

FAMILY HEALTH
NOVEMBER 2020
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2020-21 *and* 2021-22



The Great Seal

STATE OF CALIFORNIA
DEPARTMENT OF HEALTH CARE SERVICES

**FAMILY HEALTH
NOVEMBER 2020
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2020-21 and 2021-22**

Fiscal Forecasting Division
State Department of Health Care Services
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Family Health Local Assistance Estimate

Management Summary November 2020 Estimate

The Family Health Local Assistance Estimate forecasts the current and budget year expenditures for three of the Department's state-only programs: California Children's Services, 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 three 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.

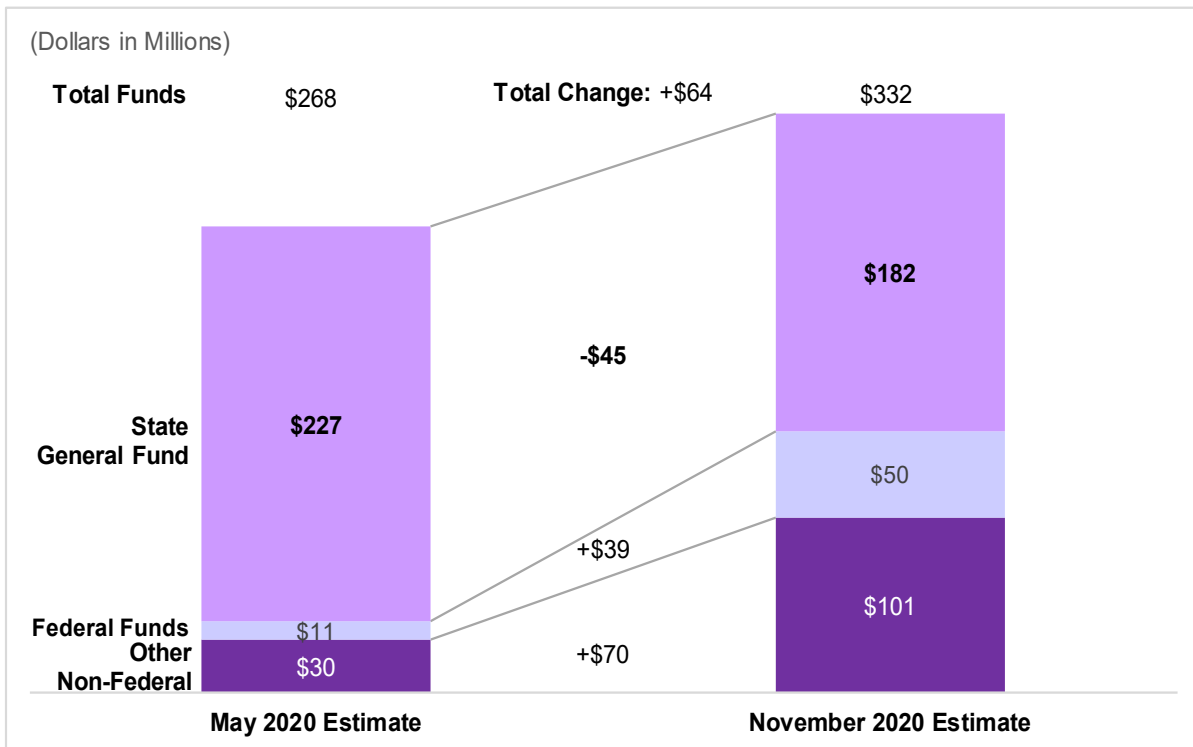
- **California Children's Services (CCS)**: The CCS program, established in 1927, is one of the oldest public health care programs in the nation and is administered in partnership with county health departments. The CCS State Only program provides health care services to children up to age 21 who have a CCS-eligible condition, such as: cystic fibrosis, hemophilia, cerebral palsy, heart disease, cancer, or traumatic injury. Children enrolled in the CCS State Only program either do not qualify for full-scope Medi-Cal or their families cannot afford the catastrophic health care costs for the child's care.
- **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.

This document is intended to provide the user with a high-level overview of the November 2020 Family Health Local Assistance Estimate (Estimate). The Estimate is produced bi-annually in May and November. This document is divided into several sections to provide additional transparency and usability of the information. The sections include the following:

- Fiscal Year (FY) 2020-21 Comparison
- FY 2020-21 to FY 2021-22 Year-Over-Year Comparison
- Overview of Caseload Projections
- Overview of Base Expenditures
- Significant Policy Change Detail Chart

DHCS estimates the Family Health spending to be \$332 million total funds (\$182 million General Fund) in FY 2020-21 and \$269 million total funds (\$212 million General Fund) in FY 2021-22. This does not include funds spent by county health departments on these programs.

FY 2020-21 Comparison

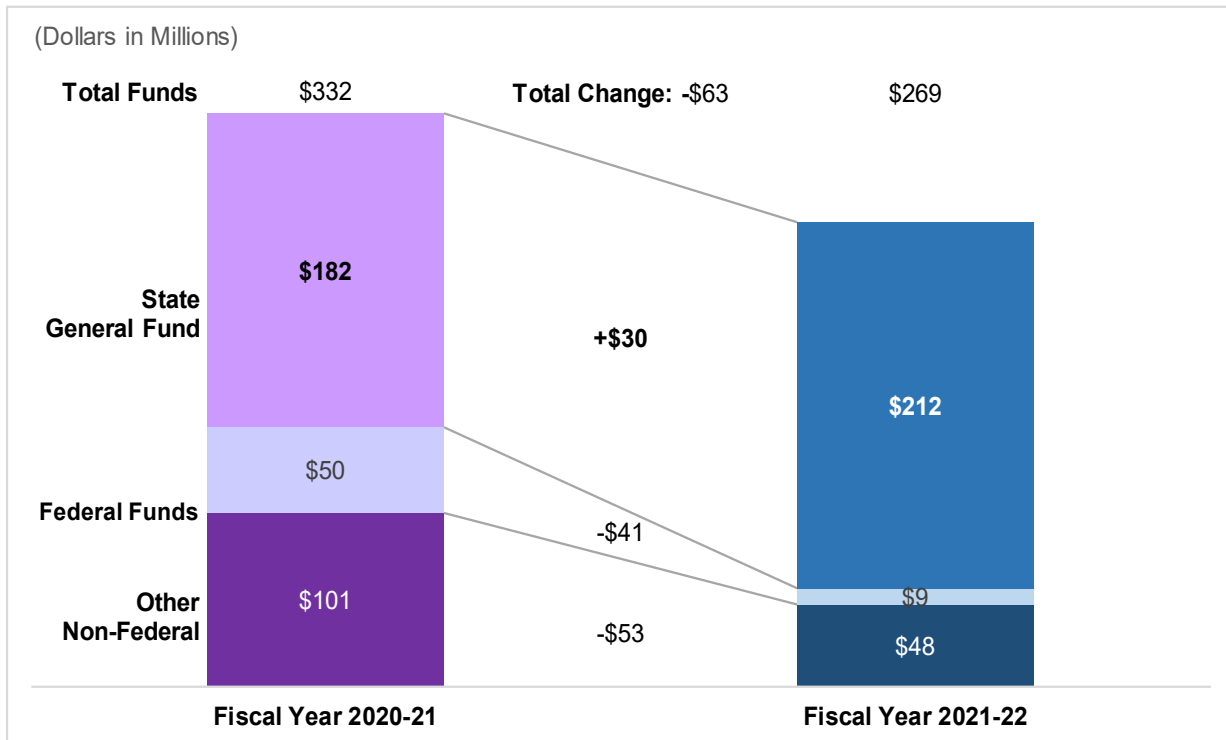


As displayed above, the November 2020 Estimate for FY 2020-21 projects a \$64.4 million increase in total spending (\$44.9 million decrease in General Fund spending) compared to the May 2020 Estimate. This reflects a 24-percent increase in estimated total spending and a 20-percent decrease in estimated General Fund spending for FY 2020-21.

The main drivers of the change are described below:

- **Drug Rebates.** The bulk of changes, approximately \$46 million of the decrease in General Fund in 2020-21 from the May 2020 Estimate to the November 2020 Estimate relates to drug rebates, as described below.
 - **Non-Blood Factor Rebates.**
 - In the May 2020 Estimate, there were no rebate savings estimated for the CCS State Only or GHPP State Only non-blood factor rebates in FY 2020-21. For the November 2020 Estimate, updates to the FY 2020-21 cash basis impact of the rebate savings have increased the General Fund savings.
 - There is a significant increase in the GHPP State Only non-blood factor rebates totaling \$58 million General Fund. This is due to (1) approximately \$35 million from the prior year collections being delayed for transfer until FY 2020-21 (the rebate savings are limited to transfer up to GHPP expenditures; therefore, a portion had to be delayed until FY 2020-21) and (2) the increase in FY 2020-21 also includes \$23 million rebate savings for current year collections that were not budgeted in the prior estimate.
 - There are additional costs for CCS Healthy Families (HF) Non-Blood Factor Rebates. In August 2019, the Department sent Medicaid drug rebate invoices to drug manufacturers for utilization under the CCS State Only, GHPP State Only, and former CCS HF programs. Specific to the CCS HF program, the Department collected approximately \$68 million in rebates from the drug manufacturers for the retroactive period from July 2006 to March 2014. It has since been determined that CCS HF rebates were erroneously invoiced. CCS HF is a State Children's Health Insurance Program (SCHIP) and is ineligible for federal rebates that are only allowed for Medicaid programs. The Family Health Estimate estimates the impact of transferring funds from General Fund, the Special Rebate Fund, and Title XXI federal funds to be deposited into the Medi-Cal Drug Rebate Fund, to offset impacts from decreased rebate collections as manufacturers take credits against the amounts they owe for current rebate invoices.
 - **Blood Factor Drug Rebates.** From the prior estimate, there was a \$0.01 million increase in CCS rebates and a \$4.10 million increase in GHPP rebates for FY 2020-21 due to using actual rebate collections from FY 2018-19 and FY 2019-20 to project forward.

FY 2020-21 to FY 2021-22 Year-Over-Year Comparison



Family Health spending is estimated to decrease by \$63.1 million total funds (\$30.4 million increase in General Fund) between FY 2020-21 and FY 2021-22. This reflects a 19-percent decrease in total fund spending and a 17-percent increase in General Fund spending. The main drivers of the changes are described below:

- **Drug Rebates.** CCS and GHPP Drug rebates account for \$24 million of the change in General Fund dollars between fiscal years. This is a net change that includes an increase of \$44 million due to no retroactive GHPP Non-Blood Factor rebates being collected in FY 2021-22; and a decrease of \$20 million from no further CCS HF non-blood factor transactions in FY 2021-22.
 - **Non-Blood Factor Rebates.**
 - Ongoing rebate savings have been included for the CCS State Only and GHPP State Only non-blood factor rebates in FY 2021-22.
 - There is a significant decrease in the GHPP non-blood factor estimate from FY 2020-21 to FY 2021-22 due to the no prior year transfers occurring in FY 2021-22 and a lower ongoing estimate for the rebate savings in FY 2021-22.
 - There are no further transactions for the CCS HF non-blood factor rebates in FY 2021-22.
 - **Blood Factor Drug Rebates.** From FY 2020-21 to FY 2021-22 in the current estimate, there is a \$0.01 million decrease in CCS rebates and a \$1.60 million

decrease in GHPP rebates due to using the overall declining trend of collected rebates to project forward.

Overview of Caseload Projections

California Children's Services

	PY	CY	BY	Change from	
	FY 2019-20	FY 2020-21	FY 2021-22	PY to CY	CY to BY
CCS State-Only					
November 2020	14,104	14,571	14,571	3.31%	0.00%
Appropriation	14,306	14,417			
Change from Appropriation	(202)	154			
% Change from Appropriation	-1.41%	1.07%			

- CCS caseload is based on average quarterly beneficiaries.
- Beneficiaries began shifting to Medi-Cal in late FY 2019-20 due to the economic impact of the COVID-19 public health emergency. Projections have been returned to pre-COVID-19 levels and are estimated to remain relatively flat between fiscal years.

Genetically Handicapped Persons Program

	PY	CY	BY	Change from	
	FY 2019-20	FY 2020-21	FY 2021-22	PY to CY	CY to BY
GHPP State-Only					
November 2020	647	660	668	2.01%	1.21%
Appropriation	651	662			
Change from Appropriation	(4)	(2)			
% Change from Appropriation	-0.61%	-0.30%			

- GHPP caseload is based on average monthly beneficiaries.
- Prior to the COVID-19 public health emergency, GHPP caseload had been increasing. In late FY 2019-20 beneficiaries began shifting to Medi-Cal due to the economic impact of COVID-19. Projections have been returned to pre-COVID-19 levels and are estimated to remain relatively flat between fiscal years.

Every Woman Counts

	PY	CY	BY	Change from	
	FY 2019-20	FY 2020-21	FY 2021-22	PY to CY	CY to BY
EWC					
November 2020	28,363	24,919	27,425	-12.14%	10.06%
Appropriation	31,704	27,621			
Change from Appropriation	(3,341)	(2,702)			
% Change from Appropriation	-10.54%	-9.78%			

- EWC caseload is based on average monthly users by date of payment.

- There is an estimated decrease in the EWC caseload compared to May 2020 Estimate for FY 2020-21 due to reprocessing previously denied claims and actuals coming in lower than initially projected. Additionally, the COVID-19 pandemic triggered further reductions in caseload estimates for the EWC program.
- The increase in projected users for FY 2021-22 is estimated absent COVID-19 impact and retroactive reprocessing, as FY 2018-19, 2019-20, and FY 2020-21 include reprocessing of claims.

Overview of Base Expenditures

California Children's Services

	<i>(In millions)</i>			
CCS Base	FY 2020-21, TF	FY 2021-22, TF	CY to BY	As a %
November 2020	\$71.8	\$73.2	\$1.4	2.0%
Appropriation	\$72.4			
Change from Appropriation	(\$0.6)			
% Change	-0.8%			
	CY to BY		change from Approp.	
CCS Treatment	\$0.0	0.0%	(\$0.7)	-11.2%
CCS Therapy	\$1.4	2.2%	\$0.1	0.1%
Net Change	\$1.4	2.0%	(\$0.6)	-0.8%

- There is no COVID-19 impact seen in CCS Base expenditures. The increase in FY 2021-22 is based on the historical trend in CCS therapy expenditures.

Genetically Handicapped Persons Program

	<i>(In millions)</i>			
GHPP Base	FY 2020-21, TF	FY 2021-22, TF	CY to BY	As a %
November 2020	\$139.7	\$139.3	(\$0.4)	-0.3%
Appropriation	\$137.7			
Change from Appropriation	\$2.0			
% Change	1.4%			

- There is no COVID-19 impact seen in GHPP Base expenditures. Expenditures are projected to remain relatively flat into FY 2021-22.

Every Woman Counts

	<i>(In millions)</i>			
EWC Base	FY 2020-21, TF	FY 2021-22, TF	CY to BY	As a %
November 2020	\$32.4	\$36.7	\$4.2	13.0%
Appropriation	\$38.0			
Change from Appropriation	(\$5.6)			
% Change	-14.7%			

- There is a decrease in expenditures from the May 2020 Estimate for FY 2020-21 due to reprocessing of previously denied claims and actual expenditures coming in lower than initially projected. The COVID-19 pandemic triggered further reductions in EWC program expenditures. These expenditure reductions are reflected in the EWC COVID-19 Caseload Impacts policy change for FY 2020-21.
- The increase in projected expenditures for FY 2021-22 is estimated absent COVID-19 impact and retroactive reprocessing, as FY 2018-19, 2019-20, and FY 2020-21 include reprocessing of claims.

