

FAMILY HEALTH
MAY 2021
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2020-21 *and* 2021-22



The Great Seal

STATE OF CALIFORNIA
DEPARTMENT OF HEALTH CARE SERVICES

**FAMILY HEALTH
MAY 2021
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2020-21 and 2021-22**

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

Management Summary May 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:

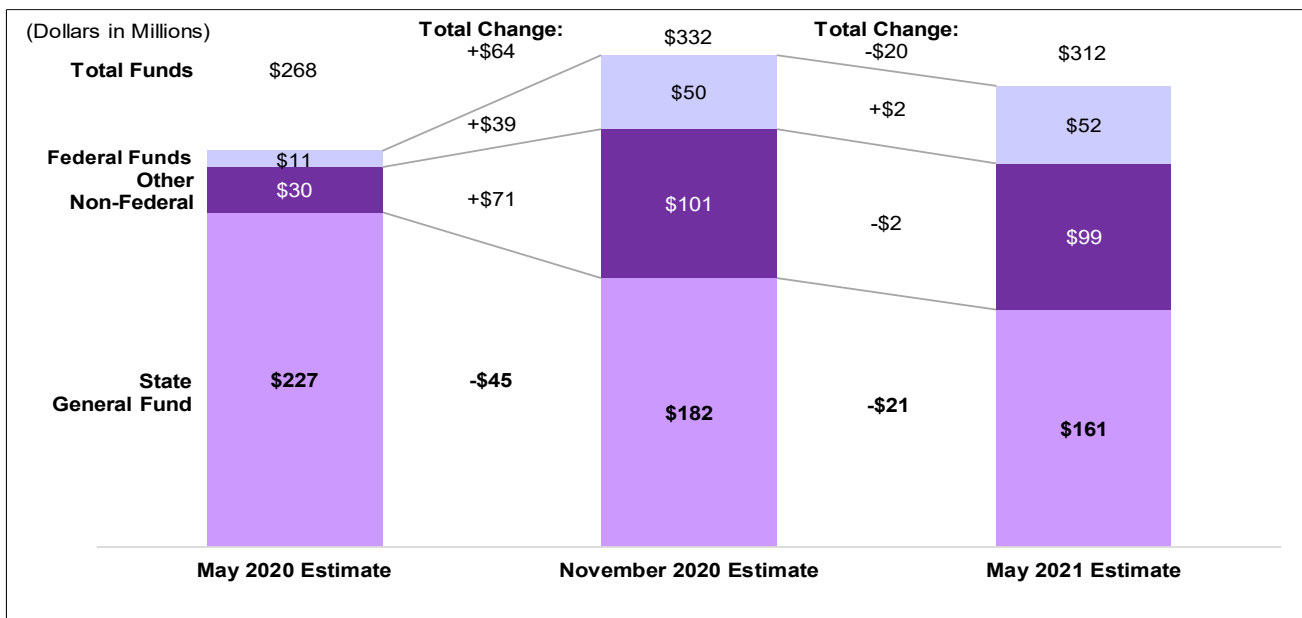
- **California Children's Services (CCS):** The CCS program, established in 1927, is one of the oldest public health care programs in the nation and is administered in partnership with county health departments. The CCS State Only program provides health care services to children up to age 21 who have 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.

This document is intended to provide the user with a high-level overview of the May 2021 Estimate. The Estimate is produced bi-annually in May and November (for release in January). This document is divided into several sections to provide additional transparency and usability of the information. The sections include the following:

- FY 2020-21 Comparison
- FY 2021-22 Comparison
- FY 2020-21 to FY 2021-22 Year-Over-Year Comparison
- Policy Change Detail Chart

DHCS estimates Family Health spending to be \$312 million in FY 2020-21 and \$266 million in FY 2021-22. This does not include funds spent by county health departments on these programs.

FY 2020-21 Comparison



The May 2021 Estimate for FY 2020-21 projects a \$20 million decrease in total funding (\$21 million decrease in General Fund spending) compared to the November 2020 Estimate. This reflects a 6 percent decrease in estimated total funds spending and an 11.5 percent decrease in estimated General Fund spending for FY 2020-21.

Following are the main drivers of the changes:

- **Base Expenditures.**
 - **Genetically Handicapped Persons Program (GHPP) Base Expenditures.** Actual GHPP treatment expenditures are lower in the early months of FY 2020-21 than previously projected (\$7.6 million), possibly due to the COVID-19 public health emergency and statewide stay at home order.

