

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



The Great Seal

STATE OF CALIFORNIA
DEPARTMENT OF HEALTH CARE SERVICES

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

Fiscal Forecasting Division
California Department of Health Care Services
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Family Health Local Assistance Estimate Management Summary May 2018 Estimate

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

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

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

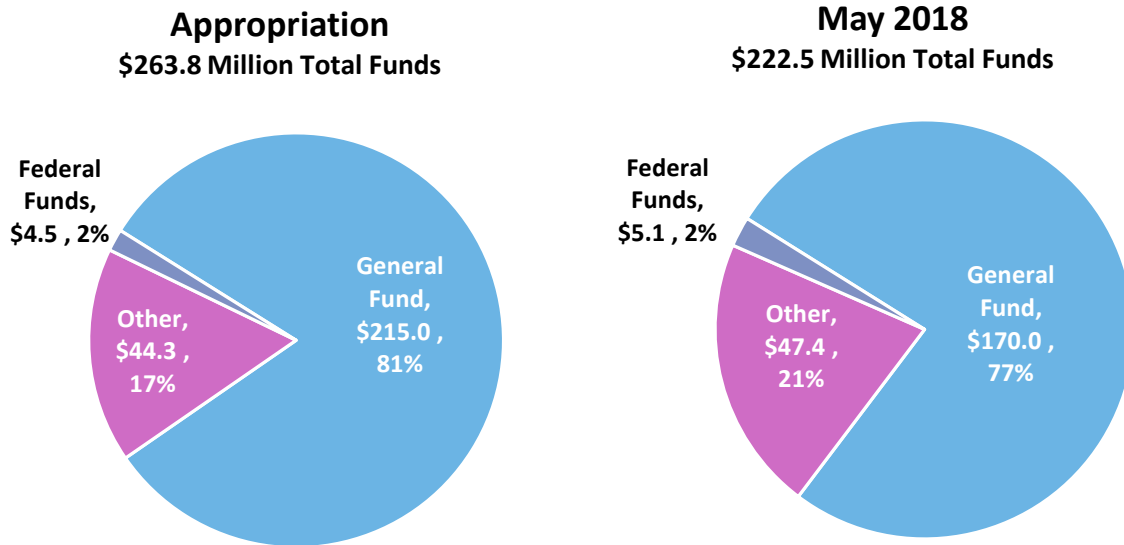
The following is a brief description of each program.

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

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

Family Health program’s estimated expenditures are \$222.51 million in FY 2017-18 and \$279.35 million in FY 2018-19. This does not include funds spent by county health departments on these programs.

FY 2017-18



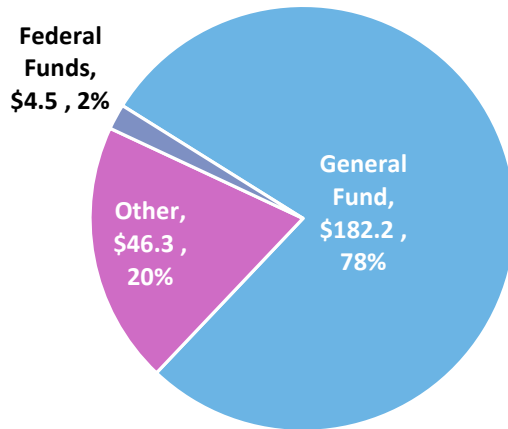
The May 2018 Family Health Estimate for FY 2017-18 is \$44.98 million less in General Fund costs than the FY 2017-18 Budget Appropriation.

	FY 2017-18, General Fund		
	Appropriation	May 2018	Change
<u>Fund 4260-111-0001</u>			
California Children’s Services (CCS)	\$ 81.78	\$ 76.42	\$ (5.36)
Child Health and Disability Prevention Program (CHDP)	\$ 0.001	\$ 0.003	\$ 0.002
Genetically Handicapped Persons Program (GHPP)	\$ 133.14	\$ 89.10	\$ (44.03)
<u>Total Fund 4260-111-0001</u>	<u>\$ 214.92</u>	<u>\$ 165.53</u>	<u>\$ (49.39)</u>
<u>Fund 4260-114-0001</u>			
Every Woman Counts Program (EWC)	\$ 0.09	\$ 4.50	\$ 4.41
<u>Total Fund 4260-114-0001</u>	<u>\$ 0.09</u>	<u>\$ 4.50</u>	<u>\$ 4.41</u>
Total General Fund	\$ 215.01	\$ 170.03	\$ (44.98)

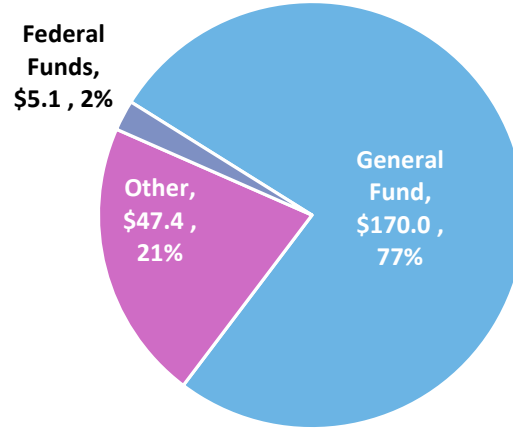
(Dollars in Millions, Rounded)

FY 2017-18

November 2017
\$233.0 Million Total Funds



May 2018
\$222.5 Million Total Funds

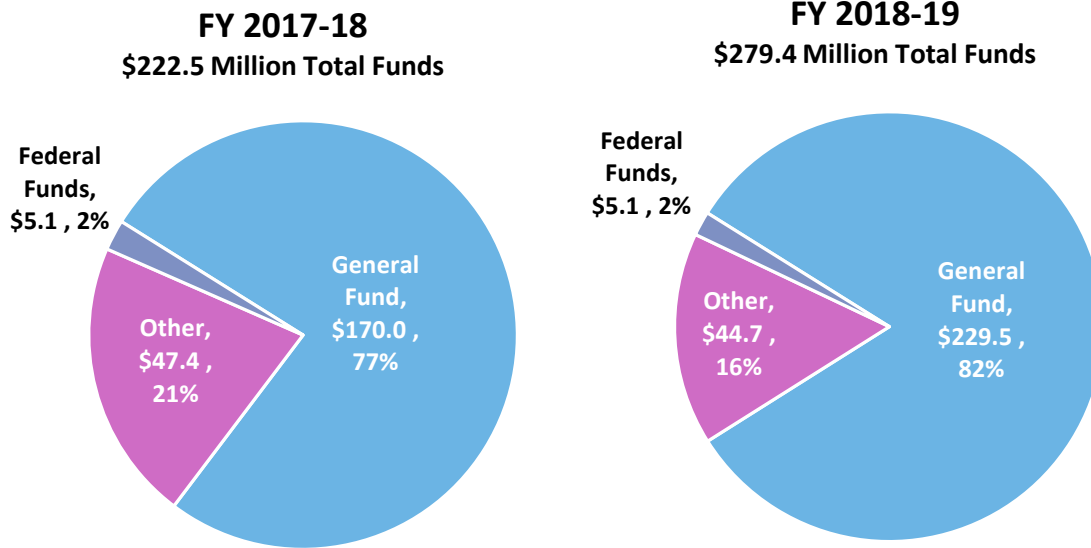


The May 2018 Family Health Estimate for FY 2017-18 is \$12.17 million less in General Fund costs than the November 2017 Family Health Estimate.

	FY 2017-18, General Fund		
	November 2017	May 2018	Change
<u>Fund 4260-111-0001</u>			
California Children’s Services (CCS)	\$ 77.48	\$ 76.42	\$ (1.06)
Child Health and Disability Prevention Program (CHDP)	\$ 0.003	\$ 0.003	\$ -
Genetically Handicapped Persons Program (GHPP)	\$ 98.72	\$ 89.10	\$ (9.61)
<u>Total Fund 4260-111-0001</u>	<u>\$ 176.20</u>	<u>\$ 165.53</u>	<u>\$ (10.67)</u>
<u>Fund 4260-114-0001</u>			
Every Woman Counts Program (EWC)	\$ 6.00	\$ 4.50	\$ (1.50)
<u>Total Fund 4260-114-0001</u>	<u>\$ 6.00</u>	<u>\$ 4.50</u>	<u>\$ (1.50)</u>
Total General Fund	\$ 182.20	\$ 170.03	\$ (12.17)

(Dollars in Millions, Rounded)

May 2018

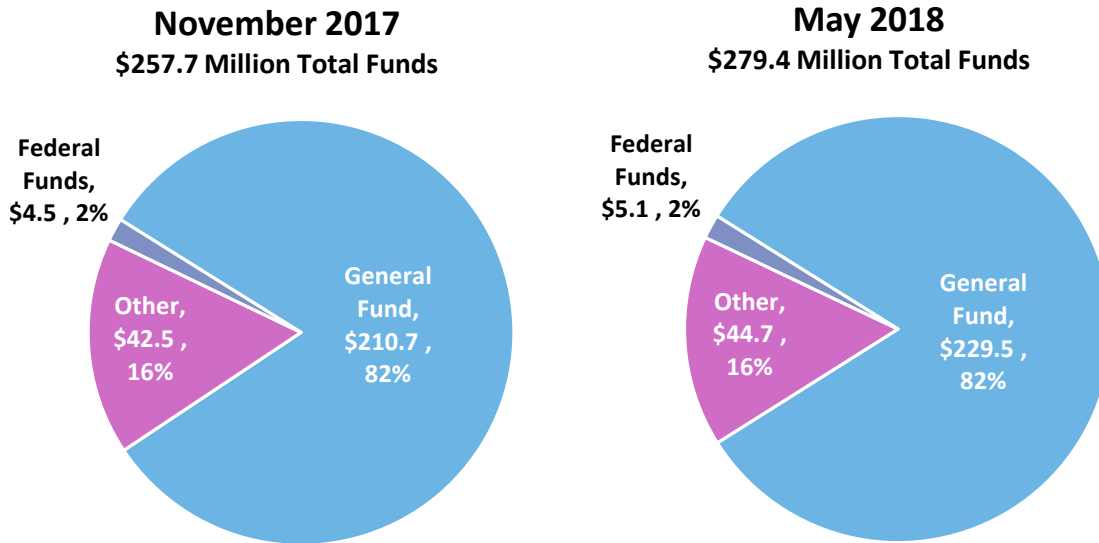


The Family Health General Fund costs are estimated to increase by \$59.5 million between FY 2017-18 and FY 2018-19.

	May 2018, General Fund		
	FY 2017-18	FY 2018-19	Change
<u>Fund 4260-111-0001</u>			
California Children’s Services (CCS)	\$ 76.42	\$ 85.69	\$ 9.27
Child Health and Disability Prevention Program (CHDP)	\$ 0.003	\$ 0.003	\$ -
Genetically Handicapped Persons Program (GHPP)	\$ 89.10	\$ 138.23	\$ 49.12
<u>Total Fund 4260-111-0001</u>	<u>\$ 165.53</u>	<u>\$ 223.92</u>	<u>\$ 58.39</u>
<u>Fund 4260-114-0001</u>			
Every Woman Counts Program (EWC)	\$ 4.50	\$ 5.61	\$ 1.11
<u>Total Fund 4260-114-0001</u>	<u>\$ 4.50</u>	<u>\$ 5.61</u>	<u>\$ 1.11</u>
Total General Fund	\$ 170.03	\$ 229.53	\$ 59.50

(Dollars in Millions, Rounded)

FY 2018-19



The May 2018 Family Health Estimate for FY 2018-19 is \$18.86 million more in General Fund costs than the November 2017 Family Health Estimate.

	FY 2018-19, General Fund		
	November 2017	May 2018	Change
<u>Fund 4260-111-0001</u>			
California Children’s Services (CCS)	\$ 83.37	\$ 85.69	\$ 2.32
Child Health and Disability Prevention Program (CHDP)	\$ 0.003	\$ 0.003	\$ -
Genetically Handicapped Persons Program (GHPP)	\$ 118.33	\$ 138.23	\$ 19.90
<u>Total Fund 4260-111-0001</u>	<u>\$ 201.70</u>	<u>\$ 223.92</u>	<u>\$ 22.22</u>
<u>Fund 4260-114-0001</u>			
Every Woman Counts Program (EWC)	\$ 8.96	\$ 5.61	\$ (3.35)
<u>Total Fund 4260-114-0001</u>	<u>\$ 8.96</u>	<u>\$ 5.61</u>	<u>\$ (3.35)</u>
Total General Fund	\$ 210.66	\$ 229.53	\$ 18.87

(Dollars in Millions, Rounded)

Caseload**CCS**

Estimated CCS caseload has decreased from the November 2017 Estimate due to ongoing County closures of moribund cases (clients with expired CCS program eligibility and no claim activity for over 180 days).

CHDP

There is a small caseload of children with limited scope emergency Medi-Cal receiving health assessments and immunizations' covered by the State-Only CHDP benefit (Health & Safety Code 104395 & 124090). Therefore, the Department is estimating a low continuing caseload for this program.

GHPP

Delayed GHPP enrollment processing resulted in a backlog of applications. Processing of the backlogged applications resulted in increased estimated GHPP caseload over the November 2017 Estimate.

EWC

EWC Caseload is based on average monthly unduplicated caseload by date of payment on a cash basis. The FY 2016-17 caseload for the Appropriation Estimate was based on an annual unduplicated caseload by date of service on an accrual basis.

Significant Items*Dollars in Millions*

Name	PC	Change from November 2017		Change from FY 2017-18	
		FY 2017-18		FY 2018-19	
		TF	GF	TF	GF
New High Cost Treatment - CCS	CCS 9	(\$1.9)	(\$1.9)	\$2.2	\$2.2
This policy change estimates the cost of new high cost treatments for specific medical conditions of CCS - State Only beneficiaries. The net decrease from the prior estimate for FY 2017-18 is due to utilizing actual billing data for the estimate. The updated data showed a lower than expected utilization for Deflazacort and Brineura. The change from FY 2017-18 to FY 2018-19 in the current estimate is an increase due to the continued phase-in of additional CCS beneficiaries receiving the four approved treatments and services DEFLAZACORT, Exondys 51, SPINRAZA, and Brineura.					
Home Health Rate Increase	CCS 12	\$0.0	\$0.0	\$7.6	\$7.6
This policy change estimates the California Children's Services (CCS) State-Only costs of a 50% rate increase for fee-for-service (FFS) home health agency and private duty nursing (PDN) services, effective July 1, 2018. While the Medi-Cal costs of the rate increase is funded with Proposition 56 revenues, the CCS State-Only costs will be paid with 100% General Fund.					
Blood Factor Drug Rebates	GHPP 3	\$0.0	(\$1.0)	\$0.0	\$2.7
This policy change estimates the savings for GHPP drug rebates. The change from the prior estimate for FY 2017-18 is due to a change in methodology to base the estimate on actual collections. The change from FY 2017-18 to FY 2018-19 in the current estimate is due to the continued trend of fewer rebates. The data has shown GHPP clients shifting away from blood factor products and to a using long-lasting and lower cost drugs.					
GHPP Treatment Expenditures	GHPP Base	(\$25.5)	(\$25.5)	\$4.3	\$4.3
GHPP treatment base expenditures have been decreasing; the Department has estimated expenditures at this recent lower level. Expenditures are projected to increase in FY 2018-19 based on the historical trend.					
New High Cost Treatment - GHPP	GHPP 6	(\$2.9)	(\$2.9)	\$2.1	\$2.1
This policy change estimates the cost of high cost treatments for specific medical conditions of certain GHPP beneficiaries. The change from the prior estimate for FY 2017-18 is due to a lower than anticipated number of GHPP recipients receiving Orkambi. The change from FY 2017-18 to FY 2018-19 in the current estimate is due to the projected phase-in of eligibles based on updated actual expenditures.					
GHPP Treatment Costs Adjustment	GHPP 7	\$19.6	\$19.6	\$40.37	\$40.37
This is a new policy change to estimate the cost of retroactive payments for treatment expenditures resulting from delayed enrollment processing.					