Policy Change Detail Chart

<i>(Dollars in Millions)</i>	FY 2020-21		FY 2021-22	
Issue	TF	GF	TF	GF
California Children Services (CCS)				
Fiscal Intermediary Expenditures - CCS	Amount		Amount	
CCS PC 3	\$0.37	\$0.37	\$0.32	\$0.32
	Change from May 2020		Change from 2020-21	
	\$0.31	\$0.31	(\$0.05)	(\$0.05)
There is an increase for FY 2020-21, from the prior estimate, due to invoice payments shifting from FY 2019-20 to FY 2020-21 for payment and a revised estimating methodology for FY 2020-21 expenditures. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to some FY 2019-20 invoices being paid in FY 2020-21.				
Title V Reimbursement from CA Dept. Public Health	Amount		Amount	
CCS PC 6	\$0.00	(\$4.99)	\$0.00	(\$3.99)
	Change from May 2020		Change from 2020-21	
	\$0.00	\$1.00	\$0.00	\$1.00
There is a reduced General Fund reimbursement from the prior estimate for FY 2020-21 due to a proposed reduction in the California Department of Public Health (CDPH) interagency agreement (IA) for FY 2020-21. There is a reduced General Fund reimbursement from FY 2020-21 to FY 2021-22 in the current estimate due to further proposed reductions in the CDPH IA for FY 2021-22.				
CCS Non-Blood Factor Rebates	Amount		Amount	
CCS PC 8	(\$3.70)	(\$3.70)	(\$3.70)	(\$3.70)
	Change from May 2020		Change from 2020-21	
	(\$3.70)	(\$3.70)	\$0	\$0
The increase in savings for FY 2020-21 is due to estimating rebate savings for FY 2020-21 that were not included in the prior estimate. No savings were estimated for FY 2020-21 in the prior estimate. There is no change anticipated from FY 2020-21 to FY 2021-22.				
CCS Healthy Families (HF) Non-Blood Factor Rebates	Amount		Amount	
CCS PC 9	\$67.79	\$20.60	\$0	\$0
	Change from May 2020		Change from 2020-21	
	\$67.79	\$20.60	(\$67.79)	(\$20.60)
CCS HF drugs are ineligible for federal rebates. The CCS HF non-BF rebates that have been collected will be transferred to the Medi-Cal Drug Rebate Fund and offset with manufacturers' credits towards future rebate payments. No further repayments are expected in FY 2021-22.				
Subtotals	Amount		Amount	
	\$64.46	\$12.28	(\$3.38)	(\$7.37)
	Change from May 2020		Change from 2020-21	
	\$64.40	\$18.21	(\$67.84)	(\$19.65)

<i>(Dollars in Millions)</i>	FY 2020-21		FY 2021-22	
Issue	TF	GF	TF	GF
Genetically Handicapped Persons Program (GHPP)				
Fiscal Intermediary Expenditures - GHPP	Amount		Amount	
GHPP PC 2	\$0.80	\$0.80	\$0.72	\$0.72
	Change from May 2020		Change from 2020-21	
	\$0.76	\$0.76	(\$0.08)	(\$0.08)
There is an increase for FY 2020-21, from the prior estimate, due to invoice payments shifting from FY 2019-20 to FY 2020-21 and a revised estimating methodology for FY 2020-21 expenditures. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to some FY 2019-20 invoices being paid in FY 2020-21.				
Blood Factor Drug Rebates	Amount		Amount	
GHPP PC 3	\$0	(\$11.40)	\$0	(\$9.80)
	Change from May 2020		Change from 2020-21	
	\$0	(\$4.10)	\$0	\$1.60
FY 2020-21 includes additional rebates collections since the prior estimate. The decrease in FY 2021-22 is based on the overall historical trend.				
GHPP Non-Blood Factor Rebates	Amount		Amount	
GHPP PC 6	\$0	(\$58.56)	\$0	(\$14.80)
	Change from May 2020		Change from 2020-21	
	\$0	(\$58.56)	\$0	\$43.76
The increase in General Fund savings for FY 2020-21 from the prior estimate is due to transferring the remaining retroactive rebates to the General Fund in FY 2020-21. No amount was included in the prior estimate. Also included are estimated current rebate collections for six quarters of invoices in FY 2020-21. The change from FY 2020-21 to FY 2021-22 is due to no retroactive rebates expected to be collected in FY 2021-22.				
Subtotals	Amount		Amount	
	\$0.80	(\$69.16)	\$0.72	(\$23.88)
	Change from May 2020		Change from 2020-21	
	\$0.76	(\$61.90)	(\$0.08)	45.28

<i>(Dollars in Millions)</i>	FY 2020-21		FY 2021-22	
Issue	TF	GF	TF	GF
Every Woman Counts (EWC)				
Fiscal Intermediary Expenditures - EWC	Amount		Amount	
EWC PC 1	\$3.80	\$3.80	\$3.45	\$3.45
	Change from May 2020		Change from 2020-21	
	\$2.07	\$2.07	(\$0.34)	(\$0.34)
There is an increase for FY 2020-21, from the prior estimate, due to invoice payments shifting from FY 2019-20 to FY 2020-21 and a revised estimating methodology for FY 2020-21 expenditures. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to some FY 2019-20 invoices shifting to FY 2020-21 for payment.				
EWC Erroneous Payment Corrections	Amount		Amount	
EWC PC 6	\$0.02	\$0.02	\$0.00	\$0.00
	Change from May 2020		Change from 2020-21	
	\$0.02	\$0.02	(\$0.02)	(\$0.02)
The change for FY 2020-21, from the prior estimate, is an increase due to a new EPC deployed in October 2020. The change from FY 2020-21 to FY 2021-22, in the current estimate, is a decrease due to a one-time erroneous payment correction (EPC) implemented in FY 2020-21 and no EPCs estimated for FY 2021-22.				
MRI and MRI Guided Biopsy Screening Benefits	Amount		Amount	
EWC PC 7	\$2.99	\$2.99	\$3.11	\$3.11
	Change from May 2020		Change from 2020-21	
	(\$0.11)	(\$0.11)	\$0.12	\$0.12
The change for FY 2020-21, from the prior estimate, is a slight decrease due to an estimated decrease in overall EWC program expenditures from the prior estimate. The change from FY 2020-21 to FY 2021-22, in the current estimate, is a slight increase due an estimated increase in overall EWC program expenditures in FY 2021-22.				
EWC COVID-19 Caseload Impacts	Amount		Amount	
EWC PC 8	(\$3.62)	(\$3.62)	\$0.00	\$0.00
	Change from May 2020		Change from 2020-21	
	\$0.00	\$0.00	\$3.62	\$3.62
This is a new policy change that estimates reductions in EWC program expenditures as a result of the COVID-19 pandemic and statewide stay at home order.				
Subtotals	Amount		Amount	
	\$3.19	\$3.19	\$6.56	\$6.56
	Change from May 2020		Change from 2020-21	
	\$1.98	\$1.98	\$3.38	\$3.38

Management Summary**Fiscal Year 2020-21****Comparison of Appropriation to November Estimate**

	Approp Est. FY 2020-21	Nov. 20 Est. FY 2020-21	Chg Approp - Nov. 2020 Est.
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 79,575,000	\$ 96,679,000	\$ 17,104,000
4260-601-3079 (Rebates Special Fund)	\$ 0	\$ 7,672,000	\$ 7,672,000
4260-611-0995 (CDPH Title V Reimb.)	\$ 5,453,000	\$ 4,992,000	\$ (461,000)
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 39,519,000	\$ 39,519,000
County Funds ¹	\$ 84,024,000	\$ 80,243,000	\$ (3,781,000)
TOTAL CCS	\$ 85,028,000	\$ 148,862,000	\$ 63,834,000
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 129,390,000	\$ 70,007,000	\$ (59,383,000)
4260-611-0995 (Enrollment Fees)	\$ 482,000	\$ 426,000	\$ (56,000)
4260-601-3079 (Rebates Special Fund)	\$ 7,300,000	\$ 69,964,000	\$ 62,664,000
TOTAL GHPP	\$ 137,172,000	\$ 140,397,000	\$ 3,225,000
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 17,823,000	\$ 15,182,000	\$ (2,641,000)
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 5,128,000	\$ 5,128,000	\$ 0
TOTAL EWC	\$ 45,455,000	\$ 42,814,000	\$ (2,641,000)
GRAND TOTAL - ALL FUNDS	\$ 267,655,000	\$ 332,073,000	\$ 64,418,000
4260-111-0001*	\$ 208,965,000	\$ 166,686,000	\$ (42,279,000)
4260-111-0890	\$ 0	\$ 39,519,000	\$ 39,519,000
4260-114-0001	\$ 17,823,000	\$ 15,182,000	\$ (2,641,000)
4260-114-0009	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 0
4260-611-0995	\$ 5,935,000	\$ 5,418,000	\$ (517,000)
4260-601-3079	\$ 7,300,000	\$ 77,636,000	\$ 70,336,000
County Funds ¹	\$ 84,024,000	\$ 80,243,000	\$ (3,781,000)

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

Management Summary

Fiscal Year 2020-21 Compared to Fiscal Year 2021-22

	<u>Nov. 20 Est. FY 2020-21</u>	<u>Nov. 20 Est. FY 2021-22</u>	<u>Difference Incr./(Decr.)</u>
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 96,679,000	\$ 78,514,000	\$ (18,165,000)
4260-601-3079 (Rebates Special Fund)	\$ 7,672,000	\$ 0	\$ (7,672,000)
4260-611-0995 (CDPH Title V Reimb.)	\$ 4,992,000	\$ 3,992,000	\$ (1,000,000)
4260-111-0890 (Federal Title XXI)	\$ 39,519,000	\$ 0	\$ (39,519,000)
County Funds ¹	\$ 80,243,000	\$ 81,696,000	\$ 1,453,000
TOTAL CCS	<u>\$ 148,862,000</u>	<u>\$ 82,506,000</u>	<u>\$ (66,356,000)</u>
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 70,007,000	\$ 114,380,000	\$ 44,373,000
4260-611-0995 (Enrollment Fees)	\$ 426,000	\$ 426,000	\$ 0
4260-601-3079 (Rebates Special Fund)	\$ 69,964,000	\$ 24,600,000	\$ (45,364,000)
TOTAL GHPP	<u>\$ 140,397,000</u>	<u>\$ 139,406,000</u>	<u>\$ (991,000)</u>
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 15,182,000	\$ 19,387,000	\$ 4,205,000
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 5,128,000	\$ 5,128,000	\$ 0
TOTAL EWC	<u>\$ 42,814,000</u>	<u>\$ 47,019,000</u>	<u>\$ 4,205,000</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 332,073,000</u>	<u>\$ 268,931,000</u>	<u>\$ (63,142,000)</u>
4260-111-0001*	\$ 166,686,000	\$ 192,894,000	\$ 26,208,000
4260-111-0890	\$ 39,519,000	\$ 0	\$ (39,519,000)
4260-114-0001	\$ 15,182,000	\$ 19,387,000	\$ 4,205,000
4260-114-0009	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 0
4260-611-0995	\$ 5,418,000	\$ 4,418,000	\$ (1,000,000)
4260-601-3079	\$ 77,636,000	\$ 24,600,000	\$ (53,036,000)
County Funds ¹	\$ 80,243,000	\$ 81,696,000	\$ 1,453,000

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

Management Summary**Fiscal Year 2021-22****Comparison of Appropriation to November Estimate**

	<u>Approp Est. FY 2020-21</u>	<u>Nov. 20 Est. FY 2021-22</u>	<u>Chg Approp - Nov. 2020 Est.</u>
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 79,575,000	\$ 78,514,000	\$ (1,061,000)
4260-601-3079 (Rebates Special Fund)	\$ 0	\$ 0	\$ 0
4260-611-0995 (CDPH Title V Reimb.)	\$ 5,453,000	\$ 3,992,000	\$ (1,461,000)
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
County Funds ¹	\$ 84,024,000	\$ 81,695,500	\$ (2,328,500)
TOTAL CCS	<u>\$ 85,028,000</u>	<u>\$ 82,506,000</u>	<u>\$ (2,522,000)</u>
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 129,390,000	\$ 114,380,000	\$ (15,010,000)
4260-611-0995 (Enrollment Fees)	\$ 482,000	\$ 426,000	\$ (56,000)
4260-601-3079 (Rebates Special Fund)	\$ 7,300,000	\$ 24,600,000	\$ 17,300,000
TOTAL GHPP	<u>\$ 137,172,000</u>	<u>\$ 139,406,000</u>	<u>\$ 2,234,000</u>
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 17,823,000	\$ 19,387,000	\$ 1,564,000
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 5,128,000	\$ 5,128,000	\$ 0
TOTAL EWC	<u>\$ 45,455,000</u>	<u>\$ 47,019,000</u>	<u>\$ 1,564,000</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 267,655,000</u>	<u>\$ 268,931,000</u>	<u>\$ 1,276,000</u>
4260-111-0001*	\$ 208,965,000	\$ 192,894,000	\$ (16,071,000)
4260-111-0890	\$ 0	\$ 0	\$ 0
4260-114-0001	\$ 17,823,000	\$ 19,387,000	\$ 1,564,000
4260-114-0009	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 0
4260-611-0995	\$ 5,935,000	\$ 4,418,000	\$ (1,517,000)
4260-601-3079	\$ 7,300,000	\$ 24,600,000	\$ 17,300,000
County Funds ¹	\$ 84,024,000	\$ 81,695,500	\$ (2,328,500)

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

CALIFORNIA CHILDREN'S SERVICES
Funding Summary

FY 2020-21, November 2020 Estimate Compared to May 2020 Estimate			
	Appropriation FY 2020-21	Nov. 2020 Est. FY 2020-21	Difference Incr./((Decr.))
CCS State-Only Caseload:	14,417	14,571	154
State Funds			
State Only General Fund (4260-111-0001)	\$ 79,574,500	\$ 96,678,500	\$ 17,104,000
Health Care Support Fund (4260-601-7503)	\$ 0	\$ 0	\$ 0
Rebate Special Fund (4260-601-3079)	\$ 0	\$ 7,672,000	\$ 7,672,000
Title XXI - GF Match (4260-111-0001)	\$ 0	\$ 0	\$ 0
Total State Fund	\$ 79,574,500	\$ 104,350,500	\$ 24,776,000
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 4,992,000	\$ (461,000)
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 39,519,000	\$ 39,519,000
Total Federal Funds	\$ 5,453,000	\$ 44,511,000	\$ 39,058,000
Total Funds	\$ 85,027,500	\$ 148,861,500	\$ 63,834,000

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22			
	Nov. 2020 Est. FY 2020-21	Nov. 2020 Est. FY 2021-22	Difference Incr./((Decr.))
CCS State-Only Caseload:	14,571	14,571	0
State Funds			
State Only General Fund (4260-111-0001)	\$ 96,678,500	\$ 78,513,500	\$ (18,165,000)
Health Care Support Fund (4260-601-7503)	\$ 0	\$ 0	\$ 0
Rebate Special Fund (4260-601-3079)	\$ 7,672,000	\$ 0	\$ (7,672,000)
Title XXI - GF Match (4260-111-0001)	\$ 0	\$ 0	\$ 0
Total State Fund	\$ 104,350,500	\$ 78,513,500	\$ (25,837,000)
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 4,992,000	\$ 3,992,000	\$ (1,000,000)
4260-601-7503 (Federal Title XIX HCSF)	\$ 0	\$ 0	\$ 0
4260-111-0890 (Federal Title XXI)	\$ 39,519,000	\$ 0	\$ (39,519,000)
Total Federal Funds	\$ 44,511,000	\$ 3,992,000	\$ (40,519,000)
Total Funds	\$ 148,861,500	\$ 82,505,500	\$ (66,356,000)

CALIFORNIA CHILDREN'S SERVICES
Fiscal Year 2020-21
Funding Sources By Program

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>Federal Title XXI</u>	<u>County Funds</u>
A. State Only Services					
1. Treatment Costs					
Treatment Base 1/	4,759,000	4,759,000	-	-	4,259,000
Bone Marrow Xplant 2/	125,000	125,000	-	-	(125,000)
Small County Adj. 3/	<u>400,000</u>	<u>400,000</u>	-	-	<u>(400,000)</u>
Total Treatment Base	5,284,000	5,284,000	-	-	3,734,000
2. Therapy Costs					
Therapy Base	70,167,000	70,167,000	-	-	70,168,000
MTU Medi-Cal Offset 4/	(4,516,000)	(4,516,000)	-	-	(1,506,000)
AB3632 5/	<u>862,000</u>	<u>862,000</u>	-	-	<u>(862,000)</u>
Total Therapy Base	66,513,000	66,513,000	-	-	67,800,000
3. Enroll/Assess Fees	(47,500)	(47,500)	-	-	(47,500)
4. Benefits Policy Changes	<u>64,042,000</u>	<u>24,523,000</u>	-	39,519,000	<u>(3,749,000)</u>
	\$ 135,791,500	\$ 96,272,500	\$ 0	\$ 39,519,000	\$ 67,737,500
B. State Only Admin.					
1. County Admin.	12,505,000	7,513,000	4,992,000	-	12,505,000
2. Fiscal Inter.	356,000	356,000	-	-	-
3. FI Dental	1,000	1,000	-	-	-
4. CMS Net	<u>208,000</u>	<u>208,000</u>	-	-	-
	\$ 13,070,000	\$ 8,078,000	\$ 4,992,000	\$ 0	\$ 12,505,000
Total CCS State Only	\$ 148,861,500	\$ 104,350,500	\$ 4,992,000	\$ 39,519,000	\$ 80,242,500
=====					
GRAND TOTAL	\$ 148,861,500	\$ 104,350,500	\$ 4,992,000	\$ 39,519,000	\$ 80,242,500

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

1/ Treatment base includes costs for services rendered out-of-state. There is no county share for these costs.

2/ 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.

3/ 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.

4/ 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.

5/ 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 shifted from County to General Fund.

CALIFORNIA CHILDREN'S SERVICES
Fiscal Year 2021-22
Funding Sources By Program

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>Federal Title XXI</u>	<u>County Funds</u>
A. State Only Services					
1. Treatment Costs					
Treatment Base 1/	4,759,000	4,759,000	-	-	4,259,000
Bone Marrow Xplant 2/	125,000	125,000	-	-	(125,000)
Small County Adj. 3/	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>
Total Treatment Base	5,284,000	5,284,000	-	-	3,734,000
2. Therapy Costs					
Therapy Base	71,607,000	71,607,000	-	-	71,607,000
MTU Medi-Cal Offset 4/	(4,516,000)	(4,516,000)	-	-	(1,506,000)
AB3632 5/	<u>862,000</u>	<u>862,000</u>	<u>-</u>	<u>-</u>	<u>(862,000)</u>
Total Therapy Base	67,953,000	67,953,000	-	-	69,239,000
3. Enroll/Assess Fees	(47,500)	(47,500)	-	-	(47,500)
4. Benefits Policy Changes	<u>(3,735,000)</u>	<u>(3,735,000)</u>	<u>-</u>	<u>-</u>	<u>(3,735,000)</u>
	\$ 69,454,500	\$ 69,454,500	\$ 0	\$ 0	\$ 69,190,500
B. State Only Admin.					
1. County Admin.	12,505,000	8,513,000	3,992,000	-	12,505,000
2. Fiscal Inter.	322,000	322,000	-	-	-
3. FI Dental	1,000	1,000	-	-	-
4. CMS Net	<u>223,000</u>	<u>223,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	\$ 13,051,000	\$ 9,059,000	\$ 3,992,000	\$ 0	\$ 12,505,000
Total CCS State Only	\$ 82,505,500	\$ 78,513,500	\$ 3,992,000	\$ 0	\$ 81,695,500
GRAND TOTAL	\$ 82,505,500	\$ 78,513,500	\$ 3,992,000	\$ 0	\$ 81,695,500

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

1/ Treatment base includes costs for services rendered out-of-state. There is no county share for these costs.

