

FAMILY HEALTH
NOVEMBER 2021
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2021-22 *and* 2022-23



The Great Seal

STATE OF CALIFORNIA
DEPARTMENT OF HEALTH CARE SERVICES

**FAMILY HEALTH
NOVEMBER 2021
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2021-22 and 2022-23**

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

Management Summary November 2021 Estimate

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

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

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

Following is a brief description of each program:

- California Children's Services (CCS): The CCS program, established in 1927, is one of the oldest public health care programs in the nation and is administered in partnership with county health departments. The CCS State Only program provides health care services to children up to age 21 who have a CCS-eligible condition, such as: cystic fibrosis, hemophilia, cerebral palsy, heart disease, cancer, or traumatic injury. Children enrolled in the CCS State Only program either do not qualify for full-scope Medi-Cal or their families cannot afford the catastrophic health care costs for the child's care.
- Genetically Handicapped Persons Program (GHPP): The GHPP program, established in 1975, provides medically necessary services and administrative case management for individuals age 21 and over with a GHPP-eligible condition, such as: cystic fibrosis, hemophilia, sickle cell, Huntington's, or metabolic diseases. The GHPP State Only program is for those individuals who do not qualify for full scope Medi-Cal.
- Every Woman Counts (EWC) Program: The EWC program provides free breast and cervical cancer screening and diagnostic services to uninsured and underinsured Californians who do not qualify for Medi-Cal.

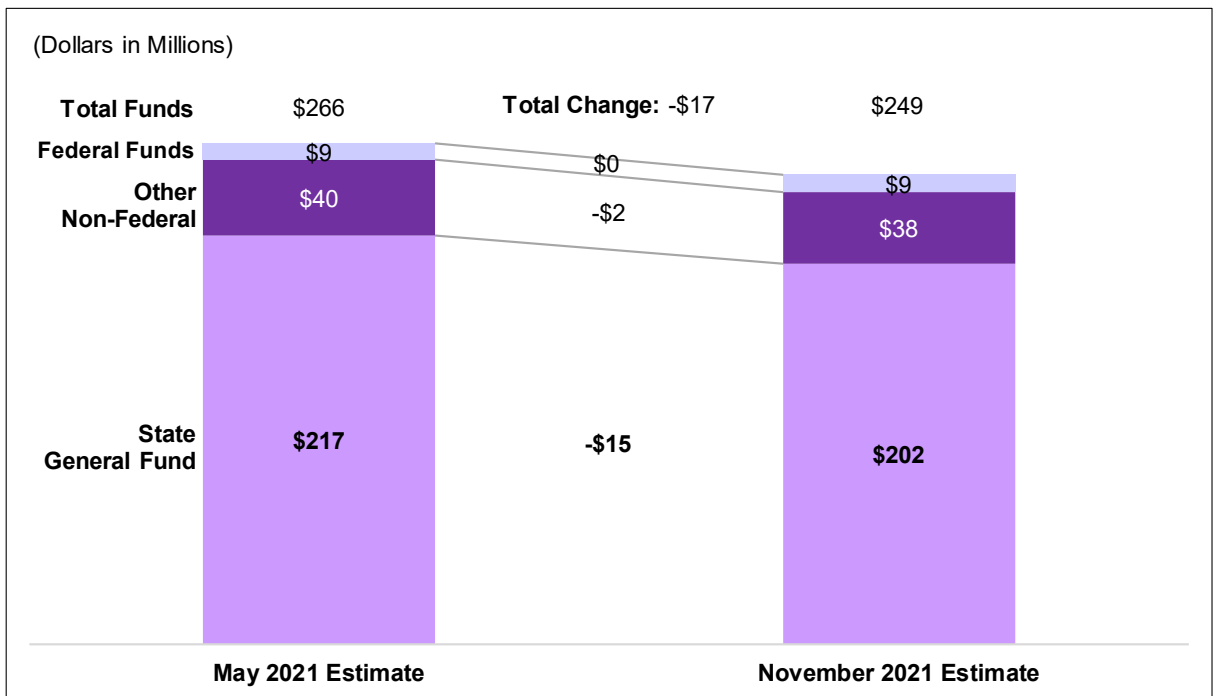
DHCS Family Health Local Assistance Estimate
 Management Summary - November 2021

This document is intended to provide the user with a high-level overview of the November 2021 Family Health Local Assistance Estimate (Estimate).

The Department of Health Care Services (DHCS) estimates Family Health spending to be \$249 million total funds (\$202 million General Fund) in Fiscal Year (FY) 2021-22 and \$265 million total funds (\$213 million General Fund) in FY 2022-23.

This document is divided into several sections to provide additional transparency and usability of the information. The sections include the following:

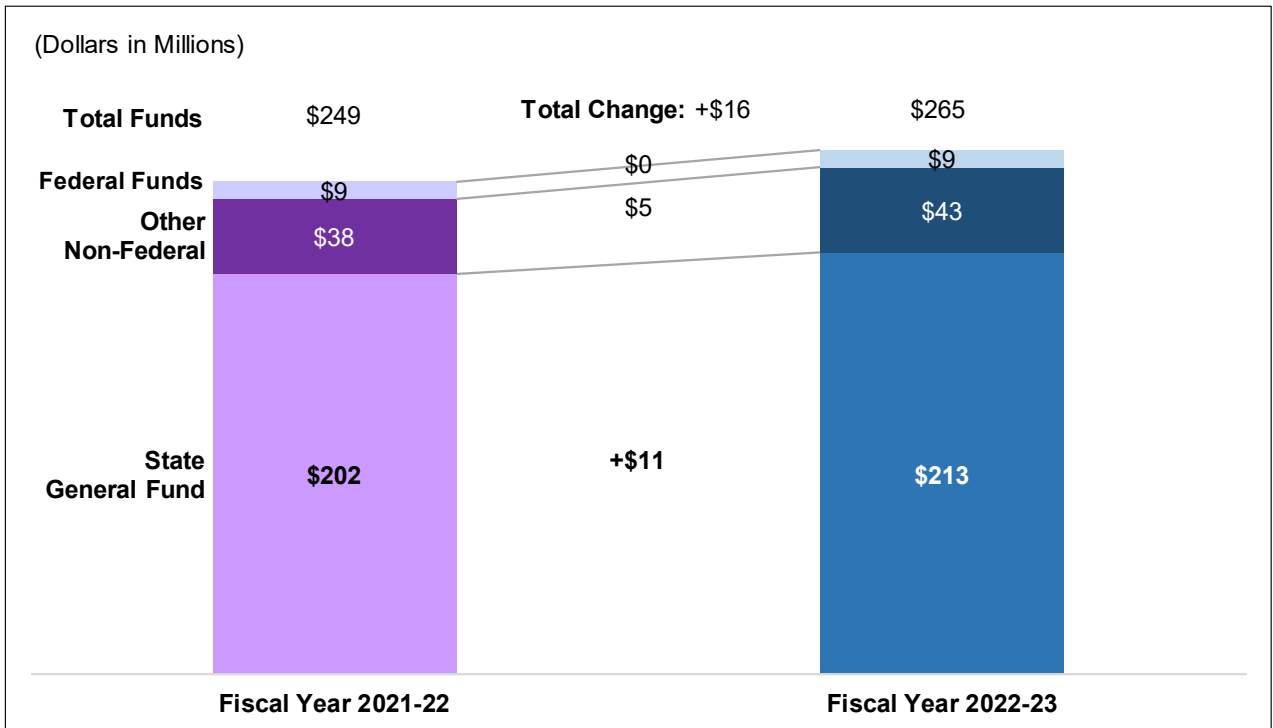
- FY 2021-22 Fiscal Year Comparison
- Discussion of Major Drivers of Changes from Prior Estimate
- FY 2021-22 to FY 2022-23 Year-Over-Year Comparison
- Discussion of Major Drivers of Changes Year Over Year
- Caseload Projections
- Base Expenditures Projections
- Detail Table



As displayed above, the November 2021 Estimate for FY 2021-22 projects a \$17 million decrease in total spending (a \$15 million decrease in General Fund spending) compared to the May 2021 Estimate. This reflects a 6.4 percent decrease in estimated total spending and a 6.9 percent decrease in estimated General Fund spending.

The major drivers of the change in estimated General Fund spending in FY 2021-22 between the May 2021 Estimate and the November 2021 Estimate are listed below:

- **COVID-19 Impact on CCS Caseload and Expenditures.** CCS State Only beneficiaries began shifting to Medi-Cal in late FY 2019-20 due to the economic impact of the COVID-19 public health emergency and have continued to shift through the end of FY 2020-21 resulting in decreased CCS expenditures. The ongoing impact of the COVID-19 public health emergency is budgeted in the CCS COVID-19 Caseload Impact, County Administrative, and CMS Net policy changes.
- **GHPP Base Expenditures.** GHPP base expenditures are down approximately 1.5 percent from the prior estimate. FY 2020-21 actual expenditures did not experience the same level of one time high costs usually associated with this population.
- **Blood Factor Drug Rebates (GHPP).** The change for FY 2021-22, from the prior estimate, is a decrease due to rebate invoicing not resuming in FY 2021-22 Q1 as assumed in the prior estimate.
- **GHPP Non-Blood Factor Rebates.** An increase of \$2.5 million GF savings is estimated in FY 2021-22 due to including the balance of rebates collected in prior years in FY 2021-22.



Family Health spending is estimated to increase by \$16 million total spending (an increase of \$11 million General Fund) between FY 2021-22 and FY 2022-23. This reflects a 6.4 percent increase in total spending and a 5.4 percent increase in General Fund spending.

The major drivers of the change in estimated General Fund spending in the November 2021 Estimate between FY 2021-22 and FY 2022-23 are listed below:

- CCS Base Expenditures.** CCS State Only beneficiaries began shifting to Medi-Cal in late FY 2019-20 due to the economic impact of the COVID-19 public health emergency and have continued to shift through the end of FY 2020-21 resulting in decreased CCS expenditures. CCS base expenditure projections have been returned to pre-COVID-19 levels and are expected to increase in FY 2022-23 based on the historical trend. (As described immediately below, the remaining impact of COVID-19 on CCS caseload and expenditures is reflected in policy changes, outside of base projections.)
- COVID-19 Impact on CCS Caseload and Expenditures.** Following the end of the continuous coverage requirement, eligibility will be redetermined over a period of 12 months, through July 2023, for individuals not discontinued under the continuous coverage requirement, resulting in eligibles returning to the CCS state only program and the impact of the public health emergency on state only expenditures to gradually diminish.

- ***GHPP Base Expenditures.*** GHPP base expenditures are projected to increase in FY 2022-23 based on the historical trend.
- ***Blood Factor Drug Rebates (GHPP).*** The change from FY 2021-22 to FY 2022-23, in the current estimate, is an increase due to assuming rebate invoicing resuming in FY 2022-23.
- ***GHPP Non-Blood Factor Drug Rebates (GHPP).*** The change from FY 2021-22 to FY 2022-23, in the current estimate, is an increase of \$3.9 million GF savings due to estimating a slight increase of savings to be collected starting FY 2022-23.
- ***EWC COVID-19 Caseload Impacts.*** The change from FY 2021-22 to FY 2022-23, in the current estimate, a decrease due to assuming the PHE ends on June 30, 2022.

Overview of Caseload Projections

California Children's Services

	PY	CY	BY	Change from	
CCS State Only	FY 2020-21	FY 2021-22	FY 2022-23	PY to CY	CY to BY
November 2021	10,032	9,311	11,687	-7.19%	25.52%
May 2021	12,569	14,601			
Change from May 2021	(2,537)	(5,290)			
% Change from May 2021	-20.18%	-36.23%			

- CCS caseload is based on average quarterly beneficiaries.
- Beneficiaries began shifting to Medi-Cal in late FY 2019-20 due to the economic impact of the COVID-19 public health emergency and have continued to shift through the most recent quarter of actual enrollment counts.
- Base caseload projections have been returned to pre-COVID-19 levels. The impact from the public health emergency is estimated in the COVID-19 Caseload Impact policy change and included in the average quarterly caseload in the table above.

Genetically Handicapped Persons Program

	PY	CY	BY	Change from	
GHPP State Only	FY 2020-21	FY 2021-22	FY 2022-23	PY to CY	CY to BY
November 2021	580	647	649	11.55%	0.31%
May 2021	598	670			
Change from May 2021	(18)	(23)			
% Change from May 2021	-3.01%	-3.43%			

- GHPP caseload is based on average monthly beneficiaries.
- In early FY 2020-21 GHPP cases were closed due to an effort on the part of the Department to address outstanding renewals and applications. The closed cases that were subsequently re-opened and extended to the end of December 2021 or until the end of the public health emergency, whichever date is later. Beneficiaries will continue to receive coverage through the end of the public health emergency.
- Base caseload has returned to pre-COVID-19 levels and are estimated to remain relatively flat between fiscal years.

Every Woman Counts

	PY	CY	BY	Change from	
EWC	FY 2020-21	FY 2021-22	FY 2022-23	PY to CY	CY to BY
November 2021	20,895	24,103	27,405	15.35%	13.70%
May 2021	21,409	24,602			
Change from May 2021	(514)	(499)			
% Change from May 2021	-2.40%	-2.03%			

- EWC caseload is based on average monthly users by date of payment.
- There is a slight increase in users from the May 2021 Estimate for FY 2021-22 due to actuals coming in higher than initially projected. Governor Newsom issued a statewide stay at home order (Executive Order N-33-20), which triggered overall reductions in caseload estimates for the EWC program.
 The projected users for FY 2022-23 is estimated absent COVID-19 impact and retroactive reprocessing, as FY 2020-21 and FY 2021-22 include reprocessing of claims.

Overview of Base Expenditures

California Children's Services

	<i>(In thousands)</i>			
CCS Base	FY 2021-22, TF	FY 2022-23, TF	CY to BY	As a %
November 2021	\$73,254	\$74,747	\$1,493	2.0%
May 2021	\$73,382			
Change from May 2021	(\$128)			
% Change	-0.2%			
			change from May 2021	
		CY to BY		FY 2021-22
CCS Treatment	\$0	0.0%	(\$385)	-7.2%
CCS Therapy	\$1,493	2.2%	\$257	0.4%
Net Change	\$1,493	2.0%	(\$128)	-0.2%

- CCS State Only beneficiaries began shifting to Medi-Cal in late FY 2019-20 due to the economic impact of the COVID-19 public health emergency and have continued to shift through the end of FY 2020-21 resulting in decreased CCS expenditures.
- CCS base expenditure projections have been returned to pre-COVID-19 levels and are expected to increase in FY 2022-23 based on the historical trend.
- The impact from the public health emergency is estimated in the COVID-19 Caseload Impact policy change.

Genetically Handicapped Persons Program

	<i>(In thousands)</i>			
GHPP Base	FY 2021-22, TF	FY 2022-23, TF	CY to BY	As a %
November 2021	\$ 136,008	\$ 141,705	\$5,697	4.2%
May 2021	\$ 138,089			
Change from May 2021	(\$2,081)			
% Change	-1.5%			

- GHPP expenditures are slightly down from the prior estimate and are expected to increase in FY 2022-23 based on the historical trend.

Every Woman Counts

	<i>(In thousands)</i>			
EWC Base	FY 2021-22, TF	FY 2022-23, TF	CY to BY	As a %
November 2021	\$37,254	\$37,474	\$220	0.6%
May 2021	\$37,474			
Change from May 2021	(\$220)			
% Change	-0.6%			

- EWC expenditures are slightly down from the prior estimate due to actuals coming in lower than anticipated and are expected to increase slightly in FY 2022-23 based on historical trends.