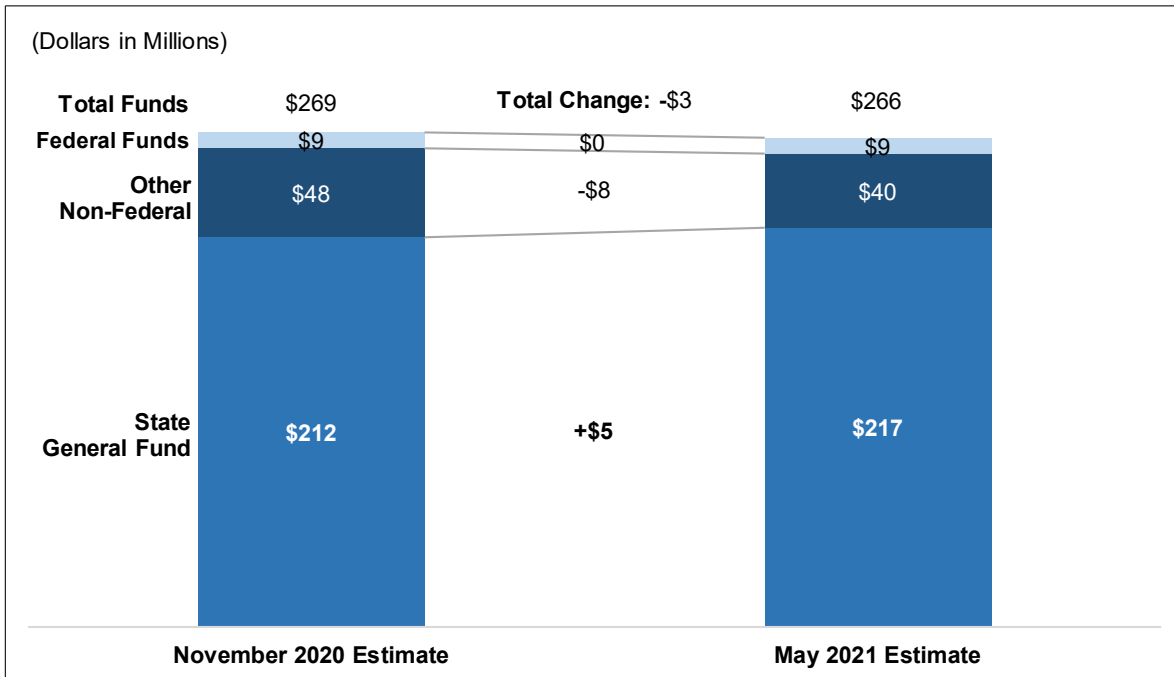
Expenditures have returned to normal levels and no additional COVID-19 impact is projected.

- **Every Woman Counts (EWC) Base Expenditures.** There is a decrease of \$2 million in expenditures from the November 2020 Estimate for FY 2020-21 due to actuals coming in lower than initially projected. Additionally, Executive Order N-33-20 triggered further reductions in EWC program expenditures. These expenditure reductions are reflected in the EWC COVID-19 Caseload Impacts policy change.
- **Drug Rebates.** California Children's Services (CCS) and Genetically Handicapped Persons Program (GHPP) Drug rebates were authorized through the Medi-Cal 2020 Section 1115 demonstration's Designated State Health Program (DSHP). The DSHP was not extended after December 31, 2020. The Department expects to submit a proposal to the Centers for Medicare and Medicaid Services (CMS), no sooner than July 1, 2021, to obtain new authority to continue the CCS and GHPP federal rebates. It is assumed that there will be a two-quarter break (January 2021 to June 2021) in federal rebate authority. The July 2021 to September 2021 quarter rebates are expected to be invoiced in November 2021 and paid in January-February 2022.