2/ 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.

3/ 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.

4/ 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.

5/ 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 shifted from County to General Fund.

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, Total Funds
Fiscal Year 2020-21

November 2020 Estimate Compared to May 2020 Estimate, Total Funds

	Appropriation	Nov. 2020 Est.	Difference
	FY 2020-21	FY 2020-21	Incr./ (Decr.)
A. Total CCS State Only Services	<u>\$ 72,281,000</u>	<u>\$ 135,791,500</u>	<u>\$ 63,510,500</u>
1. Treatment Services	5,951,000	5,284,000	(667,000)
2. Medical Therapy Program	66,423,000	66,513,000	90,000
3. Benefits Policy Changes	(41,000)	64,042,000	64,083,000
4. Enroll/Assessment Fees	(52,000)	(47,500)	4,500
B. CCS Administration			
1. County Administration	12,504,500	12,505,000	500
2. Fiscal Intermediary	242,000	565,000	323,000
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 85,027,500</u>	<u>\$ 148,861,500</u>	<u>\$ 63,834,000</u>
TOTAL CCS PROGRAM	<u>\$ 85,027,500</u>	<u>\$ 148,861,500</u>	<u>\$ 63,834,000</u>

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, State Funds and Federal Funds
Fiscal Year 2020-21

November 2020 Estimate Compared to May 2020 Estimate, State Funds

	Appropriation FY 2020-21	Nov. 2020 Est. FY 2020-21	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 72,281,000</u>	<u>\$ 96,272,500</u>	<u>\$ 23,991,500</u>
1. Treatment Services	5,951,000	5,284,000	(667,000)
2. Medical Therapy Program	66,423,000	66,513,000	90,000
3. Benefits Policy Changes	(41,000)	24,523,000	24,564,000
4. Enroll/Assessment Fees	(52,000)	(47,500)	4,500
B. CCS Administration			
1. County Administration	7,051,500	7,513,000	461,500
2. Fiscal Intermediary	242,000	565,000	323,000
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 79,574,500</u>	<u>\$ 104,350,500</u>	<u>\$ 24,776,000</u>
TOTAL CCS PROGRAM	<u>\$ 79,574,500</u>	<u>\$ 104,350,500</u>	<u>\$ 24,776,000</u>

November 2020 Estimate Compared to May 2020 Estimate, Federal Funds

	Appropriation FY 2020-21	Nov. 2020 Est. FY 2020-21	Difference Incr./(Decr.)
A. Total CCS Services	<u>\$ 0</u>	<u>\$ 39,519,000</u>	<u>\$ 39,519,000</u>
1. Benefits Policy Changes	-	39,519,000	39,519,000
B. CCS State-Only Administration			
1. County Administration	5,453,000	4,992,000	(461,000)
TOTAL CCS PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 44,511,000</u>	<u>\$ 39,058,000</u>

CALIFORNIA CHILDREN'S SERVICES**Program Requirements, Total Funds
Budget Year Compared to Current Year****November 2020 Estimate, FY 2020-21 Compared to FY 2021-22, Total Funds**

	Nov. 2020 Est. <u>FY 2020-21</u>	Nov. 2020 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
A. Total CCS State Only Services	<u>\$ 135,791,500</u>	<u>\$ 69,454,500</u>	<u>\$ (66,337,000)</u>
1. Treatment Services	5,284,000	5,284,000	-
2. Medical Therapy Program	66,513,000	67,953,000	1,440,000
3. Benefits Policy Changes	64,042,000	(3,735,000)	(67,777,000)
4. Enroll/Assessment Fees	(47,500)	(47,500)	-
B. CCS Administration			
1. County Administration	12,505,000	12,505,000	-
2. Fiscal Intermediary	565,000	546,000	(19,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 148,861,500</u>	<u>\$ 82,505,500</u>	<u>\$ (66,356,000)</u>
TOTAL CCS PROGRAM	<u>\$ 148,861,500</u>	<u>\$ 82,505,500</u>	<u>\$ (66,356,000)</u>

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

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22, State Funds

	Nov. 2020 Est. FY 2020-21	Nov. 2020 Est. FY 2021-22	Difference Incr./.(Decr.)
A. Total CCS State Only Services	<u>\$ 96,272,500</u>	<u>\$ 69,454,500</u>	<u>\$ (26,818,000)</u>
1. Treatment Services	5,284,000	5,284,000	-
2. Medical Therapy Program	66,513,000	67,953,000	1,440,000
3. Benefits Policy Changes	24,523,000	(3,735,000)	(28,258,000)
4. Enroll/Assessment Fees	(47,500)	(47,500)	-
B. CCS Administration			
1. County Administration	7,513,000	8,513,000	1,000,000
2. Fiscal Intermediary	565,000	546,000	(19,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 104,350,500</u>	<u>\$ 78,513,500</u>	<u>\$ (25,837,000)</u>
TOTAL CCS PROGRAM	<u>\$ 104,350,500</u>	<u>\$ 78,513,500</u>	<u>\$ (25,837,000)</u>

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22, Federal Funds

	Nov. 2020 Est. FY 2020-21	Nov. 2020 Est. FY 2021-22	Difference Incr./.(Decr.)
A. Total CCS Services	<u>\$ 39,519,000</u>	<u>\$ 0</u>	<u>\$ (39,519,000)</u>
1. Benefits Policy Changes	39,519,000	-	(39,519,000)
B. CCS State Only Administration			
1. County Administration	4,992,000	3,992,000	(1,000,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 44,511,000</u>	<u>\$ 3,992,000</u>	<u>\$ (40,519,000)</u>

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

Fiscal Year 2020-21, November 2020 Estimate Compared to Appropriation								
POLICY CHG.			FY 2020-21 APPROPRIATION		NOVEMBER 2020 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	-\$52,000	-\$52,000	-\$47,500	-\$47,500	\$4,500	\$4,500
Co. Admin.	2	COUNTY ADMIN. COSTS	\$12,504,500	\$12,504,500	\$12,505,000	\$12,505,000	\$500	\$500
FI	3	FISCAL INTERMEDIARY EXPENDITURES	\$49,000	\$49,000	\$356,000	\$356,000	\$307,000	\$307,000
FI	4	DENTAL ADMIN. EXPENDITURES	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
FI	5	CMS NET	\$192,000	\$192,000	\$208,000	\$208,000	\$16,000	\$16,000
Co. Admin.	6	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$5,453,000	\$0	-\$4,992,000	\$0	\$461,000
Benefits	7	CCS DRUG REBATES	-\$41,000	-\$41,000	-\$49,000	-\$49,000	-\$8,000	-\$8,000
Benefits	8	CCS NON-BLOOD FACTOR REBATES	\$0	\$0	-\$3,700,000	-\$3,700,000	-\$3,700,000	-\$3,700,000
Benefits	9	CCS HF NON-BLOOD FACTOR REBATES	\$0	\$0	\$67,791,000	\$28,272,000	\$67,791,000	\$28,272,000
CCS TOTAL			<u>\$12,653,500</u>	<u>\$7,200,500</u>	<u>\$77,064,500</u>	<u>\$32,553,500</u>	<u>\$64,411,000</u>	<u>\$25,353,000</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 2020-21 Compared to Fiscal Year 2021-22								
<u>POLICY CHG.</u>			<u>Nov. 2020 Est. for FY 2020-21</u>		<u>Nov. 2020 Est. for FY 2021-22</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>
CCS STATE ONLY								
Other	1	ENROLLMENT AND ASSESSMENT FEES	-\$47,500	-\$47,500	-\$47,500	-\$47,500	\$0	\$0
Co. Admin.	2	COUNTY ADMIN. COSTS	\$12,505,000	\$12,505,000	\$12,505,000	\$12,505,000	\$0	\$0
FI	3	FISCAL INTERMEDIARY EXPENDITURES	\$356,000	\$356,000	\$322,000	\$322,000	-\$34,000	-\$34,000
FI	4	DENTAL ADMIN. EXPENDITURES	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
FI	5	CMS NET	\$208,000	\$208,000	\$223,000	\$223,000	\$15,000	\$15,000
Co. Admin.	6	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$4,992,000	\$0	-\$3,992,000	\$0	\$1,000,000
Benefits	7	CCS DRUG REBATES	-\$49,000	-\$49,000	-\$35,000	-\$35,000	\$14,000	\$14,000
Benefits	8	CCS NON-BLOOD FACTOR REBATES	-\$3,700,000	-\$3,700,000	-\$3,700,000	-\$3,700,000	\$0	\$0
Benefits	9	CCS HF NON-BLOOD FACTOR REBATES	\$67,791,000	\$28,272,000	\$0	\$0	-\$67,791,000	-\$28,272,000
CCS TOTAL			<u>\$77,064,500</u>	<u>\$32,553,500</u>	<u>\$9,268,500</u>	<u>\$5,276,500</u>	<u>-\$67,796,000</u>	<u>-\$27,277,000</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 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	-\$47,500	-\$47,500
	- GENERAL FUND	-\$47,500	-\$47,500
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$47,500	-\$47,500
	- GENERAL FUND	-\$47,500	-\$47,500
	- COUNTY FUNDS	-\$47,500	-\$47,500

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:

There is no significant change from the prior estimate or between fiscal years in the current estimate.

Methodology:

1. Enrollment and assessment fees are estimated using the trend in enrollment and assessment fees received for September 2011 - March 2020.

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Enrollment Fees:	\$85,000	\$85,000
Assessment Fees:	\$10,000	\$10,000
Total:	\$95,000 (\$47,500 GF Offset)	\$95,000 (\$47,500 GF Offset)

Funding:

General Fund (4260-111-0001)

County Funds*

* Not Included in Total Funds

COUNTY ADMIN. COSTS

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

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$12,505,000	\$12,505,000
	- GENERAL FUND	\$12,505,000	\$12,505,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$12,505,000	\$12,505,000
	- GENERAL FUND	\$12,505,000	\$12,505,000
	- COUNTY FUNDS	\$12,505,000	\$12,505,000

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:

Not Applicable

Background:

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

Reason for Change:

Estimated expenditures are based on prior year reported costs. There is no significant change from the prior estimate or between fiscal years in the current estimate.

Methodology:

1. For FY 2020-21, the CCS State Only base county administration reimbursement level is based on budgeted county expenditures for FY 2020-21.

FY 2020-21: \$25,010,000 (\$12,505,000 GF) (Includes County Funds)

2. FY 2021-22 is calculated based on the change in caseload between fiscal years in the November 2020 Family Health Estimate. CCS State-Only caseload is expected to remain steady at 14,571 in FY 2020-21 and FY 2021-22.

FY 2021-22: \$25,010,000 (\$12,505,000 GF) (Includes County Funds)

Funding:

General Fund (4260-111-0001)

County Funds*

FISCAL INTERMEDIARY EXPENDITURES

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 7/1993
ANALYST: Kalanie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$356,000	\$322,000
	- GENERAL FUND	\$356,000	\$322,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$356,000	\$322,000
	- GENERAL FUND	\$356,000	\$322,000

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:

The CCS State Only program utilizes FIs to adjudicate and pay medical claims. Effective October 1, 2019, the DXC Technology Services (DXC) and IBM contractors began processing medical claims.

Reason for Change:

There is an increase for FY 2020-21, from the prior estimate, due to invoice payments shifting from FY 2019-20 to FY 2020-21 for payment and a revised estimating methodology for FY 2020-21 expenditures. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to some FY 2019-20 invoices being paid in FY 2020-21.

Methodology:

1. Based on actual and projected volumes for the current year, the estimated medical FI administrative costs are **\$356,000** in **FY 2020-21** and **\$322,000** in **FY 2021-22**.

Funding:

100% General Fund (4260-111-0001)

DENTAL ADMIN. EXPENDITURES

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 8/2003
ANALYST: Matthew Wong

		<u>FY 2020-21</u>	<u>FY 2021-22</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 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 2016 Delta Administrative Services Organization (ASO) contractor and the 2016 DXC Technology Services (DXC) FI contractor. The administrative costs are reimbursed based on cost per adjudicated claim line (ACL) and Treatment Authorization Request (TAR). The FI scans documents while the ASO processes ACLs and TARs.

Reason for Change:

There is no change from the prior estimate, for FY 2020-21. There is no change from FY 2020-21 to FY 2021-22 in the current estimate.

Methodology:

1. The 2016 DXC FI contractor rates for scanning ACL and TAR documents are \$0.27 in FY 2020-21 and \$0.26 in FY 2021-22.
2. The 2016 ASO contractor CCS State Only dental ACL & TAR adjudicating rates in FY 2020-21 are \$0.16 and \$4.95, respectively.

3. The 2016 ASO contractor CCS State Only dental ACL & TAR adjudicating rates for FY 2021-22 are \$0.16 and \$5.10, respectively.

FI - FY 2020-21	Estimated Claims	Rates	Partial Year Expenditure
ACLs	254	\$ 0.27	\$ 69
TARs	66	\$ 0.27	\$ 18
			\$ 100

ASO - FY 2020-21	Estimated Claims	Rates	Partial Year Expenditure
ACLs	906	\$ 0.16	\$ 145
TARs	66	\$ 4.95	\$ 327
			\$ 500

Total FY 2020-21 \$ 1,000 GF

FI - FY 2021-22	Estimated Claims	Rates	Estimated Expenditure
ACLs	254	\$ 0.26	\$ 66
TARs	66	\$ 0.26	\$ 17
			\$ 100

ASO - FY 2021-22	Estimated Documents	Rates	Estimated Expenditure
ACLs	906	\$ 0.16	\$ 145
TARs	66	\$ 5.10	\$ 337
			\$ 500

Total FY 2021-22 \$ 1,000 GF

Funding:

100% GF (4260-111-0001)

CMS NET

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

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$208,000	\$223,000
	- GENERAL FUND	\$208,000	\$223,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$208,000	\$223,000
	- GENERAL FUND	\$208,000	\$223,000

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 State CCS regional offices, and the Genetically Handicapped Persons Program.

Reason for Change:

There is no significant change from the prior estimate for FY 2020-21 or between fiscal years in the current estimate.

Methodology:

1. CMS Net costs are allocated to the CCS programmatic caseload, based on caseload distribution (CCS State-Only vs. CCS Medi-Cal) as a percentage of the overall CCS caseload.

2. CMS Net system costs for FY 2020-21 are estimated to be \$2,605,000. FY 2021-22 costs are estimated to be \$2,784,000.
3. Based on estimated FY 2020-21 and FY 2021-22 caseload counts, costs for CMS Net are projected to be split:

	FY 2020-21			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	14,571	8.0%	\$	208,000
CCS Medi-Cal	168,446	92.0%	\$	2,397,000
Total	183,017	100%	\$	2,605,000

	FY 2021-22			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	14,571	8.0%	\$	223,000
CCS Medi-Cal	168,540	92.0%	\$	2,561,000
Total	183,111	100%	\$	2,784,000

4. Data processing estimated costs are based on:
- system utilization;
 - system functionality, including the Health Insurance Portability and Accountability Act (HIPAA) compliance and disaster recovery; and
 - 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: 6
IMPLEMENTATION DATE: 7/2007
ANALYST: Kalanie Coleman

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$4,992,000	-\$3,992,000
- FEDERAL FUNDS TITLE V	\$4,992,000	\$3,992,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$4,992,000	-\$3,992,000
- FEDERAL FUNDS TITLE V	\$4,992,000	\$3,992,000

Purpose:

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

Authority:

Social Security Act 501 & 505 (42 USC 701 & 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.

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. The administration costs have transitioned to Medi-Cal and will no longer be accounted as savings to CCS State Only.

Reason for Change:

There is a proposed reduction in the CDPH IA agreement for FY 2020-21, resulting in reduced reimbursement amounts. An additional reduction is proposed for FY 2021-22, further reducing reimbursement amount.

Methodology:

1. The amount expected to be received is \$4,992,000 in FY 2020-21 and \$3,992,000 in FY 2021-22.

Funding:

CDPH Title V Reimbursement (4260-601-0995)

100% General Fund (4260-111-0001)

CCS DRUG REBATES

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2011
ANALYST: Kalanie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	-\$49,000	-\$35,000
	- GENERAL FUND	-\$49,000	-\$35,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$49,000	-\$35,000
	- GENERAL FUND	-\$49,000	-\$35,000
	- COUNTY FUNDS	-\$49,000	-\$35,000

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 blood factor drug rebates.

Reason for Change:

There is a slight increase for FY 2020-21 from the prior estimate due to using updated rebate collections from FY 2018-19 and FY 2019-20 to project forward. There is a decrease from FY 2020-21 to FY 2021-22 due to an overall declining trend of collected rebates.

Methodology:

1. Rebate projections for FY 2020-21 and FY 2021-22 are based on actual collections during FY 2018-19 and FY 2019-20.
2. Assume \$49,000 will be collected in FY 2020-21.
3. For FY 2021-22, assume a continuance of an overall declining trend of collected rebates is applied to the estimated amount for FY 2020-21.
4. CCS drug rebate collections, for FY 2020-21 and FY 2021-22, are estimated to be:

Fiscal Year	TF	GF	CF*
FY 2020-21	(\$49,000)	(\$49,000)	(\$49,000)
FY 2021-22	(\$35,000)	(\$35,000)	(\$35,000)

Funding:

Children's Medical Services Rebates Fund (4260-601-3079)

100% General Fund (4260-101-0001)

County Funds*

*Not Included in Total Fund

CCS NON-BLOOD FACTOR REBATES

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 10/2019
ANALYST: Autumn Recce

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	-\$3,700,000	-\$3,700,000
	- GENERAL FUND	-\$3,700,000	-\$3,700,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$3,700,000	-\$3,700,000
	- GENERAL FUND	-\$3,700,000	-\$3,700,000
	- COUNTY FUNDS	-\$3,700,000	-\$3,700,000

Purpose:

This policy change estimates the non-blood factor drug (non-BF) rebate collections for the California Children's Services (CCS).