Detail Table

The table below provides policy change-level detail by program area, including:

- California Children’s Services Program
- Genetically Handicapped Persons Program
- Every Woman Counts Program

		November 2021 Estimated Amount (In Thousands)				Change from May 2021 Estimate (In Thousands)		Nov 2021 Estimate Year over Year Change (In Thousands)	
		2021-22 (CY)		2022-23 (BY)		2021-22 (CY)		2021-22 to 2022-23	
PC #	Policy Change Title	TF	GF	TF	GF	TF	GF	TF	GF
California Children's Services									
11	CCS COVID-19 CASELOAD IMPACT	(6,301)	(6,301)	(3,474)	(3,474)	(6,301)	(6,301)	2,827	2,827
	COUNTY ADMINISTRATIVE								
2	COSTS	9,264	9,264	11,628	11,628	(4,986)	(4,986)	2,364	2,364
5	CMS NET	122	122	154	154	(87)	(87)	32	32
	Totals	3,085	3,085	8,308	8,308	(11,374)	(11,374)	5,223	5,223
Genetically Handicapped Persons Program									
3	BLOOD FACTOR DRUG REBATES	-	(5,715)	-	(7,135)	-	4,933	-	(1,420)
6	GHPP NON-BLOOD FACTOR REBATES	-	(9,337)	-	(13,200)	-	(2,537)	-	(3,863)
	Totals	-	(15,052)	-	(20,335)	-	2,396	-	(5,283)
Every Woman Counts									
8	EWC COVID-19 CASELOAD IMPACTS	(4,297)	(4,297)	-	-	(4,297)	(4,297)	4,297	4,297
	Totals	(4,297)	(4,297)	-	-	(4,297)	(4,297)	4,297	4,297

Management Summary

Fiscal Year 2021-22

Comparison of Appropriation to November Estimate

	Approp Est. FY 2021-22	Nov. 21 Est. FY 2021-22	Chg Approp - Nov. 2021 Est.
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 80,366,000	\$ 68,918,000	\$ (11,448,000)
4260-611-0995 (CDPH Title V Reimb.)	\$ 3,992,000	\$ 3,992,000	\$ 0
County Funds ¹	\$ 83,493,000	\$ 71,839,000	\$ (11,654,000)
TOTAL CCS	\$ 84,358,000	\$ 72,910,000	\$ (11,448,000)
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 119,636,000	\$ 120,728,000	\$ 1,092,000
4260-611-0995 (Enrollment Fees)	\$ 503,000	\$ 453,000	\$ (50,000)
4260-601-3079 (Rebates Special Fund)	\$ 17,448,000	\$ 15,052,000	\$ (2,396,000)
TOTAL GHPP	\$ 137,587,000	\$ 136,233,000	\$ (1,354,000)
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 16,805,000	\$ 11,944,000	\$ (4,861,000)
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 5,128,000	\$ 5,128,000	\$ 0
TOTAL EWC	\$ 44,437,000	\$ 39,576,000	\$ (4,861,000)
GRAND TOTAL - ALL FUNDS	\$ 266,382,000	\$ 248,719,000	\$ (17,663,000)
4260-111-0001	\$ 200,002,000	\$ 189,646,000	\$ (10,356,000)
4260-114-0001	\$ 16,805,000	\$ 11,944,000	\$ (4,861,000)
4260-114-0009	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 0
4260-611-0995	\$ 4,495,000	\$ 4,445,000	\$ (50,000)
4260-601-3079	\$ 17,448,000	\$ 15,052,000	\$ (2,396,000)
County Funds ¹	\$ 83,493,000	\$ 71,839,000	\$ (11,654,000)

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

Management Summary

Fiscal Year 2021-22 Compared to Fiscal Year 2022-23

	<u>Nov. 21 Est.</u> <u>FY 2021-22</u>	<u>Nov. 21 Est.</u> <u>FY 2022-23</u>	<u>Difference</u> <u>Incr./(Decr.)</u>
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 68,918,000	\$ 75,578,000	\$ 6,660,000
4260-611-0995 (CDPH Title V Reimb.)	\$ 3,992,000	\$ 3,992,000	\$ 0
County Funds ¹	\$ 71,839,000	\$ 78,576,000	\$ 6,737,000
TOTAL CCS	<u>\$ 72,910,000</u>	<u>\$ 79,570,000</u>	<u>\$ 6,660,000</u>
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 120,728,000	\$ 120,956,000	\$ 228,000
4260-611-0995 (Enrollment Fees)	\$ 453,000	\$ 453,000	\$ 0
4260-601-3079 (Rebates Special Fund)	\$ 15,052,000	\$ 20,335,000	\$ 5,283,000
TOTAL GHPP	<u>\$ 136,233,000</u>	<u>\$ 141,744,000</u>	<u>\$ 5,511,000</u>
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 11,944,000	\$ 16,717,000	\$ 4,773,000
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 5,128,000	\$ 5,128,000	\$ 0
TOTAL EWC	<u>\$ 39,576,000</u>	<u>\$ 44,349,000</u>	<u>\$ 4,773,000</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 248,719,000</u>	<u>\$ 265,663,000</u>	<u>\$ 16,944,000</u>
4260-111-0001	\$ 189,646,000	\$ 196,534,000	\$ 6,888,000
4260-114-0001	\$ 11,944,000	\$ 16,717,000	\$ 4,773,000
4260-114-0009	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 0
4260-611-0995	\$ 4,445,000	\$ 4,445,000	\$ 0
4260-601-3079	\$ 15,052,000	\$ 20,335,000	\$ 5,283,000
County Funds ¹	\$ 71,839,000	\$ 78,576,000	\$ 6,737,000

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

Management Summary**Fiscal Year 2022-23****Comparison of Appropriation to November Estimate**

	<u>Approp Est. FY 2021-22</u>	<u>Nov. 21 Est. FY 2022-23</u>	<u>Chg Approp - Nov. 2021 Est.</u>
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 80,366,000	\$ 75,578,000	\$ (4,788,000)
4260-611-0995 (CDPH Title V Reimb.)	\$ 3,992,000	\$ 3,992,000	\$ 0
County Funds ¹	\$ 83,493,000	\$ 78,576,000	\$ (4,917,000)
TOTAL CCS	<u>\$ 84,358,000</u>	<u>\$ 79,570,000</u>	<u>\$ (4,788,000)</u>
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 119,636,000	\$ 120,956,000	\$ 1,320,000
4260-611-0995 (Enrollment Fees)	\$ 503,000	\$ 453,000	\$ (50,000)
4260-601-3079 (Rebates Special Fund)	\$ 17,448,000	\$ 20,335,000	\$ 2,887,000
TOTAL GHPP	<u>\$ 137,587,000</u>	<u>\$ 141,744,000</u>	<u>\$ 4,157,000</u>
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 16,805,000	\$ 16,717,000	\$ (88,000)
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 5,128,000	\$ 5,128,000	\$ 0
TOTAL EWC	<u>\$ 44,437,000</u>	<u>\$ 44,349,000</u>	<u>\$ (88,000)</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 266,382,000</u>	<u>\$ 265,663,000</u>	<u>\$ (719,000)</u>
4260-111-0001	\$ 200,002,000	\$ 196,534,000	\$ (3,468,000)
4260-114-0001	\$ 16,805,000	\$ 16,717,000	\$ (88,000)
4260-114-0009	\$ 7,989,000	\$ 7,989,000	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 0
4260-611-0995	\$ 4,495,000	\$ 4,445,000	\$ (50,000)
4260-601-3079	\$ 17,448,000	\$ 20,335,000	\$ 2,887,000
County Funds ¹	\$ 83,493,000	\$ 78,576,000	\$ (4,917,000)

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

CALIFORNIA CHILDREN'S SERVICES
Funding Summary

FY 2021-22, November 2021 Estimate Compared to May 2021 Estimate			
	Appropriation FY 2021-22	Nov. 2021 Est. FY 2021-22	Difference Incr./((Decr.)
CCS State-Only Caseload:	14,601	9,311	(5,290)
State Funds			
State Only General Fund (4260-111-0001)	\$ 80,365,500	\$ 68,918,000	\$ (11,447,500)
Total State Fund	\$ 80,365,500	\$ 68,918,000	\$ (11,447,500)
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 3,992,000	\$ 3,992,000	\$ 0
Total Federal Funds	\$ 3,992,000	\$ 3,992,000	\$ 0
Total Funds	\$ 84,357,500	\$ 72,910,000	\$ (11,447,500)

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23			
	Nov. 2021 Est. FY 2021-22	Nov. 2021 Est. FY 2022-23	Difference Incr./((Decr.)
CCS State-Only Caseload:	9,311	11,687	2,376
State Funds			
State Only General Fund (4260-111-0001)	\$ 68,918,000	\$ 75,578,000	\$ 6,660,000
Total State Fund	\$ 68,918,000	\$ 75,578,000	\$ 6,660,000
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 3,992,000	\$ 3,992,000	\$ 0
Total Federal Funds	\$ 3,992,000	\$ 3,992,000	\$ 0
Total Funds	\$ 72,910,000	\$ 79,570,000	\$ 6,660,000

CALIFORNIA CHILDREN'S SERVICES

Fiscal Year 2021-22

Funding Sources By Program

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>Federal Title XXI</u>	<u>County Funds</u>
A. State Only Services					
1. Treatment Costs					
Treatment Base 1/	4,412,000	4,412,000	-	-	3,913,000
Bone Marrow Xplant 2/	125,000	125,000	-	-	(125,000)
Small County Adj. 3/	400,000	400,000	-	-	(400,000)
Total Treatment Base	4,937,000	4,937,000	-	-	3,388,000
2. Therapy Costs					
Therapy Base	71,847,000	71,847,000	-	-	71,846,000
MTU Medi-Cal Offset 4/	(4,396,000)	(4,396,000)	-	-	(1,466,000)
AB3632 5/	866,000	866,000	-	-	(866,000)
Total Therapy Base	68,317,000	68,317,000	-	-	69,514,000
3. Enroll/Assess Fees	(47,000)	(47,000)	-	-	(47,000)
4. Benefits Policy Changes	(10,016,000)	(10,016,000)	-	-	(10,280,000)
	\$ 63,191,000	\$ 63,191,000	\$ 0	\$ 0	\$ 62,575,000
B. State Only Admin.					
1. County Admin.	9,264,000	5,272,000	3,992,000	-	9,264,000
2. Fiscal Inter.	332,000	332,000	-	-	-
3. FI Dental	1,000	1,000	-	-	-
4. CMS Net	122,000	122,000	-	-	-
	\$ 9,719,000	\$ 5,727,000	\$ 3,992,000	\$ 0	\$ 9,264,000
Total CCS State Only	\$ 72,910,000	\$ 68,918,000	\$ 3,992,000	\$ 0	\$ 71,839,000
GRAND TOTAL	\$ 72,910,000	\$ 68,918,000	\$ 3,992,000	\$ 0	\$ 71,839,000

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

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

2/ An estimated \$250,000 in certain bone marrow transplant costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$125,000 is shifted from County to General Fund.

3/ An estimated \$800,000 in catastrophic small county services costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$400,000 is shifted from County to General Fund.

4/ Medical Therapy Unit (MTU) costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF/50% County funds. The costs that are reimbursed by Medi-Cal reduce program costs 75% GF, 25% County funds.

5/ AB3632 costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF, 50% County funds. Since they are funded by 100% GF, 50% of the total AB3632 costs are shifted from County to General Fund.

CALIFORNIA CHILDREN'S SERVICES
Fiscal Year 2022-23
Funding Sources By Program

	<u>Total Funds</u>	<u>State Funds</u>	<u>CDPH Title V Reimb.</u>	<u>Federal Title XXI</u>	<u>County Funds</u>
A. State Only Services					
1. Treatment Costs					
Treatment Base 1/	4,412,000	4,412,000	-	-	3,913,000
Bone Marrow Xplant 2/	125,000	125,000	-	-	(125,000)
Small County Adj. 3/	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>
Total Treatment Base	4,937,000	4,937,000	-	-	3,388,000
2. Therapy Costs					
Therapy Base	73,340,000	73,340,000	-	-	73,339,000
MTU Medi-Cal Offset 4/	(4,396,000)	(4,396,000)	-	-	(1,466,000)
AB3632 5/	<u>866,000</u>	<u>866,000</u>	<u>-</u>	<u>-</u>	<u>(866,000)</u>
Total Therapy Base	69,810,000	69,810,000	-	-	71,007,000
3. Enroll/Assess Fees	(47,000)	(47,000)	-	-	(47,000)
4. Benefits Policy Changes	<u>(7,254,000)</u>	<u>(7,254,000)</u>	<u>-</u>	<u>-</u>	<u>(7,400,000)</u>
	\$ 67,446,000	\$ 67,446,000	\$ 0	\$ 0	\$ 66,948,000
B. State Only Admin.					
1. County Admin.	11,628,000	7,636,000	3,992,000	-	11,628,000
2. Fiscal Inter.	341,000	341,000	-	-	-
3. FI Dental	1,000	1,000	-	-	-
4. CMS Net	<u>154,000</u>	<u>154,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	\$ 12,124,000	\$ 8,132,000	\$ 3,992,000	\$ 0	\$ 11,628,000
Total CCS State Only	\$ 79,570,000	\$ 75,578,000	\$ 3,992,000	\$ 0	\$ 78,576,000
GRAND TOTAL	\$ 79,570,000	\$ 75,578,000	\$ 3,992,000	\$ 0	\$ 78,576,000

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

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

2/ An estimated \$250,000 in certain bone marrow transplant costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$125,000 is shifted from County to General Fund.

3/ An estimated \$800,000 in catastrophic small county services costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$400,000 is shifted from County to General Fund.

4/ Medical Therapy Unit (MTU) costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF/50% County funds. The costs that are reimbursed by Medi-Cal reduce program costs 75% GF, 25% County funds.

5/ AB3632 costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF, 50% County funds. Since they are funded by 100% GF, 50% of the total AB3632 costs are shifted from County to General Fund.

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, Total Funds
Fiscal Year 2021-22

November 2021 Estimate Compared to May 2021 Estimate, Total Funds
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	Appropriation FY 2021-22	Nov. 2021 Est. FY 2021-22	Difference Incr./((Decr.))
A. Total CCS State Only Services	<u>\$ 69,571,000</u>	<u>\$ 63,191,000</u>	<u>\$ (6,380,000)</u>
1. Treatment Services	5,322,000	4,937,000	(385,000)
2. Medical Therapy Program	68,060,000	68,317,000	257,000
3. Benefits Policy Changes	(3,763,000)	(10,016,000)	(6,253,000)
4. Enroll/Assessment Fees	(48,000)	(47,000)	1,000
B. CCS Administration			
1. County Administration	14,249,500	9,264,000	(4,985,500)
2. Fiscal Intermediary	537,000	455,000	(82,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 84,357,500</u>	<u>\$ 72,910,000</u>	<u>\$ (11,447,500)</u>
 TOTAL CCS PROGRAM	 <u>\$ 84,357,500</u>	 <u>\$ 72,910,000</u>	 <u>\$ (11,447,500)</u>

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, State Funds and Federal Funds
Fiscal Year 2021-22

November 2021 Estimate Compared to May 2021 Estimate, State Funds

	Appropriation FY 2021-22	Nov. 2021 Est. FY 2021-22	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 69,571,000</u>	<u>\$ 63,191,000</u>	<u>\$ (6,380,000)</u>
1. Treatment Services	5,322,000	4,937,000	(385,000)
2. Medical Therapy Program	68,060,000	68,317,000	257,000
3. Benefits Policy Changes	(3,763,000)	(10,016,000)	(6,253,000)
4. Enroll/Assessment Fees	(48,000)	(47,000)	1,000
B. CCS Administration			
1. County Administration	10,257,500	5,272,000	(4,985,500)
2. Fiscal Intermediary	537,000	455,000	(82,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 80,365,500</u>	<u>\$ 68,918,000</u>	<u>\$ (11,447,500)</u>
TOTAL CCS PROGRAM	<u>\$ 80,365,500</u>	<u>\$ 68,918,000</u>	<u>\$ (11,447,500)</u>

November 2021 Estimate Compared to May 2021 Estimate, Federal Funds

	Appropriation FY 2021-22	Nov. 2021 Est. FY 2021-22	Difference Incr./(Decr.)
A. Total CCS Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
1. Benefits Policy Changes	-	-	-
B. CCS State-Only Administration			
1. County Administration	3,992,000	3,992,000	-
TOTAL CCS PROGRAM	<u>\$ 3,992,000</u>	<u>\$ 3,992,000</u>	<u>\$ 0</u>

CALIFORNIA CHILDREN'S SERVICES**Program Requirements, Total Funds****Budget Year Compared to Current Year****November 2021 Estimate, FY 2021-22 Compared to FY 2022-23, Total Funds**

	Nov. 2021 Est. <u>FY 2021-22</u>	Nov. 2021 Est. <u>FY 2022-23</u>	Difference <u>Incr./(Decr.)</u>
A. Total CCS State Only Services	<u>\$ 63,191,000</u>	<u>\$ 67,446,000</u>	<u>\$ 4,255,000</u>
1. Treatment Services	4,937,000	4,937,000	-
2. Medical Therapy Program	68,317,000	69,810,000	1,493,000
3. Benefits Policy Changes	(10,016,000)	(7,254,000)	2,762,000
4. Enroll/Assessment Fees	(47,000)	(47,000)	-
B. CCS Administration			
1. County Administration	9,264,000	11,628,000	2,364,000
2. Fiscal Intermediary	455,000	496,000	41,000
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 72,910,000</u>	<u>\$ 79,570,000</u>	<u>\$ 6,660,000</u>
TOTAL CCS PROGRAM	<u>\$ 72,910,000</u>	<u>\$ 79,570,000</u>	<u>\$ 6,660,000</u>

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

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23, State Funds

	Nov. 2021 Est. FY 2021-22	Nov. 2021 Est. FY 2022-23	Difference Incr./.(Decr.)
A. Total CCS State Only Services	<u>\$ 63,191,000</u>	<u>\$ 67,446,000</u>	<u>\$ 4,255,000</u>
1. Treatment Services	4,937,000	4,937,000	-
2. Medical Therapy Program	68,317,000	69,810,000	1,493,000
3. Benefits Policy Changes	(10,016,000)	(7,254,000)	2,762,000
4. Enroll/Assessment Fees	(47,000)	(47,000)	-
B. CCS Administration			
1. County Administration	5,272,000	7,636,000	2,364,000
2. Fiscal Intermediary	455,000	496,000	41,000
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 68,918,000</u>	<u>\$ 75,578,000</u>	<u>\$ 6,660,000</u>
TOTAL CCS PROGRAM	<u>\$ 68,918,000</u>	<u>\$ 75,578,000</u>	<u>\$ 6,660,000</u>

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23, Federal Funds

	Nov. 2021 Est. FY 2021-22	Nov. 2021 Est. FY 2022-23	Difference Incr./.(Decr.)
A. Total CCS Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
1. Benefits Policy Changes	-	-	-
B. CCS State Only Administration			
1. County Administration	3,992,000	3,992,000	-
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 3,992,000</u>	<u>\$ 3,992,000</u>	<u>\$ 0</u>
TOTAL CCS PROGRAM	<u>\$ 3,992,000</u>	<u>\$ 3,992,000</u>	<u>\$ 0</u>

