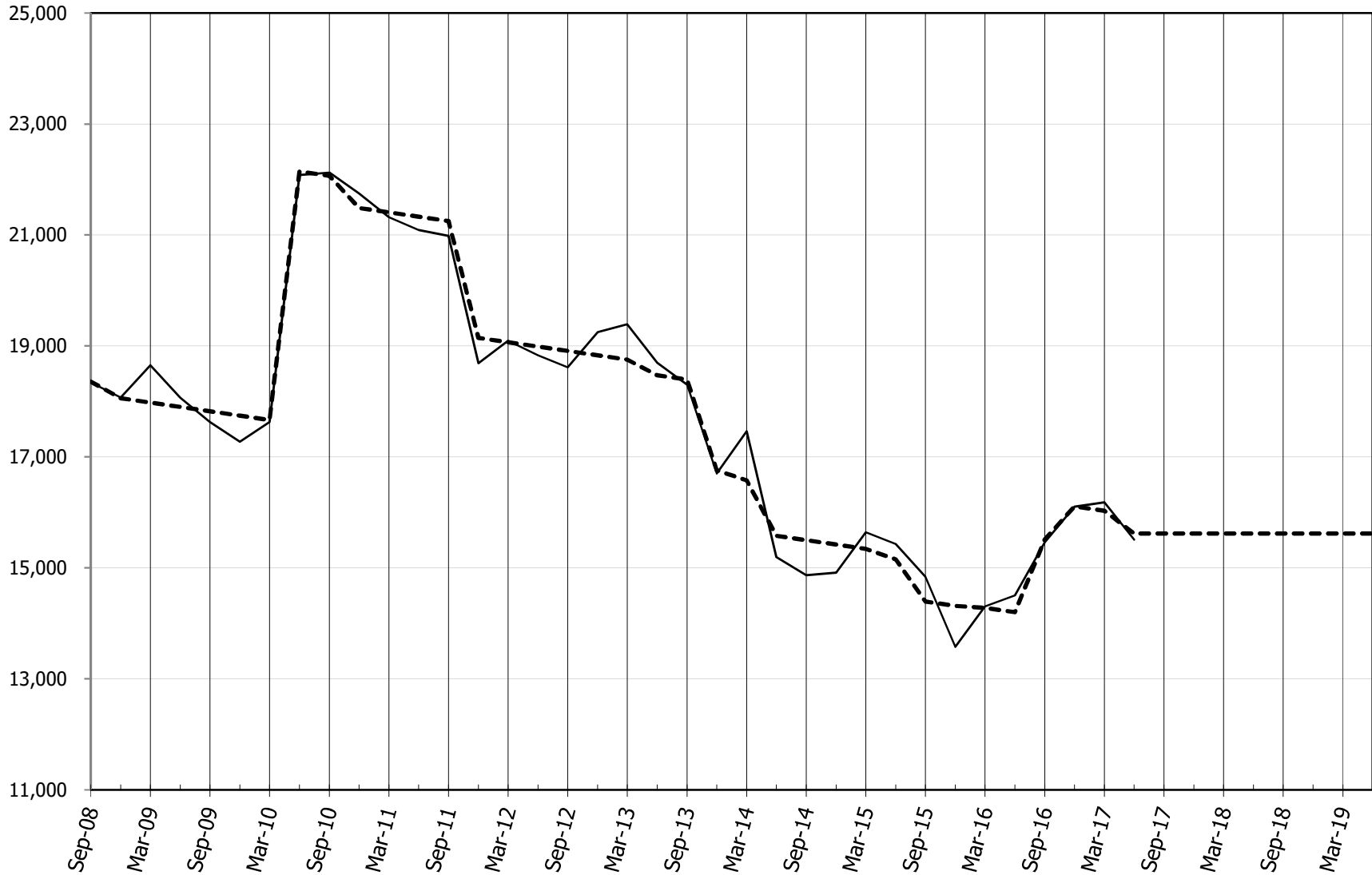
**Total Caseload
(CC State Only and CC Medi-Cal / OTLIPC)**

<u>All Counties</u>	<u>Fiscal Year 2016-17 ¹</u>	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>	<u>FY 2017-18 - FY 2018-19 % Change</u>
CCS State Only	15,814	15,621	15,621	0.00%
CCS Medi-Cal	150,082	152,993	155,733	1.79%
CCS OTLIPC	22,275	22,329	22,329	0.00%
TOTAL	188,171	190,943	193,683	1.43%

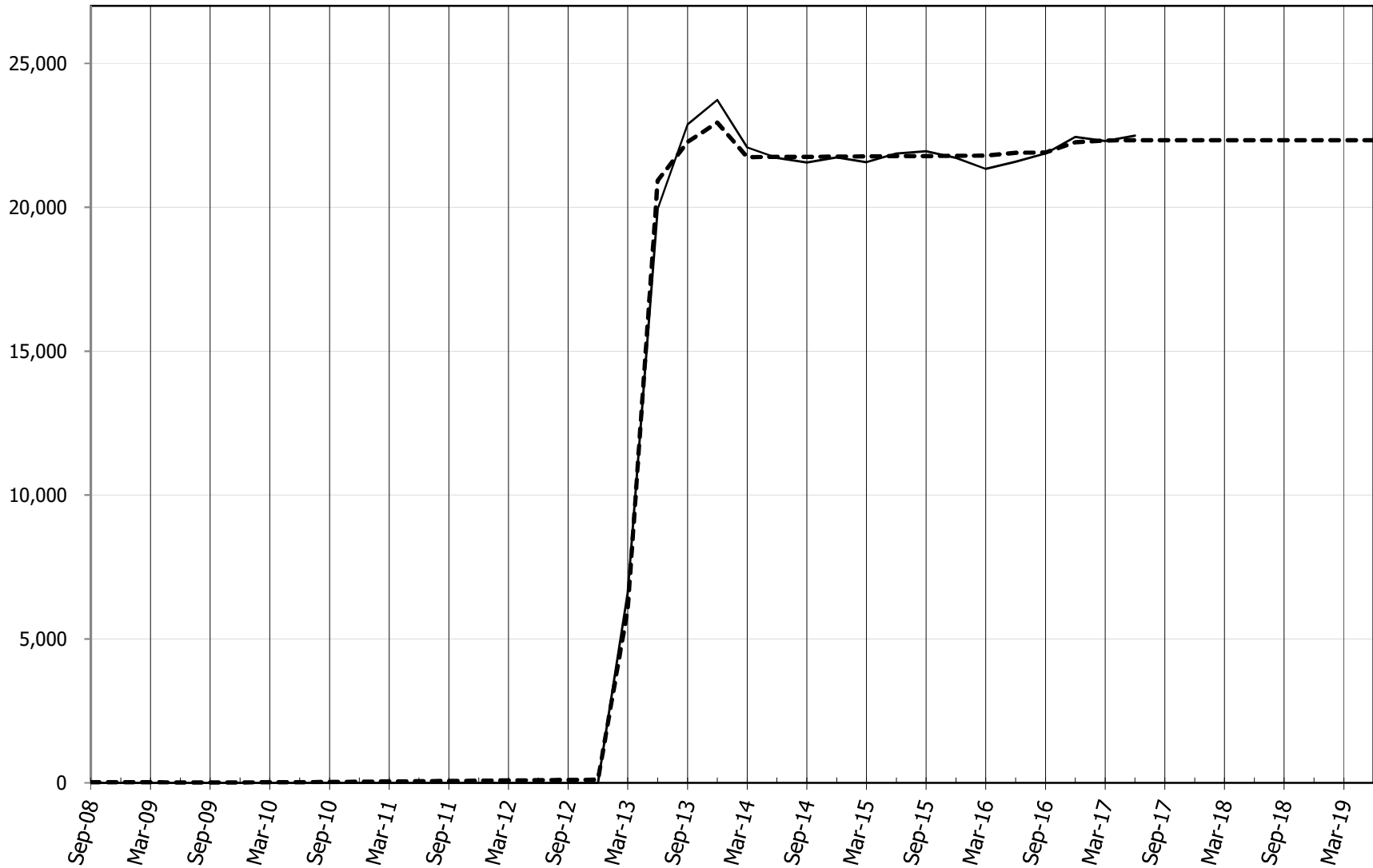
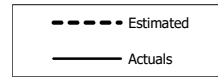
¹ Actual caseload.



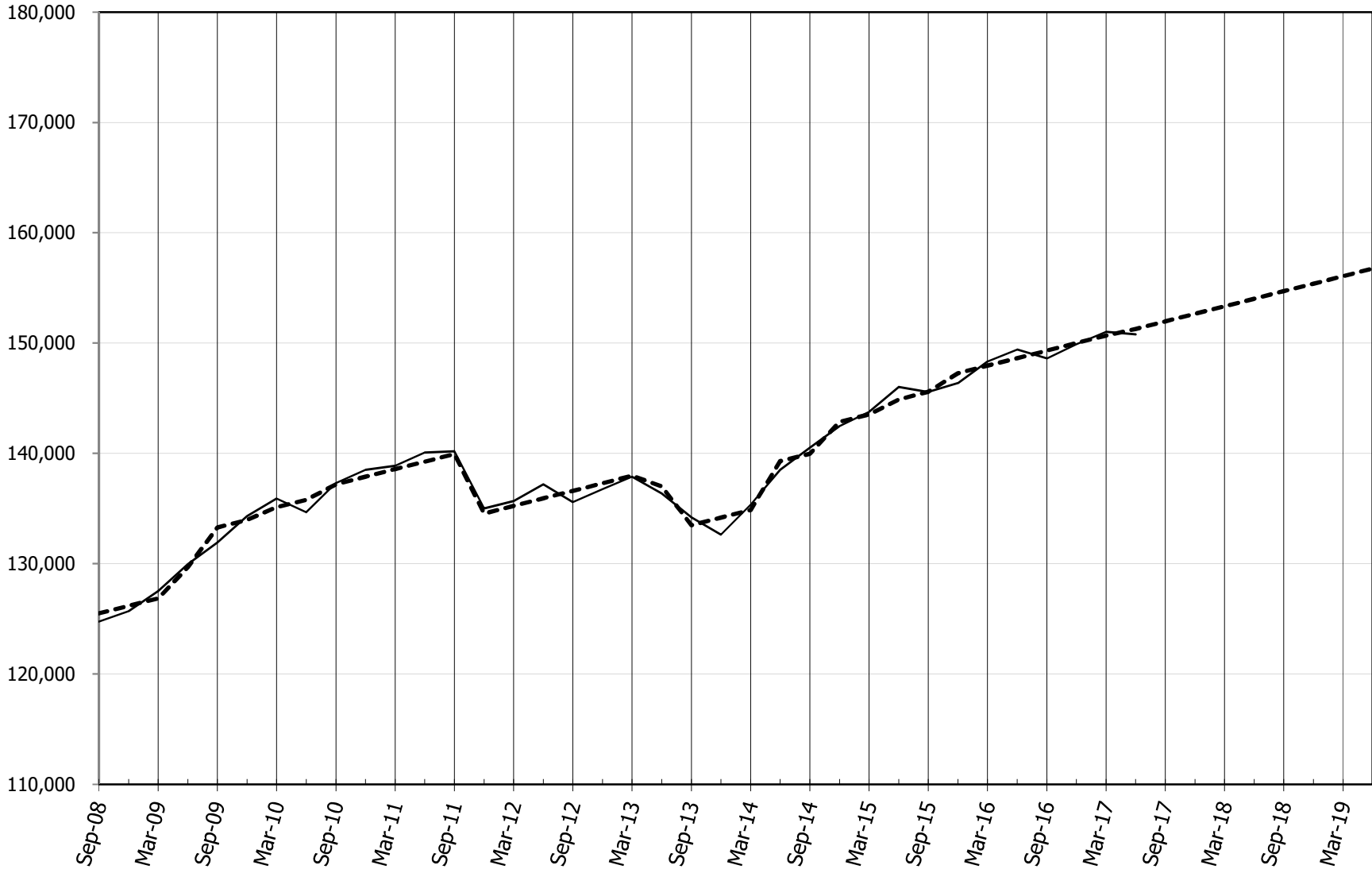
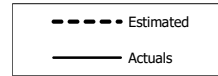
Total Statewide CCS State-Only Caseload



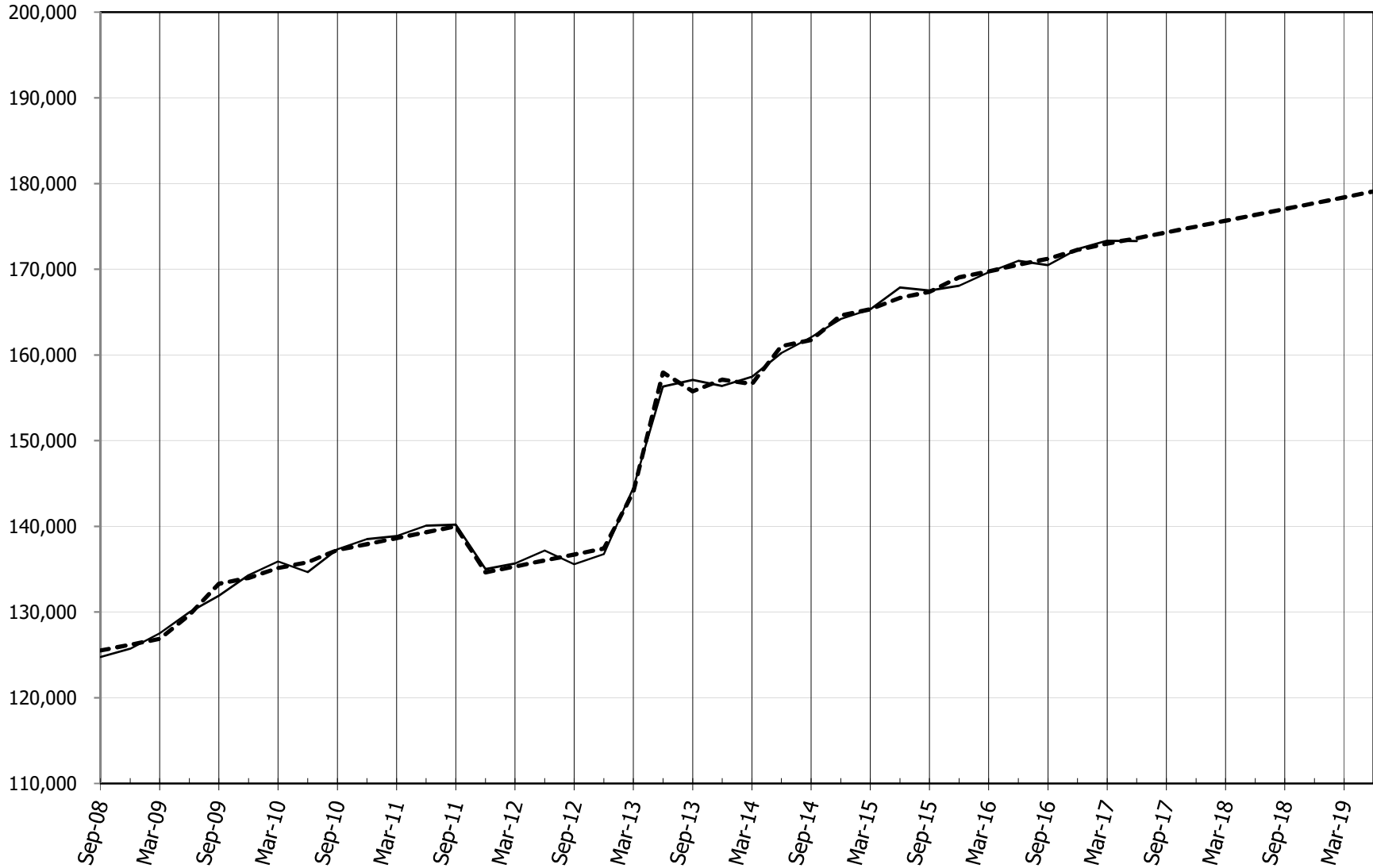
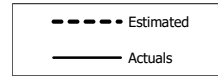
Total Statewide CCS Medi-Cal OTLICP Caseload