Management Summary

Fiscal Year 2017-18

Comparison of Appropriation, November 2017, and May 2018 Estimates

	<u>Appropriation FY 2017-18</u>	<u>Nov. 17 Est. FY 2017-18</u>	<u>May 18 Est. FY 2017-18</u>	<u>Chg Approp - May 18 Est.</u>	<u>Chg Nov. 17 - May 18 Est.</u>
<u>California Children's Services</u>					
4260-111-0001 (General Fund)	\$ 81,779,000	\$ 77,478,000	\$ 76,420,000	\$ (5,359,000)	\$ (1,058,000)
4260-611-0995 (CDPH Title V Reimb.)	\$ 5,453,000	\$ 5,453,000	\$ 5,453,000	\$ 0	\$ 0
County Funds ¹	\$ 81,527,000	\$ 82,771,000	\$ 82,057,000	\$ 530,000	\$ (714,000)
TOTAL CCS	\$ 87,232,000	\$ 82,931,000	\$ 81,873,000	\$ (5,359,000)	\$ (1,058,000)
<u>Child Health and Disability Prevention Program</u>					
4260-111-0001 (General Fund)	\$ 1,000	\$ 3,000	\$ 3,000	\$ 2,000	\$ 0
TOTAL CHDP	\$ 1,000	\$ 3,000	\$ 3,000	\$ 2,000	\$ 0
<u>Genetically Handicapped Persons Program</u>					
4260-111-0001 (General Fund)	\$ 133,138,000	\$ 98,718,000	\$ 89,104,000	\$ (44,034,000)	\$ (9,614,000)
4260-611-0995 (Enrollment Fees)	\$ 427,000	\$ 435,000	\$ 478,000	\$ 51,000	\$ 43,000
4260-601-3079 (Rebates Special Fund)	\$ 16,000,000	\$ 18,000,000	\$ 19,000,000	\$ 3,000,000	\$ 1,000,000
TOTAL GHPP	\$ 149,565,000	\$ 117,153,000	\$ 108,582,000	\$ (40,983,000)	\$ (8,571,000)
<u>Every Woman Counts Program</u>					
4260-114-0001 (General Fund)	\$ 87,000	\$ 6,000,000	\$ 4,500,000	\$ 4,413,000	\$ (1,500,000)
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 14,515,000	\$ 0	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,912,000	\$ 7,912,000	\$ 7,912,000	\$ 0	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 4,509,000	\$ 4,509,000	\$ 5,128,000	\$ 619,000	\$ 619,000
TOTAL EWC	\$ 27,023,000	\$ 32,936,000	\$ 32,055,000	\$ 5,032,000	\$ (881,000)
GRAND TOTAL - ALL FUNDS	\$ 263,821,000	\$ 233,023,000	\$ 222,513,000	\$ (41,308,000)	\$ (10,510,000)
4260-111-0001	\$ 214,918,000	\$ 176,199,000	\$ 165,527,000	\$ (49,391,000)	\$ (10,672,000)
4260-114-0001	\$ 87,000	\$ 6,000,000	\$ 4,500,000	\$ 4,413,000	\$ (1,500,000)
4260-114-0009	\$ 7,912,000	\$ 7,912,000	\$ 7,912,000	\$ 0	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 14,515,000	\$ 0	\$ 0
4260-114-0890	\$ 4,509,000	\$ 4,509,000	\$ 5,128,000	\$ 619,000	\$ 619,000
4260-611-0995	\$ 5,880,000	\$ 5,888,000	\$ 5,931,000	\$ 51,000	\$ 43,000
4260-601-3079	\$ 16,000,000	\$ 18,000,000	\$ 19,000,000	\$ 3,000,000	\$ 1,000,000
County Funds ¹	\$ 81,527,000	\$ 82,771,000	\$ 82,057,000	\$ 530,000	\$ (714,000)

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

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

	<u>May 18 Est.</u> <u>FY 2017-18</u>	<u>May 18 Est.</u> <u>FY 2018-19</u>	<u>Difference</u> <u>Incr./(Decr.)</u>
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 76,420,000	\$ 85,690,000	\$ 9,270,000
4260-611-0995 (CDPH Title V Reimb.)	\$ 5,453,000	\$ 5,453,000	\$ 0
County Funds ¹	<u>\$ 82,057,000</u>	<u>\$ 83,629,000</u>	<u>\$ 1,572,000</u>
TOTAL CCS	<u>\$ 81,873,000</u>	<u>\$ 91,143,000</u>	<u>\$ 9,270,000</u>
<u>Child Health and Disability Prevention Program</u>			
4260-111-0001 (General Fund)	\$ 3,000	\$ 3,000	\$ 0
TOTAL CHDP	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 0</u>
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 89,104,000	\$ 138,227,000	\$ 49,123,000
4260-611-0995 (Enrollment Fees)	\$ 478,000	\$ 478,000	\$ 0
4260-601-3079 (Rebates Special Fund)	<u>\$ 19,000,000</u>	<u>\$ 16,259,000</u>	<u>\$ (2,741,000)</u>
TOTAL GHPP	<u>\$ 108,582,000</u>	<u>\$ 154,964,000</u>	<u>\$ 46,382,000</u>
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 4,500,000	\$ 5,608,000	\$ 1,108,000
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,912,000	\$ 7,989,000	\$ 77,000
4260-114-0890 (Center for Disease Control)	<u>\$ 5,128,000</u>	<u>\$ 5,128,000</u>	<u>\$ 0</u>
TOTAL EWC	<u>\$ 32,055,000</u>	<u>\$ 33,240,000</u>	<u>\$ 1,185,000</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 222,513,000</u>	<u>\$ 279,350,000</u>	<u>\$ 56,837,000</u>
4260-111-0001	\$ 165,527,000	\$ 223,920,000	\$ 58,393,000
4260-114-0001	\$ 4,500,000	\$ 5,608,000	\$ 1,108,000
4260-114-0009	\$ 7,912,000	\$ 7,989,000	\$ 77,000
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 0
4260-611-0995	\$ 5,931,000	\$ 5,931,000	\$ 0
4260-601-3079	\$ 19,000,000	\$ 16,259,000	\$ (2,741,000)
County Funds ¹	<u>\$ 82,057,000</u>	<u>\$ 83,629,000</u>	<u>\$ 1,572,000</u>

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

Management Summary

Fiscal Year 2018-19

Comparison of Appropriation, November 2017, and May 2018 Estimates

	<u>Approp Est. FY 2017-18</u>	<u>Nov. 17 Est. FY 2018-19</u>	<u>May 18 Est. FY 2018-19</u>	<u>Chg Approp - May 18 Est.</u>	<u>Chg Nov. 17 - May 18 Est.</u>
<u>California Children's Services</u>					
4260-111-0001 (General Fund)	\$ 81,779,000	\$ 83,372,000	\$ 85,690,000	\$ 3,911,000	\$ 2,318,000
4260-611-0995 (CDPH Title V Reimb.)	\$ 5,453,000	\$ 5,453,000	\$ 5,453,000	\$ 0	\$ 0
County Funds ¹	\$ 81,527,000	\$ 88,128,000	\$ 83,629,000	\$ 2,102,000	\$ (4,499,000)
TOTAL CCS	\$ 87,232,000	\$ 88,825,000	\$ 91,143,000	\$ 3,911,000	\$ 2,318,000
<u>Child Health and Disability Prevention Program</u>					
4260-111-0001 (General Fund)	\$ 1,000	\$ 3,000	\$ 3,000	\$ 2,000	\$ 0
TOTAL CHDP	\$ 1,000	\$ 3,000	\$ 3,000	\$ 2,000	\$ 0
<u>Genetically Handicapped Persons Program</u>					
4260-111-0001 (General Fund)	\$ 133,138,000	\$ 118,327,000	\$ 138,227,000	\$ 5,089,000	\$ 19,900,000
4260-611-0995 (Enrollment Fees)	\$ 427,000	\$ 435,000	\$ 478,000	\$ 51,000	\$ 43,000
4260-601-3079 (Rebates Special Fund)	\$ 16,000,000	\$ 14,088,000	\$ 16,259,000	\$ 259,000	\$ 2,171,000
TOTAL GHPP	\$ 149,565,000	\$ 132,850,000	\$ 154,964,000	\$ 5,399,000	\$ 22,114,000
<u>Every Woman Counts Program</u>					
4260-114-0001 (General Fund)	\$ 87,000	\$ 8,962,000	\$ 5,608,000	\$ 5,521,000	\$ (3,354,000)
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 14,515,000	\$ 0	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,912,000	\$ 7,989,000	\$ 7,989,000	\$ 77,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 4,509,000	\$ 4,509,000	\$ 5,128,000	\$ 619,000	\$ 619,000
TOTAL EWC	\$ 27,023,000	\$ 35,975,000	\$ 33,240,000	\$ 6,217,000	\$ (2,735,000)
GRAND TOTAL - ALL FUNDS	\$ 263,821,000	\$ 257,653,000	\$ 279,350,000	\$ 15,529,000	\$ 21,697,000
4260-111-0001	\$ 214,918,000	\$ 201,702,000	\$ 223,920,000	\$ 9,002,000	\$ 22,218,000
4260-114-0001	\$ 87,000	\$ 8,962,000	\$ 5,608,000	\$ 5,521,000	\$ (3,354,000)
4260-114-0009	\$ 7,912,000	\$ 7,989,000	\$ 7,989,000	\$ 77,000	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 14,515,000	\$ 0	\$ 0
4260-114-0890	\$ 4,509,000	\$ 4,509,000	\$ 5,128,000	\$ 619,000	\$ 619,000
4260-611-0995	\$ 5,880,000	\$ 5,888,000	\$ 5,931,000	\$ 51,000	\$ 43,000
4260-601-3079	\$ 16,000,000	\$ 14,088,000	\$ 16,259,000	\$ 259,000	\$ 2,171,000
County Funds ¹	\$ 81,527,000	\$ 88,128,000	\$ 83,629,000	\$ 2,102,000	\$ (4,499,000)

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

CALIFORNIA CHILDREN'S SERVICES**Funding Summary****Fiscal Years 2017-18 and 2018-19 Compared to November Estimate**

FY 2017-18, May 2018 Estimate Compared to November 2017 Estimate			
	Nov. 2017 Est. FY 2017-18	May 2018 Est. FY 2017-18	Difference Incr./((Decr.)
CCS State-Only Caseload:	15,621	14,885	(736)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 77,478,100	\$ 76,419,500	\$ (1,058,600)
Total General Fund	\$ 77,478,100	\$ 76,419,500	\$ (1,058,600)
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Federal Funds	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Funds	\$ 82,931,100	\$ 81,872,500	\$ (1,058,600)
FY 2018-19, May 2018 Estimate Compared to November 2017 Estimate			
	Nov. 2017 Est. FY 2018-19	May 2018 Est. FY 2018-19	Difference Incr./((Decr.)
CCS State-Only Caseload:	15,621	14,819	(802)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 83,371,700	\$ 85,690,400	\$ 2,318,700
Total General Fund	\$ 83,371,700	\$ 85,690,400	\$ 2,318,700
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Federal Funds	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Funds	\$ 88,824,700	\$ 91,143,400	\$ 2,318,700
May 2018 Estimate, FY 2017-18 Compared to FY 2018-19			
	May 2018 Est. FY 2017-18	May 2018 Est. FY 2018-19	Difference Incr./((Decr.)
CCS State-Only Caseload:	14,885	14,819	(66)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 76,419,500	\$ 85,690,400	\$ 9,270,900
Total General Fund	\$ 76,419,500	\$ 85,690,400	\$ 9,270,900
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Federal Funds	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Funds	\$ 81,872,500	\$ 91,143,400	\$ 9,270,900

CALIFORNIA CHILDREN'S SERVICES
Funding Summary
Fiscal Years 2017-18 and 2018-19 Compared to Appropriation

FY 2017-18, May 2018 Estimate Compared to Appropriation			
	Appropriation FY 2017-18	May 2018 Est. FY 2017-18	Difference Incr./((Decr.))
CCS State-Only Caseload:	16,069	14,885	(1,184)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 81,778,900	\$ 76,419,500	\$ (5,359,400)
Total General Fund	\$ 81,778,900	\$ 76,419,500	\$ (5,359,400)
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Federal Funds	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Funds	\$ 87,231,900	\$ 81,872,500	\$ (5,359,400)

May 2018 Estimate for FY 2018-19 Compared to FY 2017-18 Appropriation			
	Appropriation FY 2017-18	May 2018 Est. FY 2018-19	Difference Incr./((Decr.))
CCS State-Only Caseload:	16,069	14,819	(1,250)
4260-111-0001 (General Fund)			
State Only General Fund (4260-111-0001)	\$ 81,778,900	\$ 85,690,400	\$ 3,911,500
Total General Fund	\$ 81,778,900	\$ 85,690,400	\$ 3,911,500
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Federal Funds	\$ 5,453,000	\$ 5,453,000	\$ 0
Total Funds	\$ 87,231,900	\$ 91,143,400	\$ 3,911,500

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

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>County Funds</u>
A. State Only Services				
1. Treatment Costs				
Treatment Base 1/	4,932,000	4,932,000	-	4,433,000
Bone Marrow Xplant 2/	125,000	125,000	-	(125,000)
Small County Adj. 3/	400,000	400,000	-	(400,000)
Total Treatment Base	5,457,000	5,457,000	-	3,908,000
2. Therapy Costs				
Therapy Base	67,210,000	67,210,000	-	67,211,000
MTU Medi-Cal Offset 4/	(5,195,000)	(5,195,000)	-	(1,732,000)
AB3632 5/	750,000	750,000	-	(750,000)
Total Therapy Base	62,765,000	62,765,000	-	64,729,000
3. Enroll/Assess Fees	(50,000)	(50,000)	-	(50,000)
4. Benefits Policy Changes	2,180,500	2,180,500	-	2,169,600
	\$ 70,352,500	\$ 70,352,500	\$ 0	\$ 70,756,600
B. State Only Admin.				
1. County Admin.	11,300,000	5,847,000	5,453,000	11,300,000
2. Fiscal Inter.	26,000	26,000	-	-
3. FI Dental	4,000	4,000	-	-
4. CMS Net	190,000	190,000	-	-
	\$ 11,520,000	\$ 6,067,000	\$ 5,453,000	\$ 11,300,000
Total CCS State Only	\$ 81,872,500	\$ 76,419,500	\$ 5,453,000	\$ 82,056,600
GRAND TOTAL	\$ 81,872,500	\$ 76,419,500	\$ 5,453,000	\$ 82,056,600

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

CALIFORNIA CHILDREN'S SERVICES

Fiscal Year 2018-19

Funding Sources By Program

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>County Funds</u>
A. State Only Services				
1. Treatment Costs				
Treatment Base 1/	5,022,000	5,022,000	-	4,522,000
Bone Marrow Xplant 2/	125,000	125,000	-	(125,000)
Small County Adj. 3/	400,000	400,000	-	(400,000)
Total Treatment Base	5,547,000	5,547,000	-	3,997,000
2. Therapy Costs				
Therapy Base	66,583,000	66,583,000	-	66,582,000
MTU Medi-Cal Offset 4/	(5,209,000)	(5,209,000)	-	(1,736,000)
AB3632 5/	779,000	779,000	-	(779,000)
Total Therapy Base	62,153,000	62,153,000	-	64,067,000
3. Enroll/Assess Fees	(51,500)	(51,500)	-	(51,500)
4. Benefits Policy Changes	12,033,400	12,033,400	-	4,365,500
	\$ 79,681,900	\$ 79,681,900	\$ 0	\$ 72,378,000
B. State Only Admin.				
1. County Admin.	11,250,500	5,797,500	5,453,000	11,250,500
2. Fiscal Inter.	26,000	26,000	-	-
3. FI Dental	1,000	1,000	-	-
4. CMS Net	184,000	184,000	-	-
	\$ 11,461,500	\$ 6,008,500	\$ 5,453,000	\$ 11,250,500
Total CCS State Only	\$ 91,143,400	\$ 85,690,400	\$ 5,453,000	\$ 83,628,500
GRAND TOTAL	\$ 91,143,400	\$ 85,690,400	\$ 5,453,000	\$ 83,628,500

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

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

May 2018 Estimate Compared to November 2017 Estimate, Total Funds

	Nov. 2017 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2017-18</u>	Difference <u>Incr./(Decr.)</u>
A. Total CCS State Only Services	<u>\$ 71,934,100</u>	<u>\$ 70,352,500</u>	<u>\$ (1,581,600)</u>
1. Treatment Services	6,986,000	5,457,000	(1,529,000)
2. Medical Therapy Program	60,673,000	62,765,000	2,092,000
3. Benefits Policy Changes	4,329,100	2,180,500	(2,148,600)
4. Enroll/Assessment Fees	(54,000)	(50,000)	4,000
B. CCS Administration			
1. County Administration	10,761,000	11,300,000	539,000
2. Fiscal Intermediary	236,000	220,000	(16,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 82,931,100</u>	<u>\$ 81,872,500</u>	<u>\$ (1,058,600)</u>
TOTAL CCS PROGRAM	<u>\$ 82,931,100</u>	<u>\$ 81,872,500</u>	<u>\$ (1,058,600)</u>

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

May 2018 Estimate Compared to November 2017 Estimate, General Fund

	Nov. 2017 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2017-18</u>	Difference <u>Incr./ (Decr.)</u>
A. Total CCS State Only Services	<u>\$ 71,934,100</u>	<u>\$ 70,352,500</u>	<u>\$ (1,581,600)</u>
1. Treatment Services	6,986,000	5,457,000	(1,529,000)
2. Medical Therapy Program	60,673,000	62,765,000	2,092,000
3. Benefits Policy Changes	4,329,100	2,180,500	(2,148,600)
4. Enroll/Assessment Fees	(54,000)	(50,000)	4,000
B. CCS Administration			
1. County Administration	5,308,000	5,847,000	539,000
2. Fiscal Intermediary	236,000	220,000	(16,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 77,478,100</u>	<u>\$ 76,419,500</u>	<u>\$ (1,058,600)</u>
TOTAL CCS PROGRAM	<u>\$ 77,478,100</u>	<u>\$ 76,419,500</u>	<u>\$ (1,058,600)</u>

May 2018 Estimate Compared to November 2017 Estimate, Federal Funds

	Nov. 2017 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2017-18</u>	Difference <u>Incr./ (Decr.)</u>
A. Total CCS State Only Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
B. CCS Administration			
1. County Administration	5,453,000	5,453,000	-
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>
TOTAL CCS PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>

CALIFORNIA CHILDREN'S SERVICES**Program Requirements, Total Funds****Fiscal Year 2017-18****May 2018 Estimate Compared to Appropriation, Total Funds**

	Appropriation	May 2018 Est.	Difference
	FY 2017-18	FY 2017-18	Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 76,211,900</u>	<u>\$ 70,352,500</u>	<u>\$ (5,859,400)</u>
1. Treatment Services	8,019,000	5,457,000	(2,562,000)
2. Medical Therapy Program	60,325,000	62,765,000	2,440,000
3. Benefits Policy Changes	7,920,900	2,180,500	(5,740,400)
4. Enroll/Assessment Fees	(53,000)	(50,000)	3,000
B. CCS Administration			
1. County Administration	10,762,000	11,300,000	538,000
2. Fiscal Intermediary	258,000	220,000	(38,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 87,231,900</u>	<u>\$ 81,872,500</u>	<u>\$ (5,359,400)</u>
TOTAL CCS PROGRAM	<u>\$ 87,231,900</u>	<u>\$ 81,872,500</u>	<u>\$ (5,359,400)</u>

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

May 2018 Estimate Compared to Appropriation, General Fund

	Appropriation FY 2017-18	May 2018 Est. FY 2017-18	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 76,211,900</u>	<u>\$ 70,352,500</u>	<u>\$ (5,859,400)</u>
1. Treatment Services	8,019,000	5,457,000	(2,562,000)
2. Medical Therapy Program	60,325,000	62,765,000	2,440,000
3. Benefits Policy Changes	7,920,900	2,180,500	(5,740,400)
4. Enroll/Assessment Fees	(53,000)	(50,000)	3,000
B. CCS Administration			
1. County Administration	5,309,000	5,847,000	538,000
2. Fiscal Intermediary	258,000	220,000	(38,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 81,778,900</u>	<u>\$ 76,419,500</u>	<u>\$ (5,359,400)</u>
TOTAL CCS PROGRAM	<u>\$ 81,778,900</u>	<u>\$ 76,419,500</u>	<u>\$ (5,359,400)</u>

May 2018 Estimate Compared to Appropriation, Federal Funds

	Appropriation FY 2017-18	May 2018 Est. FY 2017-18	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
B. CCS Administration			
1. County Administration	5,453,000	5,453,000	-
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>
TOTAL CCS PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>