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

Fiscal Year 2021-22, November 2021 Estimate Compared to Appropriation								
<u>POLICY CHG.</u>			<u>FY 2021-22 APPROPRIATION</u>		<u>NOVEMBER 2021 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	-\$48,000	-\$48,000	-\$47,000	-\$47,000	\$1,000	\$1,000
Co. Admin.	2	COUNTY ADMIN. COSTS	\$14,249,500	\$14,249,500	\$9,264,000	\$9,264,000	-\$4,985,500	-\$4,985,500
FI	3	FISCAL INTERMEDIARY EXPENDITURES	\$327,000	\$327,000	\$332,000	\$332,000	\$5,000	\$5,000
FI	4	DENTAL ADMIN. EXPENDITURES	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
FI	5	CMS NET	\$209,000	\$209,000	\$122,000	\$122,000	-\$87,000	-\$87,000
Co. Admin.	6	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$3,992,000	\$0	-\$3,992,000	\$0	\$0
Benefits	7	CCS DRUG REBATES	-\$42,000	-\$42,000	-\$15,000	-\$15,000	\$27,000	\$27,000
Benefits	8	CCS NON-BLOOD FACTOR REBATES	-\$3,700,000	-\$3,700,000	-\$3,700,000	-\$3,700,000	\$0	\$0
Benefits	10	CCS - CGM REBATES	-\$21,000	-\$21,000	\$0	\$0	\$21,000	\$21,000
Benefits	11	CCS COVID-19 CASELOAD IMPACT	\$0	\$0	-\$6,301,000	-\$6,301,000	-\$6,301,000	-\$6,301,000
CCS TOTAL			<u>\$10,975,500</u>	<u>\$6,983,500</u>	<u>-\$344,000</u>	<u>-\$4,336,000</u>	<u>-\$11,319,500</u>	<u>-\$11,319,500</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 2021-22 Compared to Fiscal Year 2022-23								
<u>POLICY CHG.</u>			<u>Nov. 2021 Est. for FY 2021-22</u>		<u>Nov. 2021 Est. for FY 2022-23</u>		<u>DIFFERENCE, Incr./(Decr.)</u>	
<u>TYPE</u>	<u>NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>	<u>TOTAL FUNDS</u>	<u>STATE FUNDS</u>
CCS STATE ONLY								
Other	1	ENROLLMENT AND ASSESSMENT FEES	-\$47,000	-\$47,000	-\$47,000	-\$47,000	\$0	\$0
Co. Admin.	2	COUNTY ADMIN. COSTS	\$9,264,000	\$9,264,000	\$11,628,000	\$11,628,000	\$2,364,000	\$2,364,000
FI	3	FISCAL INTERMEDIARY EXPENDITURES	\$332,000	\$332,000	\$341,000	\$341,000	\$9,000	\$9,000
FI	4	DENTAL ADMIN. EXPENDITURES	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
FI	5	CMS NET	\$122,000	\$122,000	\$154,000	\$154,000	\$32,000	\$32,000
Co. Admin.	6	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$3,992,000	\$0	-\$3,992,000	\$0	\$0
Benefits	7	CCS DRUG REBATES	-\$15,000	-\$15,000	-\$20,000	-\$20,000	-\$5,000	-\$5,000
Benefits	8	CCS NON-BLOOD FACTOR REBATES	-\$3,700,000	-\$3,700,000	-\$3,700,000	-\$3,700,000	\$0	\$0
Benefits	10	CCS - CGM REBATES	\$0	\$0	-\$60,000	-\$60,000	-\$60,000	-\$60,000
Benefits	11	CCS COVID-19 CASELOAD IMPACT	-\$6,301,000	-\$6,301,000	-\$3,474,000	-\$3,474,000	\$2,827,000	\$2,827,000
CCS TOTAL			<u>-\$344,000</u>	<u>-\$4,336,000</u>	<u>\$4,823,000</u>	<u>\$831,000</u>	<u>\$5,167,000</u>	<u>\$5,167,000</u>

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

* Dollars shown include payment lag and percent in base.

ENROLLMENT AND ASSESSMENT FEES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1994
ANALYST: Genaro Rodriguez

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	-\$47,000	-\$47,000
	- GENERAL FUND	-\$47,000	-\$47,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$47,000	-\$47,000
	- GENERAL FUND	-\$47,000	-\$47,000
	- COUNTY FUNDS	-\$47,000	-\$47,000

Purpose:

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

Authority:

Health & Safety Code 123870 and 123900

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

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

Methodology:

1. Enrollment and assessment fees are estimated using the trend in enrollment and assessment fees received for September 2012 - December 2020.

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
Enrollment Fees:	\$86,000	\$86,000
Assessment Fees:	<u>\$9,000</u>	<u>\$9,000</u>
Total:	\$94,000 (\$47,000 GF Offset)	\$94,000 (\$47,000 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: Genaro Rodriguez

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	\$9,264,000	\$11,628,000
	- GENERAL FUND	\$9,264,000	\$11,628,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$9,264,000	\$11,628,000
	- GENERAL FUND	\$9,264,000	\$11,628,000
	- COUNTY FUNDS	\$9,264,000	\$11,628,000

Purpose:

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

Authority:

Health & Safety Code 123955(a)(e)

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

Based on recent trends for the CCS population, some eligibles enrolled in the state only program are shifting to Medi-Cal as a result of the public health emergency and will continue to be enrolled in Medi-Cal through June 2022 due to the FFCRA continuous coverage requirement. The recent trend in state only eligibles shifting to Medi-Cal is expected to continue through June 2022. The decline in caseload is estimated in the CCS COVID-10 Caseload Impact policy change.

As compared to the prior estimate, costs for FY 2021-22 are expected to decline due the impact of the COVID-19 public health emergency on CCS caseload. The estimated increase in costs between fiscal years is due to the projected end of the public health emergency in June 2022 and the resumption of eligibility redeterminations resulting in eligibles returning to the state only program.

Methodology:

1. Estimated expenditures are based on prior year reported costs.
2. For FY 2021-22, the CCS State Only base county administration reimbursement level is based on budgeted county expenditures for FY 2021-22 adjusted for the projected decline in caseload as estimated in the CCS COVID-10 Caseload Impact policy change.

FY 2021-22: \$18,528,000 (\$9,264,000 GF) (Includes County Funds)

3. FY 2022-23 is calculated based on the change in caseload between fiscal years in the November 2021 Family Health Estimate. CCS State-Only caseload is expected to increase between FY 2021-22 and FY 2022-23.

FY 2022-23: \$23,256,000 (\$11,628,000 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: Ryan Chin

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	\$332,000	\$341,000
	- GENERAL FUND	\$332,000	\$341,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$332,000	\$341,000
	- GENERAL FUND	\$332,000	\$341,000

Purpose:

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

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

The CCS State Only program utilizes FIs to adjudicate and pay medical claims. Effective October 1, 2020, the Gainwell Technology Services (GTS) and IBM contractors began processing medical claims. Currently there is no set date for implementation, but in the future, Magellan will begin processing pharmacy related claims.

The implementation of Medi-Cal Rx was extended with the Assumption of Operations (AOO) to begin January 1, 2022. Between January 1, 2021, and AOO, Medi-Cal Rx will provide transitional services and supports to include but not be limited to, Customer Service Center, Clinical Staff Support, Pharmacy Service Portal, as well as Outreach and Education. These transitional services will support a smooth transition for AOO.

Reason for Change:

The change in FY 2021-22, from the prior estimate, is an increase due updated actual expenditure data and due to increased estimated expenditures for the Medi-Cal Rx implementation. The change from FY 2021-22 to FY 2022-23, in the current estimate, is an increase due to using updated expenditures data for projections.

Methodology:

1. Based on actual and projected volumes for the current year, the estimated medical FI administrative costs are \$322,000 in FY 2021-22 and \$331,000 in FY 2022-23.
2. The estimated Medi-Cal Rx costs are \$10,000 in FY 2021-22 and \$10,000 in FY 2022-23.
3. The total estimated FI costs for CCS are **\$332,000 in FY 2021-22** and **\$341,000 in FY 2022-23**.

Funding:

100% General Fund (4260-111-0001)

DENTAL ADMIN. EXPENDITURES

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

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST - TOTAL FUNDS	\$1,000	\$1,000
- GENERAL FUND	\$1,000	\$1,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$1,000	\$1,000
- GENERAL FUND	\$1,000	\$1,000

Purpose:

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

Authority:

Health & Safety Code 123822

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

There is no change from the prior estimate for FY 2021-22. There is no change from FY 2021-22 to FY 2022-23 in the current estimate.

Methodology:

1. The 2016 FI contractor rates for scanning ACL and TAR documents are \$0.26 in FY 2021-22 and \$0.25 in FY 2022-23.
2. The 2016 ASO contractor CCS State Only dental ACL & TAR adjudicating rates in FY 2021-22 are \$0.16 and \$5.10, respectively.

3. The 2016 ASO contractor CCS State Only dental ACL & TAR adjudicating rates for FY 2022-23 are \$0.17 and \$5.30, respectively.

FI - FY 2021-22	Estimated Claims	Rates	Partial Year Expenditure
ACLs	127	\$ 0.26	\$ 33
TARs	17	\$ 0.26	\$ 4
			\$ 100

ASO - FY 2021-22	Estimated Claims	Rates	Partial Year Expenditure
ACLs	523	\$ 0.16	\$ 84
TARs	17	\$ 5.10	\$ 87
			\$ 200

Total FY 2021-22 **\$ 1,000 GF**

FI - FY 2022-23	Estimated Claims	Rates	Estimated Expenditure
ACLs	127	\$ 0.25	\$ 32
TARs	17	\$ 0.25	\$ 4
			\$ 100

ASO - FY 2022-23	Estimated Documents	Rates	Estimated Expenditure
ACLs	523	\$ 0.17	\$ 89
TARs	17	\$ 5.30	\$ 90
			\$ 200

Total FY 2022-23 **\$ 1,000 GF**

Funding:

100% GF (4260-111-0001)

CMS NET

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 7/2004
ANALYST: Genaro Rodriguez

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	\$122,000	\$154,000
	- GENERAL FUND	\$122,000	\$154,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$122,000	\$154,000
	- GENERAL FUND	\$122,000	\$154,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

Based on recent trends for the CCS population, some eligibles enrolled in the state only program are shifting to Medi-Cal as a result of the public health emergency and will continue to be enrolled in Medi-Cal through June 2022 due to the FFCRA continuous coverage requirement. The recent trend in state only eligibles shifting to Medi-Cal is expected to continue through June 2022. The decline in caseload is estimated in the CCS COVID-10 Caseload Impact policy change.

As compared to the prior estimate, costs for FY 2021-22 are expected to decline due the impact of the COVID-19 public health emergency on CCS caseload. The estimated increase in costs between fiscal years is due to the projected end of the public health emergency in June 2022 and the resumption of eligibility redeterminations resulting in eligibles returning to the state only program.

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 2021-22 are estimated to be \$2,613,000. FY 2022-23 costs are estimated to be \$2,606,000.
3. Based on estimated FY 2021-22 and FY 2022-23 caseload counts, costs for CMS Net are projected to be split:

	FY 2021-22			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	9,311	4.6%	\$	122,000
CCS Medi-Cal	191,195	95.4%	\$	2,491,000
Total	200,506	100%	\$	2,613,000

	FY 2022-23			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	11,687	5.9%	\$	154,000
CCS Medi-Cal	186,169	94.1%	\$	2,452,000
Total	197,856	100%	\$	2,606,000

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: 6
IMPLEMENTATION DATE: 7/2007
ANALYST: Ryan Chin

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$3,992,000	-\$3,992,000
	- FEDERAL FUNDS TITLE V	\$3,992,000	\$3,992,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$3,992,000	-\$3,992,000
	- FEDERAL FUNDS TITLE V	\$3,992,000	\$3,992,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

Effective May 1, 2016, the Medi-Cal expansion provided full scope Medi-Cal coverage to children and adolescents under the age of 19 with undocumented immigration status. The administration costs have transitioned to Medi-Cal and will no longer be accounted as savings to CCS State Only.

Reason for Change:

There is no change for FY 2021-22 from the prior estimate. There is no change from FY 2021-22 to FY 2022-23 in the current estimate.

Methodology:

1. The amount expected to be received is \$3,992,000 in FY 2021-22 and FY 2022-23.

Funding:

CDPH Title V Reimbursement (4260-601-0995)

100% General Fund (4260-111-0001)

CCS DRUG REBATES

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 7/2011
ANALYST: Ryan Chin

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	-\$15,000	-\$20,000
	- GENERAL FUND	-\$15,000	-\$20,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$15,000	-\$20,000
	- GENERAL FUND	-\$15,000	-\$20,000
	- COUNTY FUNDS	-\$15,000	-\$20,000

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.

CCS was not renewed as a Designated State Health Program (DHSP) with the Medi-Cal 2020 Section 1115(a) Medicaid Demonstration Waiver extension approval. CCS's DHSP designation ended December 31, 2020. The rebates for the October – December 2020 paid claims will be the last collected rebates associated under the DSHP designation. The Department is exploring options with Centers for Medicare and Medicaid Services to continue the collection of rebates.

Reason for Change:

The change for FY 2021-22, from the prior estimate, is a decrease due to rebate invoicing not resuming in FY 2021-22 Q1 as assumed in the prior estimate. The change from FY 2021-22 to FY 2022-23, in the current estimate, is an increase due to assuming rebate invoicing resuming in FY 2022-23.

Methodology:

1. Rebate projections for FY 2021-22 and FY 2022-23 are based on actual collections during FY 2019-20 and FY 2020-21.
2. Assume \$15,000 instead of \$30,000 will be collected in FY 2021-22 due to a two (2) quarter break in collections.
3. For FY 2021-22, assume a continuance of an overall declining trend of collected rebates is applied to the estimated amount for FY 2022-23.
4. CCS drug rebate collections, for FY 2021-22 and FY 2022-23, are estimated to be:

Fiscal Year	TF	GF	CF*
FY 2021-22	(\$15,000)	(\$15,000)	(\$15,000)
FY 2022-23	(\$20,000)	(\$20,000)	(\$20,000)

Funding:

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

100% General Fund (4260-101-0001)

*County Funds

*Not Included in Total Fund

CCS NON-BLOOD FACTOR REBATES

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

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST - TOTAL FUNDS	-\$3,700,000	-\$3,700,000
- GENERAL FUND	-\$3,700,000	-\$3,700,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	-\$3,700,000	-\$3,700,000
- GENERAL FUND	-\$3,700,000	-\$3,700,000
- COUNTY FUNDS	-\$3,700,000	-\$3,700,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

The Department began collecting non-BF rebates for the CCS State-Only Program in October 2019 and issued retroactive invoices for the time period of FY 2006-07 Q1 through FY 2018-19 Q4 . Current non-BF rebates were invoiced quarterly for the time period of FY 2019-20 Q1 through FY 2020-21 Q2.

CCS was not renewed as a Designated State Health Program (DHSP) with the Medi-Cal 2020 Section 1115(a) Medicaid Demonstration Waiver extension approval. CCS's DHSP designation ended December 31, 2020. The rebates for the October 2020 – December 2020 paid claims are the last collected rebates associated under the DSHP designation. The Department is exploring options with Centers for Medicare and Medicaid Services to continue the collection of rebates.

Reason for Change:

There is no change in FY 2021-22, from the prior estimate.

There is no change from FY 2021-22 to FY 2022-23 in the current estimate.

Methodology:

1. \$41,588,000 TF has been collected for CCS State-Only non-BF rebates as of August 1, 2021.

2. CCS non-BF rebate transfers to the GF are offset against CCS State-Only expenditures and cannot exceed these expenditures. Therefore, only \$3,558,000 was transferred to the GF in FY 2019-20, and \$3,700,000 was transferred to the GF in FY 2020-21.

3. The remaining balance of \$27,072,000 will be carried over and budgeted in FY 2021-22, FY 2022-23, and future fiscal years.

4. CCS State-Only non-BF drug rebate transfers to the GF for FY 2021-22 and FY 2022-23 are estimated to be:

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

FY 2022-23	TF	GF	CF*
CCS Retroactive Non-BF Rebates	(\$3,700,000)	(\$3,700,000)	(\$3,700,000)

Funding:

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

100% General Fund (4260-111-0001)

County Funds*

*Not Included in Total Fund

CCS - CGM REBATES

POLICY CHANGE NUMBER: 10
IMPLEMENTATION DATE: 9/2022
ANALYST: Joel Singh

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$60,000
- GENERAL FUND	\$0	-\$60,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	-\$60,000
- GENERAL FUND	\$0	-\$60,000
- COUNTY FUNDS	\$0	-\$60,000

Purpose

This policy change estimates the product rebates savings for continuous glucose monitoring (CGM) systems and supplies for eligible populations under the age of 21 in the California Children's Services (CCS) program.

Authority

Welfare and Institutions (W&I) Code Section 14132(m)

Interdependent Policy Changes:

Not Applicable

Background

CGM systems take glucose measurements at regular intervals, 24 hours a day, and translate the readings into dynamic data, generating glucose direction and rate of change. Currently, CGM devices are a benefit for all eligible CCS beneficiaries under the age of 21, including those with state-only coverage, through the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit with an approved prior authorization establishing medical necessity, which provides comprehensive and preventive health care services for children under age 21.

The Department is in the process of negotiating one or more product rebate agreement(s) with the various manufacturers for CGM systems and supplies currently covered under Medi-Cal for individuals under the age of 21. The Department may need to seek state legislative authority relative to this product rebate proposal. Execution of the product rebate agreement(s) is anticipated to be completed by September 2022. The product rebates will

offset the General Fund (GF) and County costs for CGMs. CCS providers will bill for the applicable CGM devices and accessories through the Medi-Cal fiscal intermediary.

Reason for Change

This change from the prior estimate, for FY 2021-22, is due to rebate savings for CGM products starting in FY 2022-23 due to an assumed increase in lag time for rebate claims processing.

The change in the current estimate, from FY 2021-22 to FY 2022-23, is due to no rebate savings incurring in FY 2021-22.