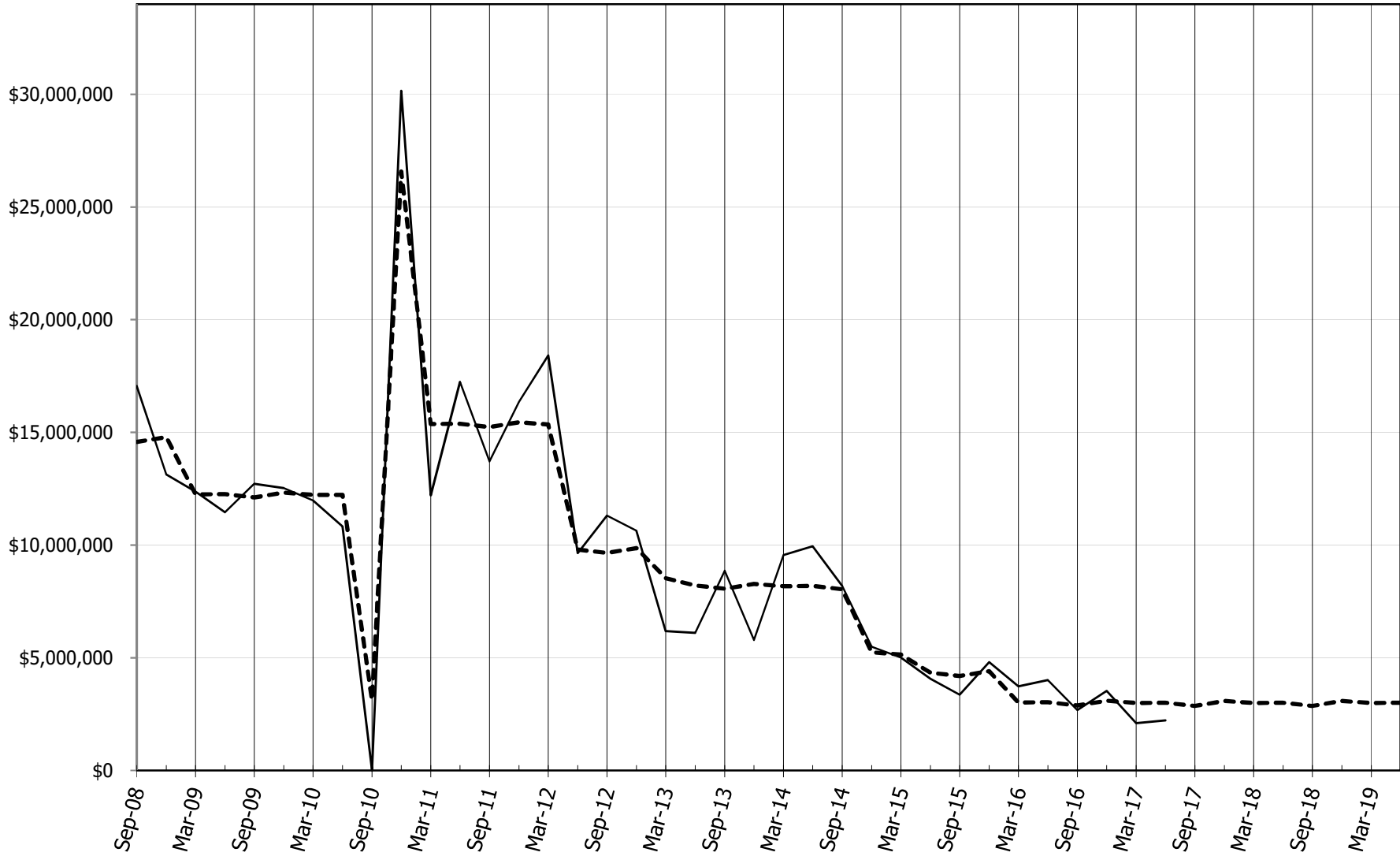
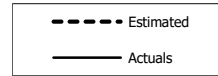
Total Statewide Medi-Cal Caseload (without OTLICP)



Total Statewide Medi-Cal including Medi-Cal OTLICP Caseload

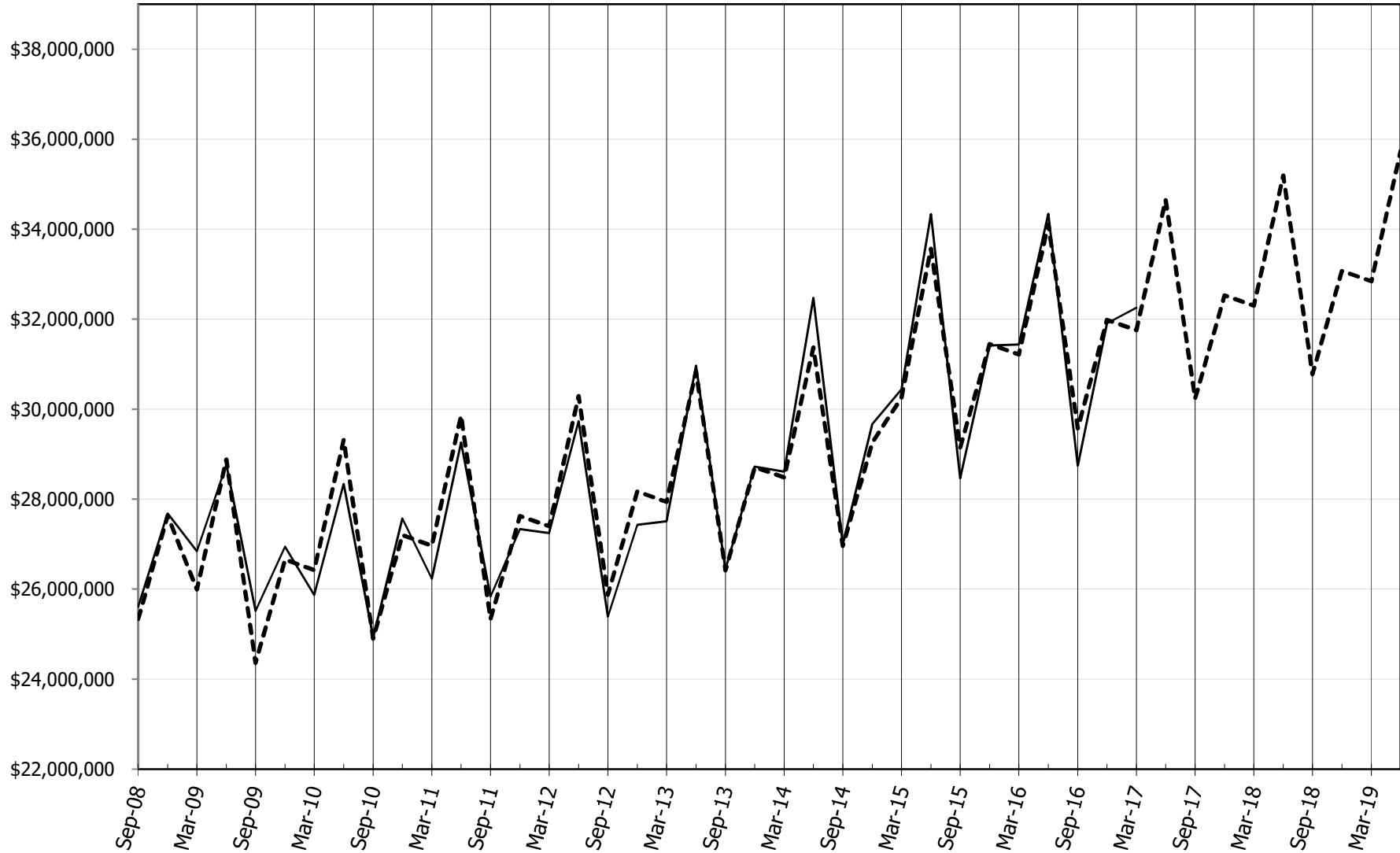


**Total CCS Quarterly Treatment Dollars (State Only Services)
--Includes County Funds--**



**Total CCS Quarterly Therapy Dollars (State Only Services)
--Includes County Funds--**

--- Estimated
— Actuals



CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
Funding Summary
Fiscal Years 2017-18 and 2018-19 Compared to May 2017 Estimate

FY 2017-18, Comparison of November 2017 Estimate to Appropriation

	<u>Appropriation FY 2017-18</u>	<u>Nov. 17 Est. FY 2017-18</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens*:	0	36	36
Net Dollars:			
4260-111-0001 (General Fund)	\$ 1,000	\$ 3,000	\$ 2,000
4260-111-0080 (CLPP Funds)	\$ 0	\$ 0	\$ 0
Total Funds	\$ 1,000	\$ 3,000	\$ 2,000

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19

	<u>Nov. 17 Est. FY 2017-18</u>	<u>Nov. 17 Est. FY 2018-19</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens*:	36	36	0
Net Dollars:			
4260-111-0001 (General Fund)	\$ 3,000	\$ 3,000	\$ 0
4260-111-0080 (CLPP Funds)	\$ 0	\$ 0	\$ 0
Total Funds	\$ 3,000	\$ 3,000	\$ 0

CHILD HEALTH AND DISABILITY PREVENTION PROGRAM**Funding Sources by Component****Comparison of Fiscal Years 2017-18 And 2018-19**

FY 2017-18, November 2017 Estimate Compared to Appropriation			
	<u>Appropriation FY 2017-18</u>	<u>Nov. 17 Est. FY 2017-18</u>	<u>Difference Incr./((Decr.)</u>
Annual Screens *	0	36	36
Program Expenditures			
A. CHDP Services	\$ 52,000	\$ 2,000	(\$ 50,000)
B. CHDP Administration			
1. Fiscal Intermediary	\$ 1,000	\$ 1,000	\$ 0
2. CHDP Program Allocation	\$ 0	\$ 0	\$ 0
C. Benefit Policy Change	(\$ 52,000)	\$ 0	\$ 52,000
Total CHDP Program	\$ 1,000	\$ 3,000	\$ 2,000
Funding			
A. General Fund 4260-111-0001	\$ 1,000	\$ 3,000	\$ 2,000
B. CLPP Funds 4260-111-0080	\$ 0	\$ 0	\$ 0

November 2017 Estimate, Fiscal Year 2017-18 Compared to Fiscal Year 2018-19			
	<u>Nov. 17 Est. FY 2017-18</u>	<u>Nov. 17 Est. FY 2018-19</u>	<u>Difference Incr./((Decr.)</u>
Annual Screens *	36	36	0
Program Expenditures			
A. CHDP Services	\$ 2,000	\$ 2,000	\$ 0
B. CHDP Administration			
1. Fiscal Intermediary	\$ 1,000	\$ 1,000	\$ 0
2. CHDP Program Allocation	\$ 0	\$ 0	\$ 0
C. Benefit Policy Change	\$ 0	\$ 0	\$ 0
Total CHDP Program	\$ 3,000	\$ 3,000	\$ 0
Funding			
A. General Fund 4260-111-0001	\$ 3,000	\$ 3,000	\$ 0
B. CLPP Funds 4260-111-0080	\$ 0	\$ 0	\$ 0
Average \$/Screen			
Total CHDP	\$ 55.56	\$ 55.56	\$ 0.00

Note: The average cost per screen amounts above are calculated using expenditures that have been rounded to the nearest \$1,000. Additionally, the expenditures have been adjusted for the impact of policy changes. Therefore, they may differ from the base cost per screen amounts depicted in "Quarterly Summary" table.

**CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
STATE FUNDED SCREENS AND COSTS
QUARTERLY SUMMARY**

<u>QUARTER</u>	<u>SCREENS</u>	<u>WEIGHTED AVG TOTAL FEE</u>	<u>TOTAL COST</u>
1	6,864	\$ 57.49	\$ 394,586
2	6,164	\$ 54.45	\$ 335,623
3	4,906	\$ 55.54	\$ 272,500
4	4,993	\$ 58.98	\$ 294,468
2013-14	22,927	\$ 56.57	\$ 1,297,177
1	5,079	\$ 56.59	\$ 287,403
2	4,769	\$ 56.30	\$ 268,485
3	3,499	\$ 55.47	\$ 194,084
4	2,585	\$ 61.86	\$ 159,896
2014-15	15,932	\$ 57.12	\$ 909,868
1	2,275	\$ 59.05	\$ 134,338
2	1,736	\$ 55.31	\$ 96,010
3	1,131	\$ 58.62	\$ 66,295
4	795	\$ 63.33	\$ 50,349
2015-16	5,937	\$ 58.45	\$ 346,992
1	357	\$ 55.75	\$ 19,903
2	109	\$ 48.20	\$ 5,254
3	20	\$ 62.28	\$ 1,246
4*	8	\$ 69.13	\$ 553
2016-17	494	\$ 54.66	\$ 26,956
1*	9	\$ 60.54	\$ 545
2*	9	\$ 58.19	\$ 524
3*	9	\$ 60.42	\$ 544
4*	9	\$ 60.03	\$ 540
2017-18	36	\$ 55.56	\$ 2,153
1*	9	\$ 61.53	\$ 554
2*	9	\$ 59.18	\$ 533
3*	9	\$ 61.41	\$ 553
4*	9	\$ 61.01	\$ 549
2018-19	36	\$ 55.56	\$ 2,188

* Includes estimated values

Date

**CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
Comparison of Assumed Fiscal Impacts of Policy Changes**

Fiscal Year 2017-18, November 2017 Estimate Compared to Appropriation

<u>POLICY CHG.</u>			<u>FY 2017-18 APPROPRIATION</u>		<u>NOVEMBER 2017 ESTIMATE</u>		<u>DIFFERENCE, Incr./(Decr.)</u>	
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</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>
FI	1	FISCAL INTERMEDIARY EXPENDITURES - CHDP	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
Benefits	-	UNDOCUMENTED CHILDREN FULL SCOPE EXPANSION-CHDP	-\$52,000	-\$52,000	-	-	-	-
CHDP TOTAL			\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0

Fiscal Year 2017-18 Compared to Fiscal Year 2018-19

<u>POLICY CHG.</u>			<u>Nov. 2017 Est. for FY 2017-18</u>		<u>Nov. 2017 Est. for FY 2018-19</u>		<u>DIFFERENCE, Incr./(Decr.)</u>	
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</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>
FI	1	FISCAL INTERMEDIARY EXPENDITURES - CHDP	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
CHDP TOTAL			\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0

FISCAL INTERMEDIARY EXPENDITURES - CHDP

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 07/2002
ANALYST: Matthew Wong

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST - TOTAL FUNDS	\$1,000	\$1,000
- GENERAL FUND	\$1,000	\$1,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$1,000	\$1,000
- GENERAL FUND	\$1,000	\$1,000

Purpose:

This policy change estimates the expenditures paid to the medical fiscal intermediary (FI) for the administrative cost of adjudicating Child Health and Disability Prevention (CHDP) program medical claims.