Details on the significantly changed drug rebate policy changes are as follows:

- **CCS Healthy Families (HF) Non-Blood Factor Rebates.** The change in FY 2020-21 is a decrease of \$5.34 million TF and decrease of \$0.81 million GF rebate savings to reflect the actual amounts transferred to the Medi-Cal Drug Rebate Fund and the Title XXI funding used in FY 2020-21. The May 2020 Appropriation did not include funding for Title XXI federal funds under item 4260-113-0890. Based on the updated CCS 9 – CCS HF Non-Blood Factor Rebates policy change in the May 2021 Estimate, authority for the Title XXI funding under 4260-113-0890 will be requested for FY 2020-21.
- **GHPP Non-Blood Factor Rebates.** An increase of \$11.9 million rebate savings are estimated to reflect additional retroactive rebates collected in FY 2020-21.
- **CCS Drug Rebates.** The change for FY 2020-21, from the prior estimate, is a decrease due to a two-quarter break in rebate collections.
- **Blood Factor Drug Rebates (GHPP).** The change for FY 2020-21, from the prior estimate, is a decrease due to a two-quarter break in rebate collections.
- **Title V Reimbursement from the California Department of Public Health (CDPH).** The change for FY 2020-21, from the prior estimate, is an increase due to an updated reduction timeline for the proposed reduction in the CDPH Interagency Agreement (IA).
- **EWC COVID-19 Caseload Impacts.** The change for FY 2020-21, from the prior estimate, is an increase in GF expenditures due to higher than anticipated users accessing services.

FY 2021-22 Comparison

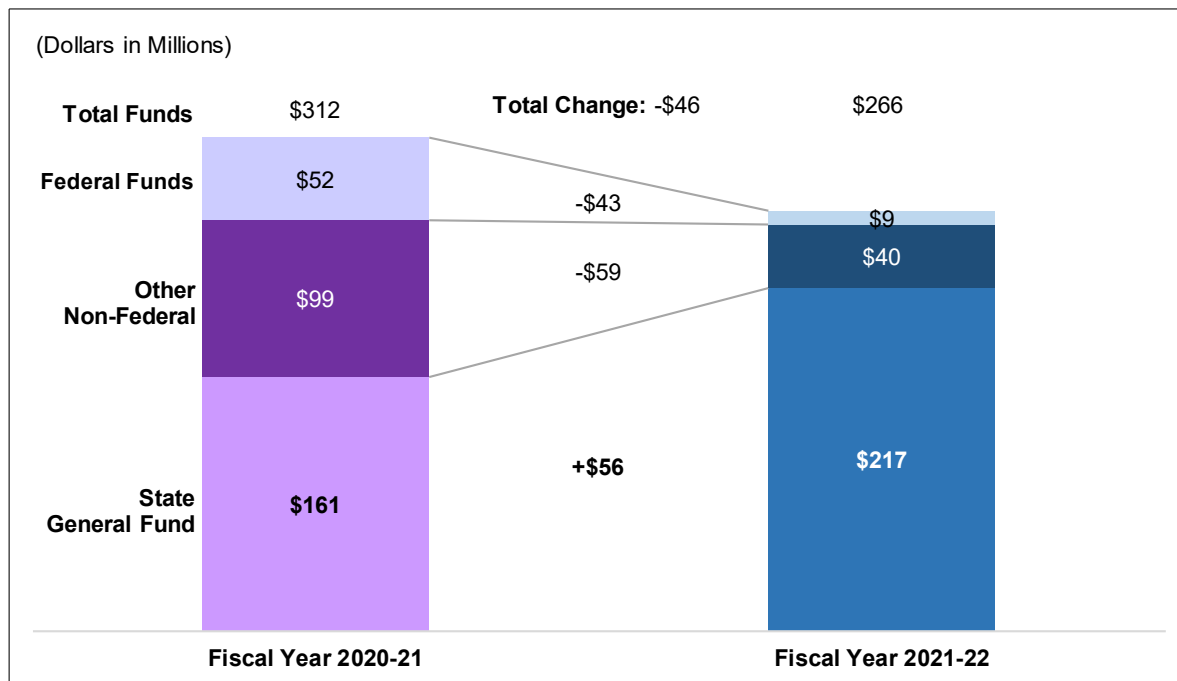


The May 2021 Estimate for FY 2021-22 projects a \$3 million decrease in total funding (a \$5 million increase in General Fund spending) compared to the November 2020 Estimate. This reflects a 3 percent decrease in estimated total funds spending and a 2.4 percent increase in estimated General Fund spending.

Following are the main drivers of the changes:

- **CCS Drug Rebates.** The change for FY 2021-22, from the prior estimate, is an increase due to shifting the rebates collection schedule.
- **Blood Factor Drug Rebates (GHPP).** The change for FY 2021-22, from the prior estimate, is an increase due to shifting the rebates collection schedule.
- **GHPP Non-Blood Factor Rebates.** A decrease of \$8 million GF savings is estimated in FY 2021-22 due to the assumed two-quarter break in rebate invoicing.
- **EWC COVID-19 Caseload Impacts.** The change for FY 2021-22, from the prior estimate, is a decrease in GF expenditures due to the assumed extension of the COVID-19 public health emergency to December 31, 2021.