CALIFORNIA CHILDREN'S SERVICES**Program Requirements, Total Funds****Fiscal Year 2018-19****May 2018 Estimate Compared to November 2017 Estimate, Total Funds**

	Nov. 2017 Est. FY 2018-19	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 77,834,700</u>	<u>\$ 79,681,900</u>	<u>\$ 1,847,200</u>
1. Treatment Services	6,986,000	5,547,000	(1,439,000)
2. Medical Therapy Program	61,757,000	62,153,000	396,000
3. Benefits Policy Changes	9,145,700	12,033,400	2,887,700
4. Enroll/Assessment Fees	(54,000)	(51,500)	2,500
B. CCS Administration			
1. County Administration	10,761,000	11,250,500	489,500
2. Fiscal Intermediary	<u>229,000</u>	<u>211,000</u>	<u>(18,000)</u>
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 88,824,700</u>	<u>\$ 91,143,400</u>	<u>\$ 2,318,700</u>
TOTAL CCS PROGRAM	<u>\$ 88,824,700</u>	<u>\$ 91,143,400</u>	<u>\$ 2,318,700</u>

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, General Fund and Federal Funds
Fiscal Year 2018-19

May 2018 Estimate Compared to November 2017 Estimate, General Fund

	Nov. 2017 Est. FY 2018-19	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 77,834,700</u>	<u>\$ 79,681,900</u>	<u>\$ 1,847,200</u>
1. Treatment Services	6,986,000	5,547,000	(1,439,000)
2. Medical Therapy Program	61,757,000	62,153,000	396,000
3. Benefits Policy Changes	9,145,700	12,033,400	2,887,700
4. Enroll/Assessment Fees	(54,000)	(51,500)	2,500
B. CCS Administration			
1. County Administration	5,308,000	5,797,500	489,500
2. Fiscal Intermediary	229,000	211,000	(18,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 83,371,700</u>	<u>\$ 85,690,400</u>	<u>\$ 2,318,700</u>
TOTAL CCS PROGRAM	<u>\$ 83,371,700</u>	<u>\$ 85,690,400</u>	<u>\$ 2,318,700</u>

May 2018 Estimate Compared to November 2017 Estimate, Federal Funds

	Nov. 2017 Est. FY 2018-19	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
B. CCS Administration			
1. County Administration	5,453,000	5,453,000	-
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>
TOTAL CCS PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>

CALIFORNIA CHILDREN'S SERVICES**Program Requirements, Total Funds
Budget Year Compared to Current Year****May 2018 Estimate, FY 2017-18 Compared to FY 2018-19, Total Funds**

	May 2018 Est. FY 2017-18	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 70,352,500</u>	<u>\$ 79,681,900</u>	<u>\$ 9,329,400</u>
1. Treatment Services	5,457,000	5,547,000	90,000
2. Medical Therapy Program	62,765,000	62,153,000	(612,000)
3. Benefits Policy Changes	2,180,500	12,033,400	9,852,900
4. Enroll/Assessment Fees	(50,000)	(51,500)	(1,500)
B. CCS Administration			
1. County Administration	11,300,000	11,250,500	(49,500)
2. Fiscal Intermediary	220,000	211,000	(9,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 81,872,500</u>	<u>\$ 91,143,400</u>	<u>\$ 9,270,900</u>
TOTAL CCS PROGRAM	<u>\$ 81,872,500</u>	<u>\$ 91,143,400</u>	<u>\$ 9,270,900</u>

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

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

	May 2018 Est. FY 2017-18	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 70,352,500</u>	<u>\$ 79,681,900</u>	<u>\$ 9,329,400</u>
1. Treatment Services	5,457,000	5,547,000	90,000
2. Medical Therapy Program	62,765,000	62,153,000	(612,000)
3. Benefits Policy Changes	2,180,500	12,033,400	9,852,900
4. Enroll/Assessment Fees	(50,000)	(51,500)	(1,500)
B. CCS Administration			
1. County Administration	5,847,000	5,797,500	(49,500)
2. Fiscal Intermediary	220,000	211,000	(9,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 76,419,500</u>	<u>\$ 85,690,400</u>	<u>\$ 9,270,900</u>
TOTAL CCS PROGRAM	<u>\$ 76,419,500</u>	<u>\$ 85,690,400</u>	<u>\$ 9,270,900</u>

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

	May 2018 Est. FY 2017-18	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
B. CCS Administration			
1. County Administration	5,453,000	5,453,000	-
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>
TOTAL CCS PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 5,453,000</u>	<u>\$ 0</u>

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

May 2018 Family Health Estimate

Fiscal Year 2017-18, Comparison of May 2018 and November 2017 Estimates								
<u>POLICY CHG.</u>			<u>NOVEMBER 2017 ESTIMATE</u>		<u>MAY 2018 ESTIMATE</u>		<u>DIFFERENCE, Incr./((Decr.)</u>	
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>
CCS STATE ONLY								
Other	1	ENROLLMENT AND ASSESSMENT FEES	-\$54,000	-\$54,000	-\$50,000	-\$50,000	\$4,000	\$4,000
Co. Admin.	2	COUNTY ADMIN. COSTS	\$11,818,000	\$11,818,000	\$11,300,000	\$11,300,000	-\$518,000	-\$518,000
FI	3	FISCAL INTERMEDIARY EXPENDITURES	\$32,000	\$32,000	\$26,000	\$26,000	-\$6,000	-\$6,000
FI	4	DENTAL ADMIN. EXPENDITURES	\$6,000	\$6,000	\$4,000	\$4,000	-\$2,000	-\$2,000
FI	5	CMS NET	\$198,000	\$198,000	\$190,000	\$190,000	-\$8,000	-\$8,000
Co. Admin.	7	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$5,992,000	\$0	-\$5,453,000	\$0	\$539,000
Benefits	8	CCS DRUG REBATES	-\$60,000	-\$60,000	-\$75,000	-\$75,000	-\$15,000	-\$15,000
Benefits	9	NEW HIGH COST TREATMENTS - CCS	\$4,116,800	\$4,116,800	\$2,244,600	\$2,244,600	-\$1,872,200	-\$1,872,200
Co. Admin.	10	UNDOCUMENTED CHILDREN FULL SCOPE EXPANSION	-\$1,057,000	-\$518,000	\$0	\$0	\$1,057,000	\$518,000
Benefits	11	CCS-MTP - SPECIAL EDUCATION	\$272,300	\$272,300	\$10,900	\$10,900	-\$261,400	-\$261,400
Benefits	12	HOME HEALTH RATE INCREASE	\$0	\$0	\$0	\$0	\$0	\$0
CCS TOTAL			<u>\$15,272,100</u>	<u>\$9,819,100</u>	<u>\$13,650,500</u>	<u>\$8,197,500</u>	<u>-\$1,621,600</u>	<u>-\$1,621,600</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 2018-19, Comparison of May 2018 and November 2017 Estimates

<u>POLICY CHG.</u>			<u>NOVEMBER 2017 ESTIMATE</u>		<u>MAY 2018 ESTIMATE</u>		<u>DIFFERENCE, Incr./(Decr.)</u>	
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>
CCS STATE ONLY								
Other	1	ENROLLMENT AND ASSESSMENT FEES	-\$54,000	-\$54,000	-\$51,500	-\$51,500	\$2,500	\$2,500
Co. Admin.	2	COUNTY ADMIN. COSTS	\$11,818,000	\$11,818,000	\$11,250,500	\$11,250,500	-\$567,500	-\$567,500
FI	3	FISCAL INTERMEDIARY EXPENDITURES	\$31,000	\$31,000	\$26,000	\$26,000	-\$5,000	-\$5,000
FI	4	DENTAL ADMIN. EXPENDITURES	\$2,000	\$2,000	\$1,000	\$1,000	-\$1,000	-\$1,000
FI	5	CMS NET	\$196,000	\$196,000	\$184,000	\$184,000	-\$12,000	-\$12,000
Co. Admin.	7	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$5,992,000	\$0	-\$5,453,000	\$0	\$539,000
Benefits	8	CCS DRUG REBATES	-\$27,000	-\$27,000	-\$41,000	-\$41,000	-\$14,000	-\$14,000
Benefits	9	NEW HIGH COST TREATMENTS - CCS	\$8,355,900	\$8,355,900	\$4,406,500	\$4,406,500	-\$3,949,400	-\$3,949,400
Co. Admin.	10	UNDOCUMENTED CHILDREN FULL SCOPE EXPANSION	-\$1,057,000	-\$518,000	\$0	\$0	\$1,057,000	\$518,000
Benefits	11	CCS-MTP - SPECIAL EDUCATION	\$816,800	\$816,800	\$54,500	\$54,500	-\$762,300	-\$762,300
Benefits	12	HOME HEALTH RATE INCREASE	\$0	\$0	\$7,613,400	\$7,613,400	\$7,613,400	\$7,613,400
CCS TOTAL			<u>\$20,081,700</u>	<u>\$14,628,700</u>	<u>\$23,443,400</u>	<u>\$17,990,400</u>	<u>\$3,361,700</u>	<u>\$3,361,700</u>

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

* Dollars shown include payment lag and percent in base.

ENROLLMENT AND ASSESSMENT FEES

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	-\$50,000	-\$51,500
	- GENERAL FUND	-\$50,000	-\$51,500
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$50,000	-\$51,500
	- GENERAL FUND	-\$50,000	-\$51,500
	- COUNTY FUNDS	-\$50,000	-\$51,500

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:

Actual enrollment and assessment fees collected are lower than previously estimated for FY 2017-18. There is no significant change between fiscal years in the current estimate.

Methodology:

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

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
Enrollment Fees:	\$88,000	\$91,000
Assessment Fees:	<u>\$12,000</u>	<u>\$12,000</u>
Total:	\$100,000 (\$50,000 GF Offset)	\$103,000 (\$51,500 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 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$11,300,000	\$11,250,500
	- GENERAL FUND	\$11,300,000	\$11,250,500
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$11,300,000	\$11,250,500
	- GENERAL FUND	\$11,300,000	\$11,250,500
	- COUNTY FUNDS	\$11,300,000	\$11,250,500

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:

There is no change between November 2017 for FY 2017-18. The Undocumented Children Full Scope Expansion - CCS Admin policy change has been incorporated into this policy change. FY 2018-19 incorporates the change in caseload from the May 2018 Family Health Estimate; this is also the change between fiscal years.

Methodology:

1. For FY 2017-18, the CCS State Only base county administration reimbursement level is based on budgeted county expenditures for FY 2017-18 in the May 2017 Estimate and incorporates the Undocumented Children Full Scope Expansion - CCS Admin.

May 2017	\$23,636,000 (\$11,818,000 GF) (Includes County Funds)
Undoc Children	<u>-\$ 1,036,000 (-\$ 518,000 GF) (Includes County Funds)</u>
FY 2017-18:	\$22,600,000 (\$11,300,000 GF) (Includes County Funds)

2. FY 2018-19 is calculated based on the change in caseload between fiscal years. The May 2018 Family Health Estimate CCS State-Only caseload is expected to decrease from 14,885 in FY 2017-18 to 14,819 in FY 2018-19. (-0.44%)

FY 2017-18:	\$22,600,000
	<u>x (1-.44%)</u>
	\$22,501,000 (rounded)

FY 2018-19: \$22,501,000 (\$11,250,500 GF) (Includes County Funds)

Funding:

General Fund (4260-111-0001)

County Funds*

* Not included in Total Funds

FISCAL INTERMEDIARY EXPENDITURES

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$26,000	\$26,000
	- GENERAL FUND	\$26,000	\$26,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$26,000	\$26,000
	- GENERAL FUND	\$26,000	\$26,000

Purpose:

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

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

The change from the prior estimate, for FY 2017-18 and FY 2018-19, is a decrease due to updated projected ACLs and updated average costs per ACLs. There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. The estimated medical FI administrative costs are:

FY 2017-18	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	37,368	\$ 0.64	\$ 24,000
Online ACLs	12,444	\$ 0.17	\$ 2,000
Total FY 2017-18			\$ 26,000

FY 2018-19	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	37,202	\$ 0.64	\$ 24,000
Online ACLs	12,389	\$ 0.18	\$ 2,000
Total FY 2018-19			\$ 26,000

Funding:

100% GF (4260-111-0001)

DENTAL ADMIN. EXPENDITURES

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 8/2003
ANALYST: Nik Ratliff

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$4,000	\$1,000
	- GENERAL FUND	\$4,000	\$1,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$4,000	\$1,000
	- GENERAL FUND	\$4,000	\$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 2004 Fiscal Intermediary (FI), Delta Dental. The administrative costs are reimbursed based on cost per adjudicated claim line (ACL) and Treatment Authorization Request (TAR).

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

The 2016 Delta Administrative Services Organization (ASO) contractor and the 2016 Hewlett Packard Enterprise (HPE) FI contractor will continue this effort upon Assumption Of Operations (AOO) in February 2018. The FI scans documents while the ASO processes

Reason for Change:

The decrease in FY 2017-18 and FY 2018-19, from the prior estimate, is due to an updated estimated ACSL/TAR volumes based on actuals. The change from FY 2017-18 to FY 2018-19, in the current estimate, is a due to a change in rates as a result of the transition to the new contractors.

Methodology:

1. The CCS State Only dental ACL & TAR rates for a partial year in FY 2017-18 under the 2004 Delta FI contractor are \$3.08 and \$12.26, respectively.
2. The 2016 HPE FI contractor rates for scanning ACL documents are \$0.32 for a partial year in FY 2017-18 and \$0.31 in FY 2018-19.
3. The 2016 HPE FI contractor rates for scanning TAR documents are \$0.32 for a partial year in FY 2017-18 and \$0.31 in FY 2018-19.
4. The 2016 HPE ASO contractor CCS State Only dental ACL & TAR adjudicating rates for a partial year in FY 2017-18 are \$0.14 and \$2.88, respectively.
5. The 2016 HPE ASO contractor CCS State Only dental ACL & TAR adjudicating rates for FY 2018-19 are \$0.15 and \$4.28, respectively.

2004 Delta FI FY 2017-18	<u>Estimated Claims</u>	<u>Rates</u>	<u>Partial Year Expenditure</u>	
ACLs	916	\$ 3.08	\$ 2,821	
TARs	34	\$ 12.26	\$ 417	
			<u>\$ 3,000</u>	
New FI FY 2017-18	<u>Estimated Claims</u>	<u>Rates</u>	<u>Partial Year Expenditure</u>	
ACLs	161	\$ 0.32	\$ 52	
TARs	24	\$ 0.32	\$ 8	
			<u>\$ 100</u>	
ASO FY 2017-18	<u>Estimated Claims</u>	<u>Rates</u>	<u>Partial Year Expenditure</u>	
ACLs	654	\$ 0.14	\$ 92	
TARs	24	\$ 2.88	\$ 69	
			<u>\$ 200</u>	
Total FY 2017-18			\$ 4,000	(\$4,000 GF)
FI FY 2018-19	<u>Estimated Claims</u>	<u>Rates</u>	<u>Estimated Expenditure</u>	
ACLs	390	\$ 0.31	\$ 121	
TARs	59	\$ 0.31	\$ 18	
			<u>\$ 300</u>	

ASO	<u>Estimated</u>		<u>Rates</u>	<u>Estimated</u>	
FY 2018-19	<u>Documents</u>			<u>Expenditure</u>	
ACLs	1,586	\$	0.15	\$	238
TARs	59	\$	4.28	\$	253
				\$	500
Total FY 2018-19				\$	1,000 (\$1,000 GF)

Funding:

100% GF (4260-111-0001)

CMS NET

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$190,000	\$184,000
	- GENERAL FUND	\$190,000	\$184,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$190,000	\$184,000
	- GENERAL FUND	\$190,000	\$184,000
	- COUNTY FUNDS	\$0	\$0

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

The FY 2017-18 and FY 2018-19 expenditures are lower than the prior estimate due to a decrease in estimated CCS State-Only caseload. There is no significant change between FY 2017-18 and FY 2018-19.

Methodology:

1. CMS Net costs are allocated to the CCS programmatic caseload, 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 2017-18 are estimated to be \$2,409,000. FY 2018-19 costs are estimated to be \$2,384,000.
3. Based on estimated FY 2017-18 and FY 2018-19 caseload counts, costs for CMS Net are projected to be split:

	FY 2017-18		CMS Net
	<u>Caseload</u>	<u>Percentage</u>	<u>Allocation</u>
CCS State-Only	14,885	7.9%	\$ 190,000
CCS Medi-Cal	<u>174,278</u>	<u>92.1%</u>	<u>\$ 2,219,000</u>
Total	189,163	100%	\$ 2,409,000

	FY 2018-19		CMS Net
	<u>Caseload</u>	<u>Percentage</u>	<u>Allocation</u>
CCS State-Only	14,819	7.7%	\$ 184,000
CCS Medi-Cal	<u>177,299</u>	<u>92.3%</u>	<u>\$ 2,200,000</u>
Total	192,118	100%	\$ 2,384,000

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

Funding:

100% General Fund (4260-111-0001)

TITLE V REIMBURSEMENT FROM CDPH

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$5,453,000	-\$5,453,000
	- FEDERAL FUNDS TITLE V	\$5,453,000	\$5,453,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$5,453,000	-\$5,453,000
	- FEDERAL FUNDS TITLE V	\$5,453,000	\$5,453,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

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:

The decrease in FY 2017-18 and FY 2018-19, from the prior estimate, is due the reduction in savings to CCS State Only for the administration of Medi-Cal expansion.
There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. For FY 2017-18 and FY 2018-19, the amount expected to be received is \$5,453,000.

Funding:

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

CCS DRUG REBATES

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	-\$75,000	-\$41,000
	- GENERAL FUND	-\$75,000	-\$41,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$75,000	-\$41,000
	- GENERAL FUND	-\$75,000	-\$41,000
	- COUNTY FUNDS	-\$75,000	-\$41,000

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:

The change from the prior estimate, for FY 2017-18 and FY 2018-19, is an increase due to a change in methodology to base the estimate on actual collections.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is due to the continued trending of fewer rebates. The data has shown CCS clients shifting away from blood factor products and to a use of long-lasting and lower cost drugs.