Authority:

Health & Safety Code 124033

Interdependent Policy Changes:

Not Applicable

Background:

CHDP claims are paid by the FI. Administrative costs are reimbursed based on a cost per adjudicated claim line (ACL).

Reason for Change:

The change from the prior estimate, for FY 2017-18, is a decrease due to updated projected ACLs. The change FY 2017-18 to FY 2018-19, in the current estimate, is a decrease due to updated projected ACLs.

Methodology:

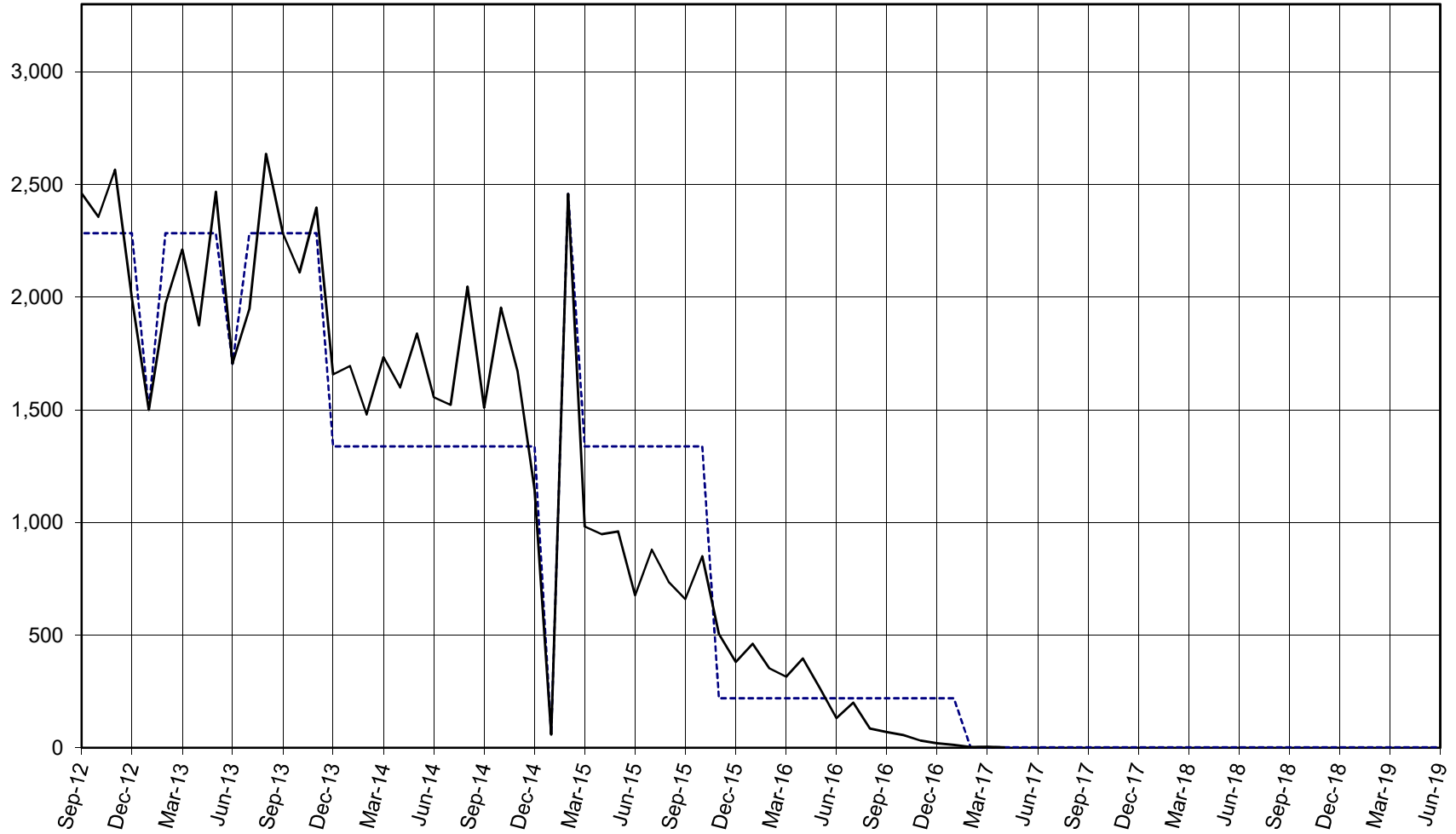
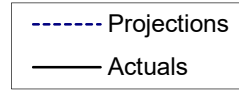
1. The estimated medical FI administrative costs are:

General ACLs	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
FY 2017-18	1,695	\$0.59	\$1,000
FY 2018-19	1,724	\$0.58	\$1,000

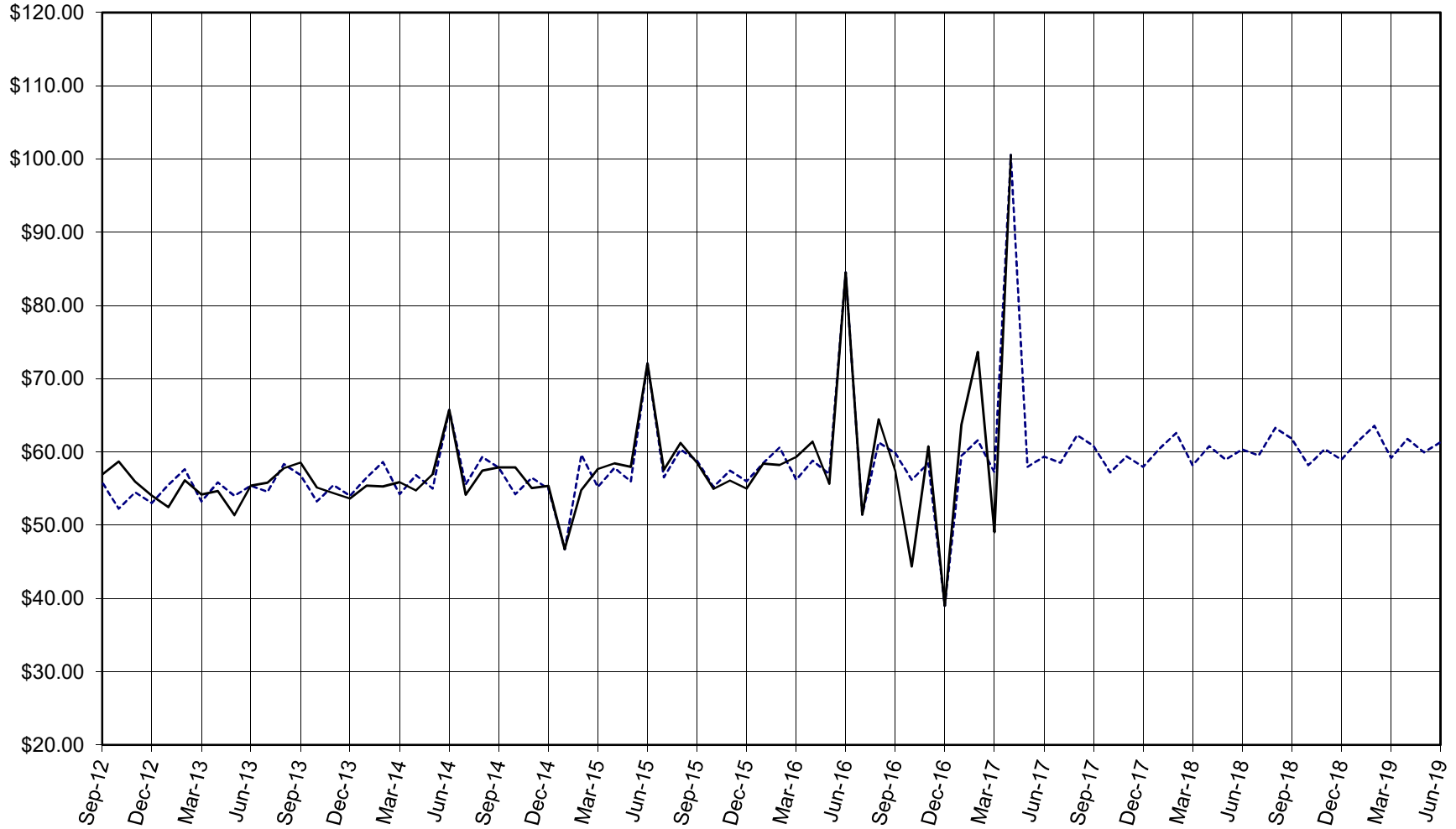
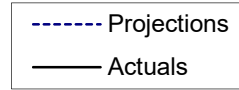
Funding:

100% GF (4260-111-0001)

CHDP Screens



CHDP Dollars Per Screen



**GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary**

FY 2017-18, November 2017 Estimate Compared to May 2017 Estimate

	Appropriation FY 2017-18	Nov. 2017 Est. FY 2017-18	Difference Incr./((Decr.)
State-Only Caseload:	951	655	(296)
Net Dollars:			
4260-111-0001 (General Fund)	\$133,137,900	\$98,717,500	(\$34,420,400)
4260-601-7503 (Federal Title XIX HCSF)	\$0	\$0	\$0
4260-601-0995 (Enrollment Fees)	\$426,600	\$434,700	\$8,100
4260-601-3079 (Rebate Special Fund)	\$16,000,000	\$18,000,000	\$2,000,000
Total	\$149,564,500	\$117,152,200	(\$32,412,300)

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19
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	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./((Decr.)
State-Only Caseload:	655	659	4
Net Dollars:			
4260-111-0001 (General Fund)	\$98,717,500	\$118,326,500	\$19,609,000
4260-601-7503 (Federal Title XIX HCSF)	\$0	\$0	\$0
4260-601-0995 (Enrollment Fees)	\$434,700	\$434,700	\$0
4260-601-3079 (Rebates Special Fund)	\$18,000,000	\$14,088,000	(\$3,912,000)
Total	\$117,152,200	\$132,849,200	\$15,697,000

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Fiscal Year 2017-18

November 2017 Estimate Compared to May 2017 Estimate, Total Funds

	<u>Appropriation FY 2017-18</u>	<u>Nov. 2017 Est. FY 2017-18</u>	<u>Difference Incr./((Decr.)</u>
1. Base Expenditure Estimate	\$ 143,021,000	\$ 113,788,000	\$ (29,233,000)
2. Policy Changes	\$ 6,515,500	\$ 3,341,200	\$ (3,174,300)
Total for Services	\$ 149,536,500	\$ 117,129,200	\$ (32,407,300)
Fiscal Intermediary	\$ 28,000	\$ 23,000	\$ (5,000)
Total GHPP Program	\$ 149,564,500	\$ 117,152,200	\$ (32,412,300)

November 2017 Estimate Compared to May 2017 Estimate, General Fund

	<u>Appropriation FY 2017-18</u>	<u>Nov. 2017 Est. FY 2017-18</u>	<u>Difference Incr./((Decr.)</u>
1. Base Expenditure Estimate	\$ 143,021,000	\$ 113,788,000	\$ (29,233,000)
2. Policy Changes	\$ (9,911,100)	\$ (15,093,500)	\$ (5,182,400)
Total for Services	\$ 133,109,900	\$ 98,694,500	\$ (34,415,400)
Fiscal Intermediary	\$ 28,000	\$ 23,000	\$ (5,000)
Total GHPP Program	\$ 133,137,900	\$ 98,717,500	\$ (34,420,400)

November 2017 Estimate Compared to May 2017 Estimate, Federal Funds

	<u>Appropriation FY 2017-18</u>	<u>Nov. 2017 Est. FY 2017-18</u>	<u>Difference Incr./((Decr.)</u>
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	\$ 0	\$ 0	\$ 0
Total for Services	\$ 0	\$ 0	\$ 0
Fiscal Intermediary	-	-	-
Total GHPP Program	\$ 0	\$ 0	\$ 0

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Current Year vs Budget Year

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19, Total Funds

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./((Decr.)
1. Base Expenditure Estimate	\$ 113,788,000	\$ 121,767,000	\$ 7,979,000
2. Policy Changes	\$ 3,341,200	\$ 11,058,200	\$ 7,717,000
Total for Services	\$ 117,129,200	\$ 132,825,200	\$ 15,696,000
Fiscal Intermediary	\$ 23,000	\$ 24,000	\$ 1,000
Total GHPP Program	\$ 117,152,200	\$ 132,849,200	\$ 15,697,000

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19, General Fund

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./((Decr.)
1. Base Expenditure Estimate	\$ 113,788,000	\$ 121,767,000	\$ 7,979,000
2. Policy Changes	\$ (15,093,500)	\$ (3,464,500)	\$ 11,629,000
Total for Services	\$ 98,694,500	\$ 118,302,500	\$ 19,608,000
Fiscal Intermediary	\$ 23,000	\$ 24,000	\$ 1,000
Total GHPP Program	\$ 98,717,500	\$ 118,326,500	\$ 19,609,000

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19, Federal Funds

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./((Decr.)
1. Base Expenditure Estimate	-	-	-
2. Policy Changes	\$ 0	\$ 0	\$ 0
Total for Services	\$ 0	\$ 0	\$ 0
Fiscal Intermediary	-	-	-
Total GHPP Program	\$ 0	\$ 0	\$ 0

GENETICALLY HANDICAPPED PERSONS PROGRAM
Base Expenditures for Specified Diseases

<u>Fiscal Year</u>	<u>Diagnosis</u>	<u>Average GHPP Only Caseload 1/</u>	<u>Average Annual Cost/Case</u>	<u>Total Program Expenditures 1/</u>
2016-17 Actuals	Hemophilia	360	\$ 290,600	\$ 104,598,000
	Cystic Fibrosis	322	33,000	10,629,000
	Sickle Cell	95	4,700	442,000
	Huntington's	70	3,200	224,000
	Metabolic 2/	48	5,600	267,000
		----- 895	----- \$ 129,800	----- \$ 116,160,000
2017-18 Estimate	Hemophilia	287	\$ 352,800	\$ 101,264,000
	Cystic Fibrosis	240	47,400	11,367,000
	Sickle Cell	57	9,800	558,000
	Huntington's	39	9,100	355,000
	Metabolic 2/	32	7,600	244,000
		----- 655	----- \$ 173,700	----- \$ 113,788,000
2018-19 Estimate	Hemophilia	287	\$ 380,500	\$ 109,217,000
	Cystic Fibrosis	244	46,700	11,391,000
	Sickle Cell	57	9,600	550,000
	Huntington's	39	8,900	348,000
	Metabolic 2/	32	8,200	261,000
		----- 659	----- \$ 184,800	----- \$ 121,767,000

 1/ Actual expenditure data is complete through July 2017.

Actual caseload data is complete through June 2017.

2/ Metabolic conditions category includes Von Hippel Lindau syndrome.