FY 2020-21 to FY 2021-22 Year-Over-Year Comparison



Family Health spending is estimated to decrease by \$46 million total funds (an increase of \$56 million General Fund) between FY 2020-21 and FY 2021-22. This reflects a 14.7 percent decrease in total funds spending and a 34.8 percent increase in General Fund spending.

Following are the main drivers of the changes:

- GHPP Drug Rebates.** GHPP Non-Blood Factor rebates savings decreased by \$63.64 million GF due a combination of no retroactive GHPP Non-Blood Factor rebates being collected in FY 2021-22 and less ongoing savings due to the two-quarter break in rebate invoicing.
- CCS Drug Rebates.** The change from FY 2020-21 to FY 2021-22, in the current estimate, is an increase due to quarterly rebate collections resuming in FY 2021-22.
- Blood Factor Drug Rebates (GHPP).** The change from FY 2020-21 to FY 2021-22, in the current estimate, is an increase due to quarterly rebate collections resuming in FY 2021-22.
- CCS Healthy Families (HF) Non-Blood Factor Rebates.** There is a decrease of \$21.4 million GF costs due to no further costs estimated for CCS HF Non-Blood Factor Rebates in FY 2021-22.

- **Title V Reimbursement from CDPH.** The change from FY 2020-21 to FY 2021-22, in the current estimate, is a decrease due to proposed reductions in the CDPH IA beginning in FY 2021-22.
- **EWC COVID-19 Caseload Impacts.** The change from FY 2020-21 to FY 2021-22, is a slight decrease in GF expenditures due to actuals in FY 2020-21 being higher than initially anticipated, leading to a decreased in estimated impact of COVID-19 for FY 2020-21.

Overview of Caseload Projections

California Children's Services

	PY	CY	BY	Change from	
	FY 2019-20	FY 2020-21	FY 2021-22	PY to CY	CY to BY
CCS State-Only					
May 2021	14,104	12,569	14,601	-10.88%	16.17%
November 2020	14,104	14,571	14,571		
Change from November 2020	-	(2,002)	30		
% Change from November 2020	0.00%	-13.74%	0.21%		

- 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. This trend has continued through the most recent quarter (October through December 2020) of actual caseload data. Projections have been returned to pre-COVID-19 levels and are estimated to remain relatively flat between fiscal years.

Genetically Handicapped Persons Program

	PY	CY	BY	Change from	
	FY 2019-20	FY 2020-21	FY 2021-22	PY to CY	CY to BY
GHPP State-Only					
May 2021	647	598	670	-7.57%	12.04%
November 2020	647	660	668		
Change from November 2020	-	(62)	2		
% Change from November 2020	0.00%	-9.39%	0.30%		

- GHPP caseload is based on average monthly beneficiaries.
- Prior to the COVID-19 public health emergency, GHPP caseload had been increasing. In late FY 2019-20, beneficiaries began shifting to Medi-Cal due to the economic impact of the public health emergency. The July to August 2020 decline in caseload was due to an effort on the part of the Department to address outstanding renewals and applications. The cases that were closed have subsequently been re-opened and extended to the end of the year 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. Projections have been returned to pre-COVID-19 levels and are estimated to remain relatively flat between fiscal years.

Every Woman Counts

EWC	PY	CY	BY	Change from	
	FY 2019-20	FY 2020-21	FY 2021-22	PY to CY	CY to BY
May 2021	28,603	21,409	24,602	-25.15%	14.91%
November 2020	28,363	24,919	27,425		
Change from November 2020	240	(3,510)	(2,823)		
% Change from November 2020	0.85%	-14.09%	-10.29%		

- EWC caseload is based on average monthly users by date of payment.
- There is an estimated decrease in the EWC caseload compared to May 2020 Estimate for FY 2020-21 due to reprocessing previously denied claims and actuals coming in lower than initially projected. Additionally, the COVID-19 public health emergency triggered further reductions in caseload estimates for the EWC program.
- The increase in projected users for FY 2021-22 is estimated absent COVID-19 impact and retroactive reprocessing, as FY 2018-19, 2019-20, and FY 2020-21 include reprocessing of claims.