Methodology:

1. Rebate projections for FY 2017-18 and FY 2018-19 are based on actual collections during FY 2016-17 and FY 2017-18.
2. Assume \$75,000 will be collected in FY 2017-18. Apply the percentage change from FY 2016-17 to FY 2017-18 for the FY 2018-19 estimate.
3. CCS drug rebate collections, for FY 2017-18 and FY 2018-19, are estimated to be:

Fiscal Year	TF	GF	CF*
FY 2017-18	(\$75,000)	(\$75,000)	(\$75,000)
FY 2018-19	(\$41,000)	(\$41,000)	(\$41,000)

Funding:

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

*Not Included in Total Fund

NEW HIGH COST TREATMENTS - CCS

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$2,933,000	\$4,795,000
	- GENERAL FUND	\$2,933,000	\$4,795,000
PAYMENT LAG		0.8394	0.9525
% REFLECTED IN BASE		8.83%	3.52%
APPLIED TO BASE	- TOTAL FUNDS	\$2,244,600	\$4,406,500
	- GENERAL FUND	\$2,244,600	\$4,406,500
	- COUNTY FUNDS	\$2,244,600	\$4,406,500

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

Recently approved FDA treatments and services are:

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

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

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

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

Reason for Change:

The net decrease from the prior estimate, for FY 2017-18 and FY 2018-19, is due to billing data being used for the estimate. The data showed a lower than expected utilization for Deflazacort and Brineura and a greater than expected utilization for Spinraza. Costs for treatments were changed to reflect costs to the general fund without the county share.

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

Methodology:

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

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

Assume a 24-month phase in of 8 beneficiaries beginning July 1, 2017.

Total estimated costs for DEFLAZACORT are:

FY 2017-18 : \$222,000 (\$111,000 GF) (Includes County Funds)

FY 2018-19 : \$578,000 (\$288,600 GF) (Includes County Funds)

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

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

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

Total estimated costs for Exondys 51 are:

FY 2017-18 : \$550,000 (\$275,000 GF) (Includes County Funds)

FY 2018-19 : \$1,750,000 (\$875,000 GF) (Includes County Funds)

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

Assume a 24-month phase in of 12 eligible beneficiaries beginning January 1, 2017.

Assume each beneficiary will receive 4 loading doses (1st three doses every 14 days and 4th dose 30 days after 3rd dose) over the first 72 days of treatment for a total one-time cost of \$500,000 per beneficiary, and then one dose every four months, for life, at a cost of \$125,000 per dose.

Total estimated costs for SPINRAZA are:

FY 2017-18 : \$4,500,000 (\$2,250,000 GF) (Includes County Funds)

FY 2018-19 : \$5,750,000 (\$2,875,000 GF) (Includes County Funds)

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

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

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

Total estimated costs for Brineura are:

FY 2017-18 : \$594,000 (\$297,000 GF) (Includes County Funds)

FY 2018-19 : \$1,512,000 (\$756,000 GF) (Includes County Funds)

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

Fiscal Year	TF	GF	CF*
FY 2017-18	\$2,933,000	\$2,933,000	\$2,933,000
FY 2018-19	\$4,795,000	\$4,795,000	\$4,795,000

Funding:

100% General Fund (4260-111-0001)

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

CCS-MTP - SPECIAL EDUCATION

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$10,890	\$54,450
	- GENERAL FUND	\$10,890	\$54,450
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$10,900	\$54,500
	- GENERAL FUND	\$10,900	\$54,500

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

The change from the prior estimate, for FY 2017-18 and FY 2018-19, is a decrease due to the absence of new MTP-Special Education due process actions in which the level of therapy services were ordered to be maintained without regard to medical necessity.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is due to additional beneficiaries maintaining active therapy status. The projections were revised for a lower number of due process actions given current experience.

Methodology:

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

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

4. For FY 2017-18, assume 2 beneficiaries will maintain active therapy status. For FY 2018-19, assume additional 8 beneficiaries will maintain their active therapy status.

$$\text{FY 2017-18: } 2 \text{ beneficiaries} \times \$5,445 = \$10,890 \text{ TF (rounded)}$$

$$\text{FY 2018-19: } 10 \text{ beneficiaries} \times \$5,445 = \$54,450 \text{ TF (rounded)}$$

Funding:

100% GF (4260-111-0001)

HOME HEALTH RATE INCREASE

POLICY CHANGE NUMBER: 12
IMPLEMENTATION DATE: 1/2019
ANALYST: Sharisse DeLeon

	<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$8,699,000
- GENERAL FUND	\$0	\$8,699,000
PAYMENT LAG	0.0000	0.8752
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	\$7,613,400
- GENERAL FUND	\$0	\$7,613,400

Purpose:

This policy change estimates the California Children's Services (CCS) State-Only costs of a rate increase for fee-for-service (FFS) home health agency and private duty nursing (PDN) services, effective July 1, 2018.

Authority:

Not Applicable

Interdependent Policy Changes:

Not Applicable

Background:

Home health services encompass a range of health care services to children and adults that can be provided in home, and are generally less expensive, more convenient, and equally effective as the care received in a hospital or skilled nursing facility (SNF). Home health services include:

- Wound care;
- IV therapy;
- Administering oral medications;
- Insertion of gastronomy and nasogastric tube feedings; and
- Monitoring serious illnesses and unstable health conditions that no longer require a higher PDN if the care of clients by professionals who provide private care on a one-on-one basis in a client's home.

Home health and PDN services can be provided by home health agencies or individual nurse providers (INPs). Home health agencies hire health professionals such as Registered Nurses (RNs), Licensed Vocational Nurses (LVNs), and Certified Home Health Aids to provide skilled nursing services to a client in their home. INP providers are independent contractors that perform home health services to Medi-Cal beneficiaries. INPs can be RNs or

Reason for Change:

This is a new policy change.

Methodology:

1. The Department will increase certain FFS and Home and Community-Based (HCBS) waiver home health agency and PDN services rates by 50%, effective for dates of service on and after July 1, 2018. Providers in the Medi-Cal FFS delivery systems, as well as the impacted HCBS waivers will receive these rate increases.
2. The rate adjustments are estimated to be implemented in January 2019. The Erroneous Payment Correction (EPC) for the retroactive period from July 2018 to December 2018 is estimated to occur in April 2019.

FY 2018-19	TF	GF
Home Health Rate Increase	\$8,699,000	\$8,699,000
Total FY 2018-19	\$8,699,000	\$8,699,000

Funding:

100% GF (4260-111-0001)

CALIFORNIA CHILDREN'S SERVICES
Total Average Quarterly Caseload by Program

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

<u>All Counties</u>	<u>Fiscal Year 2016-17</u> ¹	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>	<u>FY 2017-18 - FY 2018-19 % Change</u>
CCS State Only	15,814	14,885	14,819	-0.44%
SUBTOTAL	15,814	14,885	14,819	-0.44%

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

<u>All Counties</u>	<u>Fiscal Year 2016-17</u> ¹	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>	<u>FY 2017-18 - FY 2018-19 % Change</u>
CCS Medi-Cal ²	172,357	174,278	177,299	1.73%
SUBTOTAL	172,357	174,278	177,299	1.73%

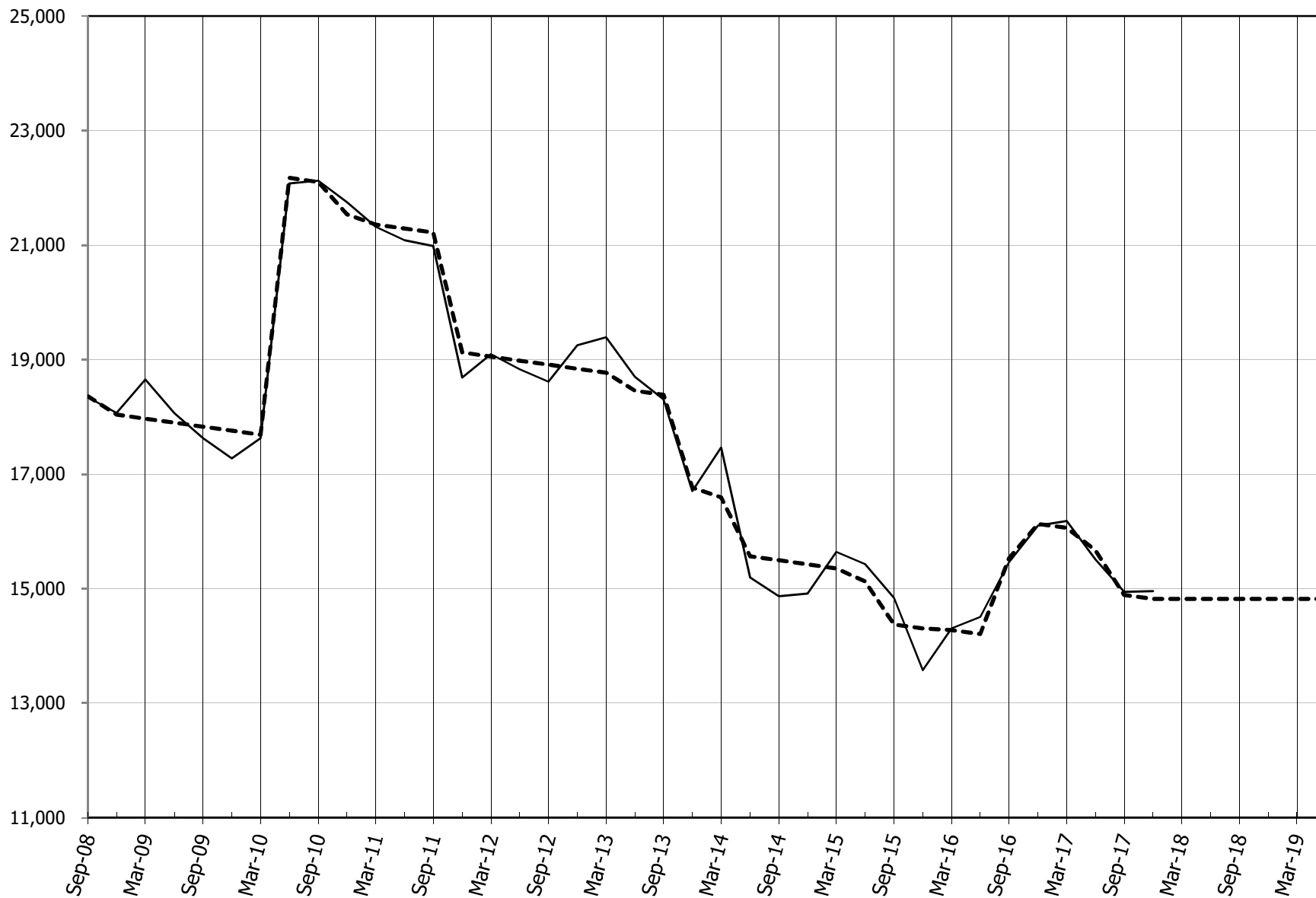
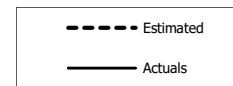
**Total Caseload
(CCS State Only and CCS Medi-Cal)**

<u>All Counties</u>	<u>Fiscal Year 2016-17</u> ¹	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>	<u>FY 2017-18 - FY 2018-19 % Change</u>
CCS State Only	15,814	14,885	14,819	-0.44%
CCS Medi-Cal	172,357	174,278	177,299	1.73%
TOTAL	188,171	189,163	192,118	1.56%

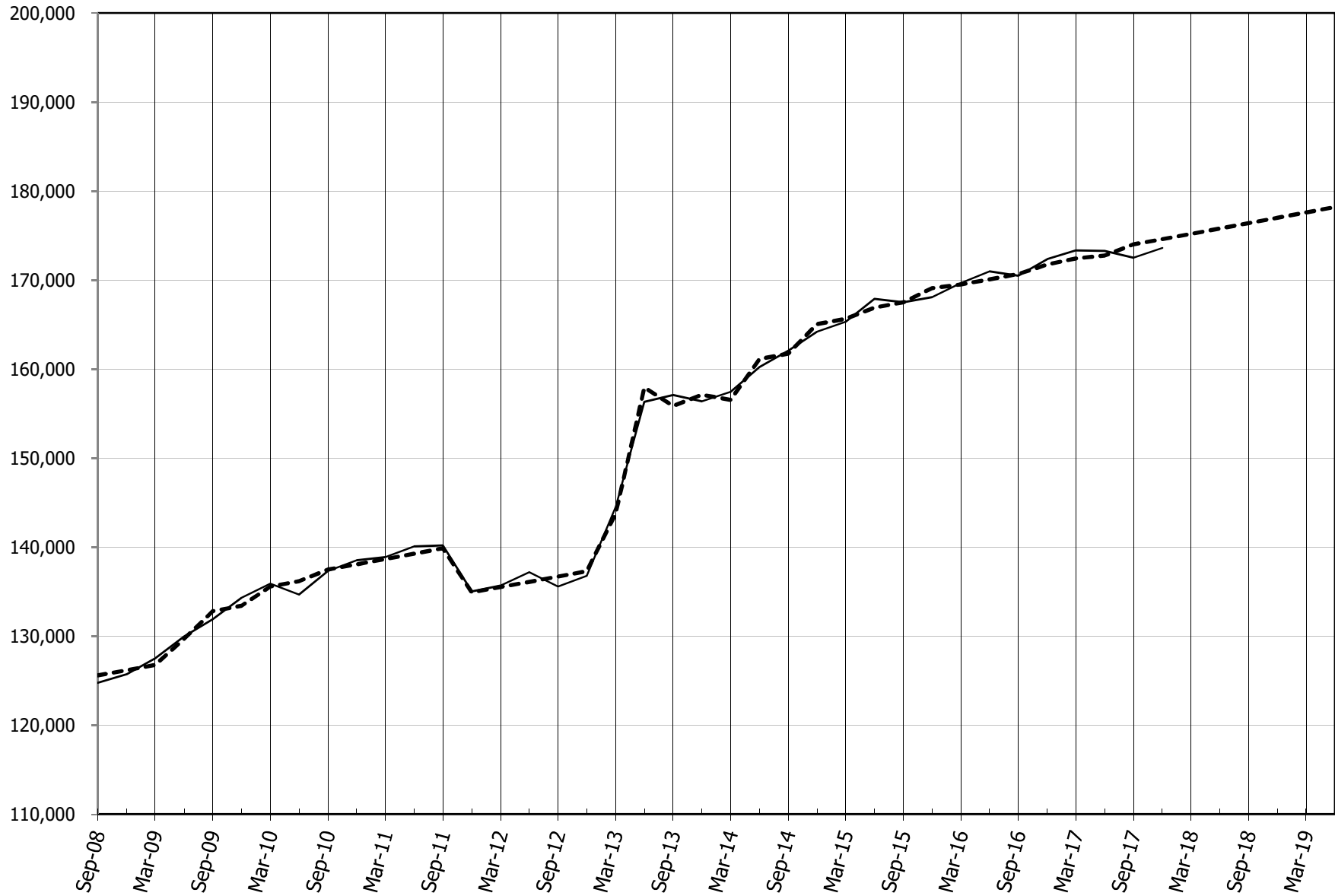
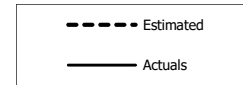
¹ Actual caseload.

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

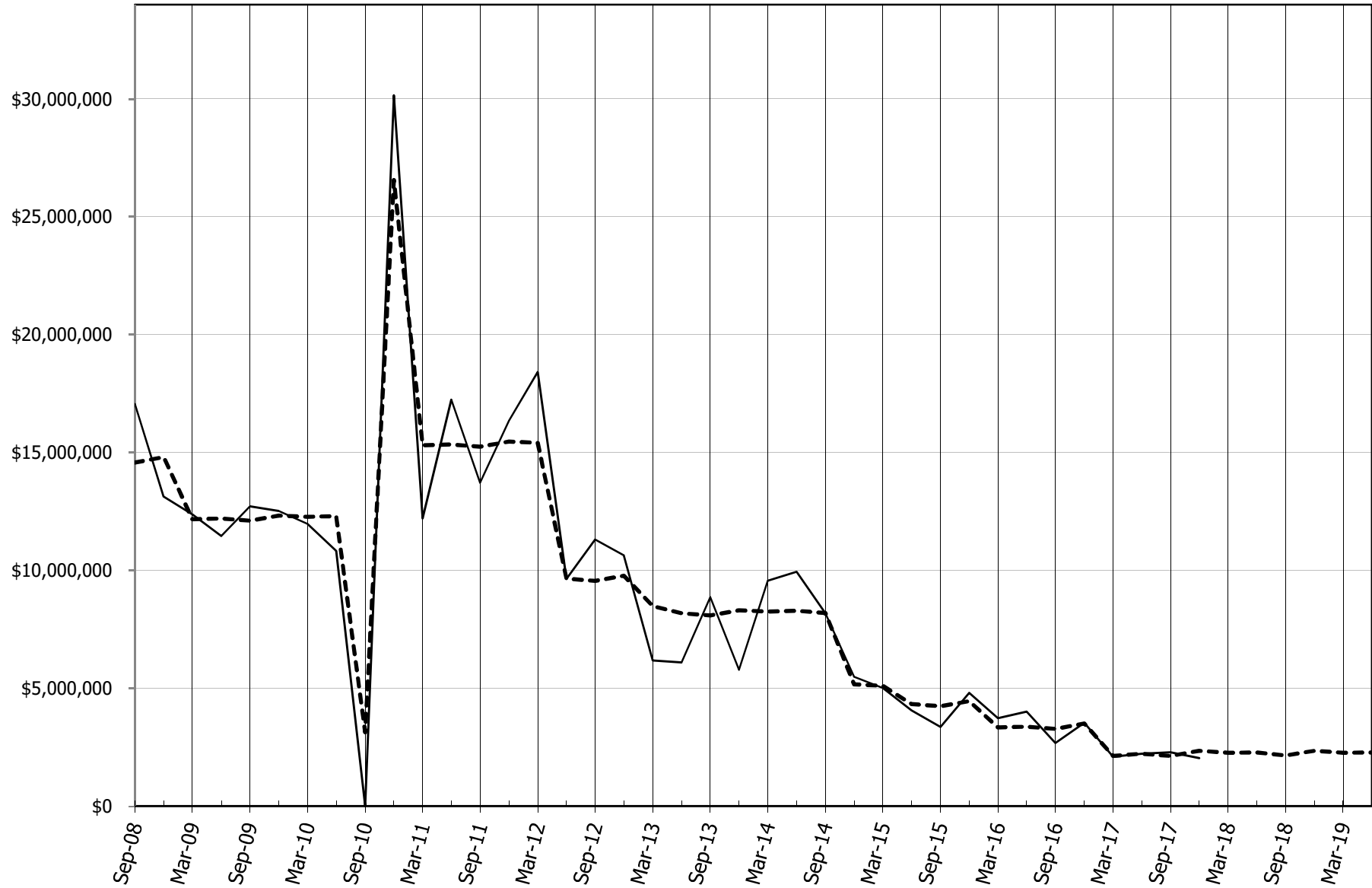
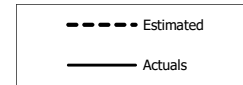
Total Statewide CCS State-Only Caseload