Authority:

Omnibus Budget Reconciliation Act (OBRA) of 1990, Title IV, sec. 4401(a)(3), 104 Stat.
 Title XIX, Section 1927 of the Social Security Act (SSA)
 Medi-Cal Hospital Uninsured Care Section 1115(a) Medicaid Demonstration
 Bridge to Reform Section 1115(a) Medicaid Demonstration
 Medi-Cal 2020 Section 1115(a) Medicaid Demonstration

Interdependent Policy Changes:

Not Applicable

Background:

The Department began collecting non-BF rebates for the CCS State-Only Program in October 2019 and issued retroactive invoices for the time period of FY 2006-07 Q1 through FY 2018-19 Q4 . On-going non-BF rebates are invoiced quarterly.

Reason for Change:

The change in FY 2020-21, from the prior estimate, is due to including savings in FY 2020-21.

There is no change in FY 2020-21 to FY 2021-22 in the current estimate.

Methodology:

1. \$15,006,000 TF has been collected for retroactive CCS State-Only non-BF rebates as of June 30,2020.
2. Of the \$15,0006,000 TF collected, only \$3,558,000 could be transferred to the GF due to CCS State-Only expenditures being approximately \$3,7000,000. Rebates are offset against expenditures.
3. The remaining balance of \$11,448,000 will be carried over and budgeted in FY 2020-21, FY 2021-22, and future fiscal years.
4. CCS State-Only non-BF drug rebate collections for FY 2020-21 and FY 2021-22 are estimated to be:

FY 2020-21	TF	GF	CF*
CCS Retroactive Non-BF Rebates	(\$3,700,000)	(\$3,700,000)	(\$3,700,000)

FY 2021-22	TF	GF	CF*
CCS Retroactive Non-BF Rebates	(\$3,700,000)	(\$3,700,000)	(\$3,700,000)

Funding:

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

*Not Included in Total Fund

CCS HF NON-BLOOD FACTOR REBATES

POLICY CHANGE NUMBER: 9
IMPLEMENTATION DATE: 10/2019
ANALYST: Autumn Recce

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$67,791,000	\$0
	- GENERAL FUND	\$20,600,000	\$0
	- FEDERAL TITLE XXI	\$39,519,000	\$0
PAYMENT LAG		1.0000	0.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$67,791,000	\$0
	- GENERAL FUND	\$20,600,000	\$0
	- REBATE SPECIAL FUND	\$7,672,000	\$0
	- FEDERAL FUNDS	\$39,519,000	\$0
	- COUNTY FUNDS	\$0	\$0

Purpose:

This policy change estimates the non-blood factor drug (non-BF) rebate repayment to manufacturers for the California Children's Services Healthy Families (CCS HF).

Authority:**Interdependent Policy Changes:**

Not Applicable

Background:

The Department began collecting non-BF rebates for the CCS HF Program in October 2019. Invoices were issued for the retroactive time period of FY 2006-07 Q1 through FY 2014-15 Q2.

The CCS HF Program was authorized under the Children's Health Insurance Program (CHIP) State Plan and was not eligible for Medicaid rebates. The Department plans to provide reimbursement to the manufacturers.

Reason for Change:

The change from the prior estimate for FY 2020-21 is due to estimating the repayment to manufacturers for the CCS HF non-BF rebates.

Methodology:

1. The Department collected \$67,791,000 TF in retroactive CCS HF Non-BF drug rebates through September 2020.
2. The CCS HF program was authorized under the CHIP State Plan and was not eligible for Medicaid rebates.
3. The Department plans to provide reimbursement to the manufacturers. The CCS HF non-BF rebates that have been collected will be transferred to the Medi-Cal Drug Rebate Fund and offset with manufacturers' credits towards future rebate payments.
4. CCS HF non-BF drug rebate collections to be moved to the Medi-Cal Drug rebate fund for credit to manufacturers are:

FY 2020-21	TF	GF	SF	FF
CCS HF Non-Blood Factor Rebates	\$67,791,000	\$20,600,000	\$7,672,000	\$39,519,000

Funding:

100% General Fund (4260-111-0001)

100% Title XXI FFP (4260-111-0890)

Children's Medical Services Rebates Fund (4260-601-3079)

CALIFORNIA CHILDREN'S SERVICES
Total Average Quarterly Caseload by Program

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

<u>All Counties</u>	Fiscal Year	Fiscal Year	Fiscal Year	FY 2020-21 -
	<u>2019-20</u> ¹	<u>2020-21</u>	<u>2021-22</u>	<u>FY 2021-22</u> <u>% Change</u>
CCS State Only	14,104	14,571	14,571	0.00%
SUBTOTAL	14,104	14,571	14,571	0.00%

**Total Medi-Cal Caseload
(CCS Medi-Cal)**

<u>All Counties</u>	Fiscal Year	Fiscal Year	Fiscal Year	FY 2020-21 -
	<u>2019-20</u> ¹	<u>2020-21</u>	<u>2021-22</u>	<u>FY 2021-22</u> <u>% Change</u>
CCS Medi-Cal ²	170,362	168,446	168,540	0.06%
SUBTOTAL	170,362	168,446	168,540	0.06%

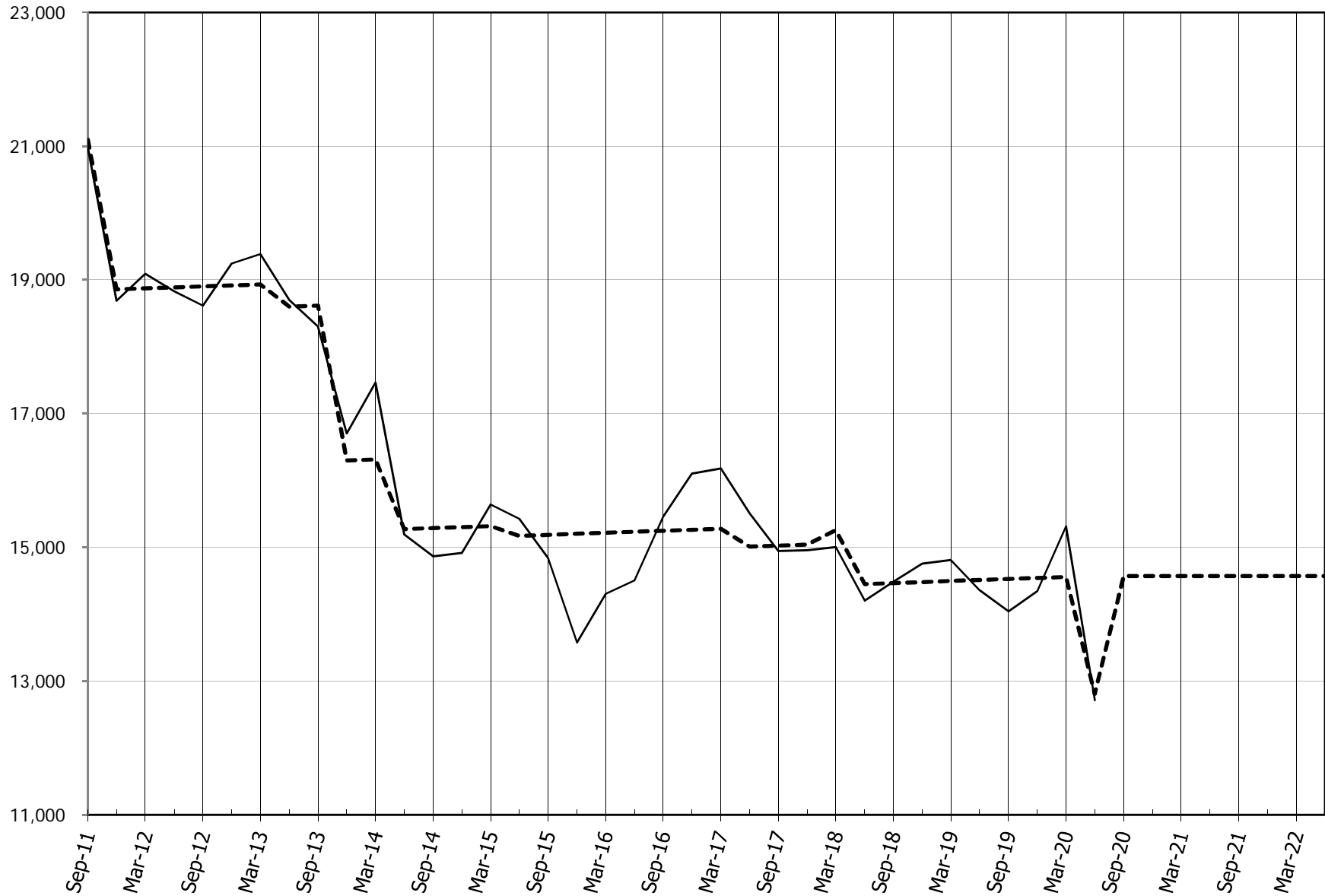
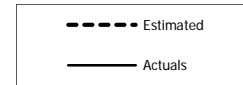
**Total Caseload
(CCS State Only and CCS Medi-Cal)**

<u>All Counties</u>	Fiscal Year	Fiscal Year	Fiscal Year	FY 2020-21 -
	<u>2019-20</u> ¹	<u>2020-21</u>	<u>2021-22</u>	<u>FY 2021-22</u> <u>% Change</u>
CCS State Only	14,104	14,571	14,571	0.00%
CCS Medi-Cal	170,362	168,446	168,540	0.06%
TOTAL	184,466	183,017	183,111	0.05%

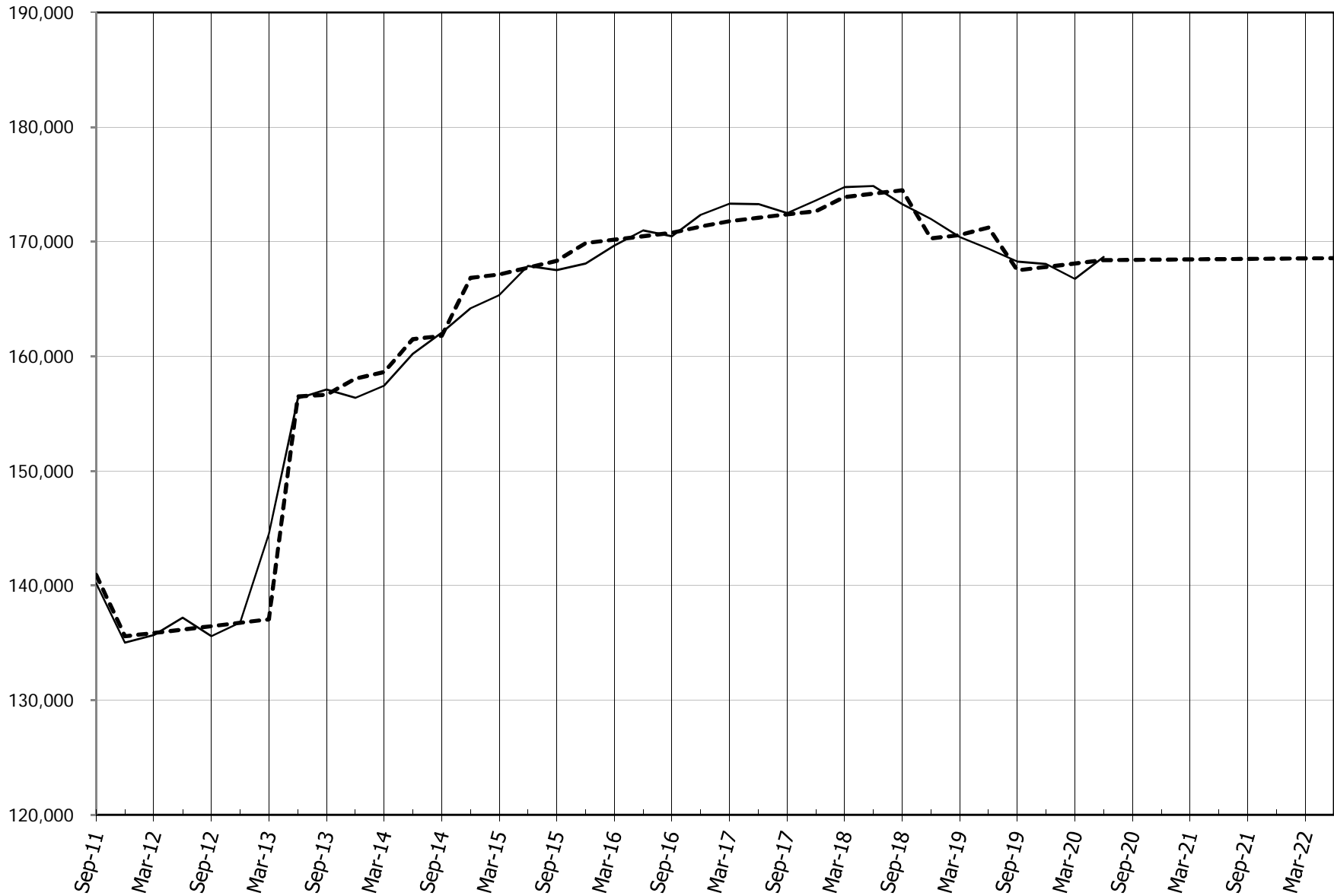
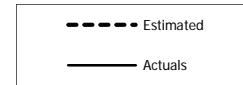
¹ Actual caseload.

² CCS Medi-Cal includes beneficiaries eligible through the Medi-Cal OTLICP Program.

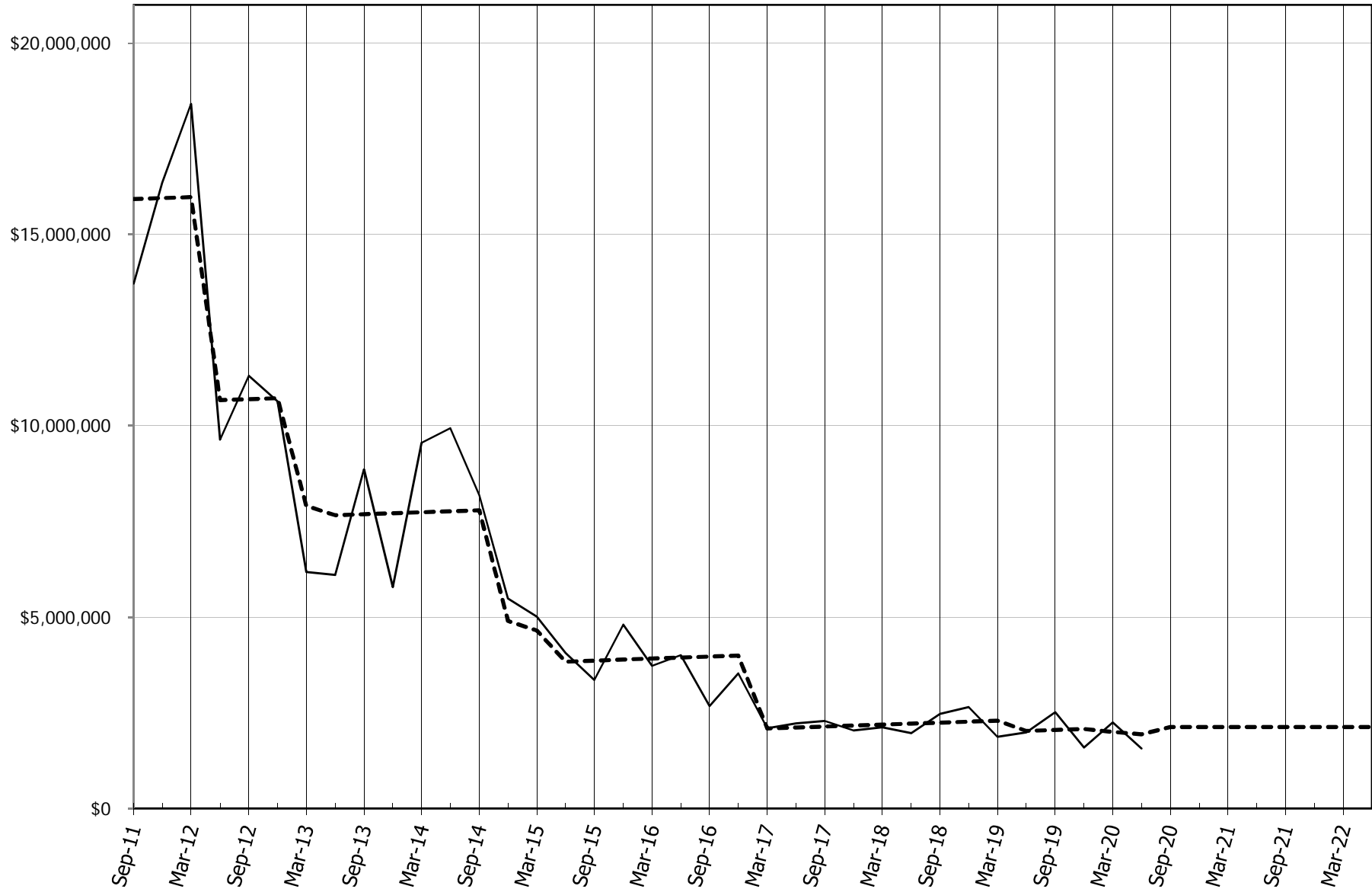
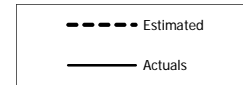
Total Statewide CCS State-Only Caseload