Methodology

1. Assume the initial CGM rebate(s) will be available for eligible populations under the age of 21 in CCS with state-only coverage, beginning January 1, 2022.
2. Assume 70% of CGMs will qualify for the initial rebate agreements.
3. Assume utilization controls would specify that poorly controlled diabetes must be demonstrated to be eligible for CGMs.
4. Assume the Department will begin invoicing all CGM manufacturers with whom it has executed rebate agreements for reimbursements on CGM devices. Assume rebate collections will begin September 2022.
5. On a cash basis, total estimated rebate savings in FY 2022-23 are:

CGM Rebate	TF	GF	CF*
FY 2022-23	(\$60,000)	(\$60,000)	(\$60,000)

Funding:

100% General Fund (4260-101-0001)

County Funds*

*Not Included in Total Fund

CCS COVID-19 CASELOAD IMPACT

POLICY CHANGE NUMBER: 11
IMPLEMENTATION DATE: 4/2020
ANALYST: Celine Donaldson

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST - TOTAL FUNDS	-\$6,301,000	-\$3,474,000
- GENERAL FUND	-\$6,301,000	-\$3,474,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	-\$6,301,000	-\$3,474,000
- GENERAL FUND	-\$6,301,000	-\$3,474,000
- COUNTY FUNDS	-\$6,565,000	-\$3,620,000

Purpose

This policy change estimates the expenditure changes due to a decrease in caseload related to the COVID-19 pandemic.

Authority

Families First Coronavirus Response Act (FFCRA)
 Coronavirus Aid, Relief, and Economic Security (CARES) Act

Interdependent Policy Changes:

CCS County Administration Costs
 CCS CMS Net
 CCS Case Mangement (Medi-Cal Estimate)

Background

On March 4, 2020, Governor Newsom declared a state of emergency in response to the developing pandemic of COVID-19. A statewide stay at home order was introduced on March 19, 2020. The federal government declared a national public health emergency on January 31, 2020, and a national emergency on March 13, 2020. The public health emergency will be effective for 90 days unless extended. These actions triggered the availability of Medicaid and Children's Health Insurance Program flexibilities, including under Section 1135 of the Social Security Act. Additionally, the President signed major federal legislation—including the FFCRA and the CARES Act—that provides increased federal funding in Medicaid and creates new options for states to address the COVID-19 pandemic.

The effects of the COVID-19 pandemic are unprecedented in modern times from a public health emergency and economic perspective. The pandemic will have fiscal impacts across policy areas and beneficiary populations within the Medi-Cal program.

The FFCRA includes a “continuous coverage requirement.” Under the continuous coverage requirement, states must halt most disenrollment of Medicaid eligibles enrolled at the beginning of the enrollment period or who would have enrolled during the emergency period until the end of the month the public health emergency ends in order to receive a temporary increase in the federal medical assistance percentage (FMAP). The Medi-Cal caseload has increased due to reduced disenrollment under the continuous coverage requirement.

Additionally, the COVID-19 pandemic resulted in increased levels of unemployment in California. A portion of the unemployed could potentially qualify for and enroll in Medi-Cal, resulting in a possible increase in caseload.

There is considerable uncertainty surrounding the magnitude and duration of COVID-19 caseload impacts.

Reason for Change

This is a new policy change

Methodology

1. Assume the impact of the continuous coverage requirement begins in April 2020, and continues through June 2022.
2. Based on recent trends for the CCS population, some eligibles enrolled in the state only program are shifting to Medi-Cal as a result of the public health emergency and will continue to be enrolled in Medi-Cal through June 2022 due to the FFCRA continuous coverage requirement. The recent trend in state only eligibles shifting to Medi-Cal is expected to continue through June 2022.
3. Assume that, following the end of the continuous coverage requirement, eligibility will be redetermined over a period of 12 months, through July 2023, for individuals not discontinued under the continuous coverage requirement, resulting in eligibles returning to the CCS state only program.
4. The change in average quarterly eligibles due to the public health emergency and the continuous coverage requirement are as follows. The approximate estimated impact for FY 2021-22 and FY 2022-23 is:

	Average Quarterly Eligibles	
	FY 2021-22	FY 2022-23
CCS State Only	(5,298)	(2,922)
CCS Medi-Cal	21,623	16,551

5. The estimated average quarterly cost of each state only eligible in both FY 2021-22 and FY 2022-23 is \$2,428.
6. The COVID-19 caseload impact on Medi-Cal expenditures for CCS children is budgeted in the Medi-Cal Local Assistance Estimate.

Fiscal Year	TF	GF	CF*
FY 2021-22	(\$6,301,000)	(\$6,301,000)	(\$6,565,000)
FY 2022-23	(\$3,474,000)	(\$3,474,000)	(\$3,620,000)

Funding:

100% General Fund (4260-101-0001)

County Funds*

*Not Included in Total Fund

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 2020-21</u> ¹	<u>Fiscal Year 2021-22</u>	<u>Fiscal Year 2022-23</u>	<u>FY 2021-22 - FY 2022-23 % Change</u>
CCS State Only	10,032	14,609	14,609	0.00%
Impact of Policy Changes (PCs)	0	-5,298	-2,922	-45%
SUBTOTAL	10,032	9,311	11,687	25.52%

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

<u>All Counties</u>	<u>Fiscal Year 2020-21</u> ¹	<u>Fiscal Year 2021-22</u>	<u>Fiscal Year 2022-23</u>	<u>FY 2021-22 - FY 2022-23 % Change</u>
CCS Medi-Cal ²	176,512	169,572	169,617	0.03%
Impact of Policy Changes (PCs)	0	21,623	16,552	-23%
SUBTOTAL	176,512	191,195	186,169	-2.63%

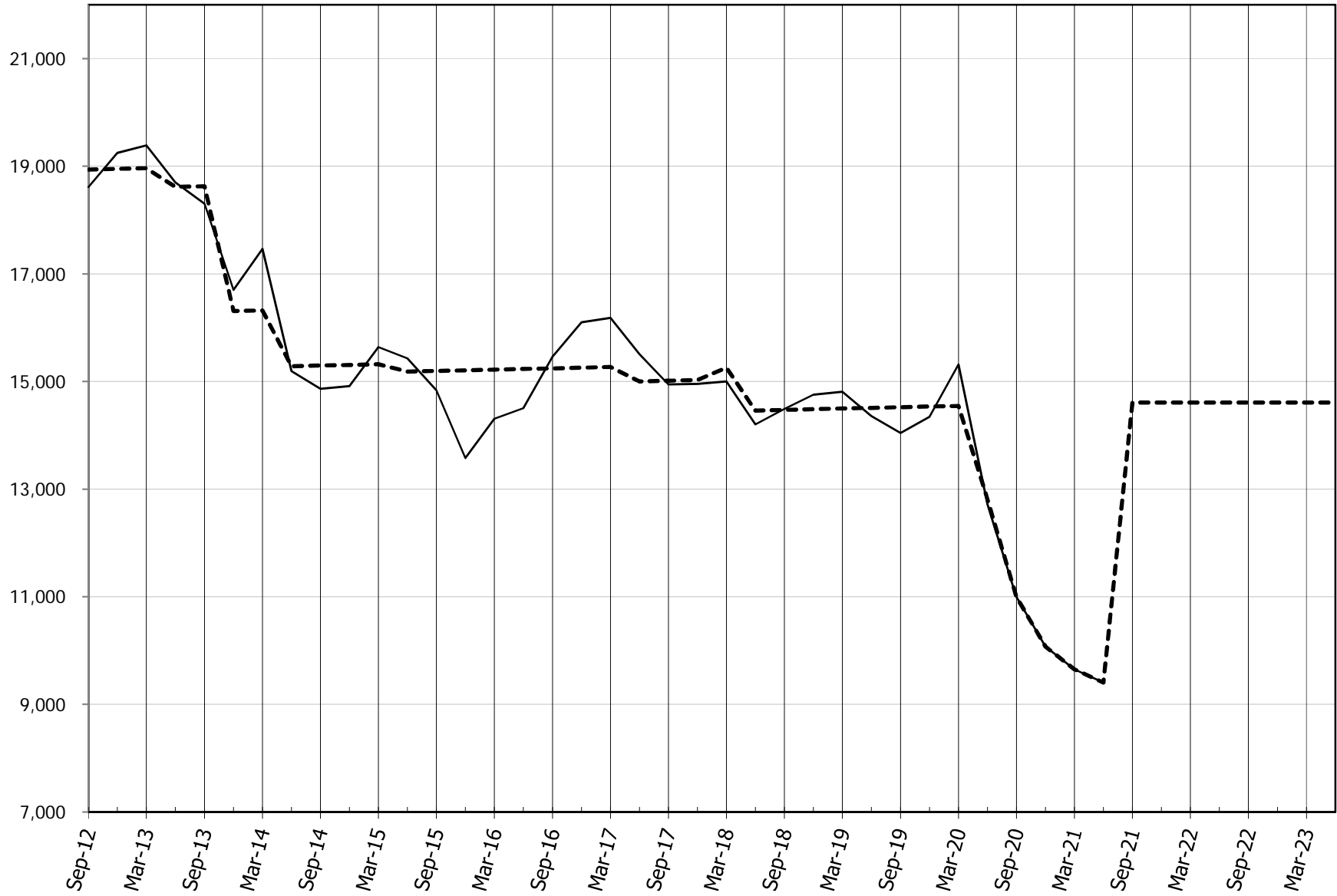
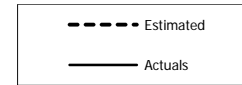
**Total Caseload
(CCS State Only and CCS Medi-Cal)**

<u>All Counties</u>	<u>Fiscal Year 2020-21</u> ¹	<u>Fiscal Year 2021-22</u>	<u>Fiscal Year 2022-23</u>	<u>FY 2021-22 - FY 2022-23 % Change</u>
CCS State Only	10,032	9,311	11,687	25.52%
CCS Medi-Cal	176,512	191,195	186,169	-2.63%
TOTAL	186,544	200,506	197,856	-1.32%

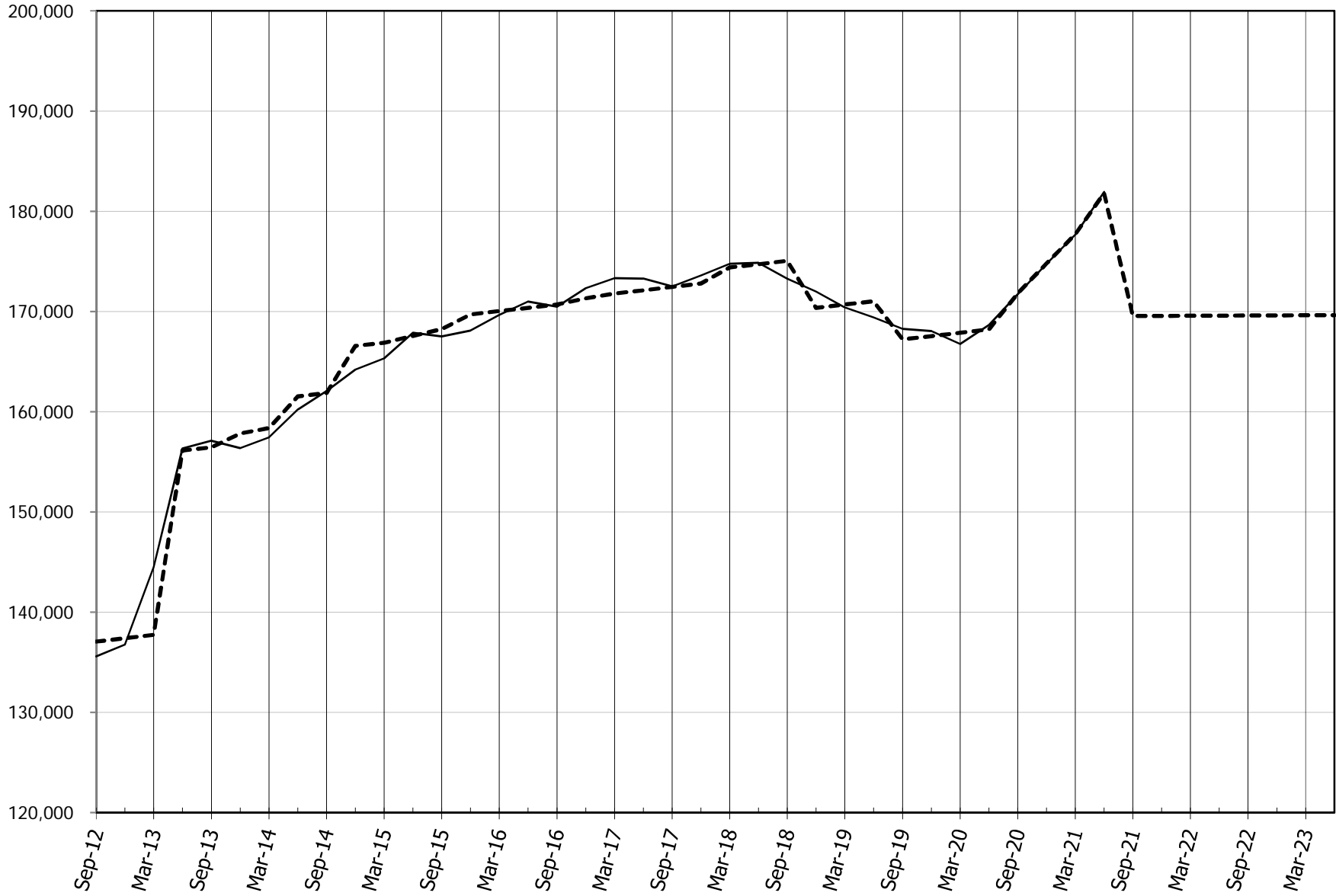
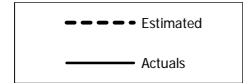
¹ Actual caseload.

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

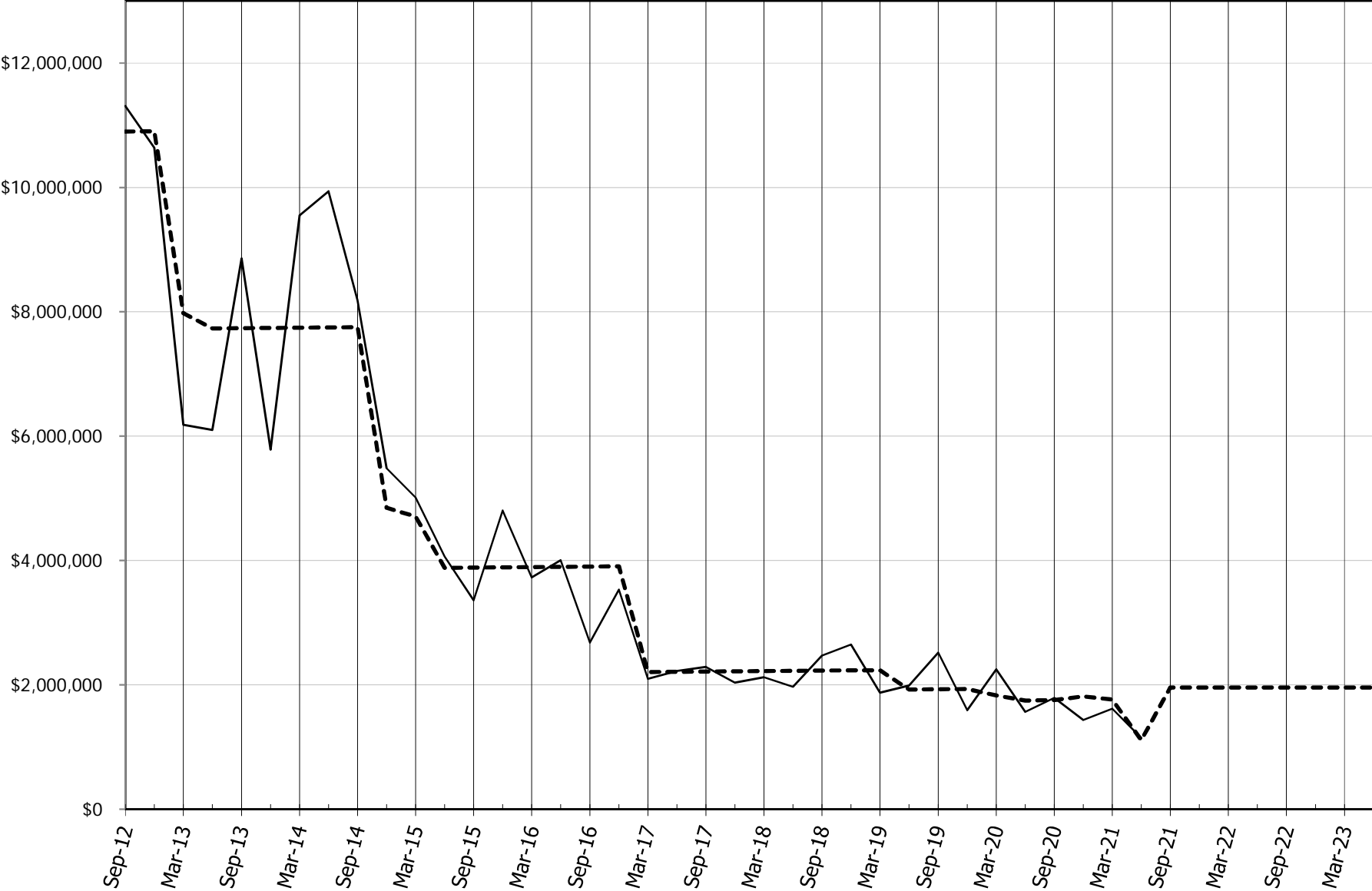
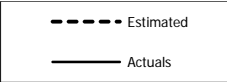
Total Statewide CCS State-Only Caseload



