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Department of Health Care Services



GAVIN NEWSOM  
GOVERNOR

**DATE:** April 22, 2019

CCS Information Notice: 19-01

**TO:** All County California Children's Services Administrators and Integrated Systems of Care Division Staff

**SUBJECT:** Revised Enhanced Federal Medical Assistance Percentage for Title XXI State Children's Health Insurance Program Funding – Effective October 1, 2019

The purpose of this CCS Information Notice is to communicate the Federal Medical Assistance Percentage (FMAP) rate change to 76.5 percent for Title XXI effective October 1, 2019. This means the State/County share is 23.5 percent or 11.75 percent for State and County.

Since the inception of the former Healthy Families Program (HFP) in 1997, California Children's Services (CCS) claimed Title XXI Children's Health Insurance Program (CHIP) federal financial participation (FFP) for expenses for all services, both medical assistance and administrative, for Healthy Families Program (HFP) subscribers at the enhanced Federal Medical Assistance Percentage (FMAP) of 65 percent pursuant to Section 2105(b) of the Social Security Act. The county share of cost for this cohort was 17.5 percent of diagnosis and treatment costs for the CCS HFP subscribers who met CCS financial eligibility criteria and the associated CCS county administration costs.

In 2012, pursuant to the provisions of AB 102 (Ch. 29, Statutes of 2011), these HFP subscribers were transitioned to the Medi-Cal Optional Targeted Low Income Children's Program (OTLICIP). These former HFP children are covered by Medi-Cal. The FFP for OTLICIP Medi-Cal remained Title XXI CHIP Funding at the enhanced 65 percent FMAP. The county share of cost remained at 17.5 percent.

Current Enhanced Federal Medical Assistance Percentage (eFMAP) for CHIP (From 10/1/2015 through 09/30/2019):

Section 2101(a) of the Affordable Care Act amended Section 2105(b) of the Social Security Act increased the Title XXI CHIP enhanced FMAP for states by 23 percentage points for the period that began October 1, 2015 and will end September 30, 2019 (federal fiscal years 2016 through 2018). Currently, the CHIP eFMAP rate for California for this period is 88 percent. This has reduced the county share of cost for CCS

diagnosis and treatment services and county administration for the OTLICP Medi-Cal caseload from 17.5 percent to 6 percent effective October 1, 2015.

Revised Enhanced Federal Medical Assistance Percentage (eFMAP) for CHIP  
(From 10/1/2019 through 09/30/2020):

Section 3005 of the HEALTHY KIDS Act<sup>1</sup> further amended Section 2105(b) to specify a modified eFMAP for FY2020, providing that the FMAP under section 1905(b) for the state for the fiscal year shall be increased by 11.5 percentage points, with the sum not to exceed 100 percent, during the period that begins on October 1, 2019, and ends on September 30, 2020. Revised CHIP eFMAP rate for California for this period will be 76.5 percent. This will increase the county share of cost for CCS diagnosis and treatment services and county administration for the OTLICP Medi-Cal caseload from 6 percent to 11.75 percent effective October 1, 2019.

Instructions in the Integrated Systems of Care Plan and Fiscal Guidelines for the completion of the quarterly CCS Diagnosis and Treatment Administrative Expenditures Invoices those are affected by this change are being revised and will be available for quarterly expenditure reporting for the second quarter of the state fiscal year 2019-20 by September 30, 2019.

If you have any questions regarding this matter, please contact ISCD via email at [DHCS\\_SCDAdmin@dhcs.ca.gov](mailto:DHCS_SCDAdmin@dhcs.ca.gov).

Sincerely,

**ORIGINAL SIGNED BY**

Evelyn Schaeffer, Chief  
Integrated Systems of Care Division

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<sup>1</sup> (PL 115-120, January 22, 2018, 132 Stat 28).