

Department of Health Care Services
 Revenue and Expenditure Summary for Proposition 56 Funds for Fiscal Year 2023-24
 Fund 3305 - Healthcare Treatment Fund
 As of June 30, 2024

(Dollars in Thousands)

Operating Accrued/Transfers	Appropriation	Revenue
Transfers from Fund 3304 to Fund 3305	\$ 1,055,096	\$ (590,308)
Transfers from Fund 3305 to Fund 3375		\$ -
Total Revenue to Fund 3305	\$ 1,055,096	\$ (590,308)

State Fiscal Year 2023-24 Expenditures

Item of Appropriation	Local Assistance includes Policy Change (PC) # and Title ¹	Appropriation ^{2, 15}	Expenditure ³	Obligated for Future Fiscal Year ⁴
4260-001-3305	Proposition 56 State Operations	\$ 1,553	\$ 1,118	\$ -
9900-590-3305	Pro Rata Assessment	\$ 135,526	\$ -	\$ -
4260-695-3305	PC# 142 Proposition 56 Funding	\$ 289,494	\$ (289,494)	\$ -
4260-101-3305	PC# 85 Prop. 56 - Behavioral Health Incentive Program	\$ 51	\$ 47	\$ -
4260-101-3305	PC# 93 Prop. 56 Directed Payment Risk Mitigation ^{5,12}	\$ (55,949)	\$ 209,434	\$ -
4260-101-3305	PC# 117 Prop. 56 - Physician Services Supplemental Payments ^{6, 13}	\$ 644,531	\$ 319,191	\$ -
4260-101-3305	PC# 121 Prop. 56 - Medi-Cal Family Planning	\$ 141,492	\$ 103,410	\$ -
4260-101-3305	PC# 130 Prop. 56 - Dental Services Supplemental Payments	\$ 281,969	\$ 229,523	\$ -
4260-101-3305	PC# 137 Prop. 56 - Women's Health Supplemental Payments ⁷	\$ 25,554	\$ 14,298	\$ -
4260-101-3305	PC# 138 Prop. 56 - Pediatric Day Health Care Rate Increase ^{8,9,10}		\$ -	\$ -
4260-101-3305	PC# 139 Prop. 56 - Home Health Rate Increase ⁸		\$ -	\$ -
4260-101-3305	PC# 164 Prop. 56 - Developmental Screenings ^{8,9,10}		\$ 587	\$ -
4260-101-3305	PC# 166 Prop. 56 - Adverse Childhood Experiences Screenings ^{8,9,10}		\$ 539	\$ -
4260-101-3305	PC# 168 Prop. 56 - CBAS Supplemental Payments ^{8,9,10}		\$ (7,098)	\$ -
4260-101-3305	PC# 171 Prop. 56 - ICF/DD Supplemental Payments ^{8,9,10}		\$ (1,414)	\$ -
4260-101-3305	PC# 177 Prop. 56 - FS-PSA Supplemental Payments ⁸		\$ -	\$ -
4260-101-3305	PC# 178 Prop. 56 - NEMT Supplemental Payments ⁸		\$ 0	\$ -
4260-101-3305	PC# 180 Prop. 56 - AIDS Waiver Rate Increase ⁸		\$ 0	\$ -
4260-101-3305	PC# 194 Prop. 56 - Provider ACEs Trainings	\$ 904	\$ 903	\$ -
4260-101-3305	PC# 233 Prop. 56 - Value-Based Payment Program	\$ 13,544	\$ 13,826	\$ -
4260-101-3305	Other Managed Care (combination Manage Care PC 233,85,137,117,130,121) ¹¹		\$ 1,681	\$ -
	4260-101-3305 Local Assistance Subtotal	\$ 1,052,096	\$ 884,929	\$ -
	4260-3305 Subtotal	\$ 1,478,669	\$ 596,553	\$ -
4260-101-3375	PC# 200 Prop. 56 Physicians & Dentists Loan Repayment Program - ENY 2021	\$ -	\$ -	\$ -
4260-101-3375	PC# 200 Prop. 56 Physicians & Dentists Loan Repayment Program - ENY 2022 ¹⁴	\$ 6,206	\$ 60	\$ -
4260-601-3375	PC# 174 Prop. 56 Physicians & Dentists Loan Repayment Program - ENY 2022	\$ -	\$ 45,924	\$ -
	4260-101-3375 Subtotal	\$ 6,206	\$ 45,984	\$ -
	Total	\$ 1,484,875	\$ 642,537	\$ -