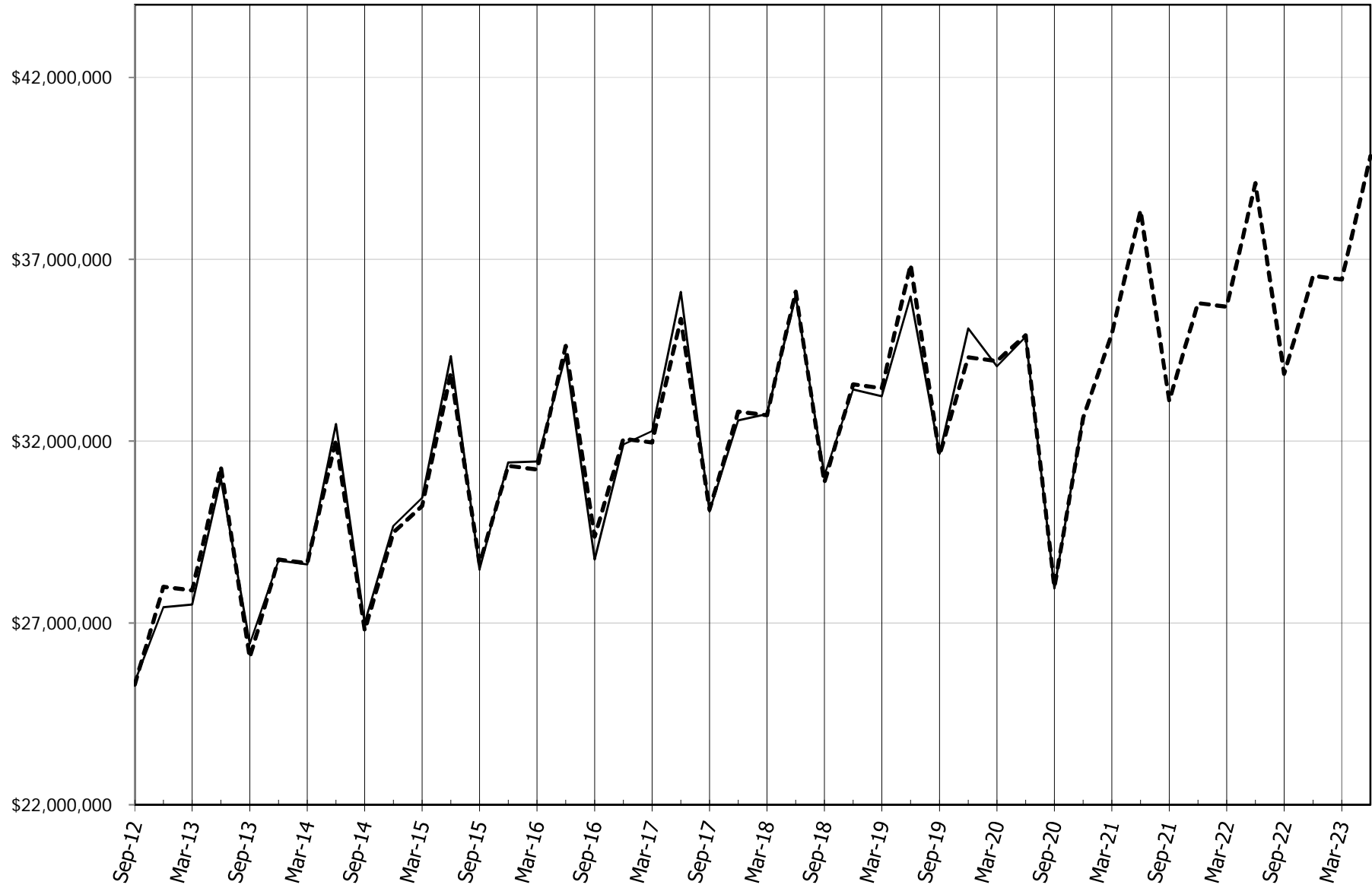
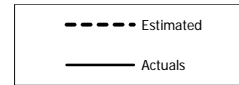
Total Statewide Medi-Cal Caseload



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



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



**GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary**

FY 2021-22, November 2021 Estimate Compared to May 2021 Estimate

	Appropriation FY 2021-22	Nov. 2021 Est. FY 2021-22	Difference Incr./(Decr.)
State-Only Caseload:	670	647	(23)
Net Dollars:			
4260-111-0001 (General Fund)	\$119,635,900	\$120,728,000	\$1,092,100
4260-611-0995 (Enrollment Fees)	\$502,700	\$453,000	(\$49,700)
4260-601-3079 (Rebate Special Fund)	\$17,448,000	\$15,052,000	(\$2,396,000)
Total	\$137,586,600	\$136,233,000	(\$1,353,600)

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23

	Nov. 2021 Est. FY 2021-22	Nov. 2021 Est. FY 2022-23	Difference Incr./(Decr.)
State-Only Caseload:	647	649	2
Net Dollars:			
4260-111-0001 (General Fund)	\$120,728,000	\$120,956,300	\$228,300
4260-611-0995 (Enrollment Fees)	\$453,000	\$453,000	\$0
4260-601-3079 (Rebates Special Fund)	\$15,052,000	\$20,335,000	\$5,283,000
Total	\$136,233,000	\$141,744,300	\$5,511,300

**GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Fiscal Year 2021-22**

November 2021 Estimate Compared to May 2021 Estimate, Total Funds

	<u>Appropriation FY 2021-22</u>	<u>Nov. 2021 Est. FY 2021-22</u>	<u>Difference Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 138,089,000	\$ 136,008,000	\$ (2,081,000)
2. Policy Changes	\$ (1,251,400)	\$ (540,000)	\$ 711,400
Total for Services	\$ 136,837,600	\$ 135,468,000	\$ (1,369,600)
Fiscal Intermediary	\$ 749,000	\$ 765,000	\$ 16,000
Total GHPP Program	\$ 137,586,600	\$ 136,233,000	\$ (1,353,600)

November 2021 Estimate Compared to May 2021 Estimate, General Fund

	<u>Appropriation FY 2021-22</u>	<u>Nov. 2021 Est. FY 2021-22</u>	<u>Difference Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 138,089,000	\$ 136,008,000	\$ (2,081,000)
2. Policy Changes	\$ (19,202,100)	\$ (16,045,000)	\$ 3,157,100
Total for Services	\$ 118,886,900	\$ 119,963,000	\$ 1,076,100
Fiscal Intermediary	\$ 749,000	\$ 765,000	\$ 16,000
Total GHPP Program	\$ 119,635,900	\$ 120,728,000	\$ 1,092,100

November 2021 Estimate Compared to May 2021 Estimate, Federal Funds

	<u>Appropriation FY 2021-22</u>	<u>Nov. 2021 Est. FY 2021-22</u>	<u>Difference Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 0	\$ 0	\$ 0
2. Policy Changes	\$ 0	\$ 0	\$ 0
Total for Services	\$ 0	\$ 0	\$ 0
Fiscal Intermediary	\$ 0	\$ 0	\$ 0
Total GHPP Program	\$ 0	\$ 0	\$ 0

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

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23, Total Funds

	Nov. 2021 Est. <u>FY 2021-22</u>	Nov. 2021 Est. <u>FY 2022-23</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 136,008,000	\$ 141,705,000	\$ 5,697,000
2. Policy Changes	\$ (540,000)	\$ (749,700)	\$ (209,700)
	-----	-----	-----
Total for Services	\$ 135,468,000	\$ 140,955,300	\$ 5,487,300
Fiscal Intermediary	\$ 765,000	\$ 789,000	\$ 24,000
	-----	-----	-----
Total GHPP Program	\$ 136,233,000	\$ 141,744,300	\$ 5,511,300

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23, General Fund

	Nov. 2021 Est. <u>FY 2021-22</u>	Nov. 2021 Est. <u>FY 2022-23</u>	Difference <u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 136,008,000	\$ 141,705,000	\$ 5,697,000
2. Policy Changes	\$ (16,045,000)	\$ (21,537,700)	\$ (5,492,700)
	-----	-----	-----
Total for Services	\$ 119,963,000	\$ 120,167,300	\$ 204,300
Fiscal Intermediary	\$ 765,000	\$ 789,000	\$ 24,000
	-----	-----	-----
Total GHPP Program	\$ 120,728,000	\$ 120,956,300	\$ 228,300

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23, Federal Funds

	Nov. 2021 Est. <u>FY 2021-22</u>	Nov. 2021 Est. <u>FY 2022-23</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>
2020-21 Actuals	Hemophilia	274	\$ 420,300	\$ 115,159,000
	Cystic Fibrosis	204	58,000	11,833,000
	Sickle Cell	57	4,500	256,000
	Huntington's	26	-	-
	Metabolic 2/	19	4,300	81,000
		580	\$ 219,500	\$ 127,329,000
2021-22 Estimate	Hemophilia	304	\$ 404,900	\$ 123,077,000
	Cystic Fibrosis	219	57,400	12,579,000
	Sickle Cell	71	3,900	280,000
	Huntington's	28	600	18,000
	Metabolic 2/	25	2,200	54,000
		647	\$ 210,200	\$ 136,008,000
2022-23 Estimate	Hemophilia	304	\$ 424,000	\$ 128,902,000
	Cystic Fibrosis	221	56,300	12,441,000
	Sickle Cell	71	4,000	286,000
	Huntington's	28	700	20,000
	Metabolic 2/	25	2,200	56,000
		649	\$ 218,300	\$ 141,705,000

1/ Actual expenditure data is complete through July 2021.

Actual caseload data is complete through July 2021.

2/ Metabolic conditions category includes Von Hippel Lindau syndrome.

GENETICALLY HANDICAPPED PERSONS PROGRAM**Base Estimate Comparisons for Fiscal Years 2021-22 and 2022-23****FY 2021-22, November 2021 Estimate Compared to Appropriation**

	Appropriation <u>FY 2021-22</u>	Nov. 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	\$ 124,427,000	\$ 123,077,000	\$ (1,350,000)
Cystic Fibrosis	13,293,000	12,579,000	(714,000)
Sickle Cell	247,000	280,000	33,000
Huntington's	18,000	18,000	-
Metabolic	104,000	54,000	(50,000)
TOTAL	\$ 138,089,000	\$ 136,008,000	\$ (2,081,000)

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23

	Nov. 2021 Est. <u>FY 2021-22</u>	Nov. 2021 Est. <u>FY 2022-23</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	\$ 123,077,000	\$ 128,902,000	\$ 5,825,000
Cystic Fibrosis	12,579,000	12,441,000	(138,000)
Sickle Cell	280,000	286,000	6,000
Huntington's	18,000	20,000	2,000
Metabolic	54,000	56,000	2,000
TOTAL	\$ 136,008,000	\$ 141,705,000	\$ 5,697,000

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

Fiscal Year 2021-22

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	607	303	304
Cystic Fibrosis	388	169	219
Sickle Cell	193	122	71
Huntington's	66	38	28
Metabolic	<u>110</u>	<u>85</u>	<u>25</u>
Total	1,364	717	647

Fiscal Year 2022-23

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	605	301	304
Cystic Fibrosis	387	166	221
Sickle Cell	193	122	71
Huntington's	66	38	28
Metabolic	<u>110</u>	<u>85</u>	<u>25</u>
Total	1,361	712	649

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

FY 2021-22, November 2021 Estimate Compared to May 2021 Estimate

	<u>Appropriation FY 2021-22</u>	<u>Nov. 2021 Est. FY 2021-22</u>	<u>Difference Incr./(Decr.)</u>
Hemophilia	317	304	(13)
Cystic Fibrosis	229	219	(10)
Sickle Cell	66	71	5
Huntington's	34	28	(6)
Metabolic	<u>24</u>	<u>25</u>	<u>1</u>
Total	670	647	(23)

Fiscal Year 2021-22 Compared to Fiscal Year 2022-23

	<u>Nov. 2021 Est. FY 2021-22</u>	<u>Nov. 2021 Est. FY 2022-23</u>	<u>Difference Incr./(Decr.)</u>
Hemophilia	304	304	0
Cystic Fibrosis	219	221	2
Sickle Cell	71	71	0
Huntington's	28	28	0
Metabolic	<u>25</u>	<u>25</u>	<u>0</u>
Total	647	649	2

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

FY 2021-22, November 2021 Estimate Compared to May 2021 Estimate

	<u>Appropriation FY 2021-22</u>	<u>Nov. 2021 Est. FY 2021-22</u>	<u>Difference Incr./Decr.</u>
Hemophilia	292	303	11
Cystic Fibrosis	168	169	1
Sickle Cell	123	122	(1)
Huntington's	40	38	(2)
Metabolic	<u>88</u>	<u>85</u>	<u>(3)</u>
Total	711	717	6

Fiscal Year 2021-22 Compared to Fiscal Year 2022-23

	<u>Nov. 2021 Est. FY 2021-22</u>	<u>Nov. 2021 Est. FY 2022-23</u>	<u>Difference Incr./Decr.</u>
Hemophilia	303	301	(2)
Cystic Fibrosis	169	166	(3)
Sickle Cell	122	122	0
Huntington's	38	38	0
Metabolic	<u>85</u>	<u>85</u>	<u>0</u>
Total	717	712	(5)

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

Fiscal Year 2021-22, November 2021 Estimate Compared to Appropriation								
<u>POLICY CHG.</u>			<u>FY 2021-22 APPROPRIATION</u>		<u>NOVEMBER 2021 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>
Other	1	ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$749,000	\$749,000	\$765,000	\$765,000	\$16,000	\$16,000
Benefits	3	BLOOD FACTOR DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	GHPP PREMIUM COSTS	\$124,000	\$124,000	\$132,000	\$132,000	\$8,000	\$8,000
Benefits	5	GHPP PREMIUM SAVINGS	-\$1,375,400	-\$1,375,400	-\$672,000	-\$672,000	\$703,400	\$703,400
Benefits	6	GHPP NON-BLOOD FACTOR REBATES	\$0	\$0	\$0	\$0	\$0	\$0
GHPP TOTAL			-\$502,400	-\$502,400	\$225,000	\$225,000	\$727,400	\$727,400

Fiscal Year 2021-22 Compared to Fiscal Year 2022-23								
<u>POLICY CHG.</u>			<u>Nov. 2021 Est. for FY 2021-22</u>		<u>Nov. 2021 Est. for FY 2022-23</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>
Other	1	ENROLLMENT FEES	\$0	\$0	\$0	\$0	\$0	\$0
FI	2	FISCAL INTERMEDIARY EXPENDITURES - GHPP	\$765,000	\$765,000	\$789,000	\$789,000	\$24,000	\$24,000
Benefits	3	BLOOD FACTOR DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	GHPP PREMIUM COSTS	\$132,000	\$132,000	\$154,000	\$154,000	\$22,000	\$22,000
Benefits	5	GHPP PREMIUM SAVINGS	-\$672,000	-\$672,000	-\$903,700	-\$903,700	-\$231,700	-\$231,700
Benefits	6	GHPP NON-BLOOD FACTOR REBATES	\$0	\$0	\$0	\$0	\$0	\$0
GHPP TOTAL			\$225,000	\$225,000	\$39,300	\$39,300	-\$185,700	-\$185,700

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

Enrollment Fees

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1993
ANALYST: Sasha Jetton

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$453,000	-\$453,000
	- ENROLLMENT FEES FUND	\$453,000	\$453,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$453,000	-\$453,000
	- ENROLLMENT FEES FUND	\$453,000	\$453,000

Purpose:

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

Authority:

Health & Safety Code 125166

Interdependent Policy Changes:

Not Applicable

Background:

Beneficiaries 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:

GHPP enrollment fees for some beneficiaries are being waived due to the COVID-19 Public Health Emergency, resulting in a decrease in projected fee collections for FY 2021-22 and FY 2022-23. There is no change between fiscal years in the current estimate.

Methodology:

1. Enrollment fees of \$444,700 were collected in Fiscal Year (FY) 2019-20, and \$389,000 collected FY 2020-21. Averaging the fees collected in these 24 months, the estimated enrollment fees for FY 2021-22 and FY 2022-23 are \$417,100.
2. Fee collections will no longer be waived after the COVID-19 public health emergency ends in December 2021. The projected increase in fee collections is \$35,900 for each fiscal based on a three-year average of fee collections prior to the COVID-19 public health emergency.

FY 2021-22: $$(444,700+389,500) \div 24 \times 12 = \$417,100 + \$35,900$ (\$453,000 GF)

FY 2022-23: $$(444,700+389,500) \div 24 \times 12 = \$417,100 + \$35,900$ (\$453,000 GF)

Funding:

100% GF (4260-111-0001)

GHPP Enrollment Fees (4260-611-0995)

FISCAL INTERMEDIARY EXPENDITURES - GHPP

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2003
ANALYST: Ryan Chin

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST - TOTAL FUNDS	\$765,000	\$789,000
- GENERAL FUND	\$765,000	\$789,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$765,000	\$789,000
- GENERAL FUND	\$765,000	\$789,000

Purpose:

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

Authority:

Health & Safety Code 125130

Interdependent Policy Changes:

Not Applicable

Background:

The GHPP utilizes FIs to adjudicate and pay medical and dental claims. Effective October 1, 2020, the Gainwell (GTS) and IBM contractors began processing medical claims. Currently there is no set date for implementation of Medi-Cal Rx, but in the future, Magellan will begin processing pharmacy related claims.

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

The implementation of Medi-Cal Rx was extended with the Assumption of Operations (AOO) to begin January 1, 2022. Between January 1, 2021, and AOO, Medi-Cal Rx will provide transitional services and supports to include but not be limited to, Customer Service Center, Clinical Staff Support, Pharmacy Service Portal, as well as Outreach and Education. These transitional services will support a smooth transition for AOO.

Reason for Change:

The change in FY 2021-22, from the prior estimate, is an increase due to increased Medi-Cal Rx estimates and FI administrative costs. The change from FY 2021-22 to FY 2022-23, in the current estimate, is an increase due to higher projected FI administrative costs.

Methodology:

1. Based on actual and projected volumes for the current year, the estimated medical FI administrative costs are \$724,000 in FY 2021-22 and \$749,000 in FY 2022-23.
2. Based on actual and projected volumes for the current year, the estimated dental FI administrative costs are \$1,000 in FY 2021-22 and FY 2022-23.
3. The estimated Medi-Cal Rx are \$40,000 in FY 2021-22, and \$39,000 in FY 2022-23.
4. The total estimated medical and dental FI administrative costs for GHPP are **\$765,000** in **FY 2021-22** and **\$789,000** in **FY 2022-23**.