Overview of Base Expenditures

California Children's Services

CCS Base	<i>(In millions)</i>				FY 2020-21	FY 2021-22
	FY 2020-21, TF	FY 2021-22, TF	CY to BY	As a %		
May 2021	\$72.5	\$73.4	\$0.9	1.2%		
November 2020	\$71.8	\$73.2				
Change from Nov 2020	\$0.7	\$0.1				
% Change	1.0%	0.2%				
			change from Nov 20			
	CY to BY		FY 2020-21		FY 2021-22	
CCS Treatment	\$0.5	11.2%	(\$0.5)	-9.4%	\$0.0	0.7%
CCS Therapy	\$0.4	0.5%	\$1.2	1.8%	\$0.1	0.2%
Net Change	\$0.9	1.2%	\$0.7	0.9%	\$0.1	0.2%

- There is no COVID-19 impact seen in CCS Base expenditures. Expenditures are expected to increase in FY 2021-22 base on the historical trend.

Genetically Handicapped Persons Program

	<i>(In millions)</i>			
GHPP Base	FY 2020-21, TF	FY 2021-22, TF	CY to BY	As a %
May 2021	\$132.1	\$138.1	\$6.0	4.5%
November 2020	\$139.7	\$139.3		
Change from Nov 2020	(\$7.6)	(\$1.2)		
% Change	-5.4%	-0.9%		

- GHPP expenditures are down from the prior estimate. The decrease in actual expenditures are seen in the early months of FY 2020-21, possibly due to the COVID-19 public health emergency and statewide stay at home order, but have returned to normal levels. Expenditures are expected to increase in FY 2021-22 base on the historical trend.

Every Woman Counts

	<i>(In millions)</i>			
EWC Base	FY 2020-21, TF	FY 2021-22, TF	CY to BY	As a %
May 2021	\$30.4	\$37.5	\$7.1	23.2%
November 2020	\$32.4	\$36.7		
Change from Nov 2020	(\$2.0)	\$0.8		
% Change	-6.3%	2.2%		

- There is a decrease in expenditures from the November 2020 Estimate for FY 2020-21 due to actuals coming in lower than initially projected. Additionally, Executive Order N-33-20 triggered further reductions in EWC program expenditures. These expenditure reductions are reflected in the EWC COVID-19 Caseload Impacts policy change for FY 2020-21 and FY 2021-22.
- The increase in projected expenditures for FY 2021-22 is estimated absent COVID-19 impact and retroactive reprocessing, as FY 2018-19, 2019-20, and FY 2020-21 include reprocessing of claims.

Policy Change Detail Chart

<i>(Dollars in Millions)</i>	FY 2020-21		FY 2021-22	
Issue	TF	GF	TF	GF
California Children Services (CCS)				
CCS County Administrative Costs	Amount		Amount	
CCS PC 2	\$10.79	\$10.79	\$14.25	\$14.25
	Change from Nov 2020		Change from Nov 2020	
	(\$1.72)	(\$1.72)	\$1.74	\$1.74
			Change from 2020-21	
			\$3.46	\$3.46
CCS State Only County Administration expenditures are projected utilizing the change in caseload from the prior Estimate. CCS State only caseload has decreased as beneficiaries shift to Medi-Cal due to the economic impact of the public health emergency, reducing FY 2020-21 costs. Caseload projections have been returned to pre-COVID-19 levels, increasing estimated FY 2021-22 county administrative costs.				
Title V Reimbursement from CA Dept. Public Health	Amount		Amount	
CCS PC 6	\$0.00	(\$5.99)	\$0.00	(\$3.99)
	Change from Nov 2020		Change from Nov 2020	
	\$0.00	(\$1.00)	\$0.00	\$0.00
			Change from 2020-21	
			\$0.00	\$2.00
The change for FY 2020-21, from the prior estimate, is an increase due to an updated reduction timeline for the proposed reduction in the CDPH Interagency Agreement (IA). There is no change for FY 2021-22 from the prior estimate. The change from FY 2020-21 to FY 2021-22, in the current estimate, is a decrease due to proposed reductions in the CDPH IA beginning in FY 2021-22.				
CCS Drug Rebates	Amount		Amount	
CCS PC 7	(\$0.03)	(\$0.03)	(\$0.04)	(\$0.04)
	Change from Nov 2020		Change from Nov 2020	
	\$0.02	\$0.02	(\$0.01)	(\$0.01)
			Change from 2020-21	
			(\$0.02)	(\$0.02)
The change for FY 2020-21, from the prior estimate, is a decrease due to a two quarter break in rebate collections. The change for FY 2021-22, from the prior estimate, is an increase due to shifting the rebates collection schedule. The change from FY 2020-21 to FY 2021-22, in the current estimate, is an increase due to quarterly rebate collections resuming in FY 2021-22.				