Prior Year Adjustments Posted in 2023-24

Item of Appropriation	Local Assistance includes Policy Change (PC) # and Title ¹	Appropriation ²	Expenditure ³	Obligated for Future Fiscal Year ⁴
4260-001-3305	Proposition 56 Staffing - Enactment Year 2021	\$ (0)	\$ (0)	\$ -
	Proposition 56 Staffing - Enactment Year 2022	\$ 480	\$ 134	\$ -

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FOOTNOTES TO PROP 56 SUMMARY FOR FY 2023-24

¹ Policy Change (PC) # is based on the Medi-Cal Local Assistance Estimate May 2024 and Appropriation Supplement.

² The Budget Act appropriates funds at the item level. For individual policy changes, this column reflects amounts budgeted in the Medi-Cal May 2024 Estimate for FY 2023-24 Appropriation Adjustments and Appropriation Supplement.

³ Source of expenditure information from DF 303 and SCO Tab Run.

⁴ Medi-Cal operates on a cash basis thus there are no 2023-24 appropriation amounts obligated for future

Notes for prior fiscal year, FY 2022-23, funding adjustments posted in FY 2023-24:

⁵ PC# 93, the balance owed to Federal Fund 0890 (\$273,118,889.04) in FY 2022-23 was reduced by a credit memo of \$63,684,808.77 applied to Fund 0890 on 09/07/2023, lowering the total amount that was paid back to \$209,433,554.87. Funding adjustment for FY 2022-23 processed in FY 2023-24.

⁶ PC# 117 there is a variance of \$522.64 between SCO and internal records due to a duplicate correction. Funding correction for FY 2022-23 processed in FY 2023-24.

⁷ PC# 137 checkwrite variance of \$273.89 between SCO and internal records due to indicator "A" (abortion) being originally paid as Title 19 50/50 funding split but should have been funded 100% State Only. Funding correction for FY 2022-23 processed in FY 2023-24.

⁸ Per May 2024 Estimate, the following PCs include fee-for-service and managed care programs: PC# 138, PC# 139, PC# 177, PC# 171, PC# 180, PC# 166, PC# 178, PC# 168, and PC# 164 transitioned to General Fund effective FY 2022-23. The Expenditures shown above are for the service period prior to July 1, 2022.

⁹ A funding correction for the Managed Care portion within PC# 171, PC# 138, PC# 164, PC# 166, and PC# 168, in the amount of \$185,288.82 for General Fund (period from Oct 2022-June 2023). Funding

Notes for FY 2023-24 funding adjustments posted in FY 2024-25:

¹⁰ A funding correction for the Managed Care portion within PC# 171, PC# 138, PC# 164, PC# 166, and PC# 168, in the amount of \$12,788,673.23 will be processed in FY 2024-25.

¹¹ This amount represents the partial amount of the Fund 3305 expenditures that were paid from General Fund. The report used to break down Managed Care expenditures by PC level does not breakdown the amounts by claim schedule. The report breaks down the grand total of all Fund 3305 expenditures for that month by PC. Therefore, this amount cannot be split amongst the various PCs and is listed as separate line item.

¹² During FY 2023-24, Managed Care PCs # (85, 117, 121, 130, 137, 233) expenditures, associated with Prop 56, were paid by the General Fund due to a shortage of cash in Fund 3305. In June 2024, Fund 3305 received a cash receipt (CR) of \$263 million for PC# 93. At that time, Fund 3305 owed the General Fund \$239 million. The CR for \$263 million was deposited directly into the General Fund to correct expenditures, resulting in the General Fund receiving an extra \$24 million. This correction will be processed in November 2024.

¹³ A funding correction for Checkwrite (TRI voids - Physician Services, period Jan.-Apr. 2024) PC# 117 in the amount of \$45,558.35 will be processed in FY 2024-25. A funding correction for Checkwrite (TRI voids - Physician Services, period May-Jun. 2024) PC# 117 corresponding production will come out in November 2024. Correction will be processed in FY 2024-25.

¹⁴ An expenditure correction for Fund 3375 PC# 174 in the amount of \$60,000.00 will be processed from reference 101 to 601 in November 2024.

¹⁵ Per the May 2024 Estimate, the discrepancy in the Prop 56 Funding PC table is the result of a typo. The numbers will be corrected in the November 2024 Estimate publication.

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