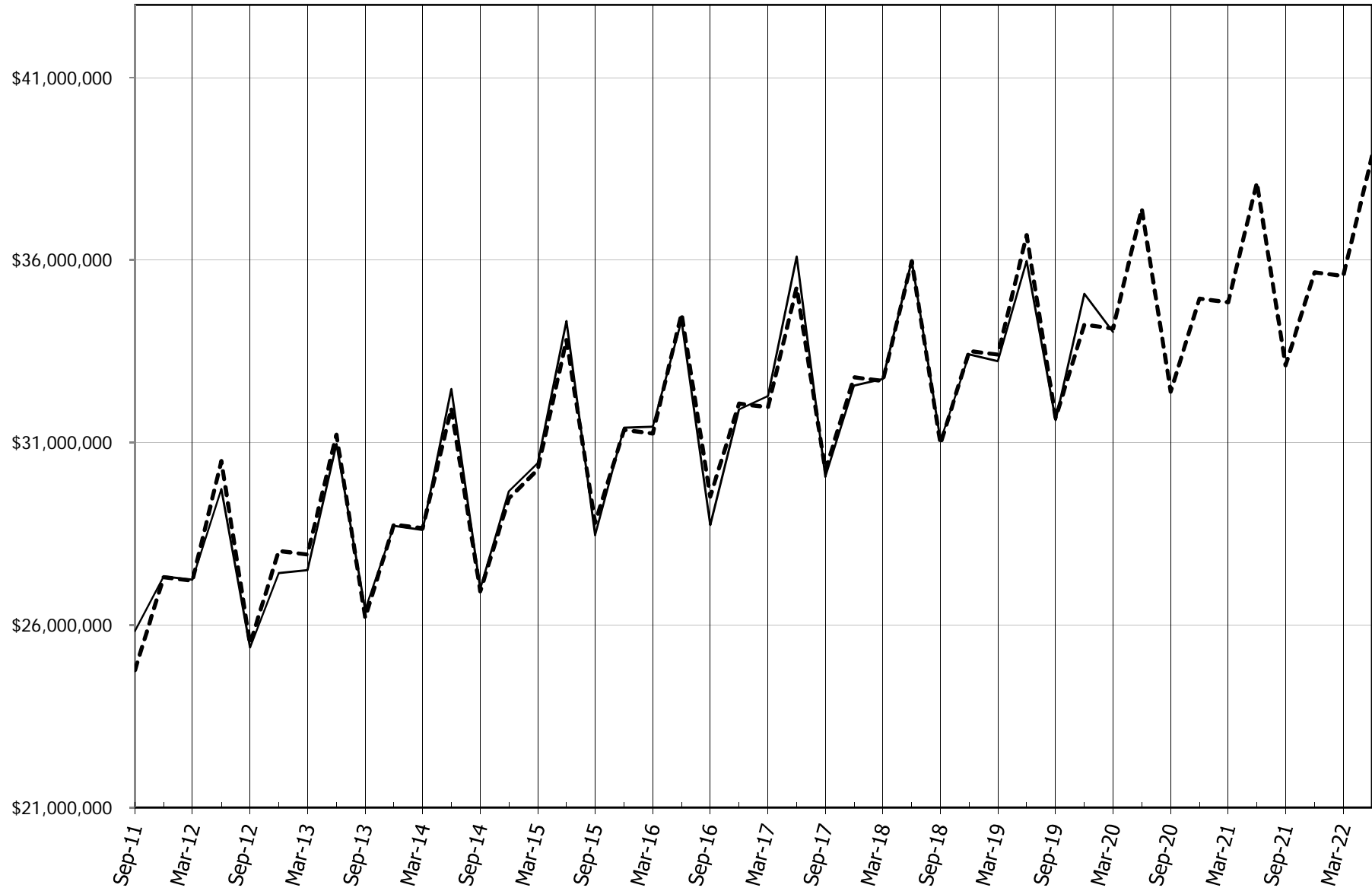
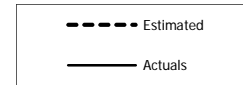
Total Statewide Medi-Cal Caseload



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



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



**GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary**

FY 2020-21, November 2020 Estimate Compared to May 2020 Estimate

	Appropriation FY 2020-21	Nov. 2020 Est. FY 2020-21	Difference Incr./(Decr.)
State-Only Caseload:	662	660	(2)
Net Dollars:			
4260-111-0001 (General Fund)	\$129,390,400	\$70,006,800	(\$59,383,600)
4260-611-0995 (Enrollment Fees)	\$481,600	\$426,400	(\$55,200)
4260-601-3079 (Rebate Special Fund)	\$7,300,000	\$69,964,000	\$62,664,000
Total	\$137,172,000	\$140,397,200	\$3,225,200

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22

	Nov. 2020 Est. FY 2020-21	Nov. 2020 Est. FY 2021-22	Difference Incr./(Decr.)
State-Only Caseload:	660	668	8
Net Dollars:			
4260-111-0001 (General Fund)	\$70,006,800	\$114,379,700	\$44,372,900
4260-611-0995 (Enrollment Fees)	\$426,400	\$426,400	\$0
4260-601-3079 (Rebates Special Fund)	\$69,964,000	\$24,600,000	(\$45,364,000)
Total	\$140,397,200	\$139,406,100	(\$991,100)

**GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Fiscal Year 2020-21**

November 2020 Estimate Compared to May 2020 Estimate, Total Funds

	<u>Appropriation FY 2020-21</u>	<u>Nov. 2020 Est. FY 2020-21</u>	<u>Difference Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 137,708,000	\$ 139,692,000	\$ 1,984,000
2. Policy Changes	\$ (655,000)	\$ (98,800)	\$ 556,200
Total for Services	\$ 137,053,000	\$ 139,593,200	\$ 2,540,200
Fiscal Intermediary	\$ 119,000	\$ 804,000	\$ 685,000
Total GHPP Program	\$ 137,172,000	\$ 140,397,200	\$ 3,225,200

November 2020 Estimate Compared to May 2020 Estimate, General Fund

	<u>Appropriation FY 2020-21</u>	<u>Nov. 2020 Est. FY 2020-21</u>	<u>Difference Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 137,708,000	\$ 139,692,000	\$ 1,984,000
2. Policy Changes	\$ (8,436,600)	\$ (70,489,200)	\$ (62,052,600)
Total for Services	\$ 129,271,400	\$ 69,202,800	\$ (60,068,600)
Fiscal Intermediary	\$ 119,000	\$ 804,000	\$ 685,000
Total GHPP Program	\$ 129,390,400	\$ 70,006,800	\$ (59,383,600)

November 2020 Estimate Compared to May 2020 Estimate, Federal Funds

	<u>Appropriation FY 2020-21</u>	<u>Nov. 2020 Est. FY 2020-21</u>	<u>Difference Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 0	\$ 0	\$ 0
2. Policy Changes	\$ 0	\$ 0	\$ 0
Total for Services	\$ 0	\$ 0	\$ 0
Fiscal Intermediary	\$ 0	\$ 0	\$ 0
Total GHPP Program	\$ 0	\$ 0	\$ 0

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

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22, Total Funds

	Nov. 2020 Est. <u>FY 2020-21</u>	Nov. 2020 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 139,692,000	\$ 139,337,000	\$ (355,000)
2. Policy Changes	\$ (98,800)	\$ (651,900)	\$ (553,100)
	-----	-----	-----
Total for Services	\$ 139,593,200	\$ 138,685,100	\$ (908,100)
Fiscal Intermediary	\$ 804,000	\$ 721,000	\$ (83,000)
	-----	-----	-----
Total GHPP Program	\$ 140,397,200	\$ 139,406,100	\$ (991,100)

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22, General Fund

	Nov. 2020 Est. <u>FY 2020-21</u>	Nov. 2020 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 139,692,000	\$ 139,337,000	\$ (355,000)
2. Policy Changes	\$ (70,489,200)	\$ (25,678,300)	\$ 44,810,900
	-----	-----	-----
Total for Services	\$ 69,202,800	\$ 113,658,700	\$ 44,455,900
Fiscal Intermediary	\$ 804,000	\$ 721,000	\$ (83,000)
	-----	-----	-----
Total GHPP Program	\$ 70,006,800	\$ 114,379,700	\$ 44,372,900

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22, Federal Funds

	Nov. 2020 Est. <u>FY 2020-21</u>	Nov. 2020 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 0	\$ 0	\$ 0
2. Policy Changes	\$ 0	\$ 0	\$ 0
	-----	-----	-----
Total for Services	\$ 0	\$ 0	\$ 0
Fiscal Intermediary	\$ 0	\$ 0	\$ 0
	-----	-----	-----
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>
2019-20 Actuals	Hemophilia	308	\$ 403,200	\$ 124,196,000
	Cystic Fibrosis	217	60,700	13,176,000
	Sickle Cell	65	4,000	262,000
	Huntington's	33	600	20,000
	Metabolic 2/	24	10,700	257,000
		647	\$ 213,200	\$ 137,911,000
2020-21 Estimate	Hemophilia	314	\$ 399,000	\$ 125,292,000
	Cystic Fibrosis	223	63,000	14,046,000
	Sickle Cell	65	3,400	218,000
	Huntington's	33	500	15,000
	Metabolic 2/	25	4,800	121,000
		660	\$ 211,700	\$ 139,692,000
2021-22 Estimate	Hemophilia	316	\$ 395,200	\$ 124,892,000
	Cystic Fibrosis	229	61,400	14,068,000
	Sickle Cell	65	3,500	229,000
	Huntington's	33	500	17,000
	Metabolic 2/	25	5,200	131,000
		668	\$ 208,600	\$ 139,337,000

1/ Actual expenditure data is complete through July 2020.

Actual caseload data is complete through July 2020.

2/ Metabolic conditions category includes Von Hippel Lindau syndrome.

GENETICALLY HANDICAPPED PERSONS PROGRAM**Base Estimate Comparisons for Fiscal Years 2020-21 and 2021-22****FY 2020-21, November 2020 Estimate Compared to Appropriation**

	Appropriation <u>FY 2020-21</u>	Nov. 2020 Est. <u>FY 2020-21</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	\$ 126,197,000	\$ 125,292,000	\$ (905,000)
Cystic Fibrosis	10,978,000	14,046,000	3,068,000
Sickle Cell	322,000	218,000	(104,000)
Huntington's	41,000	15,000	(26,000)
Metabolic	<u>170,000</u>	<u>121,000</u>	<u>(49,000)</u>
TOTAL	\$ 137,708,000	\$ 139,692,000	\$ 1,984,000

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22

	Nov. 2020 Est. <u>FY 2020-21</u>	Nov. 2020 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	\$ 125,292,000	\$ 124,892,000	\$ (400,000)
Cystic Fibrosis	14,046,000	14,068,000	22,000
Sickle Cell	218,000	229,000	11,000
Huntington's	15,000	17,000	2,000
Metabolic	<u>121,000</u>	<u>131,000</u>	<u>10,000</u>
TOTAL	\$ 139,692,000	\$ 139,337,000	\$ (355,000)

**GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Caseload Estimate**

Fiscal Year 2020-21

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	603	289	314
Cystic Fibrosis	391	168	223
Sickle Cell	186	121	65
Huntington's	72	39	33
Metabolic	<u>110</u>	<u>85</u>	<u>25</u>
Total	1,362	702	660

Fiscal Year 2021-22

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	608	292	316
Cystic Fibrosis	397	168	229
Sickle Cell	188	123	65
Huntington's	72	39	33
Metabolic	<u>113</u>	<u>88</u>	<u>25</u>
Total	1,378	710	668

**GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly State-Only Caseload Comparison**

FY 2020-21, November 2020 Estimate Compared to May 2020 Estimate

	<u>Appropriation FY 2020-21</u>	<u>Nov. 2020 Est. FY 2020-21</u>	<u>Difference Incr./.(Decr.)</u>
Hemophilia	318	314	(4)
Cystic Fibrosis	218	223	5
Sickle Cell	68	65	(3)
Huntington's	33	33	0
Metabolic	<u>25</u>	<u>25</u>	<u>0</u>
Total	662	660	(2)

Fiscal Year 2020-21 Compared to Fiscal Year 2021-22

	<u>Nov. 2020 Est. FY 2020-21</u>	<u>Nov. 2020 Est. FY 2021-22</u>	<u>Difference Incr./.(Decr.)</u>
Hemophilia	314	316	2
Cystic Fibrosis	223	229	6
Sickle Cell	65	65	0
Huntington's	33	33	0
Metabolic	<u>25</u>	<u>25</u>	<u>0</u>
Total	660	668	8

**GENETICALLY HANDICAPPED PERSONS PROGRAM
Average Monthly Medi-Cal Caseload Comparison**

FY 2020-21, November 2020 Estimate Compared to May 2020 Estimate

	<u>Appropriation FY 2020-21</u>	<u>Nov. 2020 Est. FY 2020-21</u>	<u>Difference Incr./.(Decr.)</u>
Hemophilia	281	289	8
Cystic Fibrosis	166	168	2
Sickle Cell	121	121	0
Huntington's	38	39	1
Metabolic	82	85	3
Total	688	702	14

Fiscal Year 2020-21 Compared to Fiscal Year 2021-22

	<u>Nov. 2020 Est. FY 2020-21</u>	<u>Nov. 2020 Est. FY 2021-22</u>	<u>Difference Incr./.(Decr.)</u>
Hemophilia	289	292	3
Cystic Fibrosis	168	168	0
Sickle Cell	121	123	2
Huntington's	39	39	0
Metabolic	85	88	3
Total	702	710	8

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

Fiscal Year 2020-21, November 2020 Estimate Compared to Appropriation								
<u>POLICY CHG.</u>		<u>FY 2020-21 APPROPRIATION</u>		<u>NOVEMBER 2020 ESTIMATE</u>		<u>DIFFERENCE, Incr./(Decr.)</u>		
<u>TYPE</u>	<u>NO. 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>	
Other	1 ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FI	2 FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$119,000	\$119,000	\$804,000	\$804,000	\$685,000	\$685,000	\$685,000
Benefits	3 BLOOD FACTOR DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	4 GHPP PREMIUM COSTS	\$95,000	\$95,000	\$87,000	\$87,000	-\$8,000	-\$8,000	-\$8,000
Benefits	5 GHPP PREMIUM SAVINGS	-\$750,000	-\$750,000	-\$185,800	-\$185,800	\$564,200	\$564,200	\$564,200
Benefits	6 GHPP NON-BLOOD FACTOR REBATES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GHPP TOTAL		-\$536,000	-\$536,000	\$705,200	\$705,200	\$1,241,200	\$1,241,200	\$1,241,200

Fiscal Year 2020-21 Compared to Fiscal Year 2021-22								
<u>POLICY CHG.</u>		<u>Nov. 2020 Est. for FY 2020-21</u>		<u>Nov. 2020 Est. for FY 2021-22</u>		<u>DIFFERENCE, Incr./(Decr.)</u>		
<u>TYPE</u>	<u>NO. 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>	
Other	1 ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FI	2 FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$804,000	\$804,000	\$721,000	\$721,000	-\$83,000	-\$83,000	-\$83,000
Benefits	3 BLOOD FACTOR DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	4 GHPP PREMIUM COSTS	\$87,000	\$87,000	\$107,000	\$107,000	\$20,000	\$20,000	\$20,000
Benefits	5 GHPP PREMIUM SAVINGS	-\$185,800	-\$185,800	-\$758,900	-\$758,900	-\$573,100	-\$573,100	-\$573,100
Benefits	6 GHPP NON-BLOOD FACTOR REBATES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GHPP TOTAL		\$705,200	\$705,200	\$69,100	\$69,100	-\$636,100	-\$636,100	-\$636,100

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

ENROLLMENT FEES

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

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$426,400	-\$426,400
	- ENROLLMENT FEES FUND	\$426,400	\$426,400
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$426,400	-\$426,400
	- ENROLLMENT FEES FUND	\$426,400	\$426,400

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 occur on the client's enrollment anniversary date.

GHPP enrollment fees are 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:

The FY 2020-21 change from prior is due to the total fees collected in FY 2019-20 being lower than in prior years. There is no change between fiscal years in the current estimate.

Methodology:

1. Enrollment fees of \$451,700 were collected in Fiscal Year (FY) 2018-19, and \$401,000 in FY 2019-20. Averaging the fees collected in these 24 months, the estimated enrollment fees for FY 2020-21 and FY 2021-22 are \$426,400.

FY 2020-21: $$(451,700+401,000) \div 24 \times 12 = \$426,400$ (\$426,400 GF)

FY 2021-22: $$(451,700+401,000) \div 24 \times 12 = \$426,400$ (\$426,400 GF)

Funding:

100% GF (4260-111-0001)

GHPP Enrollment Fees (4260-611-0995)

FISCAL INTERMEDIARY EXPENDITURES - GHPP

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2003
ANALYST: Kalanie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$804,000	\$721,000
	- GENERAL FUND	\$804,000	\$721,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$804,000	\$721,000
	- GENERAL FUND	\$804,000	\$721,000

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:

The GHPP program utilizes FIs to adjudicate and pay medical and dental claims. Effective October 1, 2019, the DXC Technology Services (DXC) and IBM contractors began processing medical claims.

Dental claims are adjudicated by the 2016 Delta Administrative Services Organization (ASO) contractor and the 2016 DXC FI contractor. The administrative costs are reimbursed based on cost per adjudicated claim line (ACL) and Treatment Authorization Request (TAR). The FI scans documents while the ASO processes ACLs and TARs.

Reason for Change:

There is an increase for FY 2020-21, from the prior estimate, due to invoice payments shifting from FY 2019-20 to FY 2020-21 for payment and a revised estimating methodology for FY 2020-21 expenditures. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to some FY 2019-20 invoices being paid in FY 2020-21.

Methodology:

1. Based on actual and projected volumes for the current year, the estimated medical FI administrative costs are \$803,000 in FY 2020-21 and \$720,000 in FY 2021-22.
2. Based on actual and projected volumes for the current year, the estimated dental FI administrative costs are \$1,000 in FY 2020-21 and FY 2021-22.
3. The total estimated medical and dental FI administrative costs for GHPP are **\$804,000** in **FY 2020-21** and **\$721,000** in **FY 2021-22**.