<i>(Dollars in Millions)</i>	FY 2020-21		FY 2021-22	
Issue	TF	GF	TF	GF
CCS HF Non-Blood Factor Rebates	Amount		Amount	
CCS PC 9	\$62.45	\$21.42	\$0.00	\$0.00
	Change from Nov 2020		Change from Nov 2020	
	(\$5.34)	\$0.81	\$0.00	\$0.00
			Change from 2020-21	
			(\$62.45)	(\$21.42)
The change for FY 2020-21, from the prior estimate, is a decrease to reflect the actual amounts that were transferred to the Medi-Cal Drug Rebate Fund and an update to use the Title XXI (4260-113-0001/0890) funding item.				
CCS – Continuous Glucose Monitor (CGM) Rebates	Amount		Amount	
CCS PC 10	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)
	Change from Nov 2020		Change from Nov 2020	
	\$0.00	\$0.00	(\$0.00)	(\$0.00)
			Change from 2020-21	
			(\$0.00)	(\$0.00)
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 will seek new authority to implement these product rebates. The product rebates will offset the General Fund (GF) and County costs for CGMs. The CGM rebates saving in FY 2021-22 for the CCS State Only population is estimated to be \$21,000 TF (\$21,000 GF).				
Subtotals	Amount		Amount	
	\$73.21	\$26.19	\$14.21	\$10.22
	Change from Nov 2020		Change from Nov 2020	
	(\$7.04)	(\$1.89)	\$1.73	\$1.73
			Change from 2020-21	
			(\$59.00)	(\$15.97)

<i>(Dollars in Millions)</i>	FY 2020-21		FY 2021-22	
Issue	TF	GF	TF	GF
Genetically Handicapped Persons Program (GHPP)				
Blood Factor Drug Rebates	Amount		Amount	
GHPP PC 3	\$0.00	(\$5.72)	\$0.00	(\$10.65)
	Change from Nov 2020		Change from Nov 2020	
	\$0.00	\$5.68	\$0.00	\$0.85
			Change from 2020-21	
			\$0.00	(\$4.93)
The change for FY 2020-21, from the prior estimate, is a decrease due to a two quarter break in rebate collections. The change for FY 2021-22, from the prior estimate, is an increase due to shifting the rebates collection schedule. The change from FY 2020-21 to FY 2021-22, in the current estimate, is an increase due to quarterly rebate collections resuming in FY 2021-22.				
GHPP Non-Blood Factor Rebates	Amount		Amount	
GHPP PC 6	\$0.00	(\$70.40)	\$0.00	(\$6.80)
	Change from Nov 2020		Change from Nov 2020	
	\$0.00	(\$11.88)	\$0.00	\$8.00
			Change from 2020-21	
			\$0.00	\$63.64
The increase in GF savings for FY 2020-21 from the prior estimate is due increase in savings due to including additional retroactive rebates collected through January 31, 2021. The change from the prior estimate for FY 2021-22 is a decrease in savings due to estimating that there will be a pause in rebate invoicing for two quarters until new authority is established to continue these rebates. The change from FY 2020-21 to FY 2021-22 is due to no retroactive rebates are expected to be collected in FY 2021-22.				
Subtotals	Amount		Amount	
	\$0.00	(\$76.16)	\$0.00	(\$17.45)
	Change from Nov 2020		Change from Nov 2020	
	\$0.00	(\$6.20)	\$0.00	\$8.85
			Change from 2020-21	
			\$0.00	\$58.71