Funding:

100% General Fund (4260-111-0001)

BLOOD FACTOR DRUG REBATES

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 7/2003
ANALYST: Ryan Chin

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$5,715,000	-\$7,135,000
- REBATE SPECIAL FUND	\$5,715,000	\$7,135,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$5,715,000	-\$7,135,000
- REBATE SPECIAL FUND	\$5,715,000	\$7,135,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

GHPP was not renewed as a Designated State Health Program (DHSP) with the Medi-Cal 2020 Section 1115(a) Medicaid Demonstration Waiver extension approval. CCS's DHSP designation ended December 31, 2020. The rebates for the October – December 2020 paid claims will be the last collected rebates associated under the DSHP designation. The Department is exploring options with Centers for Medicare and Medicaid Services to continue the collection of rebates.

Reason for Change:

The change for FY 2021-22, from the prior estimate, is a decrease due to rebate invoicing not resuming in FY 2021-22 Q1 as assumed in the prior estimate. The change from FY 2021-22 to FY 2022-23, in the current estimate, is an increase due to assuming rebate invoicing resuming in FY 2022-23.

Methodology:

1. Rebate projections for FY 2021-22 and FY 2022-23 are based on actual collections during FY 2019-20 and FY 2020-21.
2. The percentage change from FY 2019-20 to FY 2020-21 was used to determine the estimated amount for FY 2021-22.
3. For FY 2022-23, assume the percentage change from FY 2019-20 to FY 2020-21 is applied to the estimated amount for FY 2021-22.
4. Two quarter of rebate collections applied to FY 2021-22.
5. The Department anticipates collecting **\$5,715,000** in **FY 2021-22** and **\$7,135,000** in **FY 2022-23** for GHPP rebates.

Funding:

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

GHPP PREMIUM COSTS

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 12/2009
ANALYST: Sasha Jetton

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	\$132,000	\$154,000
	- GENERAL FUND	\$132,000	\$154,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$132,000	\$154,000
	- GENERAL FUND	\$132,000	\$154,000

Purpose:

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

Authority:

Health & Safety Code 125157(c)

Interdependent Policy Changes:

GHPP Premium Savings

Background:

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

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

Reason for Change:

The increase from the prior estimate is due to two additional cystic fibrosis, one Huntington's, and one Hemophilia clients enrolling and participating in the program through July 2021. In addition, it is anticipated that three additional clients will also enroll in FY 2021-22.

The increase between FY 2021-22 and FY 2022-23 in the current estimate is due to the anticipated enrollment of three additional clients in FY 2022-23.

Methodology:

1. Assume the monthly premium costs per enrollee are \$420 for Hemophilia, \$580 for Cystic Fibrosis, \$360 for Sickle Cell, \$230 for Metabolic, and \$390 for Huntington's based on recent premium costs for participants.
2. As of July 2021, 21 clients are enrolled and participating in the program. The total member months for current clients are:

	Member Months	
	FY 2021-22	FY 2022-23
Hemophilia	24	24
Cystic Fibrosis	132	132
Sickle Cell	48	48
Metabolic	12	12
Huntington's	36	36

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

	Member Months	
	FY 2021-22	FY 2022-23
Hemophilia	7	24
Cystic Fibrosis	8	12

4. Assume three new clients will enroll in FY 2022-23. The estimated member months for additional clients are:

	Member Months
	FY 2022-23
Hemophilia	13
Cystic Fibrosis	11

5. Total Member Months:

	Member Months	
	FY 2021-22	FY 2022-23
Hemophilia	31	61
Cystic Fibrosis	140	155
Sickle Cell	48	48
Metabolic	12	12
Huntington's	36	36
Total	267	312

6. Projected Premium Payments (Rounded):

	FY 2021-22	FY 2022-23
Total Funds	\$ 132,000	\$ 154,000
General Funds	\$ 132,000	\$ 154,000

Funding:

100% GF (4260-111-0001)

GHPP PREMIUM SAVINGS

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 12/2009
ANALYST: Sasha Jetton

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	-\$1,735,000	-\$2,392,000
	- GENERAL FUND	-\$1,735,000	-\$2,392,000
PAYMENT LAG		0.9988	0.9995
% REFLECTED IN BASE		61.22%	62.20%
APPLIED TO BASE	- TOTAL FUNDS	-\$672,000	-\$903,700
	- GENERAL FUND	-\$672,000	-\$903,700

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:

Projected savings decreased from the prior estimate for FY 2021-22 due to fewer projected months of enrollment for anticipated clients.

The increase between FY 2021-22 and FY 2022-23 in the current estimate is due to the anticipated enrollment of three additional clients in FY 2022-23.

Methodology:

1. As of July 2021, 21 clients are enrolled and participating in the program. The total member months for current clients are:

	Member Months	
	FY 2021-22	FY 2022-23
Hemophilia	24	24
Cystic Fibrosis	132	132
Sickle Cell	48	48
Metabolic	12	12
Huntington's	36	36

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

	Member Months	
	FY 2021-22	FY 2022-23
Hemophilia	7	24
Cystic Fibrosis	8	12

3. Assume three new clients will enroll in FY 2022-23. The estimated member months for additional clients are:

	Member Months	
		FY 2022-23
Hemophilia		13
Cystic Fibrosis		11

4. Total Member Months:

	Member Months	
	FY 2021-22	FY 2022-23
Hemophilia	31	61
Cystic Fibrosis	140	155
Sickle Cell	48	48
Metabolic	12	12
Huntington's	36	36
Total	267	312

5. Assume the savings per client enrolled is equal to the Annual Cost per Case in the November 2021 Family Health Estimate:

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
Hemophilia	\$ 404,900	\$ 424,000
Cystic Fibrosis	\$ 57,400	\$ 56,300
Sickle Cell	\$ 3,900	\$ 4,000
Metabolic	\$ 2,200	\$ 2,200
Huntington's	\$ 600	\$ 700

6. Projected Savings (Rounded):

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
Total Funds	\$ 1,735,000	\$ 2,392,000
General Funds	\$ 1,735,000	\$ 2,392,000

Funding:

100% GF (4260-111-0001)

GHPP NON-BLOOD FACTOR REBATES

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

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$9,337,000	-\$13,200,000
- REBATE SPECIAL FUND	\$9,337,000	\$13,200,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$9,337,000	-\$13,200,000
- REBATE SPECIAL FUND	\$9,337,000	\$13,200,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

The Department began collecting non-BF rebates for the GHPP State-Only in October 2019 and issued retroactive invoices for the time period of FY 2006-07 Q1 through FY 2018-19 Q4. Current non-BF rebates were invoiced quarterly for the time period of FY 2019-20 Q1 through FY 2020-21 Q2. The non-BF rebates are deposited into the Children's Medical Services Rebate Fund (4260-601-3079).

GHPP was not renewed as a Designated State Health Program (DHSP) with the Medi-Cal 2020 Section 1115(a) Medicaid Demonstration Waiver extension approval. GHPP's DHSP designation ended December 31, 2020. The rebates for the October 2020 – December 2020 paid claims are the last collected rebates associated under the DSHP designation. The Department is exploring options with Centers for Medicare and Medicaid Services to continue the collection of rebates

Reason for Change:

The change from the prior estimate for FY 2021-22 is due to:

- Rebate invoicing did not resume in FY 2021-22 Q1 as assumed in the prior estimate, and
- Assuming rebates collected in FY 2020-21, that are not yet transferred to the GF, will be transferred to the GF in FY 2021-22.

The change from FY 2021-22 to FY 2022-23 in the current estimate, is due to assuming rebate invoicing will resume in FY 2021-22 Q3 and that these rebates will be collected beginning in FY 2022-23 Q1.

Methodology:

1. \$120,616,000 TF has been collected for retroactive and current GHPP non-BF rebates as of August 1, 2021.
2. \$52,715,000 in rebates were transferred to the GF in FY 2019-20 and \$58,564,000 were transferred to the GF in FY 2020-21. The remaining balance of \$9,337,000 in collected rebates will be transferred in FY 2021-22.
3. Assume there will be a four quarter pause in rebate invoicing from FY 2020-21 Q3 through FY 2021-22 Q2 while the Department seeks CMS approval to begin collecting rebates again under a new authority.
4. In FY 2022-23, it is estimated that rebates for invoices issued for FY 2021-22 Q3 through FY 2022-23 Q2 totaling an estimated \$13,200,00 will be collected and transferred to the GF.
5. GHPP State-Only non-BF drug rebate transfers to the GF for FY 2021-22 and FY 2022-23 are estimated to be:

FY 2021-22	TF	GF	Drug Rebates Special Fund
Collected GHPP Non-BF Rebates	\$0	(\$9,337,000)	\$9,337,000

FY 2022-23	TF	GF	Drug Rebates Special Fund
FY 2021-22 Q3 to FY 2022-23 Q2 Non-BF Rebates	\$0	(\$13,200,000)	\$13,200,000

Funding:

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

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

Total				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>	<u>Total GHPP Only Payments</u>
1	1,297	665	632	\$ 33,535,996
2	1,327	673	654	34,107,018
3	1,342	685	657	35,936,176
4	1,362	718	644	34,331,131
2019-20	1,333	685	648	\$ 137,911,000
1	1,249	684	565	\$ 32,389,958
2	1,216	678	538	34,284,472
3	1,301	734	567	27,592,108
4	1,487	839	648	33,061,032
2020-21	1,314	734	580	\$ 127,329,000
1	1,402	754	648	\$ 32,736,097
2	1,350	704	646	34,137,221
3	1,354	706	648	34,423,662
4	1,356	708	648	34,710,105
2021-22	1,364	717	647	\$ 136,008,000
1	1,358	710	648	\$ 34,996,546
2	1,359	711	648	35,282,988
3	1,361	712	649	35,569,431
4	1,364	715	649	35,855,871
2022-23	1,361	712	649	\$ 141,705,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2021-22 reflects actuals and projected base estimate values.
 3) FY 2022-23 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	573	274	299	\$ 30,705,823
2	586	274	312	30,802,364
3	596	279	317	31,788,753
4	603	300	303	30,898,977
2019-20	590	282	308	\$ 124,196,000
1	563	297	266	\$ 29,066,934
2	559	303	256	31,069,380
3	596	328	268	24,669,533
4	672	368	304	30,352,711
2020-21	598	324	274	\$ 115,159,000
1	626	322	304	\$ 29,407,971
2	600	296	304	30,936,482
3	601	297	304	31,222,923
4	602	298	304	31,509,366
2021-22	607	303	304	\$ 123,077,000
1	603	299	304	\$ 31,795,807
2	604	300	304	32,082,249
3	605	301	304	32,368,692
4	606	302	304	32,655,132
2022-23	605	301	304	\$ 128,902,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2021-22 reflects actuals and projected base estimate values.
 3) FY 2022-23 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	375	160	215	\$ 2,570,999
2	384	166	218	3,186,973
3	386	169	217	4,053,004
4	393	171	222	3,364,906
2019-20	384	166	218	\$ 13,176,000
1	365	163	202	\$ 3,268,247
2	355	162	193	3,133,546
3	376	176	200	2,771,244
4	420	199	221	2,659,809
2020-21	379	175	204	\$ 11,833,000
1	398	179	219	\$ 3,247,783
2	385	166	219	3,110,295
3	386	166	220	3,110,295
4	386	166	220	3,110,295
2021-22	388	169	219	\$ 12,579,000
1	386	166	220	\$ 3,110,295
2	387	166	221	3,110,295
3	387	166	221	3,110,295
4	387	166	221	3,110,295
2022-23	387	166	221	\$ 12,441,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.

2) FY 2021-22 reflects actuals and projected base estimate values.

3) FY 2022-23 reflects projected base estimate values.

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

Sickle Cell

<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPH Only Caseload</u>	<u>Total GHPH Only Payments</u>
1	180	116	64	\$ 71,533
2	185	119	66	62,938
3	186	120	66	69,803
4	185	121	64	57,310
2019-20	184	119	65	\$ 262,000
1	162	109	53	\$ 49,374
2	154	105	49	74,157
3	169	115	54	91,254
4	208	137	71	40,787
2020-21	174	117	57	\$ 256,000
1	198	126	72	\$ 65,297
2	191	120	71	71,595
3	192	121	71	71,595
4	192	121	71	71,595
2021-22	193	122	71	\$ 280,000
1	193	122	71	\$ 71,595
2	193	122	71	71,595
3	193	122	71	71,595
4	194	123	71	71,595
2022-23	193	122	71	\$ 286,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.

2) FY 2021-22 reflects actuals and projected base estimate values.

3) FY 2022-23 reflects projected base estimate values.

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

Huntington

<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPH Only Caseload</u>	<u>Total GHPH Only Payments</u>
1	71	37	34	\$ 13,016
2	70	36	34	6,242
3	69	37	32	121
4	71	41	30	168
2019-20	71	38	33	\$ 20,000
1	63	37	26	\$ 0
2	59	35	24	-
3	65	37	28	22
4	71	43	28	-
2020-21	64	38	26	\$ 0
1	68	40	28	\$ 3,262
2	66	38	28	4,893
3	66	38	28	4,893
4	66	38	28	4,893
2021-22	66	38	28	\$ 18,000
1	66	38	28	\$ 4,893
2	66	38	28	4,893
3	66	38	28	4,893
4	66	38	28	4,893
2022-23	66	38	28	\$ 20,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.

2) FY 2021-22 reflects actuals and projected base estimate values.

3) FY 2022-23 reflects projected base estimate values.

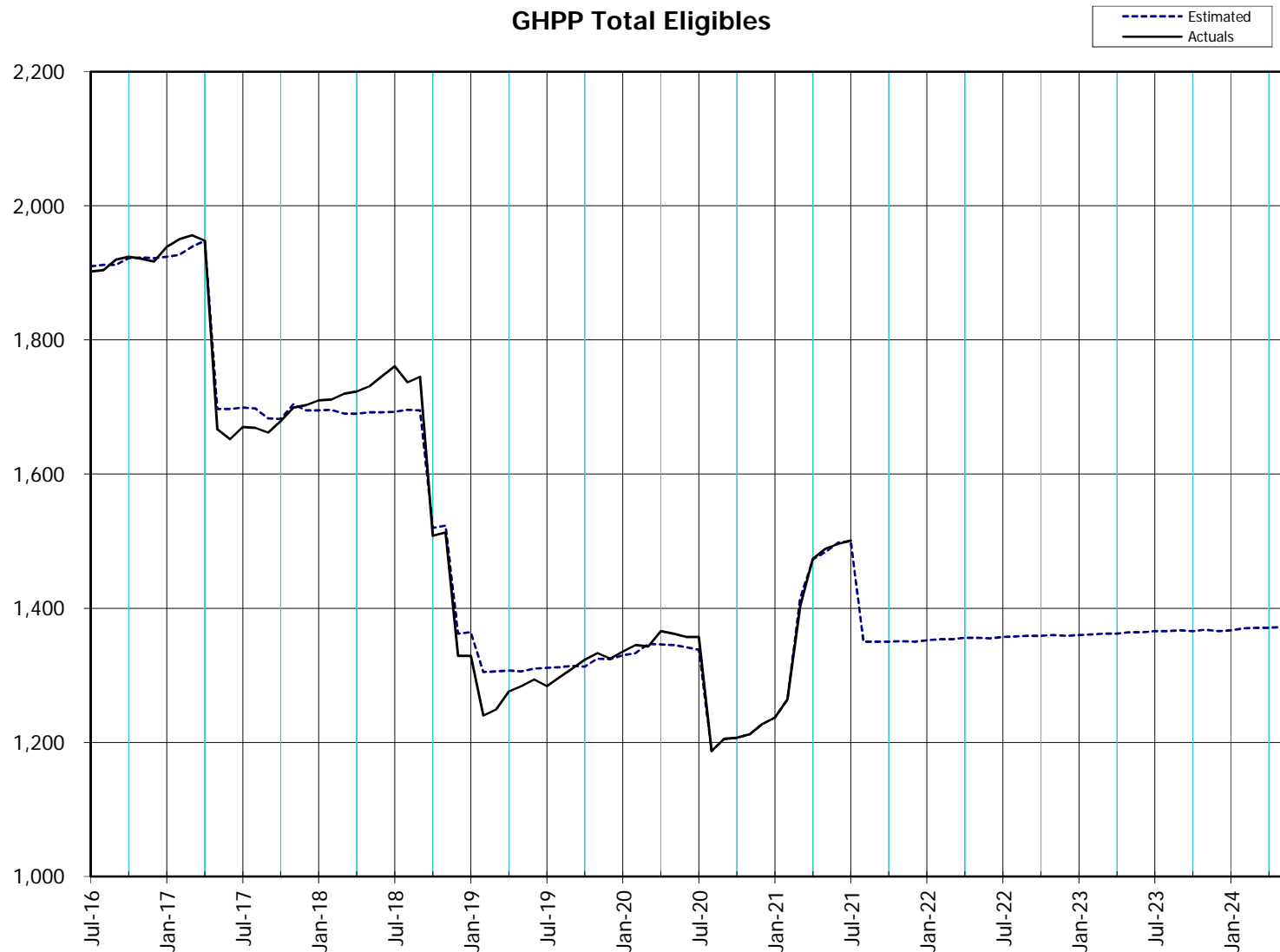
**GHPH Trend Report
(Includes Actuals & Projected Base Values)**