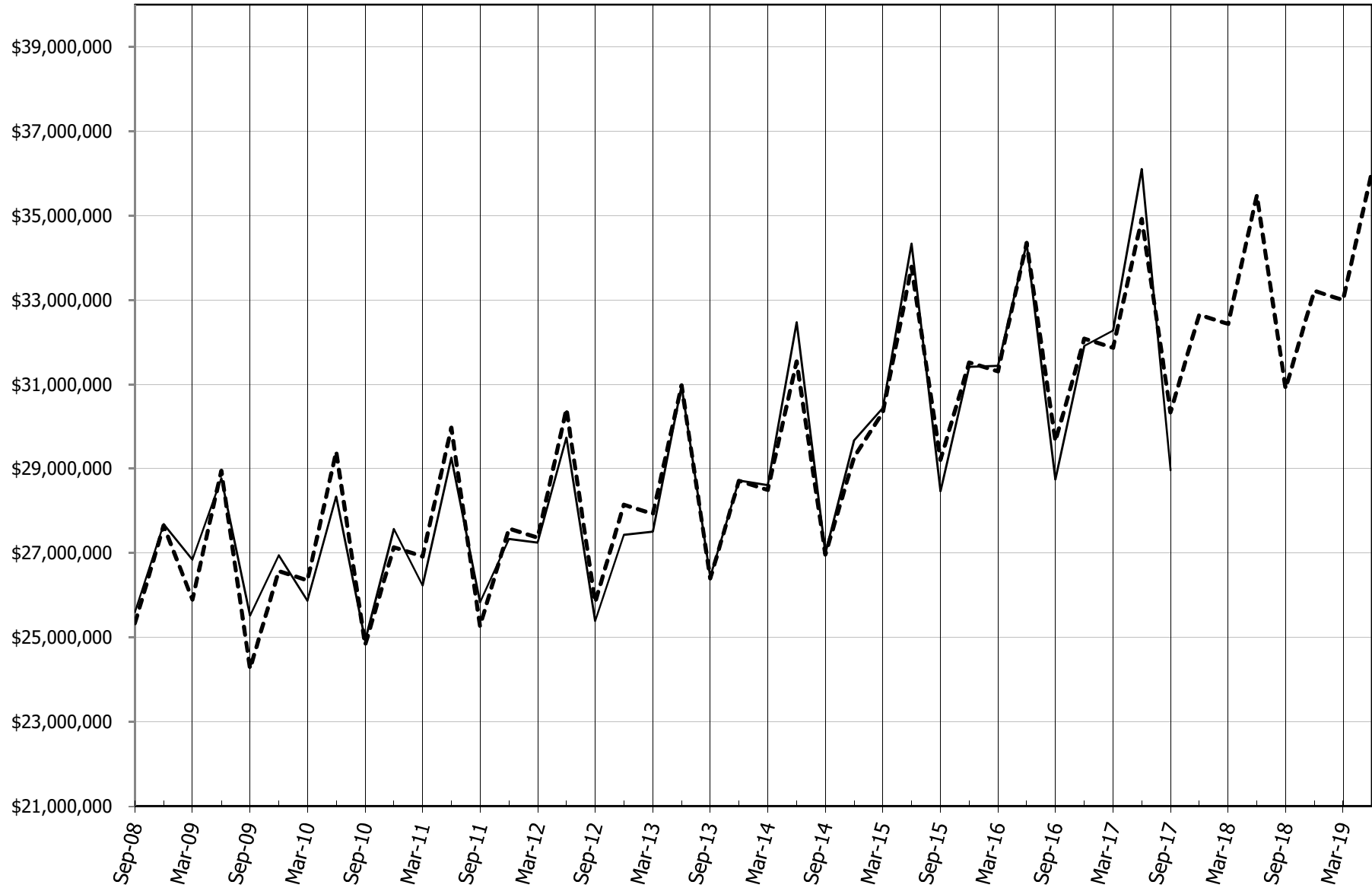
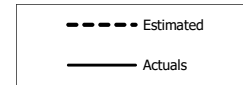
Total Statewide Medi-Cal Caseload



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



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



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

FY 2017-18, Comparison of May 2018 and November 2017 Estimates

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

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

	<u>Nov. 17 Est. FY 2018-19</u>	<u>May 18 Est. FY 2018-19</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens*:	36	22	(14)
Net Dollars:			
4260-111-0001 (General Fund)	\$ 3,000	\$ 3,000	\$ 0
Total Funds	\$ 3,000	\$ 3,000	\$ 0

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

	<u>May 18 Est. FY 2017-18</u>	<u>May 18 Est. FY 2018-19</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens*:	19	22	3
Net Dollars:			
4260-111-0001 (General Fund)	\$ 3,000	\$ 3,000	\$ 0
Total Funds	\$ 3,000	\$ 3,000	\$ 0

CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
Funding Summary
Fiscal Years 2017-18 And 2018-19 Compared to Appropriation

FY 2017-18, May 2018 Estimate Compared to Appropriation

	<u>Appropriation FY 2017-18</u>	<u>May 18 Est. FY 2017-18</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens*:	0	19	19
Net Dollars:			
4260-111-0001 (General Fund)	\$ 1,000	\$ 3,000	\$ 2,000
Total Funds	\$ 1,000	\$ 3,000	\$ 2,000

May 2018 Estimate for FY 2018-19 Compared to FY 2017-18 Appropriation

	<u>Appropriation FY 2017-18</u>	<u>May 18 Est. FY 2018-19</u>	<u>Difference Incr./(Decr.)</u>
State-Only Screens*:	0	22	22
Net Dollars:			
4260-111-0001 (General Fund)	\$ 1,000	\$ 3,000	\$ 2,000
Total Funds	\$ 1,000	\$ 3,000	\$ 2,000

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

FY 2017-18, May 2018 Estimate Compared to Appropriation			
	Appropriation FY 2017-18	May 18 Est. FY 2017-18	Difference Incr./.(Decr.)
Annual Screens *	0	19	19
Program Expenditures			
A. CHDP Services	\$ 52,000	\$ 2,000	(\$ 50,000)
B. CHDP Administration			
1. Fiscal Intermediary	\$ 1,000	\$ 1,000	\$ 0
C. Benefit Policy Change	(\$ 52,000)	\$ 0	\$ 52,000
Total CHDP Program	\$ 1,000	\$ 3,000	\$ 2,000
Funding			
A. General Fund 4260-111-0001	\$ 1,000	\$ 3,000	\$ 2,000

May 2018 Estimate, Fiscal Year 2017-18 Compared to Fiscal Year 2018-19			
	May 18 Est. FY 2017-18	May 18 Est. FY 2018-19	Difference Incr./.(Decr.)
Annual Screens *	19	22	3
Program Expenditures			
A. CHDP Services	\$ 2,000	\$ 2,000	\$ 0
B. CHDP Administration			
1. Fiscal Intermediary	\$ 1,000	\$ 1,000	\$ 0
C. Benefit Policy Change	\$ 0	\$ 0	\$ 0
Total CHDP Program	\$ 3,000	\$ 3,000	\$ 0
Funding			
A. General Fund 4260-111-0001	\$ 3,000	\$ 3,000	\$ 0
<u>Average \$/Screen</u>			
Total CHDP	\$ 85.56	\$ 85.56	\$ 0.00

Note: The average cost per screen amounts above are calculated using expenditures that have been to the nearest \$1,000.

CHILD HEALTH AND DISABILITY PREVENTION PROGRAM
Funding Sources by Component
Comparison of May 2018 Estimate to November 2017 Estimate

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

FY 2018-19, May 2018 Estimate Compared to November 2017 Estimate			
	Nov. 17 Est. FY 2018-19	May 18 Est. FY 2018-19	Difference Incr./.(Decr.)
Annual Screens *	36	22	(14)
Program Expenditures			
A. CHDP Services	\$ 2,000	\$ 2,000	\$ 0
B. CHDP Administration			
1. Fiscal Intermediary	\$ 1,000	\$ 1,000	\$ 0
C. Benefit Policy Change	\$ 0	\$ 0	\$ 0
Total CHDP Program	\$ 3,000	\$ 3,000	\$ 0
Funding			
A. General Fund 4260-111-0001	\$ 3,000	\$ 3,000	\$ 0

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

Fiscal Year 2017-18, Comparison of May 2018 and November 2017 Estimates

<u>POLICY CHG.</u>			<u>NOVEMBER 2017 ESTIMATE</u>		<u>MAY 2018 ESTIMATE</u>		<u>DIFFERENCE, Incr./((Decr.)</u>	
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>
FI	1	FISCAL INTERMEDIARY EXPENDITURES	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
CHDP TOTAL			\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0

Fiscal Year 2018-19, Comparison of May 2018 and November 2017 Estimates

<u>POLICY CHG.</u>			<u>NOVEMBER 2017 ESTIMATE</u>		<u>MAY 2018 ESTIMATE</u>		<u>DIFFERENCE, Incr./((Decr.)</u>	
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>
FI	1	FISCAL INTERMEDIARY EXPENDITURES	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
CHDP TOTAL			\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0

FISCAL INTERMEDIARY EXPENDITURES

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

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

Purpose:

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

Authority:

Health & Safety Code 124033

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

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

Methodology:

1. The estimated medical FI administrative costs are:

General ACLs	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
FY 2017-18	1,538	\$0.65	\$1,000
FY 2018-19	1,562	\$0.64	\$1,000

Funding:

100% GF (4260-111-0001)

**GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary**

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

	Nov. 2017 Est. FY 2017-18	May 2018 Est. FY 2017-18	Difference Incr./(Decr.)
State-Only Caseload:	655	703	48
Net Dollars:			
4260-111-0001 (General Fund)	\$98,717,500	\$89,104,300	(\$9,613,200)
4260-611-0995 (Enrollment Fees)	\$434,700	\$477,600	\$42,900
4260-601-3079 (Rebate Special Fund)	\$18,000,000	\$19,000,000	\$1,000,000
Total	\$117,152,200	\$108,581,900	(\$8,570,300)

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

	Nov. 2017 Est. FY 2018-19	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
State-Only Caseload:	659	721	62
Net Dollars:			
4260-111-0001 (General Fund)	\$118,326,500	\$138,227,100	\$19,900,600
4260-601-7503 (Federal Title XIX HCSF)	\$0	\$0	\$0
4260-611-0995 (Enrollment Fees)	\$434,700	\$477,600	\$42,900
4260-601-3079 (Rebates Special Fund)	\$14,088,000	\$16,259,000	\$2,171,000
Total	\$132,849,200	\$154,963,700	\$22,114,500

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

	May 2018 Est. FY 2017-18	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
State-Only Caseload:	703	721	18
Net Dollars:			
4260-111-0001 (General Fund)	\$89,104,300	\$138,227,100	\$49,122,800
4260-611-0995 (Enrollment Fees)	\$477,600	\$477,600	\$0
4260-601-3079 (Rebates Special Fund)	\$19,000,000	\$16,259,000	(\$2,741,000)
Total	\$108,581,900	\$154,963,700	\$46,381,800

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary
Fiscal Years 2017-18 and 2018-19 Compared to Appropriation

FY 2017-18, May 2018 Estimate Compared to Appropriation

	<u>Appropriation FY 2017-18</u>	<u>May 2018 Est. FY 2017-18</u>	<u>Difference Incr./(Decr.)</u>
State-Only Caseload:	951	703	(248)
Net Dollars:			
4260-111-0001 (General Fund)	\$133,137,900	\$89,104,300	(\$44,033,600)
4260-611-0995 (Enrollment Fees)	\$426,600	\$477,600	\$51,000
4260-601-3079 (Rebates Special Fund)	<u>\$16,000,000</u>	<u>\$19,000,000</u>	<u>\$3,000,000</u>
Total	<u>\$149,564,500</u>	<u>\$108,581,900</u>	<u>(\$40,982,600)</u>

May 2018 Estimate for FY 2018-19 Compared to FY 2017-18 Appropriation

	<u>Appropriation FY 2017-18</u>	<u>May 2018 Est. FY 2018-19</u>	<u>Difference Incr./(Decr.)</u>
State-Only Caseload:	951	721	(230)
Net Dollars:			
4260-111-0001 (General Fund)	\$133,137,900	\$138,227,100	\$5,089,200
4260-601-7503 (Federal Title XIX HCSF)	\$0	\$0	\$0
4260-611-0995 (Enrollment Fees)	\$426,600	\$477,600	\$51,000
4260-601-3079 (Rebates Special Fund)	<u>\$16,000,000</u>	<u>\$16,259,000</u>	<u>\$259,000</u>
Total	<u>\$149,564,500</u>	<u>\$154,963,700</u>	<u>\$5,399,200</u>

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

May 2018 Estimate Compared to November 2017 Estimate, Total Funds

	<u>Nov. 2017 Est. FY 2017-18</u>	<u>May 2018 Est. FY 2017-18</u>	<u>Difference Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 113,788,000	\$ 88,326,000	\$ (25,462,000)
2. Policy Changes	\$ 3,341,200	\$ 20,223,900	\$ 16,882,700
	-----	-----	-----
Total for Services	\$ 117,129,200	\$ 108,549,900	\$ (8,579,300)
Fiscal Intermediary	\$ 23,000	\$ 32,000	\$ 9,000
	-----	-----	-----
Total GHPP Program	\$ 117,152,200	\$ 108,581,900	\$ (8,570,300)

May 2018 Estimate Compared to November 2017 Estimate, General Fund

	<u>Nov. 2017 Est. FY 2017-18</u>	<u>May 2018 Est. FY 2017-18</u>	<u>Difference Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 113,788,000	\$ 88,326,000	\$ (25,462,000)
2. Policy Changes	\$ (15,093,500)	\$ 746,300	\$ 15,839,800
	-----	-----	-----
Total for Services	\$ 98,694,500	\$ 89,072,300	\$ (9,622,200)
Fiscal Intermediary	\$ 23,000	\$ 32,000	\$ 9,000
	-----	-----	-----
Total GHPP Program	\$ 98,717,500	\$ 89,104,300	\$ (9,613,200)

May 2018 Estimate Compared to November 2017 Estimate, Federal Funds

	<u>Nov. 2017 Est. FY 2017-18</u>	<u>May 2018 Est. FY 2017-18</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
Fiscal Year 2018-19**

May 2018 Estimate Compared to November 2017 Estimate, Total Funds

	<u>Nov. 2017 Est.</u> <u>FY 2018-19</u>	<u>May 2018 Est.</u> <u>FY 2018-19</u>	<u>Difference</u> <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 121,767,000	\$ 92,649,000	\$ (29,118,000)
2. Policy Changes	\$ 11,058,200	\$ 62,282,700	\$ 51,224,500
	-----	-----	-----
Total	\$ 132,825,200	\$ 154,931,700	\$ 22,106,500
 Fiscal Intermediary	 \$ 24,000	 \$ 32,000	 \$ 8,000
	-----	-----	-----
Total GHPP Program	\$ 132,849,200	\$ 154,963,700	\$ 22,114,500

May 2018 Estimate Compared to November 2017 Estimate, General Fund

	<u>Nov. 2017 Est.</u> <u>FY 2018-19</u>	<u>May 2018 Est.</u> <u>FY 2018-19</u>	<u>Difference</u> <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 121,767,000	\$ 92,649,000	\$ (29,118,000)
2. Policy Changes	\$ (3,464,500)	\$ 45,546,100	\$ 49,010,600
	-----	-----	-----
Total for Services	\$ 118,302,500	\$ 138,195,100	\$ 19,892,600
 Fiscal Intermediary	 \$ 24,000	 \$ 32,000	 \$ 8,000
	-----	-----	-----
Total GHPP Program	\$ 118,326,500	\$ 138,227,100	\$ 19,900,600

May 2018 Estimate Compared to November 2017 Estimate, Federal Funds

	<u>Nov. 2017 Est.</u> <u>FY 2018-19</u>	<u>May 2018 Est.</u> <u>FY 2018-19</u>	<u>Difference</u> <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
Funding Sources By Component
Current Year vs Budget Year

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

	May 2018 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2018-19</u>	Difference <u>Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 88,326,000	\$ 92,649,000	\$ 4,323,000
2. Policy Changes	\$ 20,223,900	\$ 62,282,700	\$ 42,058,800
Total for Services	\$ 108,549,900	\$ 154,931,700	\$ 46,381,800
Fiscal Intermediary	\$ 32,000	\$ 32,000	\$ 0
Total GHPP Program	\$ 108,581,900	\$ 154,963,700	\$ 46,381,800

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

	May 2018 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2018-19</u>	Difference <u>Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 88,326,000	\$ 92,649,000	\$ 4,323,000
2. Policy Changes	\$ 746,300	\$ 45,546,100	\$ 44,799,800
Total for Services	\$ 89,072,300	\$ 138,195,100	\$ 49,122,800
Fiscal Intermediary	\$ 32,000	\$ 32,000	\$ 0
Total GHPP Program	\$ 89,104,300	\$ 138,227,100	\$ 49,122,800

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

	May 2018 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2018-19</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>
2016-17 Actuals	Hemophilia	360	\$ 290,600	\$ 104,598,000
	Cystic Fibrosis	322	33,000	10,629,000
	Sickle Cell	95	4,700	442,000
	Huntington's	70	3,200	224,000
	Metabolic 2/	48	5,600	267,000
		895	\$ 129,800	\$ 116,160,000
2017-18 Estimate	Hemophilia	300	\$ 260,700	\$ 78,213,000
	Cystic Fibrosis	254	36,500	9,277,000
	Sickle Cell	72	7,800	565,000
	Huntington's	44	4,000	174,000
	Metabolic 2/	33	2,900	97,000
		703	\$ 125,600	\$ 88,326,000
2018-19 Estimate	Hemophilia	302	\$ 271,900	\$ 82,128,000
	Cystic Fibrosis	262	36,800	9,638,000
	Sickle Cell	78	6,600	518,000
	Huntington's	46	4,100	188,000
	Metabolic 2/	33	5,400	177,000
		721	\$ 128,500	\$ 92,649,000

1/ Actual expenditure data is complete through January 2018.