(Dollars in Millions)	FY 2020-21		FY 2021-22	
Issue	TF	GF	TF	GF
Every Woman Counts (EWC)				
EWC COVID-19 Caseload Impacts	Amount		Amount	
EWC PC 8	(\$0.99)	(\$0.99)	(\$2.49)	(\$2.49)
	Change from Nov 2020		Change from Nov 2020	
	\$0.99	\$0.99	(\$2.49)	(\$2.49)
			Change from 2020-21	
			(\$1.49)	(\$1.49)
<p>The change for FY 2020-21, from the prior estimate, is an increase in GF expenditures due to higher than anticipated users accessing services. The change for FY 2021-22, from the prior estimate, is a decrease in GF expenditures due to extending the COVID-19 PHE to December 31, 2021. The change from FY 2020-21 to FY 2021-22, is a slight decrease in GF expenditures due to actuals in FY 2020-21 being higher than initially anticipated.</p>				
Subtotals	Amount		Amount	
	(\$0.99)	(\$0.99)	(\$2.49)	(\$2.49)
	Change from Nov 2020		Change from Nov 2020	
	\$0.99	\$0.99	(\$2.49)	(\$2.49)
			Change from 2020-21	
			(\$1.49)	(\$1.49)

Management Summary

Fiscal Year 2020-21

Comparison of Appropriation, November 2020, and May 2021 Estimates

	Appropriation FY 2020-21	Nov. 20 Est. FY 2020-21	May 21 Est. FY 2020-21	Chg Approp - May 21 Est.	Chg Nov. 20 - May 21 Est.
<u>California Children's Services</u>					
4260-111-0001 (General Fund)	\$ 79,575,000	\$ 96,679,000	\$ 95,460,000	\$ 15,885,000	\$ (1,219,000)
4260-601-3079 (Rebates Special Fund)	\$ 0	\$ 7,672,000	\$ 0	\$ 0	\$ (7,672,000)
4260-611-0995 (CDPH Title V Reimb.)	\$ 5,453,000	\$ 4,992,000	\$ 5,992,000	\$ 539,000	\$ 1,000,000
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 39,519,000	\$ 0	\$ 0	\$ (39,519,000)
4260-113-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 41,032,000	\$ 41,032,000	\$ 41,032,000
County Funds ¹	\$ 84,024,000	\$ 80,243,000	\$ 78,450,000	\$ (5,574,000)	\$ (1,793,000)
TOTAL CCS	\$ 85,028,000	\$ 148,862,000	\$ 142,484,000	\$ 57,456,000	\$ (6,378,000)
<u>Genetically Handicapped Persons Program</u>					
4260-111-0001 (General Fund)	\$ 129,390,000	\$ 70,007,000	\$ 56,224,000	\$ (73,166,000)	\$ (13,783,000)
4260-611-0995 (Enrollment Fees)	\$ 482,000	\$ 426,000	\$ 503,000	\$ 21,000	\$ 77,000
4260-601-3079 (Rebates Special Fund)	\$ 7,300,000	\$ 69,964,000	\$ 76,165,000	\$ 68,865,000	\$ 6,201,000
TOTAL GHPP	\$ 137,172,000	\$ 140,397,000	\$ 132,892,000	\$ (4,280,000)	\$ (7,505,000)
<u>Every Woman Counts Program</u>					
4260-114-0001 (General Fund)	\$ 17,823,000	\$ 15,182,000	\$ 9,718,000	\$ (8,105,000)	\$ (5,464,000)
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 14,515,000	\$ 0	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,989,000	\$ 7,989,000	\$ 7,989,000	\$ 0	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 5,128,000	\$ 5,128,000	\$ 5,128,000	\$ 0	\$ 0
TOTAL EWC	\$ 45,455,000	\$ 42,814,000	\$ 37,350,000	\$ (8,105,000)	\$ (5,464,000)
GRAND TOTAL - ALL FUNDS	\$ 267,655,000	\$ 332,073,000	\$ 312,726,000	\$ 45,071,000	\$ (19,347,000)
4260-111-0001*	\$ 208,965,000	\$ 166,686,000	\$ 151,684,000	\$ (57,281,000)	\$ (15,002,000)
4260-111-0890	\$ 0	\$ 39,519,000	\$ 0	\$ 0	\$ (39,519,000)
4260-113-0890	\$ 0	\$ 0	\$ 41,032,000	\$ 41,032,000	\$ 41,032,000
4260-114-0001	\$ 17,823,000	\$ 15,182,000	\$ 9,718,000	\$ (8,105,000)	\$ (5,464,000)
4260-114-0009	\$ 7,989,000	\$ 7,989,000	\$ 7,989,000	\$ 0	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 14,515,000	\$ 0	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 5,128,000	\$ 0	\$ 0
4260-611-0995	\$ 5,935,000	\$ 5,418,000	\$ 6,495,000	\$ 560,000	\$ 1,077,000
4260-601-3079	\$ 7,300,000	\$ 77,636,000	\$ 76,165,000	\$ 68,865,000	\$ (1,471,000)
County Funds ¹	\$ 84,024,000	\$ 80,243,000	\$ 78,450,000	\$ (5,574,000)	\$ (1,793,000)