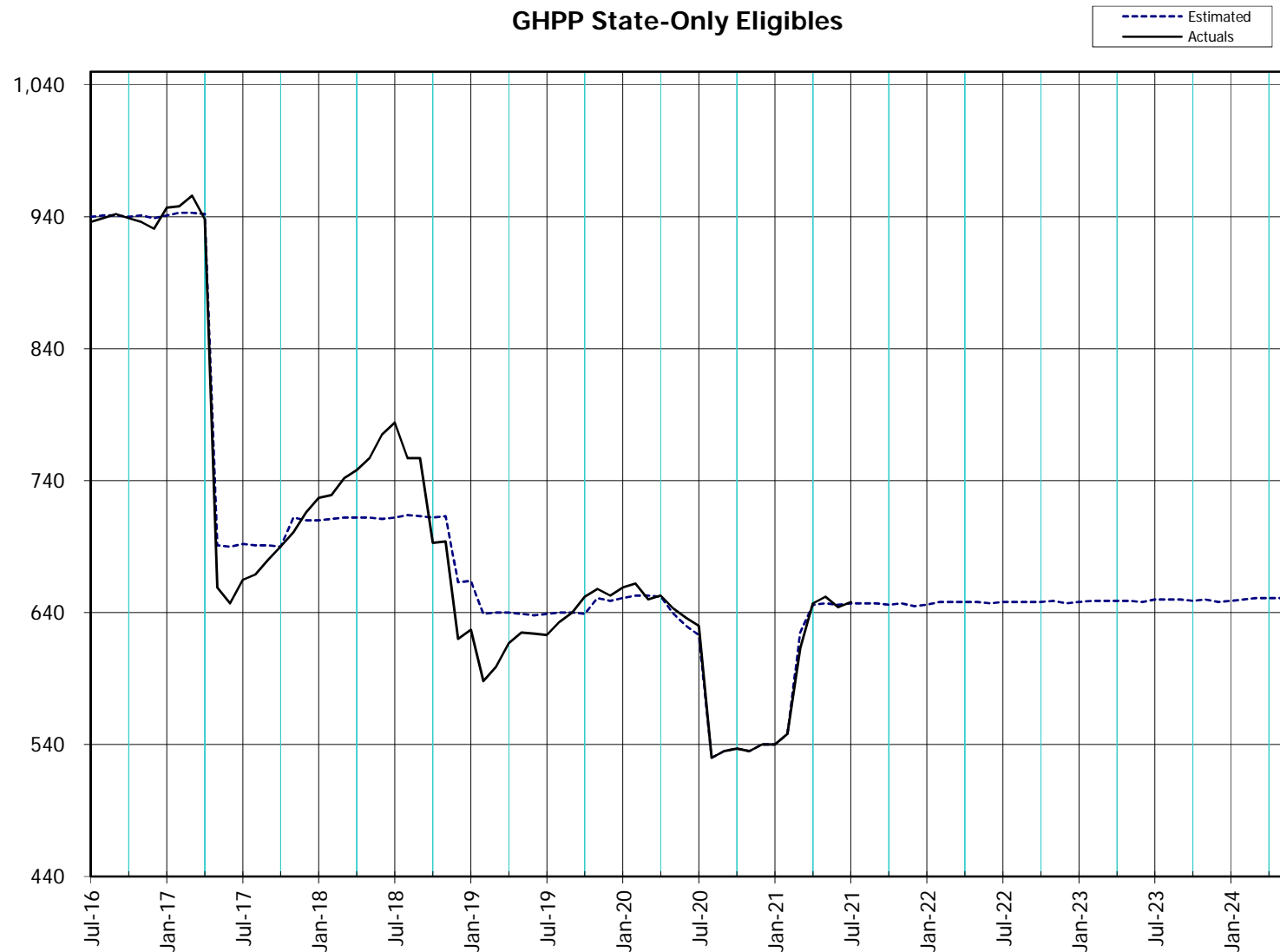
Metabolic				
<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPH Only Caseload</u>	<u>Total GHPH Only Payments</u>
1	98	78	20	\$ 174,625
2	102	78	24	48,501
3	105	80	25	24,495
4	110	85	25	9,770
2019-20	104	80	24	\$ 257,000
1	96	78	18	\$ 5,403
2	89	73	16	7,389
3	95	78	17	60,055
4	116	92	24	7,725
2020-21	99	80	19	\$ 81,000
1	112	87	25	\$ 11,784
2	108	84	24	13,956
3	109	84	25	13,956
4	110	85	25	13,956
2021-22	110	85	25	\$ 54,000
1	110	85	25	\$ 13,956
2	109	85	24	13,956
3	110	85	25	13,956
4	111	86	25	13,956
2022-23	110	85	25	\$ 56,000

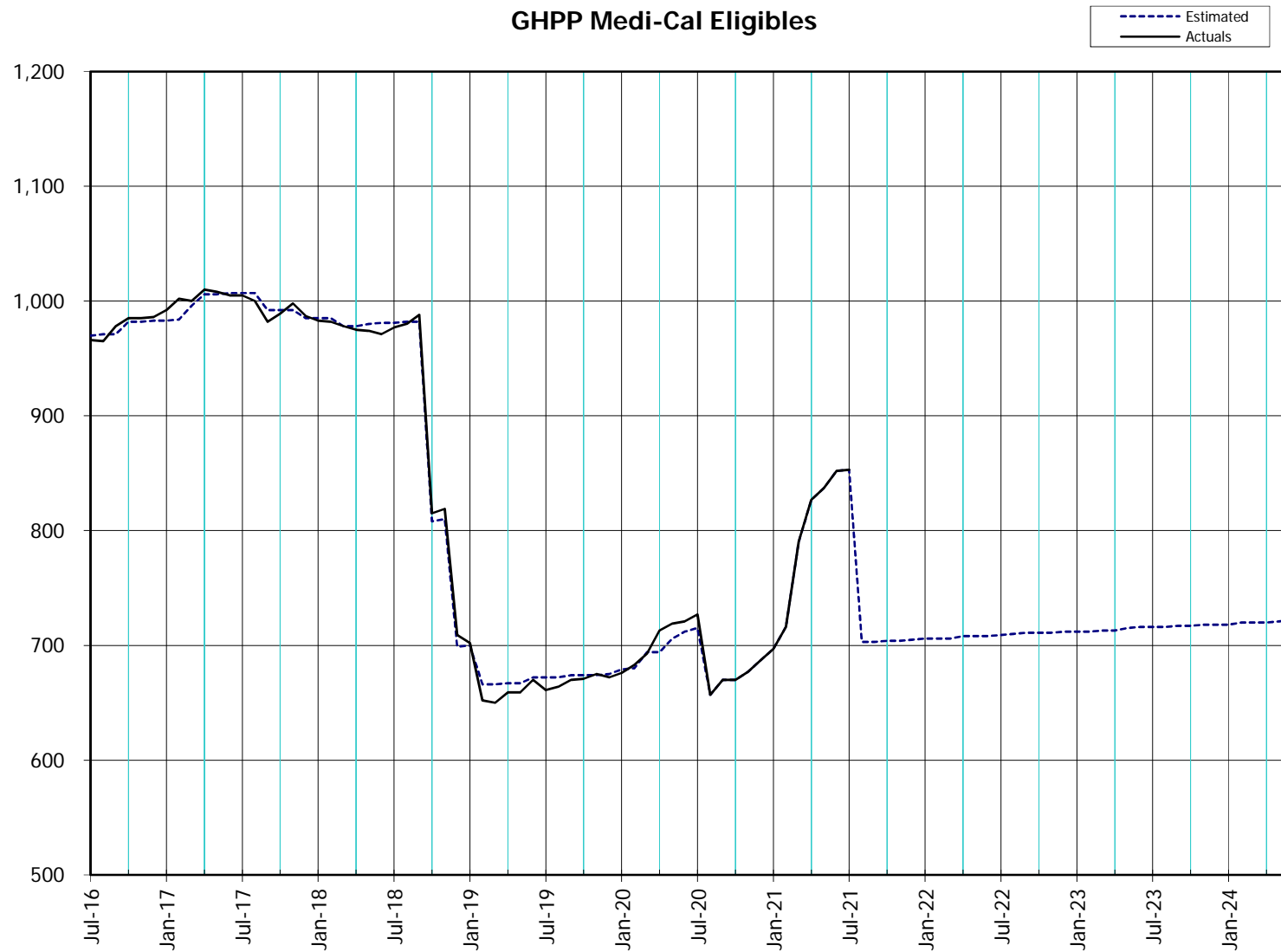
Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.

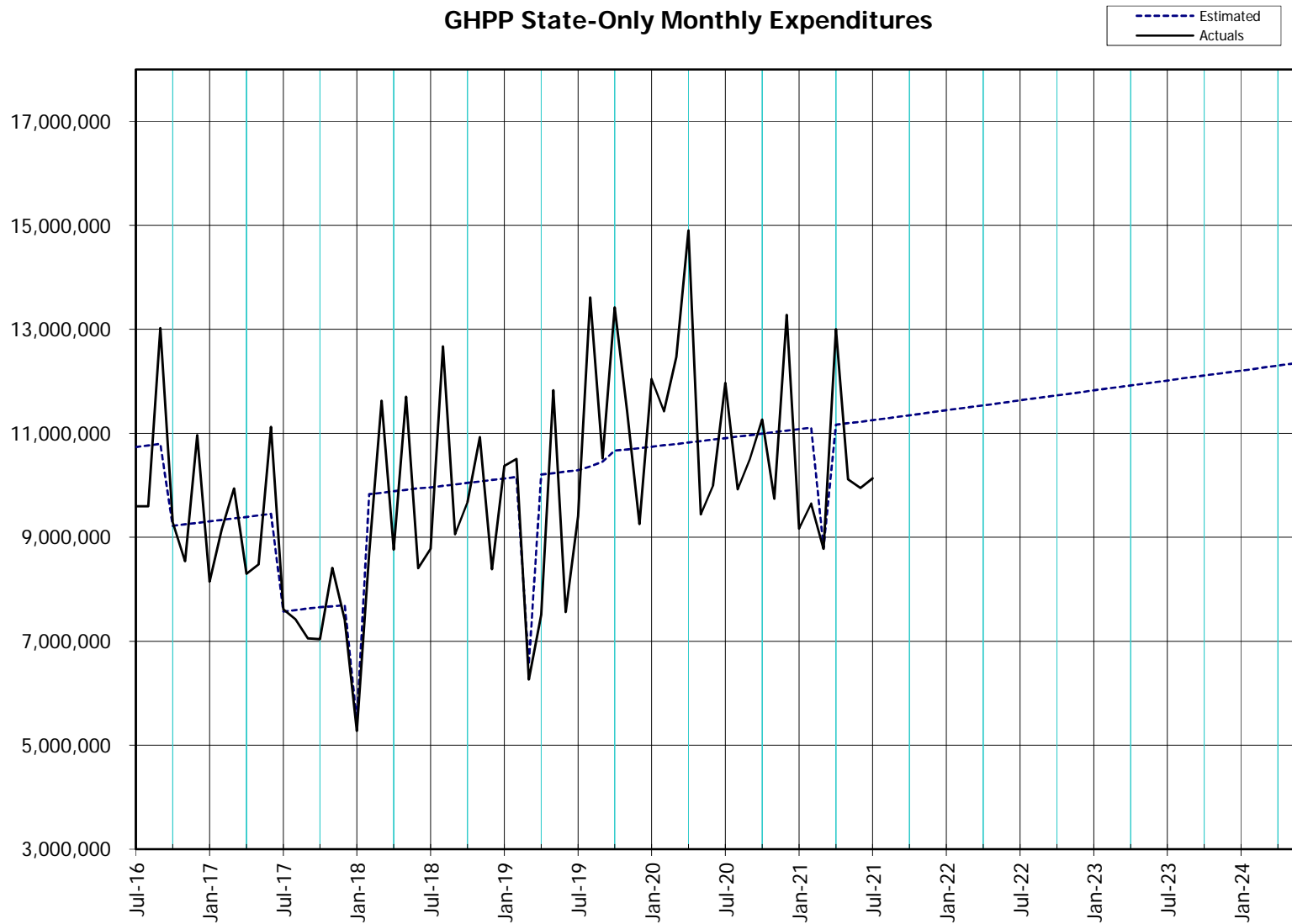
2) FY 2021-22 reflects actuals and projected base estimate values.

3) FY 2022-23 reflects projected base estimate values.









EVERY WOMAN COUNTS PROGRAM

Funding Summary

FY 2021-22, November 2021 Estimate Compared to Appropriation

	Appropriation <u>FY 2021-22</u>	Nov 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	24,602	24,103	(499)
Net Dollars:			
4260-114-0001 (General Fund)	\$16,805,000	\$11,944,000	(\$4,861,000)
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,989,000	\$7,989,000	\$0
4260-114-0890 (CDC)	\$5,128,000	\$5,128,000	\$0
Total	<u>\$44,437,000</u>	<u>\$39,576,000</u>	<u>(\$4,861,000)</u>

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23

	Nov 2021 Est. <u>FY 2021-22</u>	Nov 2021 Est. <u>FY 2022-23</u>	Difference <u>Incr./(Decr.)</u>
Caseload:²	24,103	27,405	3,302
Net Dollars:			
4260-114-0001 (General Fund)	\$11,944,000	\$16,717,000	\$4,773,000
4260-114-0236 (Prop 99)	\$14,515,000	\$14,515,000	\$0
4260-114-0009 (BCCA)	\$7,989,000	\$7,989,000	\$0
4260-114-0890 (CDC)	\$5,128,000	\$5,128,000	\$0
Total	<u>\$39,576,000</u>	<u>\$44,349,000</u>	<u>\$4,773,000</u>

² The November 2021 caseload estimate is based on updated data through July 2021.

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

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Fiscal Year 2021-22

May 2021 Estimate Compared to November 2021 Estimate, Total Funds

	Appropriation FY 2021-22	Nov 2021 Est. FY 2021-22	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 37,474,000	\$ 37,254,000	\$ (220,000)
2. Policy Changes	\$ 3,520,300	\$ (1,150,400)	\$ (4,670,700)
	-----	-----	-----
Total for Services	\$ 40,994,300	\$ 36,103,600	\$ (4,890,700)
Fiscal Intermediary	\$ 3,443,000	\$ 3,472,000	\$ 29,000
	-----	-----	-----
Total EWC Program	\$ 44,437,300	\$ 39,575,600	\$ (4,861,700)

May 2021 Estimate Compared to November 2021 Estimate, General Fund

	Appropriation FY 2021-22	Nov 2021 Est. FY 2021-22	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 37,474,000	\$ 37,254,000	\$ (220,000)
2. Policy Changes	\$ (24,111,700)	\$ (28,782,400)	\$ (4,670,700)
	-----	-----	-----
Total for Services	\$ 13,362,300	\$ 8,471,600	\$ (4,890,700)
Fiscal Intermediary	\$ 3,443,000	\$ 3,472,000	\$ 29,000
	-----	-----	-----
Total EWC Program	\$ 16,805,300	\$ 11,943,600	\$ (4,861,700)

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

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23, Total Funds

	Nov 2021 Est. <u>FY 2021-22</u>	Nov 2021 Est. <u>FY 2022-23</u>	Difference <u>Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 37,254,000	\$ 37,474,000	\$ 220,000
2. Policy Changes	\$ (1,150,400)	\$ 3,302,000	\$ 4,452,400
	-----	-----	-----
Total for Services	\$ 36,103,600	\$ 40,776,000	\$ 4,672,400
Fiscal Intermediary	\$ 3,472,000	\$ 3,573,000	\$ 101,000
	-----	-----	-----
Total EWC Program	\$ 39,575,600	\$ 44,349,000	\$ 4,773,400

November 2021 Estimate, FY 2021-22 Compared to FY 2022-23, General Fund

	Nov 2021 Est. <u>FY 2021-22</u>	Nov 2021 Est. <u>FY 2022-23</u>	Difference <u>Incr./.(Decr.)</u>
1. Base Expenditure Estimate	\$ 37,254,000	\$ 37,474,000	\$ 220,000
2. Policy Changes	\$ (28,782,400)	\$ (24,330,000)	\$ 4,452,400
	-----	-----	-----
Total for Services	\$ 8,471,600	\$ 13,144,000	\$ 4,672,400
Fiscal Intermediary	\$ 3,472,000	\$ 3,573,000	\$ 101,000
	-----	-----	-----
Total EWC Program	\$ 11,943,600	\$ 16,717,000	\$ 4,773,400

Notes:

1) Projections are based on cash basis.

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

Fiscal Year 2021-22, November 2021 Estimate Compared to Appropriation

POLICY CHG.		FY 2021-22 APPROPRIATION		NOVEMBER 2021 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	\$3,443,000	\$3,443,000	\$3,472,000	\$3,472,000	\$29,000	\$29,000
Other	2 CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	\$0	\$0	\$0	\$0	\$0
Other	3 BREAST CANCER CONTROL ACCOUNT	\$0	\$0	\$0	\$0	\$0	\$0
Other	4 CENTERS FOR DISEASE CONTROL AND PREVENTION FUND	\$0	-\$5,128,000	\$0	-\$5,128,000	\$0	\$0
Benefits	5 REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	7 MRI AND MRI GUIDED BIOPSY SCREENING BENEFITS	\$463,300	\$463,300	\$0	\$0	-\$463,300	-\$463,300
Benefits	8 EWC COVID-19 Caseload Impacts	\$0	\$0	-\$4,297,300	-\$4,297,300	-\$4,297,300	-\$4,297,300
Benefits	9 DIGITAL BREAST TOMOSYNTHESIS	\$0	\$0	\$89,900	\$89,900	\$89,900	\$89,900
EWC TOTAL		\$6,963,300	\$1,835,300	\$2,321,600	-\$2,806,400	-\$4,641,700	-\$4,641,700

Fiscal Year 2021-22 Compared to Fiscal Year 2022-23

POLICY CHG.		Nov. 2021 Est. for FY 2021-22		Nov. 2021 Est. for FY 2022-23		DIFFERENCE, Incr./(Decr.)	
TYPE	NO. DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
FI	1 FISCAL INTERMEDIARY EXPENDITURES - EWC	\$3,472,000	\$3,472,000	\$3,573,000	\$3,573,000	\$101,000	\$101,000
Other	2 CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND	\$0	\$0	\$0	\$0	\$0	\$0
Other	3 BREAST CANCER CONTROL ACCOUNT	\$0	\$0	\$0	\$0	\$0	\$0
Other	4 CENTERS FOR DISEASE CONTROL AND PREVENTION FUND	\$0	-\$5,128,000	\$0	-\$5,128,000	\$0	\$0
Benefits	5 REGIONAL CONTRACTS	\$3,057,000	\$3,057,000	\$3,057,000	\$3,057,000	\$0	\$0
Benefits	7 MRI AND MRI GUIDED BIOPSY SCREENING BENEFITS	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	8 EWC COVID-19 Caseload Impacts	-\$4,297,300	-\$4,297,300	\$0	\$0	\$4,297,300	\$4,297,300
Benefits	9 DIGITAL BREAST TOMOSYNTHESIS	\$89,900	\$89,900	\$245,000	\$245,000	\$155,100	\$155,100
EWC TOTAL		\$2,321,600	-\$2,806,400	\$6,875,000	\$1,747,000	\$4,553,400	\$4,553,400

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

FISCAL INTERMEDIARY EXPENDITURES - EWC

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 07/2012
ANALYST: Ryan Chin

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	\$3,472,000	\$3,573,000
	- GENERAL FUND	\$3,472,000	\$3,573,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$3,472,000	\$3,573,000
	- GENERAL FUND	\$3,472,000	\$3,573,000

Purpose:

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

Authority:

Health & Safety Code 104150(c)

Interdependent Policy Changes:

Not Applicable

Background:

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

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

Reason for Change:

The change for FY 2021-22, from the prior estimate, is a slight increase due to using more recent payment data. The change from FY 2021-22 to FY 2022-23, in the current estimate, is an increase due to updated payment projections.