Actual caseload data is complete through January 2018.

2/ Metabolic conditions category includes Von Hippel Lindau syndrome.

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

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

	Nov. 2017 Est. FY 2017-18	May 2018 Est. FY 2017-18	Difference Incr./Decr.)
Hemophilia	\$ 101,264,000	\$ 78,213,000	\$ (23,051,000)
Cystic Fibrosis	11,367,000	9,277,000	(2,090,000)
Sickle Cell	558,000	565,000	7,000
Huntington's	355,000	174,000	(181,000)
Metabolic	244,000	97,000	(147,000)
TOTAL	\$ 113,788,000	\$ 88,326,000	\$ (25,462,000)

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

	May 2018 Est. FY 2017-18	May 2018 Est. FY 2018-19	Difference Incr./Decr.)
Hemophilia	\$ 78,213,000	\$ 82,128,000	\$ 3,915,000
Cystic Fibrosis	9,277,000	9,638,000	361,000
Sickle Cell	565,000	518,000	(47,000)
Huntington's	174,000	188,000	14,000
Metabolic	97,000	177,000	80,000
TOTAL	\$ 88,326,000	\$ 92,649,000	\$ 4,323,000

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

	Nov. 2017 Est. FY 2018-19	May 2018 Est. FY 2018-19	Difference Incr./Decr.)
Hemophilia	\$ 109,217,000	\$ 82,128,000	\$ (27,089,000)
Cystic Fibrosis	11,391,000	9,638,000	(1,753,000)
Sickle Cell	550,000	518,000	(32,000)
Huntington's	348,000	188,000	(160,000)
Metabolic	261,000	177,000	(84,000)
TOTAL	\$ 121,767,000	\$ 92,649,000	\$ (29,118,000)

GENETICALLY HANDICAPPED PERSONS PROGRAM
Current and Budget Year Base Estimates Compared to Appropriation

FY 2017-18, May 2018 Estimate Compared to Appropriation

	Appropriation FY 2017-18	May 2018 Est. FY 2017-18	Difference Incr./(Decr.)
Hemophilia	\$ 131,855,000	\$ 78,213,000	(\$ 53,642,000)
Cystic Fibrosis	10,362,000	9,277,000	(1,085,000)
Sickle Cell	375,000	565,000	190,000
Huntington's	217,000	174,000	(43,000)
Metabolic	212,000	97,000	(115,000)
TOTAL	\$ 143,021,000	\$ 88,326,000	(\$ 54,695,000)

May 2018 Estimate for FY 2018-19 Compared to FY 2017-18 Appropriation

	Appropriation FY 2017-18	May 2018 Est. FY 2018-19	Difference Incr./(Decr.)
Hemophilia	\$ 131,855,000	\$ 82,128,000	(\$ 49,727,000)
Cystic Fibrosis	10,362,000	9,638,000	(724,000)
Sickle Cell	375,000	518,000	143,000
Huntington's	217,000	188,000	(29,000)
Metabolic	212,000	177,000	(35,000)
TOTAL	\$ 143,021,000	\$ 92,649,000	(\$ 50,372,000)

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

Fiscal Year 2017-18

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	638	338	300
Cystic Fibrosis	473	219	254
Sickle Cell	303	231	72
Huntington's	135	91	44
Metabolic	<u>148</u>	<u>115</u>	<u>33</u>
Total	1,697	994	703

Fiscal Year 2018-19

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	653	351	302
Cystic Fibrosis	482	220	262
Sickle Cell	309	231	78
Huntington's	136	90	46
Metabolic	<u>152</u>	<u>119</u>	<u>33</u>
Total	1,732	1,011	721

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

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

	Nov. 2017 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2017-18</u>	Difference <u>Incr./((Decr.)</u>
Hemophilia	287	300	13
Cystic Fibrosis	240	254	14
Sickle Cell	57	72	15
Huntington's	39	44	5
Metabolic	<u>32</u>	<u>33</u>	<u>1</u>
Total	655	703	48

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

	May 2018 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2018-19</u>	Difference <u>Incr./((Decr.)</u>
Hemophilia	300	302	2
Cystic Fibrosis	254	262	8
Sickle Cell	72	78	6
Huntington's	44	46	2
Metabolic	<u>33</u>	<u>33</u>	<u>0</u>
Total	703	721	18

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

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

	Nov. 2017 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2017-18</u>	Difference <u>Incr./((Decr.)</u>
Hemophilia	338	338	0
Cystic Fibrosis	230	219	(11)
Sickle Cell	248	231	(17)
Huntington's	96	91	(5)
Metabolic	<u>114</u>	<u>115</u>	<u>1</u>
Total	1,026	994	(32)

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

	May 2018 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2018-19</u>	Difference <u>Incr./((Decr.)</u>
Hemophilia	338	351	13
Cystic Fibrosis	219	220	1
Sickle Cell	231	231	0
Huntington's	91	90	(1)
Metabolic	<u>115</u>	<u>119</u>	<u>4</u>
Total	994	1,011	17

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

Fiscal Year 2017-18, Comparison of May 2018 and November 2017 Estimates								
<u>POLICY CHG.</u>		NOVEMBER 2017 ESTIMATE		MAY 2018 ESTIMATE		DIFFERENCE, Incr./((Decr.)		
<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>
Other	1	ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$23,000	\$23,000	\$32,000	\$32,000	\$9,000	\$9,000
Benefits	3	BLOOD FACTOR DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	GHPP PREMIUM COSTS	\$44,000	\$44,000	\$40,000	\$40,000	-\$4,000	-\$4,000
Benefits	5	GHPP PREMIUM SAVINGS	-\$303,600	-\$303,600	-\$101,400	-\$101,400	\$202,200	\$202,200
Benefits	6	NEW HIGH COST TREATMENTS - GHPP	\$3,600,800	\$3,600,800	\$659,300	\$659,300	-\$2,941,500	-\$2,941,500
Benefits	7	GHPP TREATMENT COSTS ADJUSTMENT	\$0	\$0	\$19,626,000	\$19,626,000	\$19,626,000	\$19,626,000
GHPP TOTAL			\$3,364,200	\$3,364,200	\$20,255,900	\$20,255,900	\$16,891,700	\$16,891,700

Fiscal Year 2018-19, Comparison of May 2018 and November 2017 Estimates								
<u>POLICY CHG.</u>		NOVEMBER 2017 ESTIMATE		MAY 2018 ESTIMATE		DIFFERENCE, Incr./((Decr.)		
<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>
Other	1	ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$24,000	\$24,000	\$32,000	\$32,000	\$8,000	\$8,000
Benefits	3	BLOOD FACTOR DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	GHPP PREMIUM COSTS	\$61,000	\$61,000	\$56,000	\$56,000	-\$5,000	-\$5,000
Benefits	5	GHPP PREMIUM SAVINGS	-\$851,500	-\$851,500	-\$566,400	-\$566,400	\$285,100	\$285,100
Benefits	6	NEW HIGH COST TREATMENTS - GHPP	\$11,848,700	\$11,848,700	\$2,793,100	\$2,793,100	-\$9,055,600	-\$9,055,600
Benefits	7	GHPP TREATMENT COSTS ADJUSTMENT	\$0	\$0	\$60,000,000	\$60,000,000	\$60,000,000	\$60,000,000
GHPP TOTAL			\$11,082,200	\$11,082,200	\$62,314,700	\$62,314,700	\$51,232,500	\$51,232,500

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 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$477,600	-\$477,600
	- ENROLLMENT FEES FUND	\$477,600	\$477,600
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$477,600	-\$477,600
	- ENROLLMENT FEES FUND	\$477,600	\$477,600

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:

Enrollment fees collected through December 2017 are higher than previously projected, resulting in an increase in estimated expenditures for FY 2017-18 and FY 2018-19 over the prior estimate. There is no change between FY 2017-18 and FY 2018-19.

Methodology:

1. Enrollment fees of \$472,548 were collected in FY 2016-17 and \$243,901 have been collected through December of FY 2017-18. Averaging the fees collected in these 18 months, the estimated enrollment fees for FY 2017-18 and FY 2018-19 are \$477,600.

FY 2017-18: $$(472,548 + 243,901) \div 18 \times 12 = \$477,633$ (\$477,600 GF)

FY 2018-19: $$(472,548 + 243,901) \div 18 \times 12 = \$477,633$ (\$477,600 GF)

Funding:

100% GF (4260-111-0001)

FISCAL INTERMEDIARY EXPENDITURES - GHPP

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

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

Purpose:

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

Authority:

Health & Safety Code 125130

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

The change from the prior estimate, for FY 2017-18 and FY 2018-19, is an overall increase due to updated projected ACLs and updated average costs per ACLs. There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

1. The estimated medical FI administrative costs are:

FY 2017-18	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	34,045	\$ 0.65	\$ 22,000
Online ACLs	45,165	\$ 0.18	\$ 8,000
Total FY 2017-18			\$ 30,000

FY 2018-19	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	34,917	\$ 0.64	\$ 22,000
Online ACLs	46,321	\$ 0.18	\$ 8,000
Total FY 2017-18			\$ 30,000

2. The estimated dental FI administrative costs are:

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

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

Type	FY 2017-18	FY 2018-19
Medical	\$ 30,000	\$ 30,000
Dental	\$ 2,000	\$ 2,000
Total	\$ 32,000	\$ 32,000

Funding:

100% GF (4260-111-0001)

BLOOD FACTOR DRUG REBATES

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$19,000,000	-\$16,259,000
	- REBATE SPECIAL FUND	\$19,000,000	\$16,259,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$19,000,000	-\$16,259,000
	- REBATE SPECIAL FUND	\$19,000,000	\$16,259,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

The change from the prior estimate, for FY 2017-18 and FY 2018-19, is an increase due to a change in methodology to base the estimate on actual collections.

The change from FY 2017-18 to FY 2018-19, in the current estimate, is due to the continued trending of fewer rebates. The data has shown GHPP clients shifting away from blood factor products and to a use of long-lasting and lower cost drugs.

Methodology:

1. Rebate projections for FY 2017-18 and FY 2018-19 are based on actual collections during FY 2017-18.
2. For FY 2017-18, assume the collections from July through December 2017 will continue through June 2018.
3. For FY 2018-19, assume the percentage change from FY 2016-17 to FY 2017-18 is applied to FY 2017-18.
4. The Department anticipates to collect \$19,000,000 in FY 2017-18 and \$16,259,000 in FY 2018-19 for GHPP rebates.

Funding:

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

GHPP PREMIUM COSTS

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$40,000	\$56,000
	- GENERAL FUND	\$40,000	\$56,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$40,000	\$56,000
	- GENERAL FUND	\$40,000	\$56,000

Purpose:

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

Authority:

Health & Safety Code 125157(c)

Interdependent Policy Changes:

GHPP Premium Savings

Background:

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

There is no significant change in overall costs for FY 2017-18 and FY 2018-19 from the prior estimate. The change between FY 2017-18 and FY 2018-19 in the current estimate is due to three additional clients projected to enroll in FY 2018-19.

Methodology:

1. Assume the premium costs are \$140 per Hemophilia enrollee, \$490 per Cystic Fibrosis enrollee, and \$860 per Sickle Cell enrollee per month based on current enrollment.
2. As of December 2017, five clients are participating in the program. The total member months for clients enrolled during FY 2017-18 are:

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	3	0
Cystic Fibrosis	36	36
Sickle Cell	24	24

3. Assume two new clients will enroll in FY 2017-18. The estimated member months for additional clients are:

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	5	12
Cystic Fibrosis	2	12

4. Assume three new clients will enroll in FY 2018-19. The estimated member months for additional clients are:

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

5. Total Member Months:

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	8	23
Cystic Fibrosis	38	56
Sickle Cell	24	29
Total	70	108

6. Projected Premium Payments (Rounded):

	FY 2017-18	FY 2018-19
Total Funds	\$ 40,000	\$ 56,000
General Funds	\$ 40,000	\$ 56,000

Funding:

100% GF (4260-111-0001)

GHPP PREMIUM SAVINGS

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	-\$305,000	-\$709,000
	- GENERAL FUND	-\$305,000	-\$709,000
PAYMENT LAG		0.9481	0.9732
% REFLECTED IN BASE		64.92%	17.92%
APPLIED TO BASE	- TOTAL FUNDS	-\$101,400	-\$566,400
	- GENERAL FUND	-\$101,400	-\$566,400

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:

Savings decreased for both FY 2017-18 and FY 2018-19 from the prior estimate due to lower estimated enrollment and cost per case. The change between FY 2017-18 and FY 2018-19 in the current estimate is due to three additional clients projected to enroll in FY 2018-19.

Methodology:

1. As of December 2017, five clients are participating in the program. The total member months for clients enrolled during FY 2017-18 are shown on the next page:

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	3	0
Cystic Fibrosis	36	36
Sickle Cell	24	24

2. Assume two new clients will enroll in FY 2017-18. The estimated member months are:

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	5	12
Cystic Fibrosis	2	12

3. Assume three new clients will enroll in FY 2018-19. The estimated member months for additional clients are:

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

4. Total Member Months:

	Member Months	
	FY 2017-18	FY 2018-19
Hemophilia	8	23
Cystic Fibrosis	38	56
Sickle Cell	24	29
Total	70	108

5. Assume the savings per client enrolled is equal to the Annual Cost per Case in the May 2018 Family Health Estimate:

	FY 2017-18	FY 2018-19
Hemophilia	\$ 260,700	\$ 271,900
Cystic Fibrosis	\$ 36,500	\$ 36,800
Sickle Cell	\$ 7,800	\$ 6,600

6. Projected Savings (Rounded):

	FY 2017-18	FY 2018-19
Total Funds	\$ 305,000	\$ 709,000
General Funds	\$ 305,000	\$ 709,000

Funding:

100% GF (4260-111-0001)

NEW HIGH COST TREATMENTS - GHPP

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$1,127,000	\$3,212,000
	- GENERAL FUND	\$1,127,000	\$3,212,000
PAYMENT LAG		0.9000	0.9630
% REFLECTED IN BASE		35.00%	9.70%
APPLIED TO BASE	- TOTAL FUNDS	\$659,300	\$2,793,100
	- GENERAL FUND	\$659,300	\$2,793,100

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

Recently approved FDA treatments and services are:

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

Reason for Change:

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

Methodology:

1. The cost of Orkambi for FY 2016-17 was \$230,000 per beneficiary per year.
2. Based on actuals, assume a 5% increase in Orkambi costs per beneficiary per year.
 FY 2017-18: \$230,000 + 5% = \$242,000
 FY 2018-19: \$242,000 + 5% = \$254,000
3. Assume a 24-month straight line phase-in of eligible beneficiaries beginning July 1, 2017. There was a two year delay and slower than anticipated growth in recipients for the GHPP population. The phase-in timeline is also different than other populations (Medi-Cal and CCS).
4. Assume 16 GHPP beneficiaries will be prescribed Orkambi by the end of FY 2018-19.
5. The cost of Orkambi for FY 2017-18 and FY 2018-19 is estimated to be:

Fiscal Year	TF	GF
FY 2017-18	\$1,127,000	\$1,127,000
FY 2018-19	\$3,212,000	\$3,212,000

Funding:

100% General Fund (4260-111-0001)

GHPP TREATMENT COSTS ADJUSTMENT

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 2/2018
ANALYST: Celine Donaldson

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$19,626,000	\$60,000,000
	- GENERAL FUND	\$19,626,000	\$60,000,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$19,626,000	\$60,000,000
	- GENERAL FUND	\$19,626,000	\$60,000,000

Purpose

This policy change estimates the cost of retroactive payments for treatment expenditures resulting from delayed enrollment processing.

Authority

Health & Safety Code 12125-125191

Interdependent Policy Changes:

Not Applicable

Background

Starting August 2017, the Department has experienced a delay in processing enrollment applications for GHPP clients resulting in a decline in treatment expenditures for FY 2017-18. The Department anticipates an increase in treatment expenditures incurred while client applications are pending determination.

Reason for Change

This is an new policy change.

Methodology

1. May 2018 base treatment expenditures are current (actual) through January 2018.
2. Assume additional expenditures of \$19,626,000 for February through June 2018 and \$60,000,000 for FY 2018-19.