Funding:

100% General Fund (4260-111-0001)

BLOOD FACTOR DRUG REBATES

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 7/2003
ANALYST: Kalanie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$11,400,000	-\$9,800,000
	- REBATE SPECIAL FUND	\$11,400,000	\$9,800,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$11,400,000	-\$9,800,000
	- REBATE SPECIAL FUND	\$11,400,000	\$9,800,000

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 blood factor drug rebates.

Reason for Change:

There is a slight increase for FY 2020-21 from the prior estimate due to using actual rebate collections from FY 2018-19 and FY 2019-20 to project forward. There is a decrease from FY 2020-21 to FY 2021-22 in the current estimate due to an overall declining trend of collected rebates.

Methodology:

1. Rebate projections for FY 2020-21 and FY 2021-22 are based on actual collections during FY 2018-19 and FY 2019-20.
2. The percentage change from FY 2018-19 to FY 2019-20 was used to determine the estimated amount for FY 2020-21.
3. For FY 2021-22, assume the percentage change from FY 2018-19 to FY 2019-20 is applied to the estimated amount for FY 2020-21.
4. The Department anticipates collecting \$11,400,000 in FY 2020-21 and \$9,800,000 in FY 2021-22 for GHPP rebates.

Funding:

Children's Medical Services Rebate Fund (4260-601-3079)
100% General Fund (4260-111-0001)

GHPP PREMIUM COSTS

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

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$87,000	\$107,000
	- GENERAL FUND	\$87,000	\$107,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$87,000	\$107,000
	- GENERAL FUND	\$87,000	\$107,000

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 (HIPR) 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 are 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:

The increase from the prior estimate is due to two additional clients enrolled and participating in the program FY 2020-21.

The increase between FY 2020-21 and FY 2021-22 in the current estimate is due to an anticipated enrollment of four additional clients in FY 2021-22.

Methodology:

1. Assume the monthly premium costs per enrollee are \$200 for Hemophilia, \$430 for Cystic Fibrosis, \$460 for Sickle Cell, \$230 for Metabolic, and \$310 for Huntington's based on recent premium costs for participants.
2. As of July 2020, 18 clients are enrolled and participating in the program. The total member months for current clients are:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	36	36
Cystic Fibrosis	96	96
Sickle Cell	48	48
Metabolic	12	12
Huntington's	24	24

3. Assume four new clients will enroll in FY 2020-21. The estimated member months for additional clients are:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	5	12
Cystic Fibrosis	8	12
Sickle Cell	2	12
Huntington's	2	12

4. Assume four new clients will enroll in FY 2021-22. The estimated member months for additional clients are:

	Member Months	
	FY 2021-22	
Hemophilia	8	
Cystic Fibrosis	11	
Sickle Cell	5	
Huntington's	2	

5. Total Member Months:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	41	56
Cystic Fibrosis	104	119
Sickle Cell	50	65
Metabolic	12	12
Huntington's	26	38
Total	233	290

6. Projected Premium Payments (Rounded):

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Total Funds	\$ 87,000	\$ 107,000
General Funds	\$ 87,000	\$ 107,000

Funding:

100% GF (4260-111-0001)

GHPP PREMIUM SAVINGS

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

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	-\$1,929,000	-\$2,479,000
	- GENERAL FUND	-\$1,929,000	-\$2,479,000
PAYMENT LAG		0.9880	0.9907
% REFLECTED IN BASE		90.25%	69.10%
APPLIED TO BASE	- TOTAL FUNDS	-\$185,800	-\$758,900
	- GENERAL FUND	-\$185,800	-\$758,900

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:

There is no significant change from the prior estimate for FY 2020-21.

The increase between FY 2020-21 and FY 2021-22 in the current estimate is due to an anticipated enrollment of four additional clients in FY 2021-22.

Methodology:

1. As of July 2020, 18 clients are enrolled and participating in the program. The total member months for current clients are:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	36	36
Cystic Fibrosis	96	96
Sickle Cell	48	48
Metabolic	12	12
Huntington's	24	24

2. Assume four new clients will enroll in FY 2020-21. The estimated member months for additional clients are:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	5	12
Cystic Fibrosis	8	12
Sickle Cell	2	12
Huntington's	2	12

3. Assume four new clients will enroll in FY 2021-22. The estimated member months for additional clients are:

	Member Months	
		FY 2021-22
Hemophilia		8
Cystic Fibrosis		11
Sickle Cell		5
Huntington's		2

4. Total Member Months:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	41	56
Cystic Fibrosis	104	119
Sickle Cell	50	65
Metabolic	12	12
Huntington's	26	38
Total	233	290

5. Assume the savings per client enrolled is equal to the Annual Cost per Case in the November 2020 Family Health Estimate:

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Hemophilia	\$ 399,000	\$ 395,200
Cystic Fibrosis	\$ 63,000	\$ 61,400
Sickle Cell	\$ 3,400	\$ 3,500
Metabolic	\$ 4,800	\$ 5,200
Huntington's	\$ 500	\$ 500

6. Projected Savings (Rounded):

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Total Funds	\$ 1,929,000	\$ 2,479,000
General Funds	\$ 1,929,000	\$ 2,479,000

Funding:

100% GF (4260-111-0001)

GHPP NON-BLOOD FACTOR REBATES

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 10/2019
ANALYST: Autumn Recce

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$58,564,000	-\$14,800,000
	- REBATE SPECIAL FUND	\$58,564,000	\$14,800,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$58,564,000	-\$14,800,000
	- REBATE SPECIAL FUND	\$58,564,000	\$14,800,000

Purpose:

This policy change estimates the non-blood factor (non-BF) rebate collections for the Genetically Handicapped Persons Program (GHPP).

Authority:

Omnibus Budget Reconciliation Act (OBRA) of 1990, Title IV, sec. 4401(a)(3), 104 Stat.
 Title XIX, Section 1927 of the Social Security Act (SSA)
 Medi-Cal Hospital Uninsured Care Section 1115(a) Medicaid Demonstration
 Bridge to Reform Section 1115(a) Medicaid Demonstration
 Medi-Cal 2020 Section 1115(a) Medicaid Demonstration

Interdependent Policy Changes:

Not Applicable

Background:

The Department began collecting non-BF rebates for the GHPP State-Only in October 2019 and issued retroactive invoices for the time period of FY 2006-07 Q1 through FY 2018-19 Q4. On-going non-BF rebates are invoiced quarterly. The new non-BF rebates will be deposited to the Children's Medical Services Rebate Fund (4260-601-3079).

Reason for Change:

The change from the prior estimate for FY 2020-21 is due to:

- Transferring the remaining retroactive rebates collected from the Children's Medical Services Rebate Fund to the GF in FY 2020-2 and
- Estimating current rebates collected for six quarters of invoices in FY 2020-21.

The change from FY 2020-21 to FY 2021-22 in the current estimate, is due to estimating current rebates collected for four quarters of invoices in FY 2021-22.

Methodology:

1. \$88,402,000 TF has been collected for retroactive GHPP non-BF rebates as of June 30, 2020.
 2. Of the \$88,402,000 TF collected, only \$52,715,000 could be transferred to the GF in FY 2019-20 due to rebates collected exceeding GHPP expenditures. Rebates are offset against expenditures. The remaining balance will be transferred in FY 2020-21.
 3. For current rebates, it is estimated that rebates will be collected for FY 2019-20 Q1 through FY 2020-21 Q2 invoices in FY 2020-21 totaling an estimated \$22,877,0000.
 4. In FY 2021-22 it is estimated that rebates for invoices issued from FY 2020-21 Q3 through FY 2021-22 Q2 will be collected totaling an estimated \$14,800,000.
3. GHPP non-BF drug rebate collections for FY 2020-21 and FY 2021-22 are estimated to be:

FY 2020-21	TF	GF	Drug Rebates Special Fund
Retroactive Non-BF Rebates	\$0	(\$35,687,000)	\$35,687,000
FY 2019-20 Q1 through FY 2020-21 Q2 Non-BF Rebates	\$0	(\$22,877,000)	\$22,877,000
Total	\$0	(\$58,564,000)	\$58,564,000

FY 2021-22	TF	GF	Drug Rebates Special Fund
FY 2020-21 Q3 through FY 2021-22 Q2 Non-BF Rebates	\$0	(\$14,800,000)	\$14,800,000

Funding:

Children's Medical Services Rebate Fund (4260-601-3079)
100% GF (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	1,748	982	766	\$ 30,512,255
2	1,451	781	670	28,986,791
3	1,273	669	604	27,143,321
4	1,286	663	623	26,899,066
2018-19	1,440	774	666	\$ 113,541,000
1	1,297	665	632	\$ 33,535,996
2	1,327	673	654	34,107,018
3	1,341	685	656	35,936,176
4	1,354	711	643	34,331,131
2019-20	1,331	684	647	\$ 137,911,000
1	1,359	708	651	\$ 35,190,721
2	1,361	700	661	34,834,044
3	1,365	702	663	34,834,044
4	1,367	704	663	34,834,044
2020-21	1,362	702	660	\$ 139,692,000
1	1,373	706	667	\$ 34,834,044
2	1,375	708	667	34,834,044
3	1,378	710	668	34,834,044
4	1,382	713	669	34,834,044
2021-22	1,378	710	668	\$ 139,337,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 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	666	334	332	\$ 26,983,282
2	611	299	312	25,825,791
3	556	273	283	24,455,206
4	568	273	295	24,765,239
2018-19	600	295	305	\$ 102,030,000
1	573	274	299	\$ 30,705,823
2	586	274	312	30,802,364
3	596	279	317	31,788,753
4	601	297	304	30,898,977
2019-20	589	281	308	\$ 124,196,000
1	602	294	308	\$ 31,623,453
2	603	287	316	31,222,956
3	604	288	316	31,222,956
4	605	289	316	31,222,956
2020-21	603	289	314	\$ 125,292,000
1	606	290	316	\$ 31,222,956
2	607	291	316	31,222,956
3	608	292	316	31,222,956
4	609	293	316	31,222,956
2021-22	608	292	316	\$ 124,892,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 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	483	216	267	\$ 3,341,392
2	417	186	231	2,988,684
3	376	166	210	2,516,183
4	376	161	215	2,030,024
2018-19	414	183	231	\$ 10,876,000
1	375	160	215	\$ 2,570,999
2	383	165	218	3,186,973
3	383	167	216	4,053,004
4	388	168	220	3,364,906
2019-20	382	165	217	\$ 13,176,000
1	390	169	221	\$ 3,494,715
2	390	168	222	3,517,059
3	392	168	224	3,517,059
4	393	168	225	3,517,059
2020-21	391	168	223	\$ 14,046,000
1	394	168	226	\$ 3,517,059
2	396	168	228	3,517,059
3	397	168	229	3,517,059
4	399	168	231	3,517,059
2021-22	397	168	229	\$ 14,068,000

**Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
2) FY 2020-21 reflects actuals and projected base estimate values.
3) FY 2021-22 reflects projected base estimate values.**

**GHPH Trend Report
(Includes Actuals & Projected Base Values)**

Sickle Cell

<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPH Only Caseload</u>	<u>Total GHPH Only Payments</u>
1	310	230	80	\$ 90,351
2	224	163	61	94,670
3	177	121	56	93,711
4	178	115	63	83,652
2018-19	222	157	65	\$ 362,000
1	180	116	64	\$ 71,533
2	185	119	66	62,938
3	186	120	66	69,803
4	184	120	64	57,310
2019-20	184	119	65	\$ 262,000
1	184	120	64	\$ 46,448
2	186	121	65	57,219
3	186	121	65	57,219
4	187	122	65	57,219
2020-21	186	121	65	\$ 218,000
1	187	122	65	\$ 57,219
2	188	123	65	57,219
3	188	123	65	57,219
4	189	124	65	57,219
2021-22	188	123	65	\$ 229,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 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	151	96	55	\$ 12,002
2	95	54	41	12,467
3	74	39	35	16,271
4	71	39	32	12,233
2018-19	98	57	41	\$ 53,000
1	71	37	34	\$ 13,016
2	70	36	34	6,242
3	69	37	32	121
4	70	40	30	168
2019-20	71	38	33	\$ 20,000
1	72	40	32	\$ 2,768
2	72	39	33	4,152
3	72	39	33	4,152
4	72	39	33	4,152
2020-21	72	39	33	\$ 15,000
1	72	39	33	\$ 4,152
2	72	39	33	4,152
3	72	39	33	4,152
4	72	39	33	4,152
2021-22	72	39	33	\$ 17,000

**Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
2) FY 2020-21 reflects actuals and projected base estimate values.
3) FY 2021-22 reflects projected base estimate values.**

**GHPH Trend Report
(Includes Actuals & Projected Base Values)**

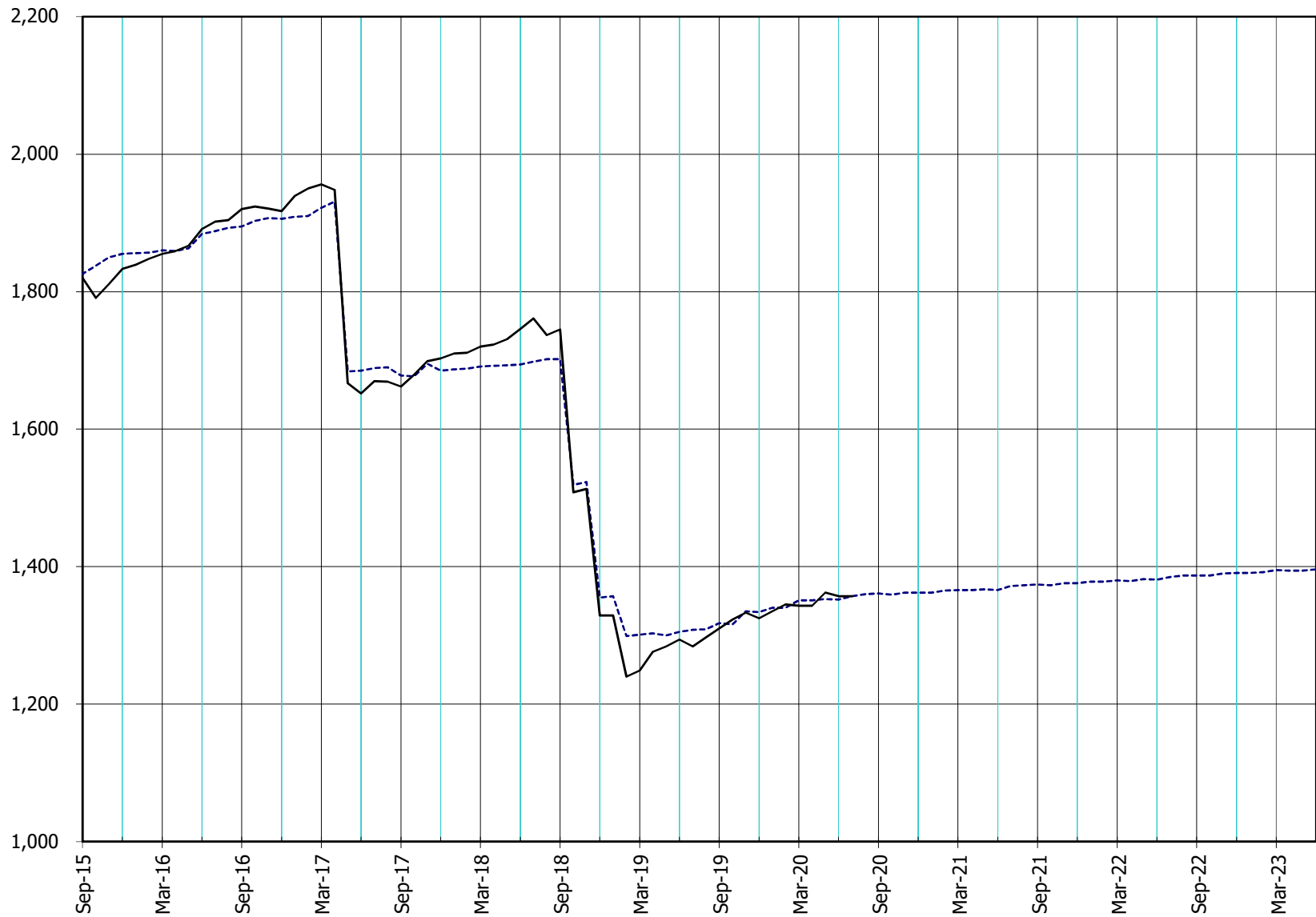
Metabolic

<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPH Only Caseload</u>	<u>Total GHPH Only Payments</u>
1	138	106	32	\$ 85,228
2	104	79	25	65,179
3	90	70	20	61,950
4	93	75	18	7,918
2018-19	106	82	24	\$ 220,000
1	98	78	20	\$ 174,625
2	103	79	24	48,501
3	107	82	25	24,495
4	111	86	25	9,770
2019-20	105	81	24	\$ 257,000
1	111	85	26	\$ 23,337
2	110	85	25	32,658
3	111	86	25	32,658
4	110	86	24	32,658
2020-21	110	85	25	\$ 121,000
1	114	87	27	\$ 32,658
2	112	87	25	32,658
3	113	88	25	32,658
4	113	89	24	32,658
2021-22	113	88	25	\$ 131,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 reflects projected base estimate values.