GENETICALLY HANDICAPPED PERSONS PROGRAM
Base Estimate Comparisons for Fiscal Years 2017-18 and 2018-19

FY 2017-18, November 2017 Estimate Compared to Appropriation

	Appropriation FY 2017-18	Nov. 2017 Est. FY 2017-18	Difference Incr./Decr.)
Hemophilia	\$ 131,855,000	\$ 101,264,000	\$ (30,591,000)
Cystic Fibrosis	10,362,000	11,367,000	1,005,000
Sickle Cell	375,000	558,000	183,000
Huntington's	217,000	355,000	138,000
Metabolic	212,000	244,000	32,000
TOTAL	\$ 143,021,000	\$ 113,788,000	\$ (29,233,000)

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./Decr.)
Hemophilia	\$ 101,264,000	\$ 109,217,000	\$ 7,953,000
Cystic Fibrosis	11,367,000	11,391,000	24,000
Sickle Cell	558,000	550,000	(8,000)
Huntington's	355,000	348,000	(7,000)
Metabolic	244,000	261,000	17,000
TOTAL	\$ 113,788,000	\$ 121,767,000	\$ 7,979,000

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Caseload Estimate

Fiscal Year 2017-18

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	625	338	287
Cystic Fibrosis	470	230	240
Sickle Cell	305	248	57
Huntington's	135	96	39
Metabolic	146	114	32
Total	1,681	1,026	655

Fiscal Year 2018-19

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	638	351	287
Cystic Fibrosis	475	231	244
Sickle Cell	308	251	57
Huntington's	135	96	39
Metabolic	149	117	32
Total	1,705	1,046	659

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly State-Only Caseload Comparison

FY 2017-18, November 2017 Estimate Compared to May 2017 Estimate

	Appropriation FY 2017-18	Nov. 2017 Est. FY 2017-18	Difference Incr./(Decr.)
Hemophilia	381	287	(94)
Cystic Fibrosis	339	240	(99)
Sickle Cell	102	57	(45)
Huntington's	76	39	(37)
Metabolic	53	32	(21)
Total	951	655	(296)

Fiscal Year 2017-18 Compared to Fiscal Year 2018-19

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./(Decr.)
Hemophilia	287	287	0
Cystic Fibrosis	240	244	4
Sickle Cell	57	57	0
Huntington's	39	39	0
Metabolic	32	32	0
Total	655	659	4

GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Medi-Cal Caseload Comparison

FY 2017-18, November 2017 Estimate Compared to May 2017 Estimate

	Appropriation FY 2017-18	Nov. 2017 Est. FY 2017-18	Difference Incr./(Decr.)
Hemophilia	325	338	13
Cystic Fibrosis	229	230	1
Sickle Cell	256	248	(8)
Huntington's	96	96	0
Metabolic	110	114	4
Total	1,016	1,026	10

Fiscal Year 2017-18 Compared to Fiscal Year 2018-19

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./(Decr.)
Hemophilia	338	351	13
Cystic Fibrosis	230	231	1
Sickle Cell	248	251	3
Huntington's	96	96	0
Metabolic	114	117	3
Total	1,026	1,046	20

**GENETICALLY HANDICAPPED PERSONS PROGRAM
Comparison of Assumed Fiscal Impacts of Policy Changes**

Fiscal Year 2017-18, November 2017 Estimate Compared to Appropriation								
POLICY CHG. TYPE	NO.	DESCRIPTION	FY 2017-18 APPROPRIATION		NOVEMBER 2017 ESTIMATE		DIFFERENCE, Incr./(Decr.)	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
Other	1	ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$28,000	\$28,000	\$23,000	\$23,000	-\$5,000	-\$5,000
Benefits	3	BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	GHPP PREMIUM COSTS	\$63,000	\$63,000	\$44,000	\$44,000	-\$19,000	-\$19,000
Benefits	5	GHPP PREMIUM SAVINGS	-\$699,000	-\$699,000	-\$303,600	-\$303,600	\$395,400	\$395,400
Benefits	6	NEW HIGH COST TREATMENTS FOR SPECIFIC CONDITIONS - GHPP	\$7,151,500	\$7,151,500	\$3,600,800	\$3,600,800	-\$3,550,700	-\$3,550,700
GHPP TOTAL			\$6,543,500	\$6,543,500	\$3,364,200	\$3,364,200	-\$3,179,300	-\$3,179,300

Fiscal Year 2017-18 Compared to Fiscal Year 2018-19								
POLICY CHG. TYPE	NO.	DESCRIPTION	Nov. 2017 Est. for FY 2017-18		Nov. 2017 Est. for FY 2018-19		DIFFERENCE, Incr./(Decr.)	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
Other	1	ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$23,000	\$23,000	\$24,000	\$24,000	\$1,000	\$1,000
Benefits	3	BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	GHPP PREMIUM COSTS	\$44,000	\$44,000	\$61,000	\$61,000	\$17,000	\$17,000
Benefits	5	GHPP PREMIUM SAVINGS	-\$303,600	-\$303,600	-\$851,500	-\$851,500	-\$547,900	-\$547,900
Benefits	6	NEW HIGH COST TREATMENTS FOR SPECIFIC CONDITIONS - GHPP	\$3,600,800	\$3,600,800	\$11,848,700	\$11,848,700	\$8,247,900	\$8,247,900
GHPP TOTAL			\$3,364,200	\$3,364,200	\$11,082,200	\$11,082,200	\$7,718,000	\$7,718,000

¹ Funds are referenced separately in the GHPP Funding Summary pages.

ENROLLMENT FEES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1993
ANALYST: Melissa Weathers

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$434,700	-\$434,700
	- ENROLLMENT FEES FUND	\$434,700	\$434,700
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$434,700	-\$434,700
	- ENROLLMENT FEES FUND	\$434,700	\$434,700

Purpose:

The policy change estimates the Genetically Handicapped Persons Program (GHPP) enrollment fees.

Authority:

Health & Safety Code 125166

Interdependent Policy Changes:

Not Applicable

Background:

Families receiving GHPP services may be assessed enrollment fees. Collection of enrollment fees occurs on each client's enrollment anniversary date.

GHPP enrollment fees are currently assessed based on a sliding scale. Effective December 1, 2009, the Department increased GHPP enrollment fees to 1.5% of Adjusted Gross Income (AGI) for families with incomes between 200% and 299% of the Federal Poverty Level (FPL), and 3% of AGI for families with incomes 300% or greater than the FPL.

Reason for Change:

Enrollment fees have been adjusted to reflect the actual enrollment fees collected through June 2017, resulting in a slight increase for FY 2017-18 and FY 2018-19 over the prior estimate. There is no change between FY 2017-18 and FY 2018-19.

Methodology:

1. Averaging actual enrollment fees of \$396,905 collected in Fiscal Year (FY) 2015-16, and \$472,548 collected through June of FY 2016-17, base fee collections are estimated to be approximately \$434,700 for FY 2016-17 and FY 2017-18

FY 2016-17: $$(396,905 + 472,548) \div 24 \times 12 = \$434,727$ (\$434,700 GF)

FY 2017-18: $$(396,905 + 472,548) \div 24 \times 12 = \$434,727$ (\$434,700 GF)

Funding:

100% GF (4260-111-0001)

FISCAL INTERMEDIARY EXPENDITURES - GHPP

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2003
ANALYST: Matthew Wong

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST - TOTAL FUNDS	\$23,000	\$24,000
- GENERAL FUND	\$23,000	\$24,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$23,000	\$24,000
- GENERAL FUND	\$23,000	\$24,000

Purpose:

This policy change estimates the expenditures paid to the fiscal intermediary (FI) for the administrative cost of adjudicating Genetically Handicapped Persons Program (GHPP) medical and dental claims.

Authority:

Health & Safety Code 125130

Interdependent Policy Changes:

Not Applicable

Background:

GHPP medical and dental claims are paid by the FI. Administrative costs are reimbursed based on cost per adjudicated claim line (ACL) and Treatment Authorization Requests (TARs).

Reason for Change:

The change from the prior estimate, for FY 2017-18, is an overall net decrease due to updated projected ACLs and updated average costs per ACLs. The change from FY 2017-18 to FY 2018-19, in the current estimate, is a net decrease due to updated projected ACLs and updated average costs per ACLs.

Methodology:

1. The estimated medical FI administrative costs are:

FY 2017-18	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	26,949	\$ 0.59	\$ 16,000
Online ACLs	32,294	\$ 0.17	\$ 5,000
Total FY 2017-18			\$ 21,000

FY 2018-19	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	27,114	\$ 0.58	\$ 16,000
Online ACLs	32,491	\$ 0.18	\$ 6,000
Total FY 2017-18			\$ 22,000

2. The estimated dental FI administrative costs are:

FY 2017-18	Estimated Claims	Rates	Estimated Expenditure
ACLs	335	\$ 2.99	\$ 1,000
TARs	83	\$ 12.14	\$ 1,000
Total FY 2017-18			\$ 2,000

FY 2018-19	Estimated Claims	Rates	Estimated Expenditure
ACLs	335	\$ 2.99	\$ 1,000
TARs	83	\$ 12.14	\$ 1,000
Total FY 2018-19			\$ 2,000

Type	FY 2017-18	FY 2018-19
Medical	\$ 21,000	\$ 22,000
Dental	\$ 2,000	\$ 2,000
Total	\$ 23,000	\$ 24,000

Funding:

100% GF (4260-111-0001)

BLOOD FACTOR DRUG REBATES AND CONTRACT SAVINGS

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 7/2003
ANALYST: Matthew Wong

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$18,000,000	-\$14,088,000
	- REBATE SPECIAL FUND	\$18,000,000	\$14,088,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$18,000,000	-\$14,088,000
	- REBATE SPECIAL FUND	\$18,000,000	\$14,088,000

Purpose:

This policy change estimates the savings for Genetically Handicapped Persons Program (GHPP) drug rebates.

Authority:

SB 1100 (Chapter 560, Statutes of 2005)
 Medi-Cal Hospital/Uninsured Care Section 1115(a) Medicaid Demonstration (MH/UCD)
 California Bridge to Reform Section 1115(a) Medicaid Demonstration (BTR)
 California Medi-Cal 2020 Section 1115(a) Medicaid Demonstration

Interdependent Policy Changes:

Not Applicable

Background:

Effective September 1, 2005, the Department began claiming Title XIX federal reimbursement for GHPP State-Only service expenditures as certified public expenditures through the Safety Net Care Pool. Because of this federal funding, the program no longer qualifies as a State Pharmaceutical Assistance Program and is ineligible to collect rebates under its independent rebate contracts. However, it enabled GHPP to participate in the Medi-Cal factor rebates.

Reason for Change:

The change from the prior estimate, for FY 2017-18, is an increase due to a change in methodology to base the estimate on actual collections. The data has shown GHPP clients shifting away from blood factor products and to a use of long-lasting and lower cost drugs.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is due to the continued trending of fewer rebates.

Methodology:

1. Rebate projections for FY 2017-18 and FY 2018-19 are based on actual collections during FY 2016-17.
2. Assume the percentage change from FY 2015-16 to FY 2016-17 is applied to FY 2016-17 and FY 2017-18.
3. The Department anticipates to collect \$18,000,000 in FY 2017-18 and \$14,088,000 in FY 2018-19 for GHPP rebates.

Funding:

Children's Medical Services Rebate Fund (4260-601-3079)
100% GF (4260-101-0001)

GHPP PREMIUM COSTS

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 12/2009
ANALYST: Melissa Weathers

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$44,000	\$61,000
	- GENERAL FUND	\$44,000	\$61,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$44,000	\$61,000
	- GENERAL FUND	\$44,000	\$61,000

Purpose:

This policy change estimates the cost of the premium payments for the Genetically Handicapped Persons Program (GHPP) clients who enroll in a commercial insurance plan.

Authority:

Health & Safety Code 125157(c)

Interdependent Policy Changes:

GHPP Premium Savings

Background:

Effective December 1, 2009, GHPP implemented a health insurance premium reimbursement program for GHPP clients, who are eligible to enroll in or are enrolled in commercial insurance plans. The program reimburses GHPP clients for commercial insurance premium payments that cover the client's full range of health care services. Program savings for GHPP clients who enroll in a commercial insurance plan is budgeted in the GHPP Premium Savings policy change.

The Department may, when it determines that it is cost effective, pay the premium for, or otherwise subsidize the subscriber cost-sharing obligation for third-party health coverage.

Reason for Change:

In the May 2017 Estimate, the Department reported paying premiums for five clients in FY 2017-18. This count has been updated to include one additional client and is estimating that an additional two will enroll before the end of the fiscal year (one Cystic Fibrosis and one Hemophilia). The two additional clients expected to enroll are estimated at 13 member months in FY 2017-18 and 24 member months in FY 2018-19. The change between FY 2017-18 and FY 2018-19 is due to three additional clients projected to enroll (one each with Hemophilia, Cystic Fibrosis, or Sickle Cell) for an estimated 24 member months anticipated in FY 2018-19.

Methodology:

1. Assume the premium costs are \$130 per hemophilia enrollee, \$670 per cystic fibrosis enrollee, and \$870 per sickle cell enrollee per month based on current enrollment.
2. As of August 2017, six clients are participating in the program. The total member months for current clients are shown below.

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	24	24
Cystic Fibrosis	24	24
Sickle Cell	24	24

3. Assume two new clients will enroll in FY 2017-18. The estimated member months for additional clients is shown below.

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	8	12
Cystic Fibrosis	5	12

4. Assume three new clients will enroll in FY 2018-19. The estimated member months for additional clients is shown below.

	Member Months	
	FY 2018-19	
Hemophilia	11	
Cystic Fibrosis	8	
Sickle Cell	5	

5. Total Member Months:

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	32	47
Cystic Fibrosis	29	44
Sickle Cell	24	29
Total	85	120

6. Projected Premium Payments (Rounded):

	FY 2017-18	FY 2018-19
Total Funds	\$ 44,000	\$ 61,000
General Funds	\$ 44,000	\$ 61,000

Funding:

100% GF (4260-111-0001)

GHPP PREMIUM SAVINGS

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 12/2009
ANALYST: Melissa Weathers

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	-\$1,075,000	-\$1,685,000
	- GENERAL FUND	-\$1,075,000	-\$1,685,000
PAYMENT LAG		0.9794	0.9849
% REFLECTED IN BASE		71.16%	48.69%
APPLIED TO BASE	- TOTAL FUNDS	-\$303,600	-\$851,500
	- GENERAL FUND	-\$303,600	-\$851,500

Purpose:

This policy change estimates the program savings for the Genetically Handicapped Persons Program (GHPP) clients covered by a commercial insurance plan.

Authority:

Health & Safety Code 125157(c)

Interdependent Policy Changes:

GHPP Premium Costs

Background:

Effective December 1, 2009, GHPP implemented a health insurance premium reimbursement program for GHPP clients, who are eligible to enroll in or are enrolled in commercial insurance plans. The program reimburses GHPP clients for commercial insurance premium payments that cover the client's full range of health care services.

Reason for Change:

In the May 2017 Estimate, the Department reported paying premiums for five clients in FY 2017-18. This count has been updated to include one additional client and is estimating that an additional two will enroll before the end of the fiscal year (one Cystic Fibrosis and one Hemophilia). The two additional clients expected to enroll are estimated at 13 member months in FY 2017-18 and 24 member months in FY 2018-19. The change between FY 2017-18 and FY 2018-19 is due to three additional clients projected to enroll (one each with Hemophilia, Cystic Fibrosis, or Sickle Cell) for an estimated 24 member months anticipated in FY 2018-19.

Methodology:

1. As of August 2017, six clients are participating in the program. The total member months for current clients are shown below.

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	24	24
Cystic Fibrosis	24	24
Sickle Cell	24	24

2. Assume two new clients will enroll in FY 2017-18. The estimated member months for additional clients is shown below.

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	8	12
Cystic Fibrosis	5	12

3. Assume three new clients will enroll in FY 2018-19. The estimated member months for additional clients is shown below.