Fiscal Year	TF	GF
FY 2017-18	\$19,626,000	\$19,626,000
FY 2018-19	\$60,000,000	\$60,000,000

Funding:

100% General Fund (4260-111-0001)

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

Total				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	1,808	925	883	\$ 34,674,750
2	1,811	942	869	31,442,362
3	1,848	953	895	26,467,738
4	1,874	958	916	29,451,404
2015-16	1,836	944	892	\$ 122,037,000
1	1,909	970	939	\$ 32,219,544
2	1,922	986	936	28,800,301
3	1,949	999	950	27,241,322
4	1,756	1,008	748	27,899,487
2016-17	1,885	990	895	\$ 116,160,000
1	1,668	996	672	\$ 22,092,590
2	1,693	991	702	22,862,554
3	1,710	989	721	20,477,959
4	1,717	998	719	22,893,192
2017-18	1,697	994	703	\$ 88,326,000
1	1,723	1,002	721	\$ 23,000,823
2	1,730	1,008	722	23,108,457
3	1,735	1,013	722	23,216,088
4	1,740	1,017	723	23,323,721
2018-19	1,732	1,011	721	\$ 92,649,000

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

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

Hemophilia				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	640	295	345	\$ 32,983,050
2	646	302	344	29,368,119
3	658	304	354	24,561,594
4	671	304	367	26,507,759
2015-16	654	301	353	\$ 113,421,000
1	678	306	372	\$ 29,643,757
2	689	316	373	26,202,574
3	702	323	379	23,895,827
4	646	331	315	24,855,943
2016-17	679	319	360	\$ 104,598,000
1	626	332	294	\$ 19,421,733
2	638	337	301	20,565,718
3	643	340	303	17,962,708
4	645	343	302	20,262,807
2017-18	638	338	300	\$ 78,213,000
1	648	346	302	\$ 20,370,438
2	651	349	302	20,478,072
3	654	352	302	20,585,703
4	657	355	302	20,693,336
2018-19	653	351	302	\$ 82,128,000

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

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

Cystic Fibrosis

<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	540	212	328	\$ 1,396,325
2	538	215	323	1,883,101
3	549	218	331	1,766,800
4	558	218	340	2,842,069
2015-16	547	216	331	\$ 7,888,000
1	564	221	343	\$ 2,430,406
2	558	223	335	2,360,433
3	567	229	338	3,071,635
4	499	228	271	2,766,736
2016-17	547	225	322	\$ 10,629,000
1	466	221	245	\$ 2,397,702
2	472	219	253	2,149,652
3	478	218	260	2,320,340
4	479	219	260	2,409,558
2017-18	473	219	254	\$ 9,277,000
1	480	219	261	\$ 2,409,558
2	482	220	262	2,409,558
3	483	220	263	2,409,558
4	484	220	264	2,409,558
2018-19	482	220	262	\$ 9,638,000

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

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

Sickle Cell

<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	329	230	99	\$ 279,666
2	332	237	95	134,498
3	338	240	98	102,792
4	338	241	97	92,891
2015-16	334	237	97	\$ 610,000
1	346	246	100	\$ 72,367
2	349	249	100	119,945
3	349	245	104	118,988
4	316	242	74	130,992
2016-17	340	245	95	\$ 442,000
1	298	237	61	\$ 191,757
2	301	229	72	112,426
3	306	228	78	131,521
4	308	230	78	129,552
2017-18	303	231	72	\$ 565,000
1	308	230	78	\$ 129,552
2	309	231	78	129,552
3	310	232	78	129,552
4	310	232	78	129,552
2018-19	309	231	78	\$ 518,000

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

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

Huntington				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	165	95	70	\$ 580
2	163	94	69	879
3	166	94	72	1,265
4	168	95	73	1,901
2015-16	165	94	71	\$ 5,000
1	171	95	76	\$ 23,495
2	172	96	76	51,760
3	172	96	76	77,474
4	146	96	50	71,634
2016-17	166	96	70	\$ 224,000
1	133	92	41	\$ 69,712
2	135	91	44	25,582
3	135	89	46	31,397
4	136	90	46	46,923
2017-18	135	91	44	\$ 174,000
1	136	90	46	\$ 46,923
2	136	90	46	46,923
3	136	90	46	46,923
4	136	90	46	46,923
2018-19	136	90	46	\$ 188,000

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

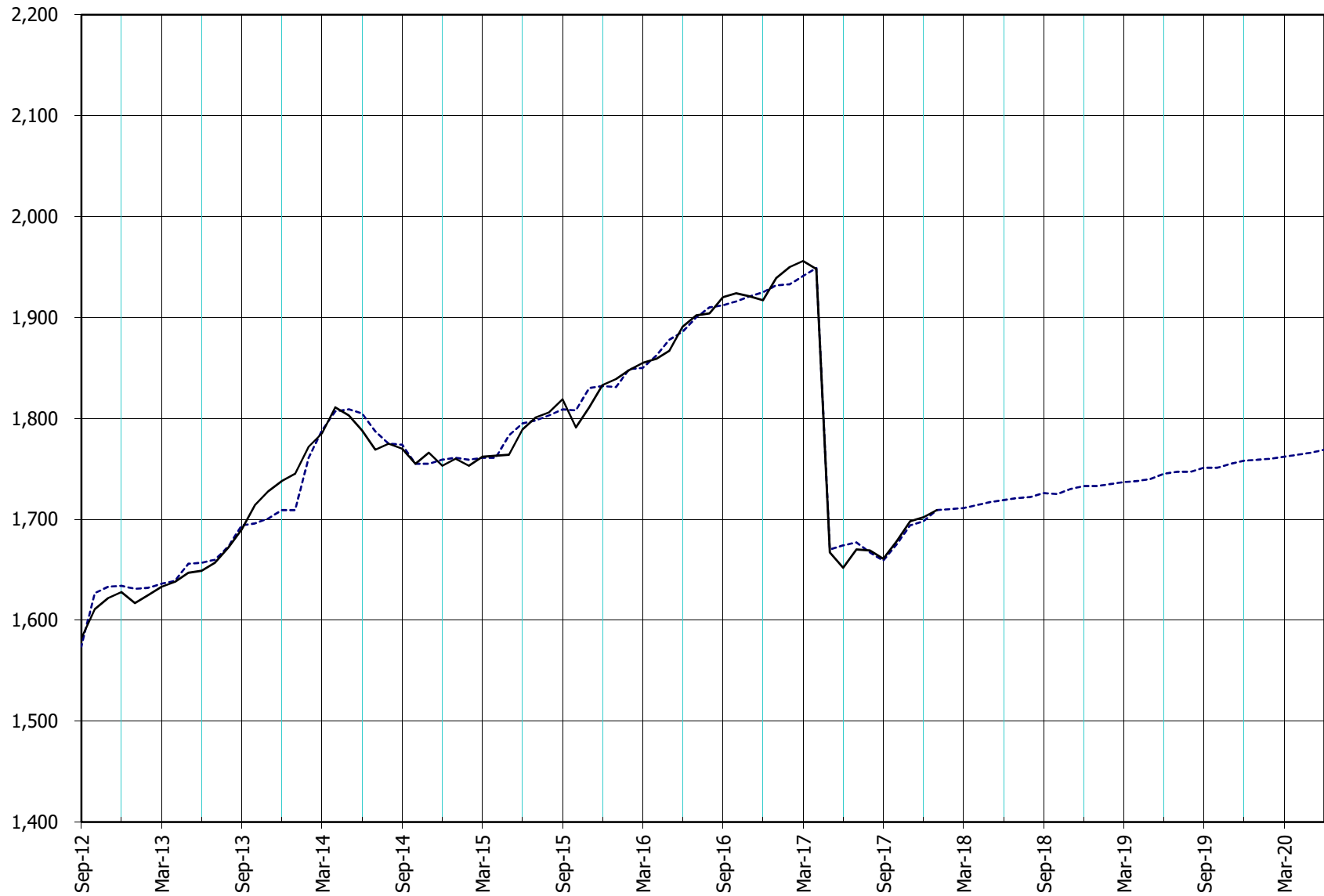
**GHPP Trend Report
(Includes Actuals & Projected Base Values)**

Metabolic				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	134	93	41	\$ 15,129
2	132	94	38	55,765
3	137	97	40	35,287
4	139	100	39	6,784
2015-16	136	96	40	\$ 113,000
1	150	102	48	\$ 49,519
2	154	102	52	65,589
3	159	106	53	77,398
4	149	111	38	74,182
2016-17	153	105	48	\$ 267,000
1	145	114	31	\$ 11,686
2	147	115	32	9,176
3	148	114	34	31,993
4	149	116	33	44,352
2017-18	148	115	33	\$ 97,000
1	151	117	34	\$ 44,352
2	152	118	34	44,352
3	152	119	33	44,352
4	153	120	33	44,352
2018-19	152	119	33	\$ 177,000

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

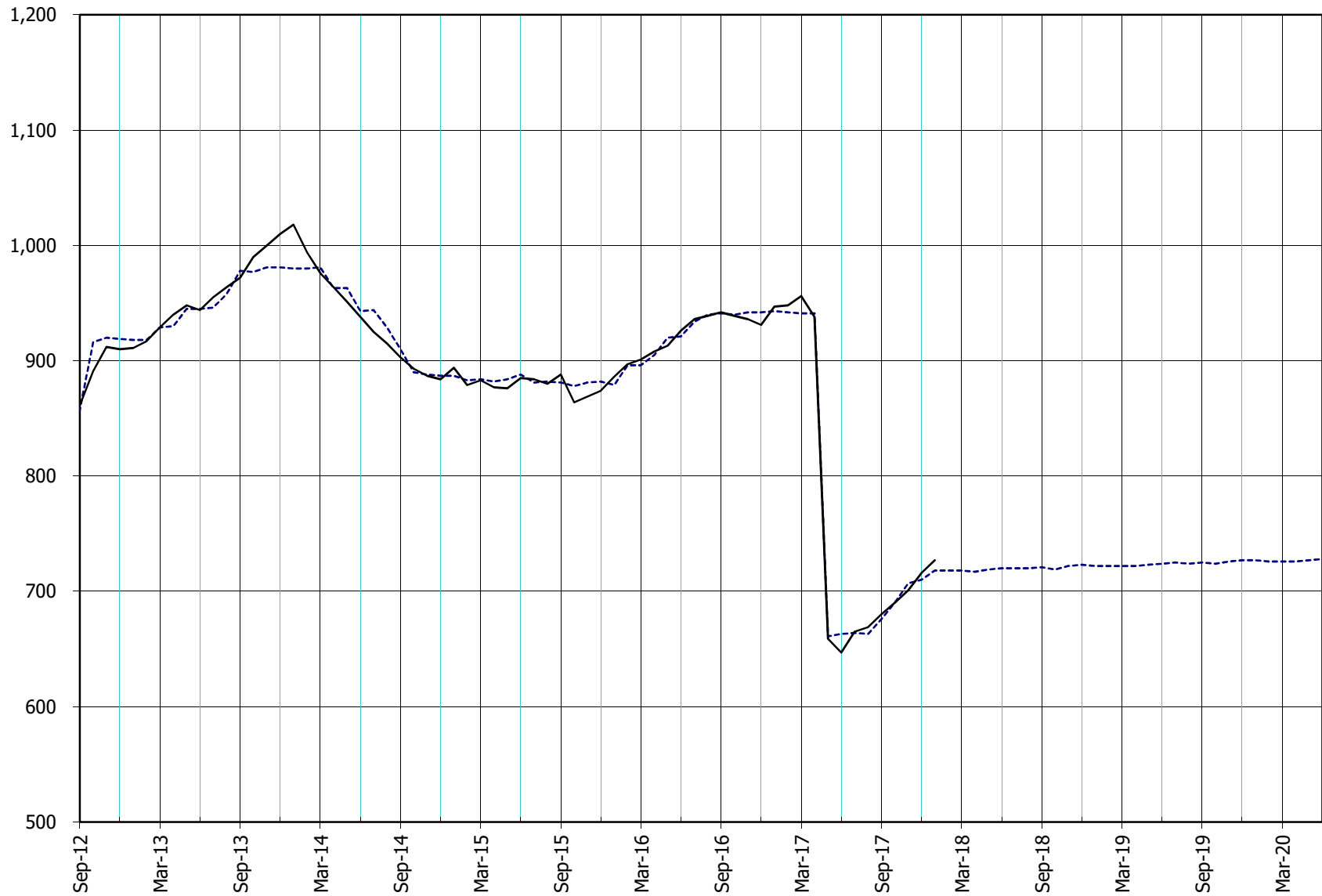
GHPP Total Eligibles

Estimated
Actuals



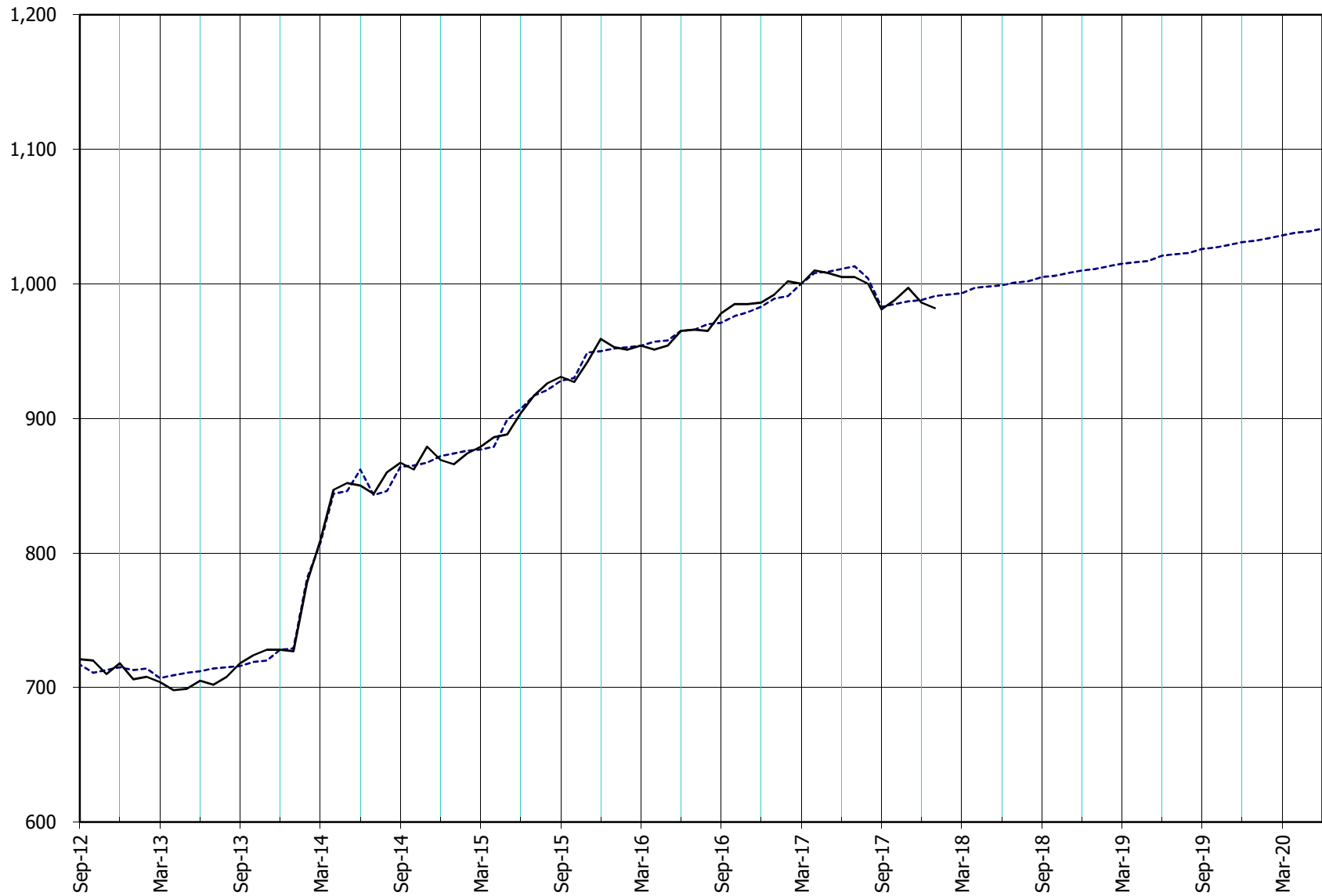
GHPP State Eligibles

Estimated
Actuals



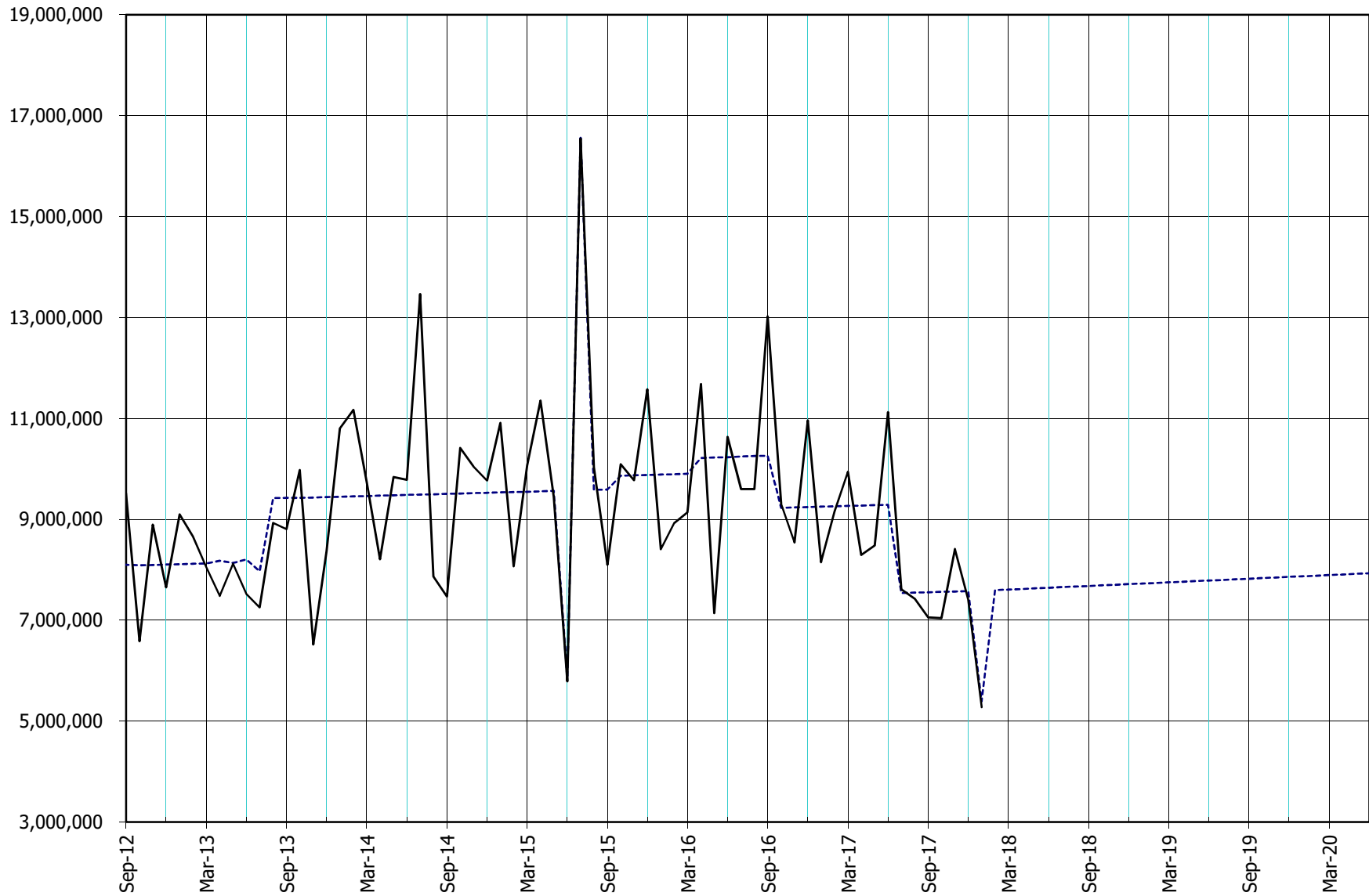
GHPP Medi-Cal Eligibles

Estimated
Actuals



GHPP State-Only Monthly Expenditures

Estimated
Actuals



EVERY WOMAN COUNTS PROGRAM

Funding Summary

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

	Nov. 2017 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2017-18</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	27,000	26,280	(720)
Net Dollars:			
4260-114-0001 (General Fund)	\$6,000,000	\$4,500,000	(\$1,500,000)
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-114-0890 (CDC)	\$4,509,000	\$5,128,000	\$619,000
Total	<u>\$32,936,000</u>	<u>\$32,055,000</u>	<u>(\$881,000)</u>

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

	Nov. 2017 Est. <u>FY 2018-19</u>	May 2018 Est. <u>FY 2018-19</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	27,000	26,420	(580)
Net Dollars:			
4260-114-0001 (General Fund)	\$8,962,000	\$5,608,000	(\$3,354,000)
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)	\$4,509,000	\$5,128,000	\$619,000
Total	<u>\$35,975,000</u>	<u>\$33,240,000</u>	<u>(\$2,735,000)</u>

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

	May 2018 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2018-19</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	26,280	26,420	140
Net Dollars:			
4260-114-0001 (General Fund)	\$4,500,000	\$5,608,000	\$1,108,000
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,989,000	\$77,000
4260-114-0890 (CDC)	\$5,128,000	\$5,128,000	\$0
Total	<u>\$32,055,000</u>	<u>\$33,240,000</u>	<u>\$1,185,000</u>

EVERY WOMAN COUNTS PROGRAM Funding Summary

FY 2017-18, May 2018 Estimate Compared to Appropriation

	<u>Appropriation FY 2017-18</u>	<u>May 2018 Est. FY 2017-18</u>	<u>Difference Incr./(Decr.)</u>
Caseload:	24,500	26,280	1,780
Net Dollars:			
4260-114-0001 (General Fund)	\$87,000	\$4,500,000	\$4,413,000
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,912,000	\$0
4260-114-0890 (CDC)	\$4,509,000	\$5,128,000	\$619,000
Total	<u>\$27,023,000</u>	<u>\$32,055,000</u>	<u>\$5,032,000</u>

May 2018 Estimate, FY 2018-19 Compared to FY 2017-18 Appropriation

	<u>Appropriation FY 2017-18</u>	<u>May 2018 Est. FY 2018-19</u>	<u>Difference Incr./(Decr.)</u>
Caseload:²	24,500	26,420	1,920
Net Dollars:			
4260-114-0001 (General Fund)	\$87,000	\$5,608,000	\$5,521,000
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,912,000	\$7,989,000	\$77,000
4260-114-0890 (CDC)	\$4,509,000	\$5,128,000	\$619,000
Total	<u>\$27,023,000</u>	<u>\$33,240,000</u>	<u>\$6,217,000</u>

² The May 2018 caseload estimate is based on updated data through January 2018.