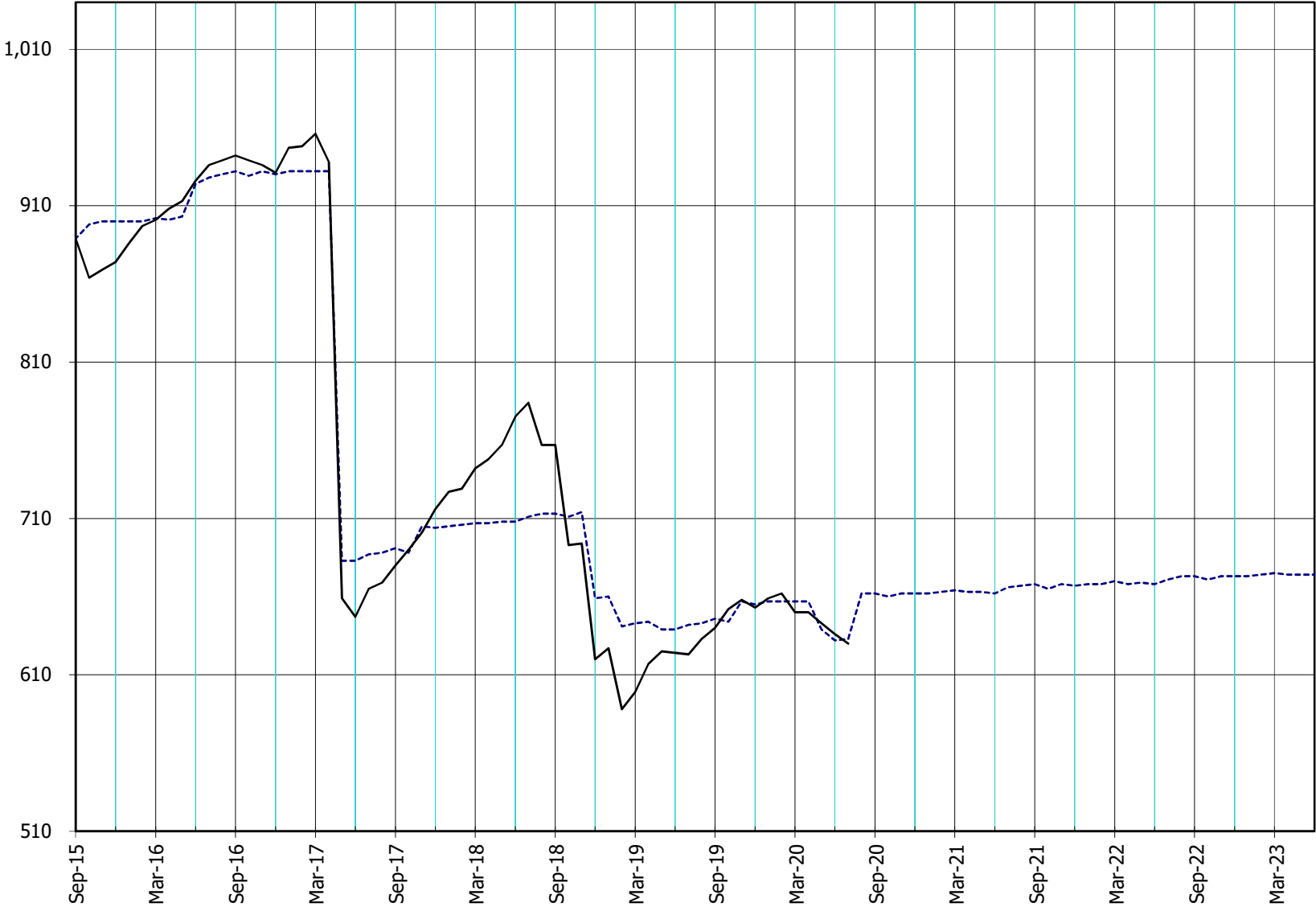
GHPP Total Eligibles

Estimated
Actuals



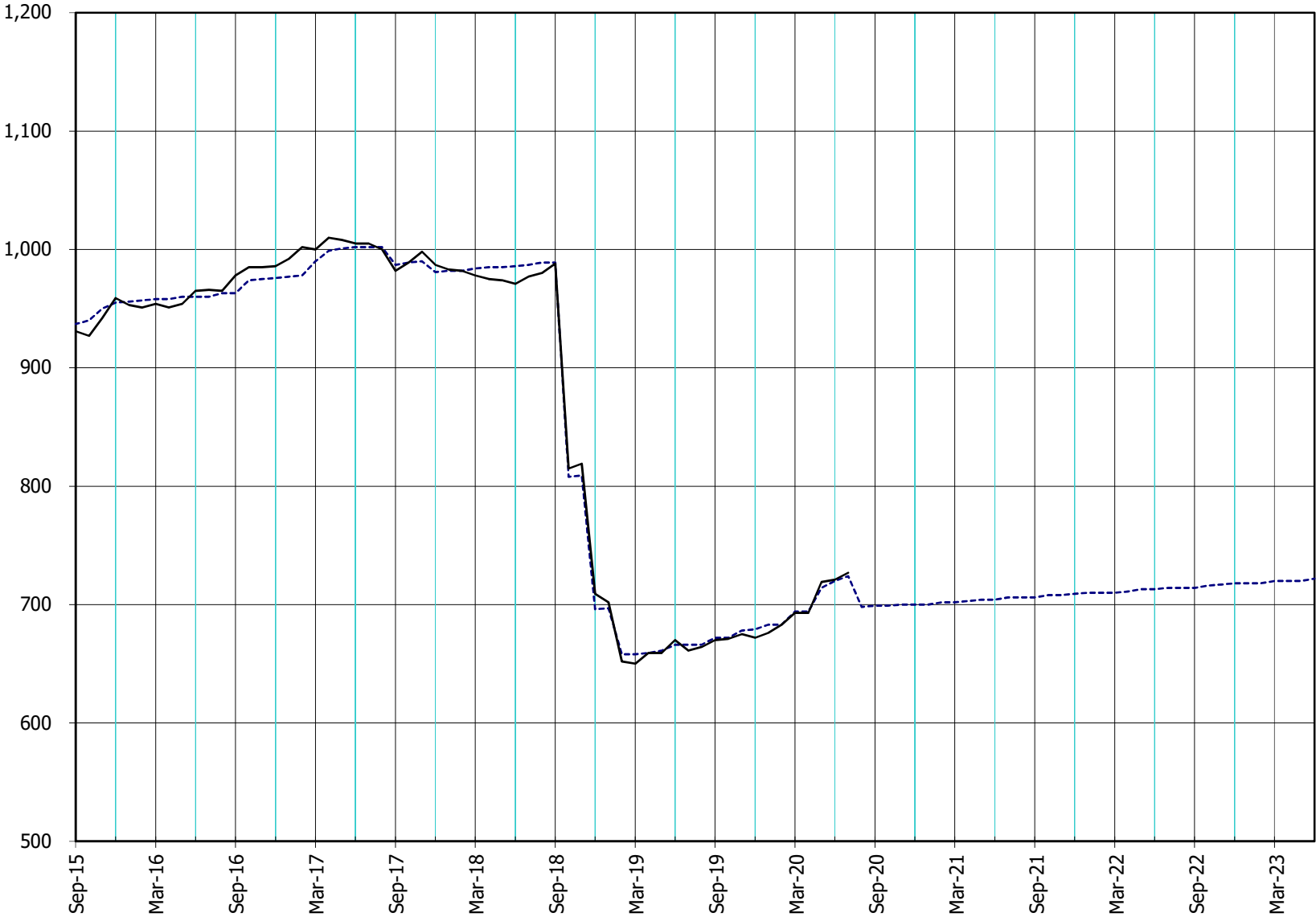
GHPP State-Only Eligibles

Estimated
Actuals



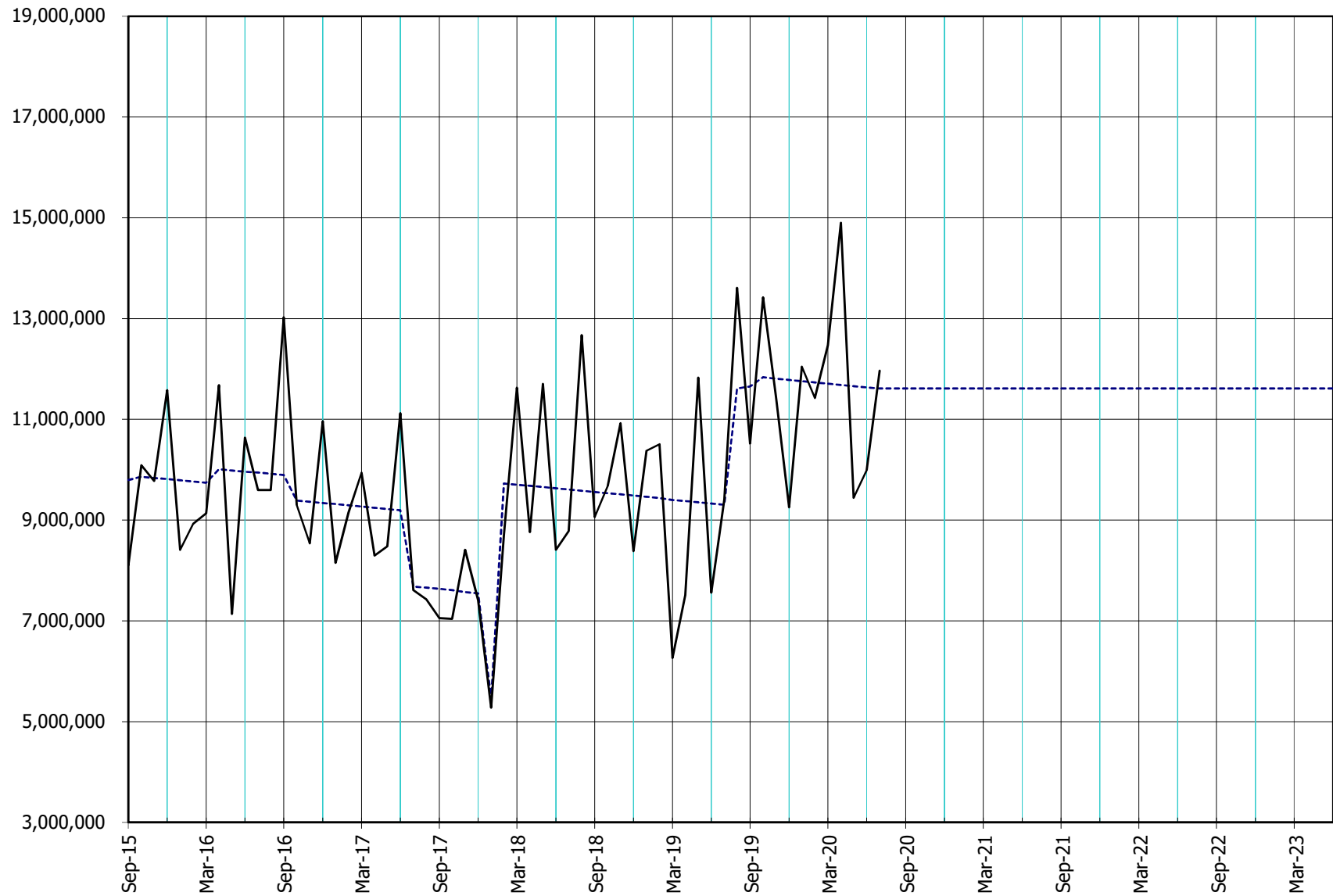
GHPP Medi-Cal Eligibles

Estimated
Actuals



GHPP State-Only Monthly Expenditures

Estimated
Actuals



EVERY WOMAN COUNTS PROGRAM Funding Summary

FY 2020-21, November 2020 Estimate Compared to Appropriation

	Appropriation <u>FY 2020-21</u>	Nov 2020 Est. <u>FY 2020-21</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	27,621	24,919	(2,702)
Net Dollars:			
4260-114-0001 (General Fund)	\$17,823,000	\$15,182,000	(\$2,641,000)
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,989,000	\$7,989,000	\$0
4260-114-0890 (CDC)	\$5,128,000	\$5,128,000	\$0
Total	<u>\$45,455,000</u>	<u>\$42,814,000</u>	<u>(\$2,641,000)</u>

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22

	Nov 2020 Est. <u>FY 2020-21</u>	Nov 2020 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
Caseload:²	24,919	27,425	2,506
Net Dollars:			
4260-114-0001 (General Fund)	\$15,182,000	\$19,387,000	\$4,205,000
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,989,000	\$7,989,000	\$0
4260-114-0890 (CDC)	\$5,128,000	\$5,128,000	\$0
Total	<u>\$42,814,000</u>	<u>\$47,019,000</u>	<u>\$4,205,000</u>

² The November 2020 caseload estimate is based on updated data through July 2020.

Caseload is the average monthly unduplicated users by date of payment.

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Fiscal Year 2020-21

May 2020 Estimate Compared to November 2020 Estimate, Total Funds

	Appropriation FY 2020-21	Nov 2020 Est. FY 2020-21	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 38,020,000	\$ 32,444,000	\$ (5,576,000)
2. Policy Changes	\$ 5,712,300	\$ 2,355,600	\$ (3,356,700)
	-----	-----	-----
Total for Services	\$ 43,732,300	\$ 34,799,600	\$ (8,932,700)
Fiscal Intermediary	\$ 1,723,000	\$ 3,797,000	\$ 2,074,000
	-----	-----	-----
Total EWC Program	\$ 45,455,300	\$ 38,596,600	\$ (6,858,700)

May 2020 Estimate Compared to November 2019 Estimate, General Fund

	Appropriation FY 2020-21	Nov 2020 Est. FY 2020-21	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 38,020,000	\$ 32,444,000	\$ (5,576,000)
2. Policy Changes	\$ (21,919,700)	\$ (25,276,400)	\$ (3,356,700)
	-----	-----	-----
Total for Services	\$ 16,100,300	\$ 7,167,600	\$ (8,932,700)
Fiscal Intermediary	\$ 1,723,300	\$ 3,797,000	\$ 2,073,700
	-----	-----	-----
Total EWC Program	\$ 17,823,600	\$ 10,964,600	\$ (6,859,000)

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

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22, Total Funds

	Nov. 2020 Est. <u>FY 2020-21</u>	Nov. 2020 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 32,444,000	\$ 36,661,000	\$ 4,217,000
2. Policy Changes	\$ 2,355,600	\$ 5,424,100	\$ 3,068,500
	-----	-----	-----
Total for Services	\$ 34,799,600	\$ 42,085,100	\$ 7,285,500
Fiscal Intermediary	\$ 3,797,000	\$ 3,453,000	\$ (344,000)
	-----	-----	-----
Total EWC Program	\$ 38,596,600	\$ 45,538,100	\$ 6,941,500

November 2020 Estimate, FY 2020-21 Compared to FY 2021-22, General Fund

	Nov. 2020 Est. <u>FY 2020-21</u>	Nov. 2020 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 32,444,000	\$ 36,661,000	\$ 4,217,000
2. Policy Changes	\$ (25,276,400)	\$ (22,207,900)	\$ 3,068,500
	-----	-----	-----
Total for Services	\$ 7,167,600	\$ 14,453,100	\$ 7,285,500
Fiscal Intermediary	\$ 3,797,000	\$ 3,453,000	\$ (344,000)
	-----	-----	-----
Total EWC Program	\$ 10,964,600	\$ 17,906,100	\$ 6,941,500

Notes:

1) Projections are based on cash basis.

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

Fiscal Year 2020-21, November 2020 Estimate Compared to Appropriation

POLICY CHG.		FY 2020-21 APPROPRIATION		NOVEMBER 2020 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	\$1,723,000	\$1,723,000	\$3,797,000	\$3,797,000	\$2,074,000	\$2,074,000
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	-\$5,128,000	\$0	-\$5,128,000	\$0	\$0
Benefits	5 REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	6 EWC ERRONEOUS PAYMENT CORRECTIONS	\$0	\$0	\$204,000	\$204,000	\$204,000	\$204,000
Benefits	7 MRI AND MRI GUIDED BIOPSY SCREENING BENEFITS	\$3,098,000	\$3,098,000	\$439,700	\$439,700	-\$2,658,300	-\$2,658,300
Benefits	8 EWC COVID-19 Caseload Impacts	\$0	\$0	-\$1,345,100	-\$1,345,100	-\$1,345,100	-\$1,345,100
EWC TOTAL		\$7,878,000	\$2,750,000	\$6,152,600	\$1,024,600	-\$1,725,400	-\$1,725,400

Fiscal Year 2020-21 Compared to Fiscal Year 2021-22

POLICY CHG.		Nov. 2020 Est. for FY 2020-21		Nov. 2020 Est. for FY 2021-22		DIFFERENCE, Incr./((Decr.))	
TYPE	NO. DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
FI	1 FISCAL INTERMEDIARY EXPENDITURES - EWC	\$3,797,000	\$3,797,000	\$3,453,000	\$3,453,000	-\$344,000	-\$344,000
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	-\$5,128,000	\$0	-\$5,128,000	\$0	\$0
Benefits	5 REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	6 EWC ERRONEOUS PAYMENT CORRECTIONS	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	6 EWC ERRONEOUS PAYMENT CORRECTIONS	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	7 MRI AND MRI GUIDED BIOPSY SCREENING BENEFITS	\$439,700	\$439,700	\$2,367,100	\$2,367,100	\$1,927,400	\$1,927,400
Benefits	8 EWC COVID-19 Caseload Impacts	-\$1,345,100	-\$1,345,100	\$0	\$0	\$1,345,100	\$1,345,100
EWC TOTAL		\$5,948,600	\$820,600	\$8,877,100	\$3,749,100	\$2,928,500	\$2,928,500

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

FISCAL INTERMEDIARY EXPENDITURES - EWC

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 07/2012
ANALYST: Kalandie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$3,797,000	\$3,453,000
	- GENERAL FUND	\$3,797,000	\$3,453,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$3,797,000	\$3,453,000
	- GENERAL FUND	\$3,797,000	\$3,453,000

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 processing 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.

Effective October 1, 2019, the DXC Technology Services (DXC) and IBM contractors began processing medical claims.

Reason for Change:

There is an increase for FY 2020-21, from the prior estimate, due to invoice payments shifting from FY 2019-20 to FY 2020-21 for payment and a revised estimating methodology for FY 2020-21 expenditures. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to some FY 2019-20 invoices shifting to FY 2020-21 for payment.