	Member Months	
	FY 2018-19	
Hemophilia	11	
Cystic Fibrosis	8	
Sickle Cell	5	

4. Total Member Months:

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	32	47
Cystic Fibrosis	29	44
Sickle Cell	24	29
Total	85	120

5. Assume the savings per client enrolled is equal to the Annual Cost per Case in the November 2017 Family Health Estimate:

	FY 2017-18	FY 2018-19
Hemophilia	\$ 352,800	\$ 380,500
Cystic Fibrosis	\$ 47,400	\$ 46,700
Sickle Cell	\$ 9,800	\$ 9,600

6. Projected Savings (Rounded):

	FY 2017-18	FY 2018-19
Total Funds	\$ 1,075,000	\$ 1,685,000
General Funds	\$ 1,075,000	\$ 1,685,000

Funding:

100% GF (4260-111-0001)

NEW HIGH COST TREATMENTS FOR SPECIFIC CONDITIONS - GHPP

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 7/2017
ANALYST: Matthew Wong

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST - TOTAL FUNDS	\$4,025,000	\$12,341,000
- GENERAL FUND	\$4,025,000	\$12,341,000
PAYMENT LAG	0.9000	0.9630
% REFLECTED IN BASE	0.60%	0.30%
APPLIED TO BASE - TOTAL FUNDS	\$3,600,800	\$11,848,700
- GENERAL FUND	\$3,600,800	\$11,848,700

Purpose:

This policy change estimates the cost of high cost treatments for specific medical conditions of certain Genetically Handicapped Persons Program (GHPP) beneficiaries.

Authority:

Social Security Act, section 1927 [42 U.S.C. 1396r-8]

Interdependent Policy Changes:

Not Applicable

Background:

The Genetically Handicapped Persons Program (GHPP) provides medically necessary services and administrative case management for individuals 21 years of age and over with a GHPP-eligible condition and that do not qualify for full scope Medi-Cal. This policy change budgets new high cost services and treatments recently approved by the U.S. Food and Drug Administration (FDA) separately until the costs of these services are fully incorporated into the rates.

Recently approved FDA treatments and services are:

Orkambi: A lifetime treatment designed to address chloride channel abnormalities in cystic fibrosis (CF) patients.

Reason for Change:

The change from the prior estimate, for FY 2017-18, is a decrease due to a lower than anticipated number of GHPP recipients receiving Orkambi. The change from FY 2017-18 to FY 2018-19, in the current estimate, is an increase due to a projected phase-in of eligibles based on updated actuals through June 30, 2018.

Methodology:

1. The cost of Orkambi for FY 2016-17 was \$230,000 per beneficiary per year.
2. Based on actuals, assume a 5% increase in Orkambi costs per beneficiary per year.
 FY 2017-18: \$230,000 + 5% = \$242,000
 FY 2018-19: \$242,000 + 5% = \$254,000
3. Assume a 24-month straight line phase-in of eligible beneficiaries beginning July 1, 2017. There was a two year delay and slower than anticipated growth in recipients for the GHPP population. The phase-in timeline is also different than other populations (Medi-Cal and CCS).
4. Assume 64 GHPP beneficiaries will be prescribed Orkambi by the end of FY 2018-19.
5. The cost of Orkambi for FY 2017-18 and FY 2018-19 is estimated to be:

Fiscal Year	TF	GF
FY 2017-18	\$4,025,000	\$4,025,000
FY 2018-19	\$12,341,000	\$12,341,000

Funding:

100% General Fund (4260-111-0001)

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Total				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	1,808	925	883	\$ 34,674,750
2	1,811	942	869	31,442,362
3	1,848	953	895	26,467,738
4	1,874	958	916	29,451,404
2015-16	1,836	944	892	\$ 122,037,000
1	1,909	970	939	\$ 32,219,544
2	1,922	986	936	28,800,301
3	1,949	999	950	27,241,322
4	1,756	1,008	748	27,899,487
2016-17	1,885	990	895	\$ 116,160,000
1	1,670	1,016	654	\$ 26,529,761
2	1,676	1,021	655	28,699,121
3	1,684	1,028	656	29,086,430
4	1,688	1,033	655	29,473,741
2017-18	1,681	1,026	655	\$ 113,788,000
1	1,696	1,039	657	\$ 29,861,051
2	1,701	1,043	658	30,248,360
3	1,707	1,048	659	30,635,671
4	1,714	1,055	659	31,022,981
2018-19	1,705	1,046	659	\$ 121,767,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2017-18 reflects actuals and projected base estimate values.
 3) FY 2018-19 reflects projected base estimate values.

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Hemophilia				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	640	295	345	\$ 32,983,050
2	646	302	344	29,368,119
3	658	304	354	24,561,594
4	671	304	367	26,507,759
2015-16	654	301	353	\$ 113,421,000
1	678	306	372	\$ 29,643,757
2	689	316	373	26,202,574
3	702	323	379	23,895,827
4	646	331	315	24,855,943
2016-17	679	319	360	\$ 104,598,000
1	620	333	287	\$ 23,417,951
2	623	336	287	25,561,349
3	627	340	287	25,948,658
4	630	343	287	26,335,969
2017-18	625	338	287	\$ 101,264,000
1	633	346	287	\$ 26,723,279
2	636	349	287	27,110,588
3	639	352	287	27,497,899
4	642	355	287	27,885,209
2018-19	638	351	287	\$ 109,217,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2017-18 reflects actuals and projected base estimate values.
 3) FY 2018-19 reflects projected base estimate values.

GHPP Trend Report
 (Includes Actuals & Projected Base Values)

Cystic Fibrosis				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	540	212	328	\$ 1,396,325
2	538	215	323	1,883,101
3	549	218	331	1,766,800
4	558	218	340	2,842,069
2015-16	547	216	331	\$ 7,888,000
1	564	221	343	\$ 2,430,406
2	558	223	335	2,360,433
3	567	229	338	3,071,635
4	499	228	271	2,766,736
2016-17	547	225	322	\$ 10,629,000
1	468	229	239	\$ 2,823,573
2	469	229	240	2,847,837
3	471	230	241	2,847,837
4	471	230	241	2,847,837
2017-18	470	230	240	\$ 11,367,000
1	473	231	242	\$ 2,847,837
2	474	231	243	2,847,837
3	475	231	244	2,847,837
4	477	232	245	2,847,837
2018-19	475	231	244	\$ 11,391,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2017-18 reflects actuals and projected base estimate values.
 3) FY 2018-19 reflects projected base estimate values.

GHPP Trend Report
(Includes Actuals & Projected Base Values)

Sickle Cell				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	329	230	99	\$ 279,666
2	332	237	95	134,498
3	338	240	98	102,792
4	338	241	97	92,891
2015-16	334	237	97	\$ 610,000
1	346	246	100	\$ 72,367
2	349	249	100	119,945
3	349	245	104	118,988
4	316	242	74	130,992
2016-17	340	245	95	\$ 442,000
1	303	246	57	\$ 145,467
2	304	247	57	137,622
3	305	248	57	137,622
4	306	249	57	137,622
2017-18	305	248	57	\$ 558,000
1	307	250	57	\$ 137,622
2	307	250	57	137,622
3	308	251	57	137,622
4	309	252	57	137,622
2018-19	308	251	57	\$ 550,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2017-18 reflects actuals and projected base estimate values.
 3) FY 2018-19 reflects projected base estimate values.

GHPP Trend Report
 (Includes Actuals & Projected Base Values)

Huntington				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	165	95	70	\$ 580
2	163	94	69	879
3	166	94	72	1,265
4	168	95	73	1,901
2015-16	165	94	71	\$ 5,000
1	171	95	76	\$ 23,495
2	172	96	76	51,760
3	172	96	76	77,474
4	146	96	50	71,634
2016-17	166	96	70	\$ 224,000
1	135	96	39	\$ 94,345
2	135	96	39	86,979
3	135	96	39	86,979
4	135	96	39	86,979
2017-18	135	96	39	\$ 355,000
1	135	96	39	\$ 86,979
2	135	96	39	86,979
3	135	96	39	86,979
4	136	97	39	86,979
2018-19	135	96	39	\$ 348,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2017-18 reflects actuals and projected base estimate values.
 3) FY 2018-19 reflects projected base estimate values.

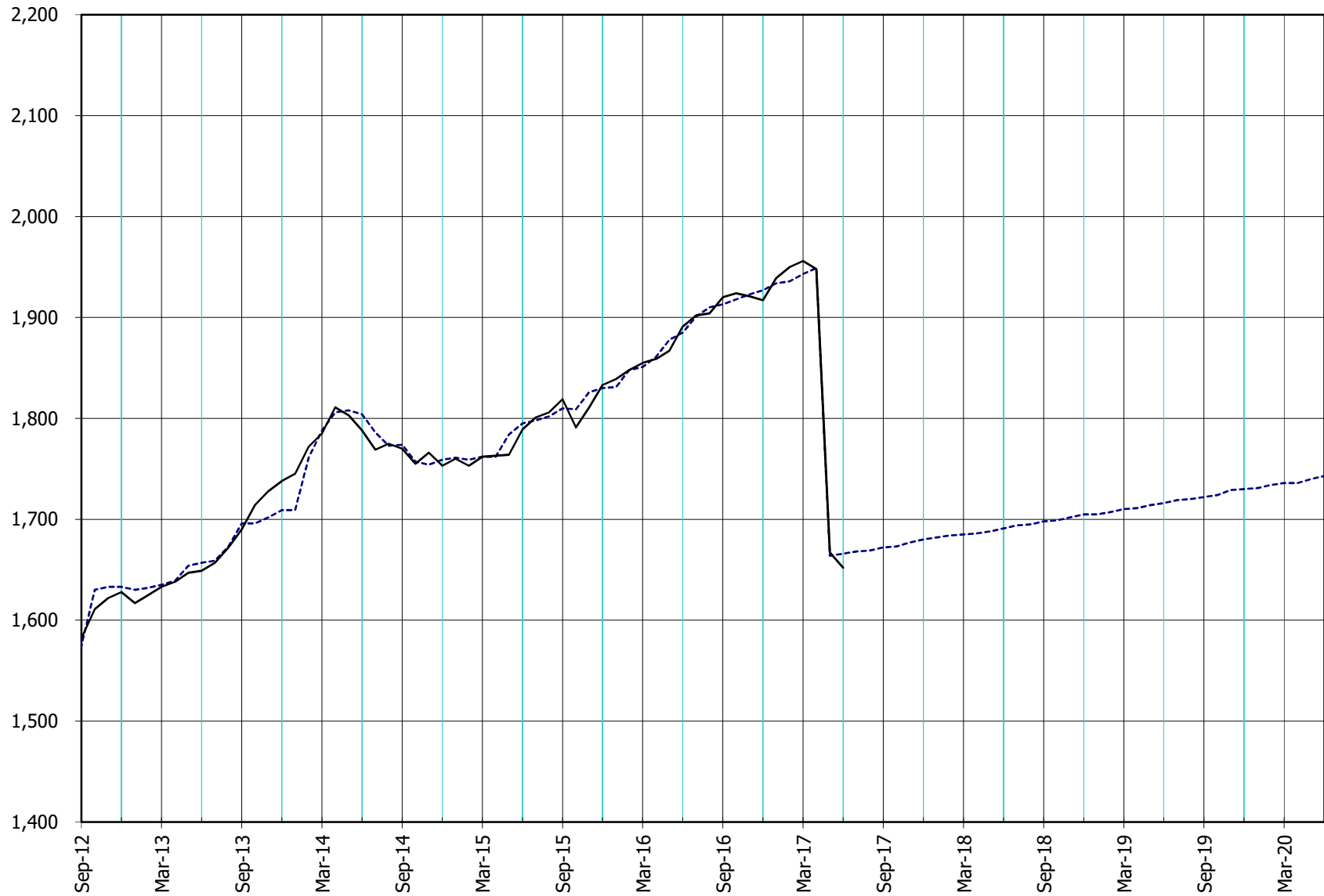
GHPP Trend Report
 (Includes Actuals & Projected Base Values)

Metabolic				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	134	93	41	\$ 15,129
2	132	94	38	55,765
3	137	97	40	35,287
4	139	100	39	6,784
2015-16	136	96	40	\$ 113,000
1	150	102	48	\$ 49,519
2	154	102	52	65,589
3	159	106	53	77,398
4	149	111	38	74,182
2016-17	153	105	48	\$ 267,000
1	144	112	32	\$ 48,425
2	145	113	32	65,334
3	146	114	32	65,334
4	146	115	31	65,334
2017-18	146	114	32	\$ 244,000
1	148	116	32	\$ 65,334
2	149	117	32	65,334
3	150	118	32	65,334
4	150	119	31	65,334
2018-19	149	117	32	\$ 261,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2017-18 reflects actuals and projected base estimate values.
 3) FY 2018-19 reflects projected base estimate values.