Methodology:

1. The total estimated EWC FI administrative costs are:

Total EWC FI Costs	FY 2021-22	FY 2022-23
Processing Costs	\$2,972,000	\$3,073,000
SDNs	\$500,000	\$500,000
Total	\$3,472,000	\$3,573,000

Funding:

100% General Fund (4260-114-0001)

CIGARETTE AND TOBACCO PRODUCTS SURTAX FUND

POLICY CHANGE NUMBER: 2
IMPLEMENTATION DATE: 7/2012
ANALYST: Ryan Chin

	<u>FY 2021-22</u>	<u>FY 2022-23</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 2021-22.

There is no change from FY 2021-22 to FY 2022-23 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 2021-22 and FY 2022-23.

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: Ryan Chin

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$7,989,000	-\$7,989,000
- BCCA FUND	\$7,989,000	\$7,989,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$7,989,000	-\$7,989,000
- BCCA FUND	\$7,989,000	\$7,989,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

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

Starting July 1, 2018, the Department began receiving revenue from the Department of Motor Vehicles for fees collected from the specialty license plate program in accordance with Assembly Bill 49 (Chapter 351, Statutes of 2014). Funds from the sales of the license plate program are deposited into the BCCA and used to increase breast cancer awareness and screening services for uninsured and underinsured women.

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

Reason for Change:

There is no change for FY 2021-22 from the prior estimate.

There is no change from FY 2021-22 to FY 2022-23 in the current estimate.

Methodology:

1. The EWC program will receive \$7,989,000 of BCCA funds in FY 2021-22 and FY 2022-23. This amount includes \$77,000 estimated revenue received from the specialty license plate program.

Funding:

Breast Cancer Control Account (4260-114-0009)

100% General Fund (4260-114-0001)

CENTERS FOR DISEASE CONTROL AND PREVENTION FUND

POLICY CHANGE NUMBER: 4
IMPLEMENTATION DATE: 07/2012
ANALYST: Ryan Chin

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$5,128,000	-\$5,128,000
	- CDC FUNDS	\$5,128,000	\$5,128,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$5,128,000	-\$5,128,000
	- CDC FUNDS	\$5,128,000	\$5,128,000

Purpose:

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

Authority:

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

Interdependent Policy Changes:

Not Applicable

Background:

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

The program offers funding for:

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

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

The current grant cycle ends June 29, 2022. EWC will be applying for the next five year grant cycle in February of 2022.

Reason for Change:

There is no change for FY 2021-22 from the prior estimate. There is no change from FY 2021-22 to FY 2022-23 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 \$10,263,977 for FY 2021-22 and FY 2022-23.
2. The Department receives 68.19% of the total grant amount and the California Department of Public Health (CDPH) receives the remaining 31.81%.

(Dollars in Thousands)

Agency	FY 2021-22	FY 2022-23
Department	\$7,000	\$7,000
CDPH	\$3,263	\$3,263
Total CDC Grant Amount	\$10,263	\$10,263

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

(Dollars in Thousands)

Funding Type	FY 2021-22	FY 2022-23
Local Assistance	\$5,128	\$5,128
Support	\$1,872	\$1,872
NBCCEDP Grant for EWC	\$7,000	\$7,000

Funding:

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

REGIONAL CONTRACTS

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 7/2012
ANALYST: Ryan Chin

	<u>FY 2021-22</u>	<u>FY 2022-23</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
 Vietnamese American Cancer Foundation Contract #21-10147
 Santa Barbara County Contract #21-10287

Interdependent Policy Changes:

Not Applicable

Background:

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

The objective of each Regional Contractor is to:

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

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

Reason for Change:

There is no change in FY 2021-22, from the prior estimate. There is no change from FY 2021-22 to FY 2022-23, in the current estimate.

Methodology:

1. Effective July 1, 2021, all regional contracts have been extended for another two years.
2. The contracts are funded as follows:

Contracts	FY 2021-22	FY 2022-23
CA Health Collaborative	\$2,129,500	\$2,129,500
Community Health Partnership	\$266,800	\$266,800
Vietnamese American Cancer Foun	\$306,400	\$306,400
Santa Barbara County	\$354,300	\$354,300
Total	\$3,057,000	\$3,057,000

Funding:

100% General Fund (4260-114-0001)

EWC COVID-19 Caseload Impacts

POLICY CHANGE NUMBER: 8
IMPLEMENTATION DATE: 04/2020
ANALYST: Ryan Chin

		<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST	- TOTAL FUNDS	-\$5,157,000	\$0
	- GENERAL FUND	-\$5,157,000	\$0
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		16.67%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$4,297,300	\$0
	- GENERAL FUND	-\$4,297,300	\$0

Purpose:

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

Authority:

Not Applicable

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

The change for FY 2021-22, from the prior estimate, is an increase due to assuming the PHE ends on June 30, 2022. The change from FY 2021-22 to FY 2022-23, in the current estimate, is a decrease due to assuming the PHE ends on June 30, 2022.

Methodology:

1. Assume the PHE period extends through June 30, 2022.
2. Using historical data trends, the following estimate reflects COVID-19 impact on a cash basis for FY 2021-22.
3. For FY 2021-22, total COVID-19 impact reduces EWC caseload by 2,782 users, and expenditures by \$4,688,000.

Funding:

100% General Fund (4260-114-0001)

DIGITAL BREAST TOMOSYNTHESIS

POLICY CHANGE NUMBER: 9
IMPLEMENTATION DATE: 1/1/22
ANALYST: Ryan Chin

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
FULL YEAR COST - TOTAL FUNDS	\$124,000	\$248,000
- GENERAL FUND	\$124,000	\$248,000
PAYMENT LAG	0.7250	0.9880
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$89,900	\$245,000
- GENERAL FUND	\$89,900	\$245,000

Purpose:

This policy change estimates costs to add digital breast tomosynthesis (DBT) benefit to the list of covered procedures for the Every Woman Counts (EWC) program.

Authority:

Welfare & Institution Code Sections 14043.75(b) & 14105.18

Interdependent Policy Changes:

Not Applicable

Background:

DBT, also known as 3-D mammography, is a modification of digital mammography that has greater sensitivity for cancer detection while decreasing the recall rate from screening mammography. DBT allows for increased detection of breast abnormalities, in particular very small invasive cancers; therefore, improving the breast cancer detection rate and the decreasing the necessity of recipients returning for rescreening. DBT is a benefit covered by Medi-Cal and the Centers for Disease Control and Prevention, National Breast and Cervical Cancer Early Detection Program (NBCCEDP).

Many breast imaging facilities that provide services to EWC recipients are no longer providing conventional digital (also known as 2D) mammography because they are switching to DBT. Since DBT is not currently a billable code, this creates a barrier for physicians to provide the latest screening and diagnostic services to EWC recipients.

Reason for Change:

This is a new policy change.

Methodology:

1. Assume effective January 1, 2022, EWC providers will be allowed to bill for DBT procedures.
2. The estimated cost for **FY 2021-22** is **\$124,000 GF** and **\$248,000 GF** for **FY 2022-23**.

Funding:

100% General Fund (4260-114-0001)

EWC Trend Report
(Includes Actuals & Projected Base Values)

Total				
<u>Quarter</u>	<u>Base Estimate Caseload</u>	<u>Estimated Caseload from Policy Changes</u>	<u>Total Caseload</u>	<u>Total EWC Payments</u>
July-Sept 2017				\$6,097,095 *
Oct-Dec 2017				\$8,140,735 *
Jan-Mar 2018				\$6,136,128 *
April -June 2018				\$9,577,882 *
FY 2017-18	26,914		26,914 *	\$29,952,000
July-Sept 2018				\$9,276,000 *
Oct-Dec 2018				\$9,943,000 *
Jan-Mar 2019				\$7,831,000 *
April -June 2019				\$12,193,000 *
FY 2018-19	31,080		31,080 *	\$39,243,000
July-Sept 2019				\$9,608,934 *
Oct-Dec 2019				\$9,296,035 *
Jan-Mar 2020				\$8,777,510 *
April -June 2020				\$4,761,023 *
FY 2019-20	28,603		28,603 *	\$32,444,000
July-Sept 2020				\$6,241,258 *
Oct-Dec 2020				\$7,096,178 *
Jan-Mar 2021				\$6,317,249 *
April -June 2021				\$7,646,668 *
FY 2020-21	20,895		20,895 *	\$27,301,000
July-Sept 2021				\$9,148,330 **
Oct-Dec 2021				\$9,368,521 **
Jan-Mar 2022				\$9,368,521 **
April -June 2022				\$9,368,521 **
FY 2021-22	26,887	-2,784	24,103 **	\$37,254,000
July-Sept 2022				\$9,368,521 **
Oct-Dec 2022				\$9,368,521 **
Jan-Mar 2023				\$9,368,521 **
April -June 2023				\$9,368,521 **
FY 2022-23	27,405		27,405 **	\$37,474,000

Notes:

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

* Actuals

** Estimated

FAMILY HEALTH INFORMATION ONLY
November 2021
FISCAL YEARS 2021-22 & 2022-23

INTRODUCTION

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

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

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

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

California Children's Services

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

Base funding for the state only CCS program services and case management is composed of 50% county funds (CF) and 50% State General Fund (GF). Services and case management for Medi-Cal eligible children are funded by a combined 50% match of GF and Title XIX federal financial participation (FFP). Services and case management authorized for children who are enrolled in Medi-Cal's OTLICP are funded by 65% federal Title XXI FFP and a combined 17.5% CF and 17.5% GF. Starting October 2015, Title XXI FFP increased to 88%, reducing the CF/GF split to 6% apiece. Starting October 2019, Title XXI FFP will decrease to 76.5%, increasing the CF/GF split to 11.75% apiece. Starting October 2020, Title XXI FFP will return to its historic level of 65%, increasing the CF/GF split to 17.5%. In addition to the funding streams above, CCS is also supported by a fixed level of Federal Title V Maternal and Child

Health (MCH) funding. GF expenditures were reduced by federal funding by the Safety Net Care Pool (SNCP) under the Bridge to Reform (BTR) Demonstration. The BTR ended October 31, 2015. At this time, the Department is not assuming the continuation of the SNCP Designated State Health Programs. SNCP final reconciliations will continue to be budgeted.

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

Genetically Handicapped Persons Program

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

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

Every Woman Counts Program

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

EWC covered benefits and categories of service include office visits, screening, diagnostic mammograms, and diagnostic breast procedures, such as ultrasound, fine needle and core biopsy, pap test and HPV co-testing, ~~colonoscopy~~ **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 independent counties such as, Alameda, Contra Costa, Fresno, Los Angeles, Monterey, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, Santa Clara, other independent counties, and all other dependent counties as separate groups.

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

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

Genetically Handicapped Persons Program

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

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

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

Every Woman Counts Program

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

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

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

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

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

Starting no sooner than July 1, 2018, subject to successful readiness review by the department, the first phase of the WCM incorporated CCS services into the integrated care systems of most County-Organized Health Systems (COHS). COHS are county developed and operated Medi-Cal managed care plans with strong community ties. These plans are required to demonstrate support from various stakeholders that may include the respective county CCS program, local providers and hospitals, and local families of children with CCS eligible medical conditions or local advocacy groups representing those families. Phase two implemented on January 1, 2019 and Phase three, the final phase, implemented on July 1, 2019.

2. Adrenoleukodystrophy (ALD) as a CCS Eligible Condition

~~AB 1559, statutes of 2014, requires that statewide newborn screening be expanded to include Adrenoleukodystrophy (ALD), now that ALD has been adopted by the federal Recommended Uniform Screening Panel (RUSP). Newborn screening for ALD identifies most children with the genetic disorder. Adrenal insufficiency occurs predominately in males, with onset as early as 6 months of age. A small number of identified clients will receive a curative bone marrow transplant. Others receive services including diagnosis and treatment by endocrinologists and geneticists, occupational and physical therapy, and durable medical equipment. Costs associated with this condition have been incorporated in the base estimates and no new changes are anticipated at this time. This language will be removed in the November 2021 Estimate.~~

3. Spinal Muscular Atrophy (SMA) as a CCS Eligible Medical Condition

SB 1095, statutes of 2016, requires that statewide newborn screening be expanded to include Spinal Muscular Atrophy (SMA), now that SMA has been adopted by the federal Recommended Uniform Screening Panel (RUSP). Newborn screening for SMA, which started June 1, 2020, identifies most children with the early onset forms of the genetic disorder. Children identified through the newborn screening program as having, or at risk of having, SMA will require confirmatory testing/diagnostic studies, clinical/medical management, monitoring, and ongoing treatment. Treatment currently consists of pharmacotherapy (to increase protein expression) with better outcomes and gene therapy. There will be a cost to the program due to earlier detection and delivery of high-cost treatment.

4. New High Cost Treatments for Specific Conditions

Three high-cost treatments are now available for SMA, which is detected earlier due to implementation of newborn screening. The treatments are:

- Onasemnogene abeparvovec (Zolgensma), a gene therapy, approved by the Federal Drug Administration (FDA) on May 24, 2019, at a cost of \$2,100,000 per beneficiary;
- ~~Evrysdi~~ **Risdiplam (Evrysdi)**, an oral medication taken daily, (cost per person per year), and
- Nusinersen, an infusion every four months.

There are three high cost medications that together cover beneficiaries with Duchene muscular dystrophy:

- Golodirsen and Viltolersen which treats individuals with dystrophin mutations amenable to exon 53 skipping, and
- Exondys 51, which treats individuals with dystrophin mutations amenable to exon 51 skipping.
- There are four high-cost medications for treatment of cystic fibrosis, specifically cystic fibrosis transmembrane modulators, which treat individuals with amenable mutations in the CFTR protein:
 - Trikafta
 - Symdeko
 - Orkambi
 - Kalydeco

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

The CCS–MTP is required by a precedent setting decision of the California Fifth Appellate District Court to provide educationally necessary PT/OT services without regard to medical necessity for CCS-MTP clients/pupils enrolled in special education who have CCS-MTP PT/OT services included in their Individual Education Program (IEP) as a “related service.” Any proposed change in the level of PT/OT services based on CCS-MTP medical findings can be vetoed by a member of the IEP team, which includes the parent/family. The level of services that will be required under the precedent established by the court exceeds the levels based solely on medical necessity. In addition, because these services are not medically necessary, they are deemed not eligible for federal financial participation. The majority of the children in special education with an IEP are currently being monitored with minimal expenses. Many children will not shift from active therapy to monitoring as they age. Although the risk is ongoing, there have been no cases in the last year where active therapy is maintained without regard to medical necessity.

GENETICALLY HANDICAPPED PERSONS PROGRAM

1. Health Insurance Premium Reimbursement (HIPR) Program

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

EVERY WOMAN COUNTS PROGRAM

1. Correction of Denied Provider Claims

The Every Woman Counts (EWC) program utilizes the Fiscal Intermediary (FI) to adjudicate clinical claims. Issues were discovered with the claims adjudication process that resulted in denied clinical claims. Currently three Problem Statements (PS) have been issued for claim denials, resulting from an incorrect system crosswalk from ICD 9 to ICD 10 diagnosis codes. The identified claims adjudication problems are EWC specific. The FI has determined that system changes are required to correctly adjudicate the claims. System changes are costly and can take anywhere from 90 days to up to one year to resolve depending on the complexity of the work to be performed. Once the system changes are in place, the FI will issue an Erroneous Payment Correction (EPC) to re-adjudicate denied claims. These system changes and EPCs will impact EWC’s budget. See the EWC Erroneous Payment Corrections Policy Change for additional details.

2. Washington State Attorney General's Office

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

DISCONTINUED POLICY CHANGES

Fully Incorporated Into Base Data/Ongoing

CCS

Not Applicable

GHPP

Not Applicable

EWC

PC 6 Erroneous Payment Corrections

PC 7 MRI and MRI Guided Biopsies

DISCONTINUED POLICY CHANGES

Time-Limited/No Longer Applicable

CCS

CCS 9 CCS HF Non-Blood Factor Rebates

GHPP

Not Applicable

EWC

Not Applicable

DISCONTINUED POLICY CHANGES

Withdrawn

CCS

Not Applicable

GHPP

Not Applicable

EWC

Not Applicable