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Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

DATE: March 10, 2020

PPL No. 20-010

TO: Local Governmental Agency (LGA) Coordinators for the
County Based Medi Cal Administrative Activities (CMAA) Program

SUBJECT: **Countywide Average (CWA) for the Fourth Quarter (Q4) of State
Fiscal Year (SFY) 2018-19**

The purpose of this Policy and Procedure Letter (PPL) is to notify LGAs of the SFY 2018-19 Q4 CWAs.

A LGA must submit an annual justification (AJ) to use the CWA Medi-Cal Discount Percentage (MDP) methodology. A LGA Coordinator or an authorized alternate must submit the AJ via courier or e-mail. The AJ should specifically state the reason(s) why a claiming unit is unable to utilize the Actual Client Count methodology. A LGA must have submitted an AJ to its designated CMAA analyst prior to June 30, 2019, to obtain Department of Health Care Services' (DHCS) approval to utilize the CWA MDP methodology for SFY 2018-19. Once DHCS approves a LGA's request to use CWA to discount costs, the respective LGA must use the CWA methodology for the entire SFY.

DHCS provides the CWA PPL quarterly as the data becomes finalized. The statistical information used to develop the CWA is collected from two sources: the Department of Finance (DOF) and DHCS' webpages referenced below.

The DOF's population statistics are published annually, on a calendar year basis. They provide an estimate of the yearly population totals by county. DHCS' Medi-Cal beneficiary enrollment population totals are published on a continuous basis and provide monthly Medi-Cal beneficiary totals by county for the most recent 48 months of activity. To calculate the CWA, DHCS' Medi-Cal beneficiary enrollment population totals are averaged for each county by quarter. Subsequently, the county's quarterly averages are divided by the DOF's estimated population totals for every county. The

¹ State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change - January 1, 2018 and 2019

http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/documents/E-1_2019_InternetVersion.xls

² State of California, California Health and Human Services, Medi-Cal Certified Eligible Counts, January 30, 2020.

<https://data.chhs.ca.gov/dataset/county-medi-cal-certified-eligible-counts-by-county-and-dual-status-2013-through-2017/resource/9ade93e4-0676-4117-adbe-a53378d7fe84>

resultant quarterly amounts are then converted to a percentage for each county, known as the quarterly CWA.

The accompanying document to this PPL, the “California DHCS Medi-Cal CWA for SFY 2018-19 Q4”, includes the DOF estimated average population for calendar years 2018 and 2019, DHCS’ average number of Medi-Cal eligible beneficiaries for SFY 2018-19, Q4: April 1, 2019, through June 30, 2019, and the number of Medi-Cal eligible beneficiaries shown as a percentage by county for Q4 of SFY 2018-19. The California DHCS Medi-Cal CWA for SFY 2018-19 Q4 worksheet will be provided at request from CMAA unit staff via email.

A LGA must submit an AJ to its designated CMAA analyst prior to June 30, 2020, to obtain DHCS approval to utilize the CWA MDP methodology for SFY 2019-20. For further questions or assistance regarding this PPL, please contact DHCS at cmaa@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY DAMITRA HAWKINS

Damitra Hawkins, Chief
County-Based Medi-Cal Administrative Activities Unit