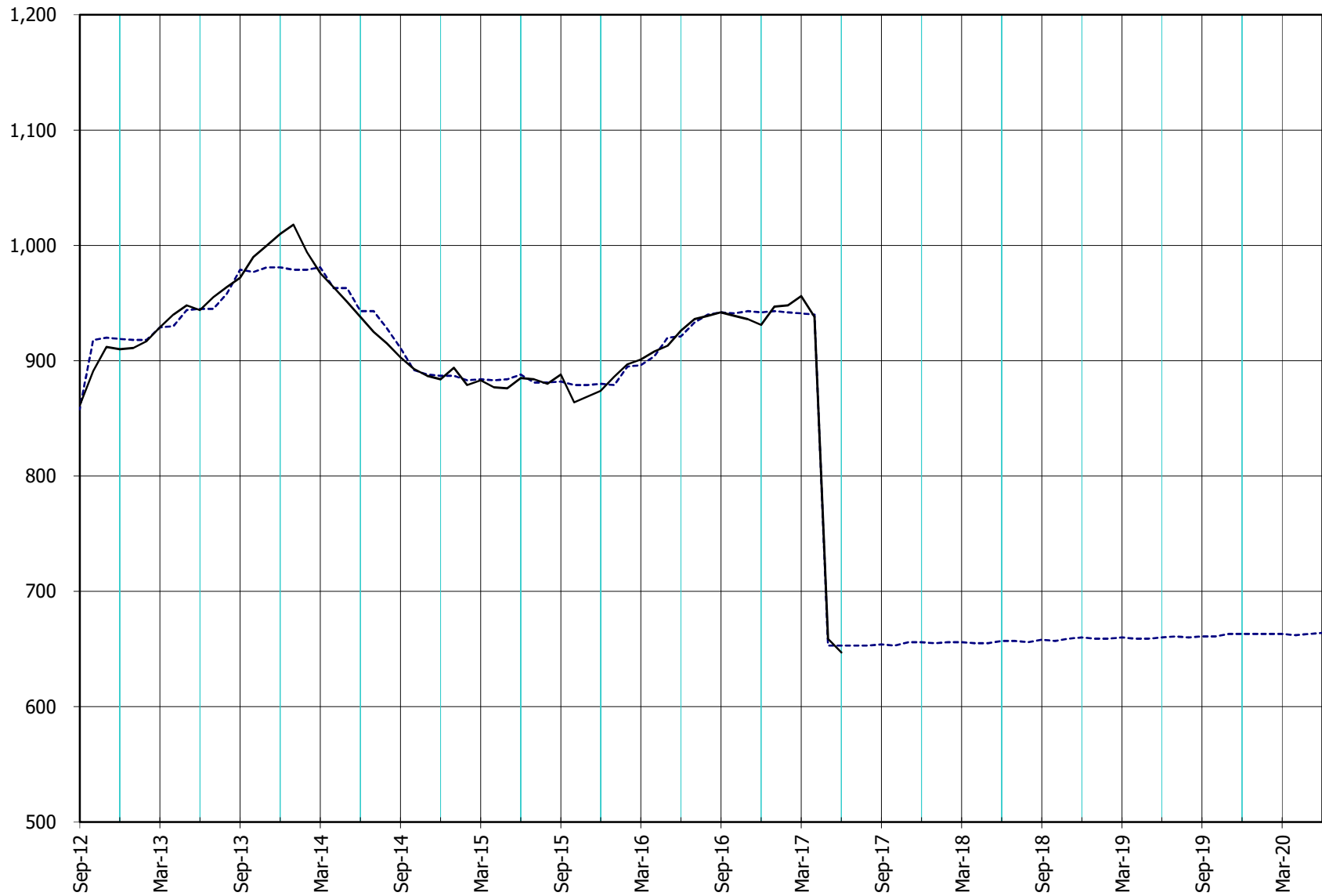
GHPP Total Eligibles

Estimated
Actuals



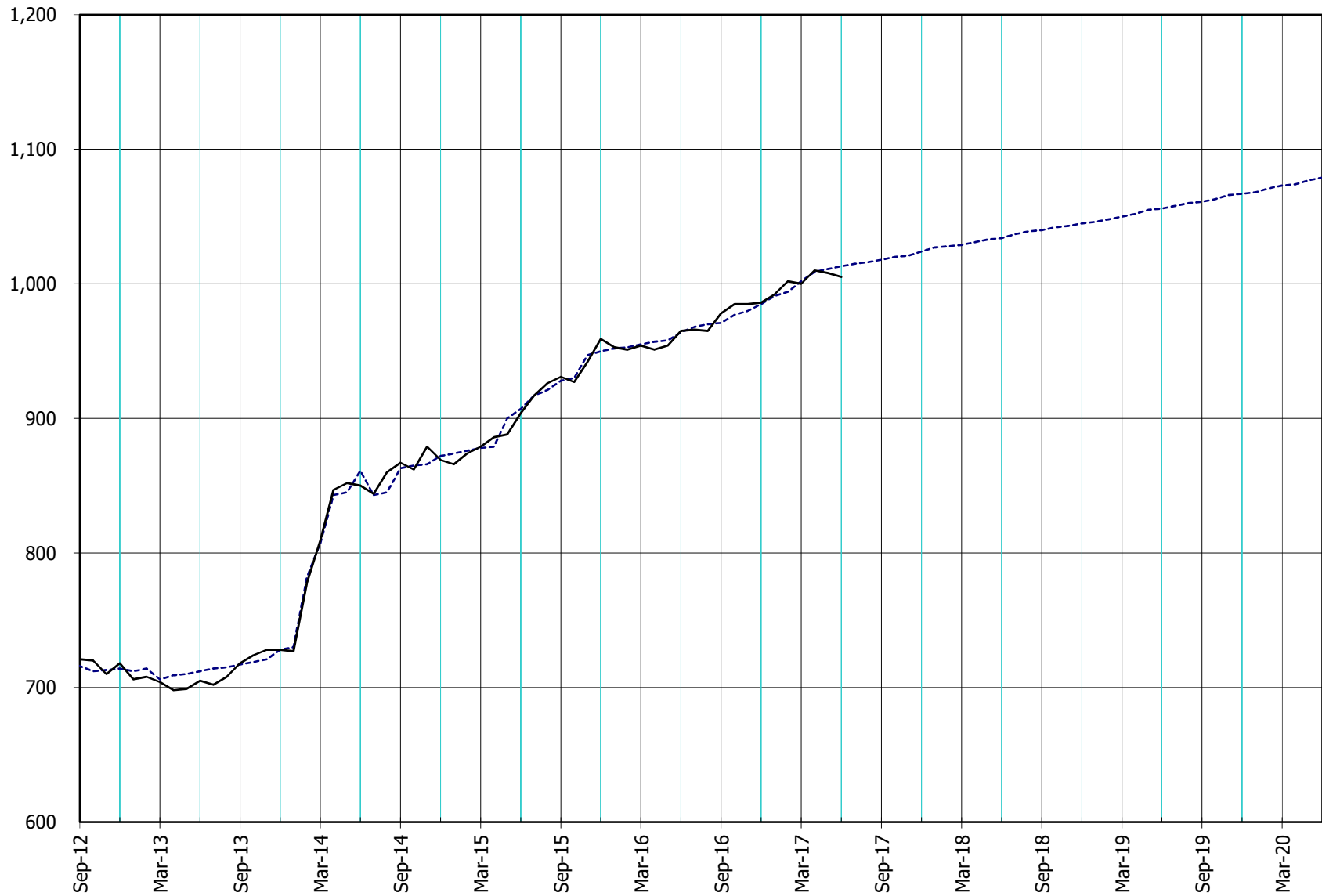
GHPP State Eligibles

Estimated
Actuals



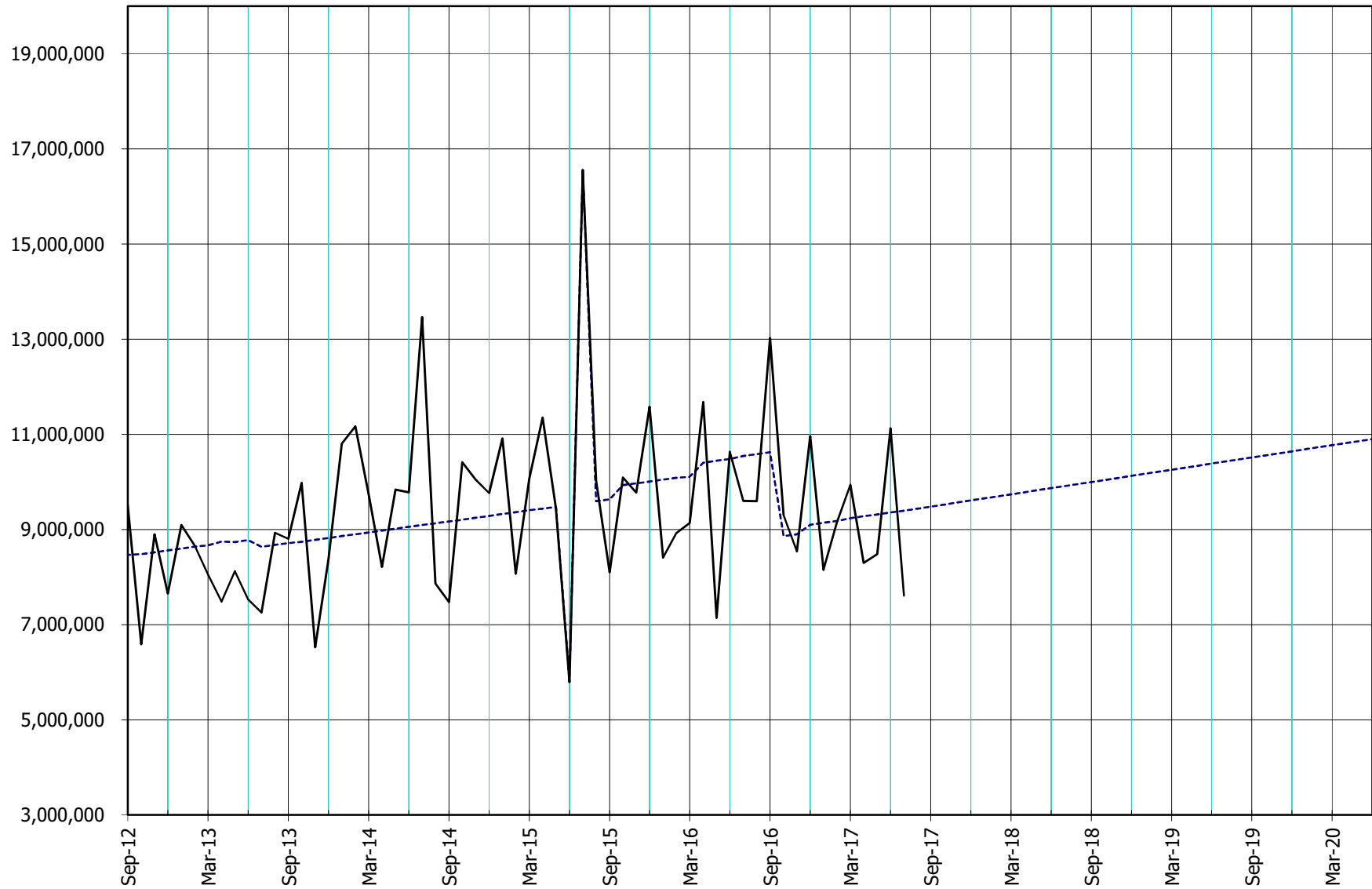
GHPP Medi-Cal Eligibles

Estimated
Actuals



GHPP State-Only Monthly Expenditures

Estimated
Actuals



EVERY WOMAN COUNTS PROGRAM Funding Summary

FY 2017-18, November 2017 Estimate Compared to Appropriation

	Appropriation FY 2017-18	Nov. 2017 Est. FY 2017-18	Difference Incr./(Decr.)
Caseload:	24,500	27,000	2,500
Net Dollars:			
4260-114-0001 (General Fund)	\$87,000	\$6,000,000	\$5,913,000
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-114-0890 (CDC)	\$4,509,000	\$4,509,000	\$0
Total	<u>\$27,023,000</u>	<u>\$32,936,000</u>	<u>\$5,913,000</u>

November 2017 Estimate, FY 2017-18 Compared to FY 2018-19

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./(Decr.)
Caseload:²	27,000	27,000	0
Net Dollars:			
4260-114-0001 (General Fund)	\$6,000,000	\$8,962,000	\$2,962,000
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,989,000	\$77,000
4260-114-0890 (CDC)	\$4,509,000	\$4,509,000	\$0
Total	<u>\$32,936,000</u>	<u>\$35,975,000</u>	<u>\$3,039,000</u>

² The November 2017 caseload estimate uses expenditure data through June 2017.

Caseload is the average monthly unduplicated user counts by date of payment excluding the impact of adjustment claims.

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Fiscal Year 2017-18

Appropriation Compared to November 2017 Estimate, Total Funds

	Appropriation FY 2017-18	Nov. 2017 Est. FY 2017-18	Difference Incr./Decr.)
1. Base Expenditure Estimate	\$ 22,731,000	\$ 28,493,000	\$ 5,762,000
2. Policy Changes	\$ 3,583,500	\$ 3,427,800	\$ (155,700)
	-----	-----	-----
Total for Services	\$ 26,314,500	\$ 31,920,800	\$ 5,606,300
Fiscal Intermediary	\$ 708,000	\$ 1,015,000	\$ 307,000
	-----	-----	-----
Total EWC Program	\$ 27,022,500	\$ 32,935,800	\$ 5,913,300

Appropriation Compared to November 2017 Estimate, General Fund

	Appropriation FY 2017-18	Nov. 2017 Est. FY 2017-18	Difference Incr./Decr.)
1. Base Expenditure Estimate	\$ 22,731,000	\$ 28,493,000	\$ 5,762,000
2. Policy Changes	\$ (23,352,500)	\$ (23,508,200)	\$ (155,700)
	-----	-----	-----
Total for Services	\$ (621,500)	\$ 4,984,800	\$ 5,606,300
Fiscal Intermediary	\$ 708,000	\$ 1,015,000	\$ 307,000
	-----	-----	-----
Total EWC Program	\$ 86,500	\$ 5,999,800	\$ 5,913,300

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Current Year vs Budget Year

Nov. 2017 Estimate, FY 2017-18 Compared to FY 2018-19, Total Funds

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./ (Decr.)
1. Base Expenditure Estimate	\$ 28,493,000	\$ 31,560,000	\$ 3,067,000
2. Policy Changes	\$ 3,427,800	\$ 3,408,600	\$ (19,200)
	-----	-----	-----
Total for Services	\$ 31,920,800	\$ 34,968,600	\$ 3,047,800
Fiscal Intermediary	\$ 1,015,000	\$ 1,006,000	\$ (9,000)
	-----	-----	-----
Total EWC Program	\$ 32,935,800	\$ 35,974,600	\$ 3,038,800

Nov. 2017 Estimate, FY 2017-18 Compared to FY 2018-19, General Fund

	Nov. 2017 Est. FY 2017-18	Nov. 2017 Est. FY 2018-19	Difference Incr./ (Decr.)
1. Base Expenditure Estimate	\$ 28,493,000	\$ 31,560,000	\$ 3,067,000
2. Policy Changes	\$ (23,508,200)	\$ (23,604,400)	\$ (96,200)
	-----	-----	-----
Total for Services	\$ 4,984,800	\$ 7,955,600	\$ 2,970,800
Fiscal Intermediary	\$ 1,015,000	\$ 1,006,000	\$ (9,000)
	-----	-----	-----
Total EWC Program	\$ 5,999,800	\$ 8,961,600	\$ 2,961,800

Notes:

1) Projections are based on cash basis.

**EVERY WOMAN COUNT PROGRAM
Comparison of Assumed Fiscal Impacts of Policy Changes**

Fiscal Year 2017-18, November 2017 Estimate Compared to Appropriation								
POLICY CHG.			FY 2017-18 APPROPRIATION		NOVEMBER 2017 ESTIMATE		DIFFERENCE, Incr./((Decr.))	
TYPE	NO.	DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
FI	1	FISCAL INTERMEDIARY EXPENDITURES - EWC	\$708,000	\$708,000	\$1,015,000	\$1,015,000	\$307,000	\$307,000
Other	2	CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	\$0	\$0	\$0	\$0	\$0
Other	3	BREAST CANCER CONTROL ACCOUNT	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	CENTERS FOR DISEASE CONTROL AND PREVENTION FUND	\$0	-\$4,509,000	\$0	-\$4,509,000	\$0	\$0
Benefits	5	CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR	\$16,000	\$16,000	\$16,000	\$16,000	\$0	\$0
Benefits	6	REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	7	SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION	\$300,000	\$300,000	\$300,000	\$300,000	\$0	\$0
Benefits	8	AB 1795 ELIGIBILITY EXPANSION	\$210,500	\$210,500	\$54,800	\$54,800	-\$155,700	-\$155,700
EWC TOTAL			\$4,291,500	-\$217,500	\$4,442,800	-\$66,200	\$151,300	\$151,300

Fiscal Year 2017-18 Compared to Fiscal Year 2018-19								
POLICY CHG.			Nov. 2017 Est. for FY 2017-18		Nov. 2017 Est. for FY 2018-19		DIFFERENCE, Incr./((Decr.))	
TYPE	NO.	DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
FI	1	FISCAL INTERMEDIARY EXPENDITURES - EWC	\$1,015,000	\$1,015,000	\$1,006,000	\$1,006,000	-\$9,000	-\$9,000
Other	2	CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	\$0	\$0	\$0	\$0	\$0
Other	3	BREAST CANCER CONTROL ACCOUNT	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	CENTERS FOR DISEASE CONTROL AND PREVENTION FUND	\$0	-\$4,509,000	\$0	-\$4,509,000	\$0	\$0
Benefits	5	CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR	\$16,000	\$16,000	\$16,000	\$16,000	\$0	\$0
Benefits	6	REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	7	SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION	\$300,000	\$300,000	\$300,000	\$300,000	\$0	\$0
Benefits	8	AB 1795 ELIGIBILITY EXPANSION	\$54,800	\$54,800	\$35,600	\$35,600	-\$19,200	-\$19,200
EWC TOTAL			\$4,442,800	-\$66,200	\$4,414,600	-\$94,400	-\$28,200	-\$28,200

¹ Funds are referenced separately in the EWC Funding Summary pages.