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

EVERY WOMAN COUNTS PROGRAM**Funding Sources By Component****Fiscal Year 2017-18****May 2018 Estimate Compared to November 2017 Estimate, Total Funds**

	Nov. 2017 Est.	May 2018 Est.	Difference
	<u>FY 2017-18</u>	<u>FY 2017-18</u>	<u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 28,493,000	\$ 27,656,000	\$ (837,000)
2. Policy Changes	\$ 3,427,800	\$ 3,373,000	\$ (54,800)
	-----	-----	-----
Total for Services	\$ 31,920,800	\$ 31,029,000	\$ (891,800)
Fiscal Intermediary	\$ 1,015,000	\$ 1,026,000	\$ 11,000
	-----	-----	-----
Total EWC Program	\$ 32,935,800	\$ 32,055,000	\$ (880,800)

May 2018 Estimate Compared to November 2017 Estimate, General Fund

	Nov. 2017 Est.	May 2018 Est.	Difference
	<u>FY 2017-18</u>	<u>FY 2017-18</u>	<u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 28,493,000	\$ 27,656,000	\$ (837,000)
2. Policy Changes	\$ (23,508,200)	\$ (24,182,000)	\$ (673,800)
	-----	-----	-----
Total for Services	\$ 4,984,800	\$ 3,474,000	\$ (1,510,800)
Fiscal Intermediary	\$ 1,015,000	\$ 1,026,000	\$ 11,000
	-----	-----	-----
Total EWC Program	\$ 5,999,800	\$ 4,500,000	\$ (1,499,800)

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Fiscal Year 2018-19

May 2018 Estimate Compared to November 2017 Estimate, Total Funds

	Nov. 2017 Est.	May 2018 Est.	Difference
	<u>FY 2018-19</u>	<u>FY 2018-19</u>	<u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 31,560,000	\$ 28,847,000	\$ (2,713,000)
2. Policy Changes	\$ 3,408,600	\$ 3,373,000	\$ (35,600)
	-----	-----	-----
Total for Services	\$ 34,968,600	\$ 32,220,000	\$ (2,748,600)
Fiscal Intermediary	\$ 1,006,000	\$ 1,020,000	\$ 14,000
	-----	-----	-----
Total EWC Program	\$ 35,974,600	\$ 33,240,000	\$ (2,734,600)

May 2018 Estimate Compared to November 2017 Estimate, General Funds

	Nov. 2017 Est.	May 2018 Est.	Difference
	<u>FY 2018-19</u>	<u>FY 2018-19</u>	<u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 31,560,000	\$ 28,847,000	\$ (2,713,000)
2. Policy Changes	\$ (23,604,400)	\$ (24,259,000)	\$ (654,600)
	-----	-----	-----
Total for Services	\$ 7,955,600	\$ 4,588,000	\$ (3,367,600)
Fiscal Intermediary	\$ 1,006,000	\$ 1,020,000	\$ 14,000
	-----	-----	-----
Total EWC Program	\$ 8,961,600	\$ 5,608,000	\$ (3,353,600)

Notes:

1) Projections are based on cash basis.

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

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

	May 2018 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2018-19</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 27,656,000	\$ 28,847,000	\$ 1,191,000
2. Policy Changes	\$ 3,373,000	\$ 3,373,000	\$ 0
	-----	-----	-----
Total for Services	\$ 31,029,000	\$ 32,220,000	\$ 1,191,000
Fiscal Intermediary	\$ 1,026,000	\$ 1,020,000	\$ (6,000)
	-----	-----	-----
Total EWC Program	\$ 32,055,000	\$ 33,240,000	\$ 1,185,000

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

	May 2018 Est. <u>FY 2017-18</u>	May 2018 Est. <u>FY 2018-19</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 27,656,000	\$ 28,847,000	\$ 1,191,000
2. Policy Changes	\$ (24,182,000)	\$ (24,259,000)	\$ (77,000)
	-----	-----	-----
Total for Services	\$ 3,474,000	\$ 4,588,000	\$ 1,114,000
Fiscal Intermediary	\$ 1,026,000	\$ 1,020,000	\$ (6,000)
	-----	-----	-----
Total EWC Program	\$ 4,500,000	\$ 5,608,000	\$ 1,108,000

Notes:

1) Projections are based on cash basis.

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

Fiscal Year 2017-18, Comparison of May 2018 and November 2017 Estimates

POLICY CHG.			NOVEMBER 2017 ESTIMATE		MAY 2018 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	\$1,015,000	\$1,015,000	\$1,026,000	\$1,026,000	\$11,000	\$11,000
Other	2	CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	\$0	\$0	\$0	\$0	\$0
Other	3	BREAST CANCER CONTROL ACCOUNT	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	CENTERS FOR DISEASE CONTROL AND PREVENTION FUND	\$0	-\$4,509,000	\$0	-\$5,128,000	\$0	-\$619,000
Benefits	5	CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR	\$16,000	\$16,000	\$16,000	\$16,000	\$0	\$0
Benefits	6	REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	7	SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION	\$300,000	\$300,000	\$300,000	\$300,000	\$0	\$0
Benefits	8	AB 1795 ELIGIBILITY EXPANSION	\$54,800	\$54,800	\$0	\$0	-\$54,800	-\$54,800
EWC TOTAL			\$4,442,800	-\$66,200	\$4,399,000	-\$729,000	-\$43,800	-\$662,800

Fiscal Year 2018-19, Comparison of May 2018 and November 2017 Estimates

POLICY CHG.			NOVEMBER 2017 ESTIMATE		MAY 2018 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	\$1,006,000	\$1,006,000	\$1,020,000	\$1,020,000	\$14,000	\$14,000
Other	2	CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	\$0	\$0	\$0	\$0	\$0
Other	3	BREAST CANCER CONTROL ACCOUNT	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	CENTERS FOR DISEASE CONTROL AND PREVENTION FUND	\$0	-\$4,509,000	\$0	-\$5,128,000	\$0	-\$619,000
Benefits	5	CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR	\$16,000	\$16,000	\$16,000	\$16,000	\$0	\$0
Benefits	6	REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	7	SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION	\$300,000	\$300,000	\$300,000	\$300,000	\$0	\$0
Benefits	8	AB 1795 ELIGIBILITY EXPANSION	\$35,600	\$35,600	\$0	\$0	-\$35,600	-\$35,600
EWC TOTAL			\$4,414,600	-\$94,400	\$4,393,000	-\$735,000	-\$21,600	-\$640,600

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

FISCAL INTERMEDIARY EXPENDITURES - EWC

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$1,026,000	\$1,020,000
	- GENERAL FUND	\$1,026,000	\$1,020,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$1,026,000	\$1,020,000
	- GENERAL FUND	\$1,026,000	\$1,020,000

Purpose:

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

Authority:

Health & Safety Code 104150(c)

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

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

Methodology:

1. The estimated medical FI administrative costs are:

FY 2017-18	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	808,518	\$0.65	\$525,537
Total			\$525,537

FY 2018-19	Estimated ACLs	Ave Cost per ACLs	Estimated ACL Expenditure
General ACLs	812,640	\$0.64	\$520,090
Total			\$520,090

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

	FY 2017-18	FY 2018-19
Processing Costs	\$526,000	\$520,000
SDNs	\$500,000	\$500,000
Total	\$1,026,000	\$1,020,000

Funding:

100% GF (4260-114-0001)

CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND

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

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

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

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

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

Reason for Change:

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

There is no change from the prior estimate for FY 2018-19.

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

Methodology:

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

Funding:

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

100% General Fund (4260-114-0001)

BREAST CANCER CONTROL ACCOUNT

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

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

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

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

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

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

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

Reason for Change:

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

There is no change from the prior estimate for FY 2018-19.

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

Methodology:

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

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

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

Funding:

Breast Cancer Control Account (4260-114-0009)

100% General Fund (4260-114-0001)

CENTERS FOR DISEASE CONTROL AND PREVENTION FUND

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

		<u>FY 2017-18</u>	<u>FY 2018-19</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$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. CDC's guidance requires grantees to continue providing screening to priority population while allowing opportunity to expand activities to reach the eligible populations.

The program offers funding for:

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

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

Reason for Change:

The change from the prior estimate, for FY 2017-18, is an increase due to an increase in local assistance funding received by the CDC. The change from the prior estimate, for FY 2018-19, is an increase due to an increase in local assistance funding received by the CDC. There is no change from FY 2017-18 to FY 2018-19 in the current estimate.

Methodology:

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

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

3. The Department will allocate 66.42% of the grant to local assistance and 33.58% to the support budget.

	FY 2017-18	FY 2018-19
Local Assistance	\$5,128,000	\$5,128,000
Support	\$2,593,000	\$2,593,000
NBCCEDP Grant for EWC	\$7,721,000	\$7,721,000

Funding:

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

CONSUMER TOLL-FREE LINE AND ONLINE PROVIDER LOCATOR

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

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

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

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

Reason for Change:

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

There is no change from the prior estimate for FY 2018-19.

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

Methodology:

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

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

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

Funding:

100% General Fund (4260-114-0001)

REGIONAL CONTRACTS

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

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

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

The objective of each Regional Contractor is to:

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

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

Reason for Change:

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

There is no change from the prior estimate for FY 2018-19.

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

Methodology:

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

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

Funding:

100% General Fund (4260-114-0001)

SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION

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

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

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

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

Reason for Change:

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

There is no change from the prior estimate for FY 2018-19.

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

Methodology:

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

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

Funding:

100% General Fund (4260-114-0001)

EWC Trend Report
(Includes Actuals & Projected Base Values)

Total				
Quarter	Base Estimate Caseload	Estimated Caseload from Policy Changes	Total Caseload	Total EWC Payments
July-Sept 2013				\$8,787,355 *
Oct-Dec 2013				\$9,161,285 *
Jan-Mar 2014				\$9,535,215 *
April -June 2014				\$9,909,145 *
FY 2013-14	291,900	1,014	292,914	\$37,393,000
July-Sept 2014				\$9,205,185
Oct-Dec 2014				\$9,596,895
Jan-Mar 2015				\$9,988,605
April -June 2015				\$10,380,315
FY 2014-15	275,219		275,219	\$39,171,000
July-Sept 2015				\$5,702,040
Oct-Dec 2015				\$5,944,680
Jan-Mar 2016				\$6,187,320
April -June 2016				\$6,429,960
FY 2015-16	161,000		161,000	\$24,264,000
July-Sept 2016				\$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 *	\$26,823,000
July-Sept 2017				\$6,499,160 **
Oct-Dec 2017				\$6,775,720 **
Jan-Mar 2018				\$7,052,280 **
April -June 2018				\$7,328,840 **
FY 2017-18			26,280 **	\$27,656,000
July-Sept 2018				\$6,779,045 **
Oct-Dec 2018				\$7,067,515 **
Jan-Mar 2019				\$7,355,985 **
April -June 2019				\$7,644,455 **
FY 2018-19			26,420 **	\$28,847,000

Notes:

- 1) Expenditures up to FY 2016-17 are based on an accrual basis.
- 1) Starting FY 2017-18, expenditures are estimated on a cash basis.
- 2) Caseload now identifies average monthly unduplicated caseload by date of payment on a cash basis, which excludes the impact of adjustment claims.

* Actuals

** Estimated

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

INTRODUCTION

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

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

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

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

****California Children's Services****

The California Children's Services (CCS) program provides diagnostic and treatment services, medical case management, and physical and occupational therapy health care services to children under 21 years of age with CCS-eligible conditions (e.g., severe genetic diseases, chronic medical conditions, infectious diseases producing major sequelae, and traumatic injuries) from families unable to afford catastrophic health care costs. A child eligible for CCS must be a resident of California, have a CCS-eligible condition, and be in a family with an adjusted gross income of \$40,000 or less in the most recent tax year. Children in families with higher incomes may still be eligible for CCS if the estimated cost of care to the family in one year is expected to exceed 20% of the family's adjusted gross income.

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

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

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

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

****Child Health and Disability Prevention****

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

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

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

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

Additionally, Medi-Cal provides only emergency and pregnancy related services to beneficiaries with ~~*emergency*~~ **limited scope** Medi-Cal. CHDP provides 100% state funded health assessments for **limited scope Medi-Cal** beneficiaries **who are not enrolled in full scope Medi-Cal in accordance with SB 75 (targeting limited scope Medi-Cal beneficiaries with unsatisfactory immigration status).**

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

****Genetically Handicapped Persons Program****

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

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

****Every Woman Counts Program****

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

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

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

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

BASE ESTIMATES

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

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

Where:

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

****California Children's Services****

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

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

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

****Child Health and Disability Prevention****

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

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

****Genetically Handicapped Persons Program****

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

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

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

****Every Woman Counts Program****

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

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

INFORMATION ONLY:

CALIFORNIA CHILDREN'S SERVICES

1. ****CCS Redesign****

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

Starting ~~in January 2017~~ ****no sooner than July 1, 2018****, subject to successful readiness review by the department, the first phase will incorporate CCS into the integrated care systems of most County-Organized Health Systems (COHS). COHS are county developed and operated Medi-Cal managed care plans with strong community ties. **CCS is already integrated into three COHS in six counties, through the CCS "carve-in," so three of the COHS plans already have experience with key elements of this model. In addition the Health Plan of San Mateo has already implemented most elements of this model. With the "Whole-Child" model, the COHS health plans will provide and coordinate all primary and specialty care, similar to the Health Plan of San Mateo model.** These plans will be required to demonstrate support from various stakeholders that may include the respective county CCS program, local providers and hospitals, and local families of children with CCS eligible conditions or local advocacy groups representing those families.

2. ****Adrenoleukodystrophy (ALD) as a CCS Eligible Condition****

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

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

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

3. **New High Cost Treatments for Specific Conditions

There are five additional treatments approved and ready to be phased into use.

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.

L-Glutamine oral powder (Endari) is a lifetime treatment to reduce complications of sickle cell disease in patients 5 years of age and older. The Federal Food and Drug Administration (FDA) approved L-Glutamine oral powder on July 7, 2017, for ages five years and older to reduce complications of this disease.

Emicizumab-kxwh (Hemlibra) is a lifetime treatment of Hemophilia A (Factor VIII deficiency) with inhibitors. The FDA approved the treatment on November 16, 2017, for children and adult hemophilia patients to bridge the gap between Factor IX and Factor X in the clotting cascade, to bypass the function of Factor VIII. **

****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.**

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

CHILD HEALTH AND DISABILITY PREVENTION

GENETICALLY HANDICAPPED PERSONS PROGRAM

1. ****GHPP Caseload Adjustments********Caseload counts decreased starting May 2017 due to a renewed effort to review and close cases with expired eligibility and no claim activity for over 180 days.****

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

EVERY WOMAN COUNTS PROGRAM

1. ****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 six Problem Statements (PS) have been issued for claim denials that range from office visit to various screenings and diagnostic services. Some of the identified claims adjudication problems are EWC specific and some impact both EWC and Medi-Cal. The FI has determined that system changes are required to correctly adjudicate claims. System changes are costly and can take anywhere from 90 days to up 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. At this time, the number of affected providers, claims, and cost for the system changes are undetermined.

DISCONTINUED POLICY CHANGES

****Fully Incorporated Into Base Data/Ongoing****

CCS

CHDP

GHPP

EWC

PC 8 AB 1795 Eligibility Expansion

DISCONTINUED POLICY CHANGES

****Time-Limited/No Longer Applicable****

CCS

PC 11 - UNDOCUMENTED CHILDREN FULL SCOPE EXPANSION - CCS ADMIN.

CHDP

GHPP

EWC

DISCONTINUED POLICY CHANGES

****Withdrawn****

CCS

CHDP

GHPP

EWC