Methodology:

1. The total estimated EWC FI administrative costs are:

Total EWC FI Costs	FY 2020-21	FY 2021-22
Processing Costs	\$3,297,000	\$2,953,000
SDNs	\$500,000	\$500,000
Total	\$3,797,000	\$3,453,000

Funding:

100% General Fund (4260-114-0001)

CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2012
ANALYST: Kalanie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</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 2020-21.

There is no change from FY 2020-21 to FY 2021-22 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 2020-21 and FY 2021-22.

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: Kalandie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$7,989,000	-\$7,989,000
	- BCCA FUND	\$7,989,000	\$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	-\$7,989,000	-\$7,989,000
	- BCCA FUND	\$7,989,000	\$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 began 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 are 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 for FY 2020-21 from the prior estimate.

There is no change from FY 2020-21 to FY 2021-22 in the current estimate.

Methodology:

1. The EWC program will receive \$7,989,000 of BCCA funds in FY 2020-21 and FY 2021-22. This amount includes \$77,000 estimated revenue received from the specialty license plate program.

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: Kalandie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$5,128,000	-\$5,128,000
	- CDC FUNDS	\$5,128,000	\$5,128,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$5,128,000	-\$5,128,000
	- CDC FUNDS	\$5,128,000	\$5,128,000

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. The CDC's guidance requires grantees to continue providing screening to priority populations 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 for FY 2020-21 from the prior estimate. There is no change from FY 2020-21 to FY 2021-22 in the current estimate. There was a decrease in the overall grant award, but this decrease did not impact the EWC local assistance estimate.

Methodology:

1. The CDC grant is a multi-year contract beginning June 30, 2017, through June 29, 2022. The total grant amount is \$10,109,199 for FY 2020-21 and FY 2021-22.
2. The Department receives 69.24% of the total grant amount and the California Department of Public Health (CDPH) receives the remaining 30.76%.

(Dollars in Thousands)

Agency	FY 2021-22	FY 2021-22
Department	\$7,000	\$7,000
CDPH	\$3,109	\$3,109
Total CDC Grant Amount	\$10,109	\$10,109

3. The Department will allocate 73.26% of the grant to local assistance and 26.74% to the support budget.

Dollars in Thousands)

Funding Type	FY 2020-21	FY 2021-22
Local Assistance	\$5,128	\$5,128
Support	\$1,872	\$1,872
NBCCEDP Grant for EWC	\$7,000	\$7,000

Funding:

CDC Federal Fund (4260-114-0890)
100% General Fund (4260-114-0001)

REGIONAL CONTRACTS

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 7/2012
ANALYST: Kalandie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</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 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,
- 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 2020-21. There is no change from FY 2020-21 to FY 2021-22 in the current estimate.

Methodology:

1. Effective January 1, 2019, all regional contracts have been extended for another three years.
2. The contracts are funded as follows:

Contracts	FY 2020-21	FY 2021-22
CA Health Collaborative	\$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)

EWC ERRONEOUS PAYMENT CORRECTIONS

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 10/1/2020
ANALYST: Kalanie Coleman

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$204,000	\$0
- GENERAL FUND	\$204,000	\$0
PAYMENT LAG	1.0000	0.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$204,000	\$0
- GENERAL FUND	\$204,000	\$0

Purpose:

This policy change estimates erroneous payment corrections (EPC) for the Every Woman Counts (EWC) program.

Authority:

Not Applicable

Interdependent Policy Changes:

Not Applicable

Background:

The EWC program utilizes the Fiscal Intermediary (FI) to adjudicate clinical claims. Issues were discovered with the claims adjudication process that resulted in denied clinical claims. Two EPCs deployed in FY 2020-21 to reprocess previously denied claims for EWC providers.

This policy change was previously entitled "EWC Mammography Code Modifications" and budgeted costs for a one-time EPC to remove limitations and Treatment Authorization Request restrictions for EWC mammography codes. This policy change now includes estimates for all EWC EPCs.

Reason for Change:

The change for FY 2020-21, from the prior estimate, is an increase due to a new EPC deployed in October 2020. The change from FY 2020-21 to FY 2021-22, in the current estimate, is a decrease due to a one-time EPC deploying in FY 2020-21 and no EPCs estimated for deployment in FY 2021-22.

Methodology

1. Assume a one-time EPC deployed in October 2020 and a one-time EPC deployed in December 2020.
2. Previously denied claims were reprocessed for approximately 660 providers for **\$204,000** in **FY 2020-21**.

Funding:

100% General Fund (4260-114-0001)

MRI AND MRI GUIDED BIOPSY SCREENING BENEFITS

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 6/1/2020
ANALYST: Kalandie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$2,988,000	\$3,108,000
	- GENERAL FUND	\$2,988,000	\$3,108,000
PAYMENT LAG		0.1750	0.8890
% REFLECTED IN BASE		15.91%	14.33%
APPLIED TO BASE	- TOTAL FUNDS	\$439,700	\$2,367,100
	- GENERAL FUND	\$439,700	\$2,367,100

Purpose:

This policy change adds Magnetic Resonance Imaging (MRI) breast screening and MRI guided biopsies as a payable benefit for the Every Woman Counts (EWC) program.

Authority:

Cooperative Agreement – Grant #NU58DP006344

Interdependent Policy Changes:

Not applicable

Background:

The Centers for Disease Control and Prevention (CDC), National Breast and Cervical Cancer Early Detection Program (NBCCEDP) recommends their federally funded grantees screen women who are at high risk for breast cancer with a breast MRI. Also, the CDC updated its data collection system to start monitoring the number of high-risk women enrolled in the NBCCEDP across the United States, and if these women are receiving adequate screening. To comply with these required CDC standard procedures, effective June 1, 2020, the Department's EWC program will add MRIs and MRI guided biopsies as payable benefits based on medical necessity and national screening guidelines.

Reason for Change:

The change for FY 2020-21, from the prior estimate, is a slight decrease due to an estimated decrease in overall EWC program expenditures from the prior estimate. The change from FY 2020-21 to FY 2021-22, in the current estimate, is a slight increase due to an estimated increase in overall EWC program expenditures in FY 2021-22.

Methodology:

1. Assume effective June 1, 2020, EWC providers will be allowed to bill for MRIs and MRI guided biopsy procedures.
2. The estimated cost for **FY 2020-21** is **\$2,988,000 GF** and **\$3,108,000 GF** for **FY 2021-22**.

Funding:

100% General Fund (4260-114-0001)

EWC COVID-19 Caseload Impacts

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 04/2020
ANALYST: Kalandie Coleman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	-\$3,622,000	\$0
	- GENERAL FUND	-\$3,622,000	\$0
PAYMENT LAG		0.5484	0.0000
% REFLECTED IN BASE		32.28%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$1,345,100	\$0
	- GENERAL FUND	-\$1,345,100	\$0

Purpose:

This policy change estimates Every Woman Counts (EWC) program expenditure changes resulting from a reduction in users due to the Coronavirus disease 2019 (COVID-19) pandemic.

Authority:

Not Applicable

Interdependent Policy Changes:

Not Applicable

Background:

On March 4, 2020, Governor Newsom declared a state of emergency in response to the developing COVID-19 pandemic. On March 19, 2020, a statewide stay at home order was introduced (Executive Order N-33-20). The Department issued an Information Notice to EWC Primary Care Providers (PCP) regarding program updates related to the COVID-19 Public Health Emergency (PHE) on April 2, 2020, which included but was not limited to, updated guidance allowing EWC PCPs to postpone breast and cervical cancer screenings for non-essential issues rendered as a part of routine care temporarily. These actions triggered decreases in base caseload and expenditures for the EWC program.

Reason for Change:

This is a new policy change.

Methodology:

1. Assume the PHE period extends through June 31, 2021.
2. Using historical data trends, the following estimate reflects COVID-19 impact on a cash basis for FY 2020-21.

FY 2020-21	Caseload	Expenditures
EWC Base	26,410	\$36,661,000
COVID-19 Impact	24,919	\$33,039,000
Total COVID-19 Adjustment	(1,491)	(\$3,622,000)

Funding:

100% General Fund (4260-114-0001)

EWC Trend Report
(Includes Actuals & Projected Base Values)

Total				
<u>Quarter</u>	<u>Base Estimate Caseload</u>	<u>Estimated Caseload from Policy Changes</u>	<u>Total Caseload</u>	<u>Total EWC Payments</u>
July-Sept 2016				\$6,303,405 *
Oct-Dec 2016				\$6,571,635 *
Jan-Mar 2017				\$6,839,865 *
April -June 2017				\$7,108,095 *
FY 2016-17	25,030		25,030 *	\$26,823,000
July-Sept 2017				\$6,097,095 *
Oct-Dec 2017				\$8,140,735 *
Jan-Mar 2018				\$6,136,128 *
April -June 2018				\$9,577,882 *
FY 2017-18	26,914		26,914 *	\$29,952,000
July-Sept 2018				\$9,276,000 *
Oct-Dec 2018				\$9,943,000 *
Jan-Mar 2019				\$7,831,000 *
April -June 2019				\$12,193,000 *
FY 2018-19	31,080		31,080 *	\$39,243,000
July-Sept 2019				\$9,608,934 *
Oct-Dec 2019				\$9,296,035 *
Jan-Mar 2020				\$8,777,510 *
April -June 2020				\$4,761,023 *
FY 2019-20	28,363		28,363 *	\$32,444,000
July-Sept 2020				\$8,054,440 **
Oct-Dec 2020				\$9,535,598 **
Jan-Mar 2021				\$9,535,598 **
April -June 2021				\$9,535,598 **
FY 2020-21	26,410	-1,491 **	24,919 **	\$36,661,000
July-Sept 2020				\$9,535,598 **
Oct-Dec 2020				\$9,535,598 **
Jan-Mar 2021				\$9,535,598 **
April -June 2021				\$9,535,598 **
FY 2021-22	27,425		27,425 **	\$38,142,000

Notes:

- 1) Expenditures up to FY 2016-17 are based on an accrual basis.
- 2) Starting FY 2017-18, expenditures are estimated on a cash basis.
- 3) Caseload now identifies average monthly users by date of payment.

* Actuals

** Estimated

FAMILY HEALTH INFORMATION ONLY
November 2020
FISCAL YEARS 2020-21 & 2021-22

INTRODUCTION

The Family Health Local Assistance Estimate provides information and State-Only costs for California Children's Services, the Genetically Handicapped Persons Program, and the Every Woman Counts Program.

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 **Optional Targeted Low Income Children's Program (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. Starting October 2019, Title XXI FFP will decrease to 76.5%, increasing the CF/GF split to 11.75% apiece. Starting October 2020, Title XXI FFP will return to its historic level of 65%, increasing the CF/GF split to 17.5%. 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.

CCS 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~~ **colonoscopy** 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.

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 independent counties such as, 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.

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 (WCM) 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 WCM 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 no sooner than July 1, 2018, subject to successful readiness review by the department, the first phase of the WCM incorporated CCS services 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. These plans are 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 medical conditions or local advocacy groups representing those families. Phase two implemented on January 1, 2019 and Phase three, the final phase, implemented on July 1, 2019.

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~~ **identifies** most children with the genetic disorder. Adrenal insufficiency occurs in ~~in~~ 90 percent of **predominately in** males, with onset as early as 6 months of age. **A small number of identified clients will receive a curative bone marrow transplant. Others receive services including diagnosis and treatment by endocrinologists and geneticists, occupational and physical therapy, and durable medical equipment.** ~~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. Spinal Muscular Atrophy (SMA) as a CCS Eligible Medical Condition

SB 1095, statutes of 2016, requires that statewide newborn screening be expanded to include Spinal Muscular Atrophy (SMA), now that SMA has been adopted by the federal Recommended Uniform Screening Panel (RUSP). Newborn screening for SMA will identify most children with the early onset forms of the genetic disorder. Children identified through the newborn screening program as having, or at risk of having, SMA will require confirmatory testing/diagnostic studies, clinical/medical management, monitoring, and ongoing treatment. Treatment currently consists of pharmacotherapy (to increase protein expression) with better outcomes **and gene therapy**, associated with earlier detection and prompt treatment initiation. ~~There could be a potential indeterminate cost impact to the program due to earlier detection and implementation of services.~~ **There will be a cost to the program due to earlier detection and delivery of high-cost treatment.**

4. New High Cost Treatments for Specific Conditions

There are six ~~two~~ additional treatments approved and ready to be phased into use.

Onasemnogene abeparvovec (Zolgensma), a gene therapy, was approved by the Federal Drug Administration (FDA) on May 24, 2019, for children with spinal muscular atrophy aged less than two years with bi-allelic mutations in the survival motor neuron (SMN1) gene. This treatment for symptomatic children with SMA is a once in a lifetime dosage.

Golodirsen (Vyondys 53) is a lifetime treatment for treatment of patients with Duchenne Muscular Dystrophy who have a confirmed mutation of the DMD gene that is amenable to exon 53 skipping. The drug was FDA approved on December 13, 2019.

~~Tisagenlecleucel (Kymriah) is a one-time treatment for children and young adults up to 25 years of age with B-Cell acute lymphoblastic Leukemia that is refractory or twice elapsed-~~

~~after treatment. The therapy is administered in a single treatment and less expensive than some bone marrow transplants. The treatment is estimated to be approximately \$475,000 per patient.~~

~~Onasemnogene ABEPRAVOVEC (Zolgensma), was approved by the FDA on May 24, 2019, for children with spinal muscular atrophy aged less than two years with bi-allelic mutations in the survival motor neuron (SMN1) gene.~~

~~Pegvaliase PQQZ (Palynziq) is a lifetime treatment, approved by the FDA on May 24, 2018 to treat PKU adults who are unable to maintain phenylalanine (Phe) levels (below 600 µmol/L) with current therapy.~~

~~Cannabidiol (Epidiolex) is a lifetime treatment, approved by the FDA on June 25, 2018 to treat two rare forms of epilepsy, Lennox-Gastaut Syndrome and Dravet Syndrome, in patients older than 2 years of age.~~

~~Axicabtagene ciloleucel (Yescarta) is a one-time treatment for youth and adults, aged 18 and over with refractory or relapsing large B-cell lymphoma. The FDA approved the drug for treatment of individuals with types of refractory or relapsing large B-cell lymphoma (DLBCL), a type of non-Hodgkin lymphoma (NHL) whose cancer has either not responded to or returned after two or more attempts at standard systemic therapy.~~

~~Voretigene neparvovec rzyl (Luxturna) is a proposed one-time treatment for “biallelic RPE65 mutation-associated retinal dystrophy.” The FDA approved this drug on December 19, 2017, as a new gene therapy to treat children and adults with confirmed “biallelic RPE65 mutation-associated retinal dystrophy,” an inherited form of impaired vision that may progress to complete blindness. There is no age restriction; however, there must be “viable retinal cells” remaining to treat.~~

5. California Children’s Services (CCS) – Medical Therapy Program (MTP) Special Education

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. Although the risk is ongoing, there have been no cases in the last year where active therapy is maintained without regard to medical necessity.

GENETICALLY HANDICAPPED PERSONS PROGRAM

1. Health Insurance Premium ~~Reimbursement~~ ~~Payment~~ (HIPRP) Program

The HIPRP program is a voluntary program that pays private health insurance premiums for State-Only beneficiaries who have pre-existing medical conditions and meet the program's eligibility requirements. HIPP Program enrollment projections are based on the last five years of actual enrollment data. Letters about the program will be sent to medically eligible beneficiaries with other health coverage **at the time of program enrollment or renewal.** ~~by the end of calendar year 2018.~~ The letters may cause an increase to the HIPP enrollment and result in financial savings to the GHPP State-Only expenditures for the upcoming fiscal years. Currently, there is no volume or savings estimates to report.

EVERY WOMAN COUNTS PROGRAM

1. Correction of Denied Provider Claims

The Every Woman Counts (EWC) program utilizes the Fiscal Intermediary (FI) to adjudicate clinical claims. Issues were discovered with the claims adjudication process that resulted in denied clinical claims. Currently ~~one~~ **two** Problem Statements (PS) ~~has~~ **have** been issued for claim denials, resulting from an **incorrect system crosswalk from ICD 9 to ICD 10 diagnosis** codes. The identified claims adjudication problems are EWC specific. The FI has determined that system changes are required to correctly adjudicate the claims. System changes are costly and can take anywhere from 90 days to up to 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 re-adjudicate denied claims. These system changes and EPCs will impact EWC's budget. See the ~~EWC Mammography Code Modifications~~ **EWC Erroneous Payment Corrections** Policy Change for additional details.

2. Washington State Attorney General's Office

~~Breast Cancer Prevention Fund (BCPF), a nonprofit, used Legacy Telemarketing, a commercial fundraiser, to raise funds in Washington, California, and Texas, claiming that a majority of the money raised was used to provide mammograms for un- and underinsured women. After investigation, the Attorney General's Office (AGO) filed suit against the trustees of BCPF, finding that less than a fifth of the money raised went to the cause. As part of the settlement agreement, the funds were distributed to organizations that provide low- or no-cost mammograms (or analogous cancer screenings) to un- or underinsured women. WA State V. Breast Cancer Prevention Fund Settlement Policy Change was deactivated after the May 2019 cycle. Every Women Counts program received a check from the Washington State v Breast Cancer Prevention Fund settlement after the Policy Change was deactivated. Washington State anticipates this will be the last check per the bankruptcy Trustee.~~

DISCONTINUED POLICY CHANGES

Fully Incorporated Into Base Data/Ongoing

CCS

GHPP

EWC

DISCONTINUED POLICY CHANGES

Time-Limited/No Longer Applicable

CCS

GHPP

EWC

DISCONTINUED POLICY CHANGES

Withdrawn

CCS

GHPP

EWC