FISCAL INTERMEDIARY EXPENDITURES - EWC

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 07/2012
ANALYST: Shannon Hoerner

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$1,015,000	\$1,006,000
	- GENERAL FUND	\$1,015,000	\$1,006,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$1,015,000	\$1,006,000
	- GENERAL FUND	\$1,015,000	\$1,006,000

Purpose:

This policy change estimates the costs for the Fiscal Intermediary (FI) expenditures related to the Every Woman Counts (EWC) program.

Authority:

Health & Safety Code 104150(c)

Interdependent Policy Changes:

Not Applicable

Background:

The EWC program utilizes the FI to adjudicate medical claims. FI expenditures consist of adjudicated claim line (ACL) costs, system development notices (SDNs), and EWC calls to FI telephone services. The SDNs are used to make improvements to DETEC, the program's web-based enrollment and data collection system, and to add, delete or modify EWC covered procedures in CA-MMIS.

Reason for Change:

The change from the prior estimate, for FY 2017-18, is an increase due to an increase in the estimated number of ACLs and the average cost per ACL. The change from FY 2017-18 to FY 2018-19, in the current estimate, is a decrease due to a decrease in the average cost per ACL.

Methodology:

1. The estimated medical FI administrative costs are:

FY 2017-18	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	872,350	\$0.59	\$514,687
Total			\$514,687

FY 2018-19	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	872,350	\$0.58	\$505,963
Total			\$505,963

2. The EWC program began budgeting on a cash basis as of July 1, 2017.

	FY 2017-18	FY 2018-19
Processing	\$515,000	\$506,000
SDNs	\$500,000	\$500,000
Total	\$1,015,000	\$1,006,000

Funding:

100% GF (4260-114-0001)

CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2012
ANALYST: Shannon Hoerner

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$14,515,000	-\$14,515,000
	- PROP 99 FUND	\$14,515,000	\$14,515,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$14,515,000	-\$14,515,000
	- PROP 99 FUND	\$14,515,000	\$14,515,000

Purpose:

This policy change shifts the Cigarette and Tobacco Products Surtax (CTPS/Proposition 99) funds from the Unallocated Accounts to the General Fund.

Authority:

Revenue & Taxation Code 30124(b)(6)
 California Tobacco Health Education Act of 1988 (Proposition 99)

Interdependent Policy Changes:

Not Applicable

Background:

CTPS/Proposition 99 funds breast and cervical cancer screening and diagnostics for uninsured low-income women in the Every Woman Counts (EWC) program. These restricted funds pay clinical claims expenditures. Services include:

- Office visits and consults,
- Screening mammograms,
- Diagnostic mammograms,
- Diagnostic breast procedures,
- Case management, and
- Other clinical services.

The EWC program began budgeting on a cash basis as of July 1, 2017.

Reason for Change:

There is no change from the prior estimate for FY 2017-18.

There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. The CTPS/Proposition 99 funds are budgeted based on EWCs annual claims expenditures.
2. The EWC program will receive \$14,515,000 in FY 2017-18 and FY 2018-19.

Funding:

Proposition 99 Unallocated Local Assistance (4260-114-0236)

100% General Fund (4260-114-0001)

BREAST CANCER CONTROL ACCOUNT

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 07/2012
ANALYST: Shannon Hoerner

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$7,912,000	-\$7,989,000
	- BCCA FUND	\$7,912,000	\$7,989,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$7,912,000	-\$7,989,000
	- BCCA FUND	\$7,912,000	\$7,989,000

Purpose:

This policy change shifts the Breast Cancer Control Account (BCCA) funds to the General Fund.

Authority:

Revenue & Taxation Code 30461.6
 AB 49 (Chapter 351, Statutes of 2014)

Interdependent Policy Changes:

Not Applicable

Background:

BCCA partially funds the provision of early breast cancer detection services for uninsured and underinsured women in the Every Woman Counts (EWC) program. The BCCA is funded by one cent of a two-cent tobacco tax. BCCA funds may be used for direct services such as:

- Direct services contracts,
- Screening,
- Medical referrals,
- Outreach and health education,
- Clinical claims, and
- Processing costs.

Starting July 1, 2018, the Department shall begin receiving revenue from the Department of Motor Vehicles for fees collected from the specialty license plate program in accordance with Assembly Bill 49 (Chapter 351, Statutes of 2014). Funds from the sales of the specialty license plate program will be deposited into the BCCA and used to

increase breast cancer awareness and screening services for uninsured and underinsured women.

The EWC program began budgeting on a cash basis as of July 1, 2017.

Reason for Change:

There is no change from the prior estimate for FY 2017-18.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is an increase due to the additional revenue from the specialty license plate program.

Methodology:

1. The EWC program will receive \$7,912,000 of BCCA funds in FY 2017-18 and FY 2018-19.
2. For FY 2018-19, revenue received from the specialty license plate program are estimated to be \$77,000.

FY 2017-19: \$7,912,000 GF

FY 2018-19: \$7,912,000 + \$77,000 = \$7,989,000 GF

Funding:

Breast Cancer Control Account (4260-114-0009)

100% General Fund (4260-114-0001)

CENTERS FOR DISEASE CONTROL AND PREVENTION FUND

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 07/2012
ANALYST: Shannon Hoerner

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$4,509,000	-\$4,509,000
	- CDC FUNDS	\$4,509,000	\$4,509,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$4,509,000	-\$4,509,000
	- CDC FUNDS	\$4,509,000	\$4,509,000

Purpose:

This policy change shifts the grant funding from the Centers for Disease Control and Prevention (CDC) fund to the General Fund.

Authority:

Health & Safety Code 104150(a)(b)
Affordable Care Act of 2010

Interdependent Policy Changes:

Not Applicable

Background:

The CDC provides federal funding through the National Breast and Cervical Cancer Early Detection Program (NBCCEDP) for direct service contracts and clinical claims for the Every Woman Counts (EWC) program. CDC's guidance requires grantees to continue providing screening to priority population while allowing opportunity to expand activities to reach the eligible populations.

The program offers funding for:

- Breast and cervical cancer outreach and screening,
- Education on preventive benefits, and
- Assuring high quality clinical services.

A new multi-year NBCCEDP grant contract began June 30, 2017.

Reason for Change:

There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. The CDC grant is a multi-year contract beginning June 30, 2017 through June 29, 2022. The total grant amount is \$10,818,134 for FY 2017-18 and FY 2018-19.
2. The Department receives 71.37% of the total grant amount and the California Department of Public Health (CDPH) receives the remaining 28.63%.

	FY 2017-18	FY 2018-19
Department	\$7,721,000	\$7,721,000
CDPH	\$3,097,000	\$3,097,000
Total CDC Grant Amount	\$10,818,000	\$10,818,000

3. The Department will allocate 58.40% of the grant to local assistance and 41.60% to the support budget.

	FY 2017-18	FY 2018-19
Local Assistance	\$4,509,000	\$4,509,000
Support	\$3,212,000	\$3,212,000
NBCCEDP Grant for EWC	\$7,721,000	\$7,721,000

Funding:

CDC Federal Fund (4260-114-0890)

100% General Fund (4260-114-0001)

CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 7/2012
ANALYST: Shannon Hoerner

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$16,000	\$16,000
	- GENERAL FUND	\$16,000	\$16,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$16,000	\$16,000
	- GENERAL FUND	\$16,000	\$16,000

Purpose:

This policy change estimates the contract costs for the Every Woman Counts (EWC) consumer toll-free line automated voice response system (AVRS) and Online Provider Locator (OPL) system.

Authority:

Health & Safety Code 104150(c)
Revenue and Taxation Code 30461.6

Interdependent Policy Changes:

Not Applicable

Background:

The Department contracts with AT&T for the EWC consumer toll-free line AVRS for 24-hour provider referrals. The Department also administers an OPL system developed by the Department's Enterprise Information Technology Services Division.

The EWC program began budgeting on a cash basis as of July 1, 2017.

Reason for Change:

There is no change from the prior estimate for FY 2017-18.

There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. AVRS cost for the consumer toll-free line is determined based on the estimated call volume.

2. OPL system cost is determined based on staff programming hours for system maintenance.

	FY 2017-18	FY 2018-19
AVRS	\$11,000	\$11,000
OPL system	\$5,000	\$5,000
Total	\$16,000	\$16,000

Funding:

100% General Fund (4260-114-0001)

REGIONAL CONTRACTS

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 7/2012
ANALYST: Shannon Hoerner

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$3,057,000	\$3,057,000
	- GENERAL FUND	\$3,057,000	\$3,057,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$3,057,000	\$3,057,000
	- GENERAL FUND	\$3,057,000	\$3,057,000

Purpose:

This policy change estimates the Every Woman Counts (EWC) program's Regional Contractor costs.

Authority:

Health & Safety Code 104150(c)
 Revenue & Taxation Code 30461.6
 CA Health Collaborative Contract #16-93229
 Community Health Partnership Contract #16-93232
 County of Orange Contract #16-93230
 Santa Barbara County Contract #16-93231

Interdependent Policy Changes:

Not Applicable

Background:

As required by the National Breast and Cervical Cancer Early Detection Program (NBCCEDP) grant, the Department provides tailored health education to priority populations, quality clinical follow-up for recipients, and primary care provider network support. These services are provided through contractors located in 10 geographical regions of California.

The objective of each Regional Contractor is to:

- Promote breast and cervical cancer awareness,
- Increase first time and repeat breast and cervical cancer screening, and
- Promote high quality screening services through management of a regional primary care provider network.

The EWC program began budgeting on a cash basis as of July 1, 2017.

Reason for Change:

There is no change from the prior estimate for FY 2017-18.

There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. Effective January 1, 2017, all regional contracts have been extended through June 30, 2019.
2. The contracts are funded as follows:

	FY 2017-18	FY 2018-19
CA Health Collab.	\$2,129,500	\$2,129,500
Community Health Partnership	\$266,800	\$266,800
County of Orange	\$306,400	\$306,400
Santa Barbara County	\$354,300	\$354,300
Total	\$3,057,000	\$3,057,000

Funding:

100% General Fund (4260-114-0001)

SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2012
ANALYST: Shannon Hoerner

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$300,000	\$300,000
	- GENERAL FUND	\$300,000	\$300,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$300,000	\$300,000
	- GENERAL FUND	\$300,000	\$300,000

Purpose:

This policy change estimates the Every Woman Counts (EWC) program's contract costs to the San Diego State University Research Foundation (SDSURF).

Authority:

Health & Safety Code 104150(c)
 Contract #13-90028

Interdependent Policy Changes:

Not Applicable

Background:

The Department contracts with the SDSURF, a private non-profit organization that is an auxiliary to California State University, San Diego. The contract services include providing professional education to primary care providers and other health care professionals regarding breast and cervical cancer screening and diagnostic clinical care guidelines and data navigation for federal Centers for Disease Control and Prevention (CDC) grant data reporting requirements. These services will lead to an improvement in the quality and timeliness of cancer screening and diagnosis, therefore, reducing mortality by earlier detection.

The EWC program began budgeting on a cash basis as of July 1, 2017.

Reason for Change:

There is no change from the prior estimate for FY 2017-18.
 There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. The current contract began on July 1, 2013 and will end on June 30, 2018. A new three-year contract will be begin on July 1, 2018.
2. The contract expenditures are funded by both local assistance and support dollars.
3. The projected local assistance expenditures for FY 2017-18 and FY 2018-19 are \$300,000.

	FY 2017-18	FY 2018-19
Local Assistance	\$300,000	\$300,000
Support	\$543,000	\$481,000
Total	\$843,000	\$781,000

Funding:

100% General Fund (4260-114-0001)

AB 1795 ELIGIBILITY EXPANSION

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 1/2017
ANALYST: Shannon Hoerner

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$221,000	\$221,000
	- GENERAL FUND	\$221,000	\$221,000
PAYMENT LAG		0.6890	0.9880
% REFLECTED IN BASE		64.04%	83.71%
APPLIED TO BASE	- TOTAL FUNDS	\$54,800	\$35,600
	- GENERAL FUND	\$54,800	\$35,600

Purpose:

This policy change estimates the costs associated with Every Woman Counts (EWC) expanding the scope of eligibility for breast cancer screening and diagnostic services to symptomatic individuals of any age.

Authority:

Health & Safety Code 104150(b)(2)

Interdependent Policy Changes:

Not Applicable

Background:

The EWC program helps low-income, uninsured, and underinsured women, of a specific age or older, gain access to breast and cervical cancer diagnostic services. AB 1795 (Chapter 608, Statutes of 2016) amended Section 104150(b)(2) of the Health & Safety Code to expand eligibility for breast cancer screening and diagnostic services to symptomatic individuals of any age effective January 1, 2017.

Reason for Change:

There is no change from the prior estimate for FY 2017-18.

There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. Effective January 1, 2017, EWC began providing screening and diagnostic services to symptomatic individuals of any age.
2. Based on actuals, assume there will be 1,400 newly eligible beneficiaries added in FY 2017-18 and FY 2018-19.

3. Assume the average cost per case for individuals who receive diagnostic services is \$158 per year.

$$1,400 \times \$158 = \mathbf{\$221,000 \text{ GF}}$$
 (rounded) per year

Funding:

100% GF (4260-114-0001)

EWC Trend Report
(Includes Actuals & Projected Base Values)

Total				
Quarter	Base Estimate Caseload	Estimated Caseload from Policy Changes	Total Caseload	Total EWC Payments
July-Sept 2013				\$8,787,355 *
Oct-Dec 2013				\$9,161,285 *
Jan-Mar 2014				\$9,535,215 *
April -June 2014				\$9,909,145 *
FY 2013-14	291,900	1,014	292,914	\$37,393,000
July-Sept 2014				\$9,205,185
Oct-Dec 2014				\$9,596,895
Jan-Mar 2015				\$9,988,605
April -June 2015				\$10,380,315
FY 2014-15	275,219		275,219	\$39,171,000
July-Sept 2015				\$5,702,040
Oct-Dec 2015				\$5,944,680
Jan-Mar 2016				\$6,187,320
April -June 2016				\$6,429,960
FY 2015-16	161,000		161,000	\$24,264,000
July-Sept 2016				\$5,940,330 *
Oct-Dec 2016				\$6,193,110 *
Jan-Mar 2017				\$6,445,890 *
April -June 2017				\$6,698,670 *
FY 2016-17			25,030 *	\$25,278,000
July-Sept 2017				\$6,695,855 **
Oct-Dec 2017				\$6,980,785 **
Jan-Mar 2018				\$7,265,715 **
April -June 2018				\$7,550,645 **
FY 2017-18			26,820 **	\$28,493,000
July-Sept 2018				\$7,416,600 **
Oct-Dec 2018				\$7,732,200 **
Jan-Mar 2019				\$8,047,800 **
April -June 2019				\$8,363,400 **
FY 2018-19			26,820 **	\$31,560,000

Notes:

- 1) Expenditures up to FY 2016-17 are based on an accrual basis.
- 1) Starting FY 2017-18, expenditures are estimated on a cash basis.
- 2) As of FY 2016-17, Caseload is the average monthly unduplicated user count by date of payment excluding the impact of adjustment claims.

* Actuals

** Estimated

FAMILY HEALTH INFORMATION ONLY
November 2017
FISCAL YEARS 2017-18 & 2018-19

INTRODUCTION

The Family Health Local Assistance Estimate provides information and State-Only costs for California Children's Services, the Child Health and Disability Prevention program, the Genetically Handicapped Persons Program, and the Every Woman Counts Program. The Estimate also includes estimated expenditures for the Healthy Families Program Title XXI portion of California Children's Services. From January 2013 to November 2013, the Healthy Families Program transitioned to Medi-Cal's Optional Targeted Low Income Children's Program (OTLICP). Costs for children eligible for Medi-Cal, including the new OTLICP are included in the Medi-Cal Local Assistance Estimate.

The Family Health Local Assistance Estimate can be segregated into two main components for each program:

- (1) the base and
- (2) policy changes

The base estimate is the anticipated level of program expenditures assuming no changes in program direction. The base estimates are derived from a historical trend analysis of actual expenditure patterns. The policy changes are the estimated fiscal impacts of any program changes which are either anticipated to occur at some point in the future, have occurred so recently that they are not yet fully reflected in the historical data base, or are estimates of expenditures not included in the base estimate.

California Children's Services

The California Children's Services (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 (e.g., severe genetic diseases, chronic medical conditions, infectious diseases producing major sequelae, and traumatic injuries) from families unable to afford catastrophic health care costs. A child eligible for CCS must be a resident of California, have a CCS-eligible condition, and be in a family with an adjusted gross income of \$40,000 or less in the most recent tax year. Children in families with higher incomes may still be eligible for CCS if the estimated cost of care to the family in one year is expected to exceed 20% of the family's adjusted gross income.

Base funding for the state only CCS program services and case management is composed of 50% county funds (CF) and 50% State General Fund (GF). Services and case management for Medi-Cal eligible children are funded by a combined 50% match of GF and Title XIX federal financial participation (FFP). Services and case management authorized for children who are enrolled in Medi-Cal's OTLICP are funded by 65% federal Title XXI FFP and a combined 17.5% CF and 17.5% GF. Starting October 2015, Title XXI FFP increased to 88%, reducing

the CF/GF split to 6% apiece. In addition to the funding streams above, CCS is also supported by a fixed level of Federal Title V Maternal and Child Health (MCH) funding. GF expenditures were reduced by federal funding by the Safety Net Care Pool (SNCP) under the Bridge to Reform (BTR) Demonstration. The BTR ended October 31, 2015. At this time, the Department is not assuming the continuation of the SNCP Designated State Health Programs. SNCP final reconciliations will continue to be budgeted.

On January 1, 2013, the HFP ceased to enroll new subscribers and HFP subscribers began the transition into Medi-Cal's OTLICP through a phase-in methodology.

CCS benefit costs and administrative costs are budgeted on a cash basis.

Child Health and Disability Prevention

The Child Health and Disability Prevention (CHDP) program provides health screens (i.e., well child health assessments) and immunizations to Medi-Cal children under 21 years of age and non-Medi-Cal eligible children at or under 18 years of age whose family income is at or below 200% of the Federal Poverty Level (FPL).

Currently, the CHDP program is funded with a combination of State GF and Childhood Lead Poisoning Prevention (CLPP) funds.

Children from families with incomes at or below 200% of the FPL can pre-enroll in fee-for-service Medi-Cal under the presumptive eligibility for children provisions of the Medicaid program. This pre-enrollment will take place electronically over the Internet at CHDP provider offices at the time children receive health assessments. This process, known as the CHDP Gateway to Medi-Cal, will shift most CHDP costs to the Medi-Cal program. CHDP program funding will continue at a reduced level to cover services for children who are eligible for limited-scope Medi-Cal benefits.

The CHDP program is responsible for the screening component of the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit of the Medi-Cal program. The health assessments, immunizations, and laboratory screening procedures for full scope Medi-Cal children are funded SF/FF and for limited scope Medi-Cal children are 100% SF. These screening costs funded through Medi-Cal are identified in the Medi-Cal estimate as EPSDT.

Additionally, Medi-Cal provides only emergency and pregnancy related services to beneficiaries with emergency Medi-Cal. CHDP provides 100% state funded health assessments for these beneficiaries.

CHDP benefit costs and administrative costs are budgeted on a cash basis.

Genetically Handicapped Persons Program

The Genetically Handicapped Persons Program (GHPP) provides comprehensive health care coverage for persons with specified genetic diseases including: cystic fibrosis; hemophilia; sickle cell disease and thalassemia; chronic degenerative neurological diseases including Huntington's Disease, Friedreich's Ataxia, and Joseph's Disease; and metabolic diseases including phenylketonuria. GHPP also provides access to social support services that may help ameliorate the physical and psychological problems resulting from the client's health condition. To meet eligibility requirements, applicants must reside in California; have a qualifying genetic disease; and pay the annually assessed enrollment fee. GHPP clients with an adjusted gross income between 200% and 299% of the federal income guidelines pay an enrollment fee that is 1.5% of their adjusted gross income; clients/families at an income level of 300% or greater of federal income guidelines pay an enrollment fee equal to 3% of their adjusted gross income.

GHPP benefit and administrative costs are budgeted on a cash basis beginning in FY 2005-06.

Every Woman Counts Program

The Every Woman Counts (EWC) Program provides free breast and cervical cancer screening and diagnostic services to uninsured and underinsured individuals residing in the State of California with income at or below 200% of the federal poverty level. Breast Cancer screening is available for individuals age 40 and older, as well as, symptomatic individuals regardless of age. Cervical Cancer screening is available for individuals age 21 and older.

EWC covered benefits and categories of service include office visits, screening, diagnostic mammograms, and diagnostic breast procedures, such as ultrasound, fine needle and core biopsy, pap test and HPV co-testing, colposcopy and other cervical cancer diagnostic procedures and case management.

Currently, the EWC program is funded with a combination of Cigarette and Tobacco Products Surtax Unallocated Fund, Breast Cancer Fund, Centers for Disease Control and Prevention National Breast and Cervical Cancer Early Detection Program Grant, and General Fund.

~~For FY 2016-17, EWC benefit and administrative costs are budgeted on an accrual basis. Effective July 1, 2017, the EWC program will be budgeted on a cash basis.~~ **The EWC program began budgeting on a cash basis as of July 1, 2017.**

BASE ESTIMATES

Historical cost data are used to make the base budget projections using regression equations. The general functional form of the regression equations is:

$$\begin{aligned} \text{CASES} &= f(\text{TND}, \text{S.DUM}, \text{O.DUM}) \\ \text{EXPENDITURES} &= f(\text{TND}, \text{S.DUM}, \text{O.DUM}) \\ \text{TREATMENT \$} &= f(\text{TND}, \text{S.DUM}, \text{O.DUM}) \\ \text{MTU \$} &= f(\text{TND}, \text{S.DUM}, \text{O.DUM}) \end{aligned}$$

Where:

$$\begin{aligned} \text{TREATMENT \$} &= \text{Total quarterly net treatment expenditures for each county group.} \\ \text{MTU \$} &= \text{Total quarterly medical therapy unit expenditures for each county group.} \\ \text{TND} &= \text{Linear trend variable.} \\ \text{S.DUM} &= \text{Seasonally adjusting dummy variable.} \\ \text{O.DUM} &= \text{Other dummy variables (as appropriate) to reflect exogenous shifts in the expenditure function (e.g. rate increases, price indices, etc.).} \end{aligned}$$

California Children's Services

A nine year data base of summary claim information on CCS treatment services and medical therapy unit expenditures is used to make the base budget projections using regression equations. Independent regressions are run on net treatment services expenditures (TREATMENT \$) and medical therapy unit expenditures (MTU \$). These expenditure categories are estimated separately for Alameda, Contra Costa, Fresno, Los Angeles, Monterey, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, Santa Clara, other independent counties, and all other dependent counties as separate groups.

Following the estimation of coefficients for these variables during the base period, the independent variables are extended into the projection period and multiplied by the appropriate coefficients. The quarterly values for each expenditure category are then added together to arrive at quarterly expenditure estimates and summed to annual totals by county.

The net cost/savings for each Policy Change item is applied to the base estimate, after adjustment for the estimated percentage of each item reflected in the base.

Child Health and Disability Prevention

The estimate for CHDP screening consists of a base projection using the latest five years of monthly data to forecast average monthly screens and cost per screen. Separate forecasts utilizing multiple regression analysis are made for both screens and cost per screen for the CHDP program.

The net cost/savings for each Policy Change item is applied to the base estimate, after adjustment for the estimated percentage of each item reflected in the base.

Genetically Handicapped Persons Program

The most recent five years of actual GHPP caseload and expenditure data are used to make the budget projections using regression equations. The data system for GHPP includes only summary caseload and expenditure data for the base period. Independent regressions are run on each diagnosis category identified as follows: Cystic Fibrosis; Hemophilia; Sickle Cell; Huntington's disease (includes Friedreich's Ataxia, and Joseph's Disease); and Metabolic Conditions.

Estimates for expenditures are based on a history of payment data which is projected into the budget year and a future year.

The net cost/savings for each Policy Change item is applied to the base estimate, after adjustment for the estimated percentage of each item reflected in the base.

Every Woman Counts Program

The most recent three years of actual EWC caseload and expenditure data are used in the regression equations for the base projections.

The net cost/savings for each Policy Change item is applied to the base estimate, after adjustment for the estimated percentage of each item reflected in the base.

INFORMATION ONLY:**CALIFORNIA CHILDREN'S SERVICES****1. CCS Redesign**

To improve access to health care for the Children and Youth with Special Health Care Needs (CYSHCN) and to eliminate the fragmentation that exists in the current CSS health care delivery system, the department initiated a CCS Redesign project with stakeholder input.

To move incrementally toward a better integrated and coordinated system of care for CCS, the Department has developed a multi-year framework for a "Whole Child" model that builds on existing successful models and delivery systems. This balanced approach will assure maintenance of core CCS provider standards and network of pediatric specialty and subspecialty care providers, by implementing a gradual change in CCS service delivery with an extended phase-in and stringent readiness and monitoring requirements that will ensure continuity of care and continued access to high-quality specialty care. The "Whole Child" model provides an organized delivery system of care for comprehensive, coordinated services through enhanced partnerships among Medi-Cal managed care plans, children's hospitals, specialty care providers, and counties.

Starting in January 2017, subject to successful readiness review by the department, the first phase will incorporate CCS into the integrated care systems of most County-Organized Health Systems (COHS). COHS are county developed and operated Medi-Cal managed care plans with strong community ties. CCS is already integrated into three COHS in six counties, through the CCS "carve-in," so three of the COHS plans already have experience with key elements of this model. In addition the Health Plan of San Mateo has already implemented most elements of this model. With the "Whole-Child" model, the COHS health plans will provide and coordinate all primary and specialty care, similar to the Health Plan of San Mateo model. These plans will be required to demonstrate support from various stakeholders that may include the respective county CCS program, local providers and hospitals, and local families of children with CCS eligible conditions or local advocacy groups representing those families.

2. Adrenoleukodystrophy (ALD) as a CCS Eligible Condition

AB 1559, statutes of 2014, requires that statewide newborn screening be expanded to include Adrenoleukodystrophy (ALD), now that ALD has been adopted by the federal Recommended Uniform Screening Panel (RUSP). Newborn screening for ALD will identify all children with the genetic disorder. Adrenal insufficiency occurs in 90 percent of males, with onset as early as 6 months of age. Nearly all female carriers develop symptoms in adulthood, so would not typically be age eligible for CCS but may be covered by Medi-Cal.

With universal screening for ALD, the protocols for the medical management of the condition can be expected to evolve quickly as more individuals with the condition are identified. It is likely medical management protocols will place greater emphasis on early monitoring, prevention, and timely diagnosis and treatment in response to the emergence of signs of disease progression. A broad array of services are expected to be used ranging from laboratory, physician, and inpatient services to occupational and physical therapy, durable medical equipment, and bone marrow/stem cell transplant. More case by case research is required to estimate correctly.

Additional clinical protocols to test mothers, as well as older siblings, of newborns identified with the ALD mutation are currently in development. These clinical protocols will identify a small but unknown number of additional children and adults needing a varying degree of medical management and genetic counseling. Costs for these additional protocols are unknown at this time.

3. New High Cost Treatments for Specific Conditions

On August 30, 2017, the FDA approved the first FDA-approved gene therapy in the United States. The treatment is for children and young adults up to 25 years of age with B-cell acute lymphoblastic leukemia (ALL). The gene therapy is called Chimeric Antigen Receptor T-Cell Therapy (CAR-T) using the drug Kymriah. The therapy is administered in a single treatment and less expensive than some bone marrow transplants. The treatment is estimated to be around \$475,000 per patient.

CHILD HEALTH AND DISABILITY PREVENTION

GENETICALLY HANDICAPPED PERSONS PROGRAM

1. GHPP Caseload Adjustments

Caseload counts have been adjusted due to the January 24, 2011, system conversion of the GHPP case management system which added the functionality to sync eligibility status with MEDS and accurately calculate active cases from the State Only and Medi-Cal GHPP funding categories. Corrections to program eligibility segments in MEDS were also implemented to reflect accurate historical GHPP eligibility. The additional decline in caseload beginning in March 2011 is due to an ongoing effort of annual caseload review and then closes cases that are delinquent in responding with their current financial status.

EVERY WOMAN COUNTS PROGRAM

1. Breast Cancer Awareness License Plates

This assumption has been deleted as this is now included in a policy change.

2. Correction of Denied Provider Claims

The Every Woman Count (EWC) program utilizes the Fiscal Intermediary (FI) to adjudicate ~~medical~~ **clinical** claims. ~~EWC and the FI are working on system and policy related issues~~ **Issues were discovered with the claims adjudication process** that resulted in denied provider **clinical** claims. ~~Approximately~~ **Currently** six Problem Statements (PS) have been recorded **issued** for claim denials that range from office visit to various screenings and **diagnostic** services. **Some of the identified claims adjudication problems are EWC specific and some impact both EWC and Medi-Cal.** These PS impact EWC providers who provided breast and cervical cancer screening and diagnostic services for EWC women only. The FI has determined that system changes are required to correctly adjudicate claims. System changes are costly and can take **anywhere** from 90 days to up one year to resolve depending on the complexity of the work to be performed. Once the system changes are in place, the FI will issue an Erroneous Payment Correction (EPC) to ~~adjudicate~~ **re-adjudicate** denied claims. These system changes and EPCs will impact EWC's funding **budget**. At this time, the number of affected providers, claims, and cost for the system changes are indeterminate **undetermined**.

DISCONTINUED POLICY CHANGES

Fully Incorporated Into Base Data/Ongoing

CCS

CHDP

PC 2 – Undocumented Children Full Scope Expansion - CHDP

GHPP

EWC

DISCONTINUED POLICY CHANGES

Time-Limited/No Longer Applicable

CCS

PC 6 MH/UCD & BTR – Safety Net Care Pool

CHDP

GHPP

EWC

DISCONTINUED POLICY CHANGES

Withdrawn

CCS

CHDP

GHPP

EWC