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

Management Summary**Fiscal Year 2020-21 Compared to Fiscal Year 2021-22**

	May 21 Est. FY 2020-21	May 21 Est. FY 2021-22	Difference Incr./((Decr.)
<u>California Children's Services</u>			
4260-111-0001 (General Fund)	\$ 95,460,000	\$ 80,366,000	\$ (15,094,000)
4260-601-3079 (Rebates Special Fund)	\$ 0	\$ 0	\$ 0
4260-611-0995 (CDPH Title V Reimb.)	\$ 5,992,000	\$ 3,992,000	\$ (2,000,000)
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
4260-113-0890 (Federal Title XXI)	\$ 41,032,000	\$ 0	\$ (41,032,000)
County Funds ¹	\$ 78,450,000	\$ 83,493,000	\$ 5,043,000
TOTAL CCS	\$ 142,484,000	\$ 84,358,000	\$ (58,126,000)
<u>Genetically Handicapped Persons Program</u>			
4260-111-0001 (General Fund)	\$ 56,224,000	\$ 119,636,000	\$ 63,412,000
4260-611-0995 (Enrollment Fees)	\$ 503,000	\$ 503,000	\$ 0
4260-601-3079 (Rebates Special Fund)	\$ 76,165,000	\$ 17,448,000	\$ (58,717,000)
TOTAL GHPP	\$ 132,892,000	\$ 137,587,000	\$ 4,695,000
<u>Every Woman Counts Program</u>			
4260-114-0001 (General Fund)	\$ 9,718,000	\$ 16,805,000	\$ 7,087,000
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	\$ 37,350,000	\$ 44,437,000	\$ 7,087,000
GRAND TOTAL - ALL FUNDS	\$ 312,726,000	\$ 266,382,000	\$ (46,344,000)
4260-111-0001*	\$ 151,684,000	\$ 200,002,000	\$ 48,318,000
4260-111-0890	\$ 0	\$ 0	\$ 0
4260-113-0890	\$ 41,032,000	\$ 0	\$ (41,032,000)
4260-114-0001	\$ 9,718,000	\$ 16,805,000	\$ 7,087,000
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	\$ 6,495,000	\$ 4,495,000	\$ (2,000,000)
4260-601-3079	\$ 76,165,000	\$ 17,448,000	\$ (58,717,000)
County Funds ¹	\$ 78,450,000	\$ 83,493,000	\$ 5,043,000

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

Management Summary

Fiscal Year 2021-22

Comparison of Appropriation, November 2020, and May 2021 Estimates

	<u>Approp Est. FY 2020-21</u>	<u>Nov. 20 Est. FY 2021-22</u>	<u>May 21 Est. FY 2021-22</u>	<u>Chg Approp - May 21 Est.</u>	<u>Chg Nov. 20 - May 21 Est.</u>
<u>California Children's Services</u>					
4260-111-0001 (General Fund)	\$ 79,575,000	\$ 78,514,000	\$ 80,366,000	\$ 791,000	\$ 1,852,000
4260-601-3079 (Rebates Special Fund)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
4260-611-0995 (CDPH Title V Reimb.)	\$ 5,453,000	\$ 3,992,000	\$ 3,992,000	\$ (1,461,000)	\$ 0
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
4260-113-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
County Funds ¹	\$ 84,024,000	\$ 81,696,000	\$ 83,493,000	\$ (531,000)	\$ 1,797,000
TOTAL CCS	\$ 85,028,000	\$ 82,506,000	\$ 84,358,000	\$ (670,000)	\$ 1,852,000
<u>Genetically Handicapped Persons Program</u>					
4260-111-0001 (General Fund)	\$ 129,390,000	\$ 114,380,000	\$ 119,636,000	\$ (9,754,000)	\$ 5,256,000
4260-611-0995 (Enrollment Fees)	\$ 482,000	\$ 426,000	\$ 503,000	\$ 21,000	\$ 77,000
4260-601-3079 (Rebates Special Fund)	\$ 7,300,000	\$ 24,600,000	\$ 17,448,000	\$ 10,148,000	\$ (7,152,000)
TOTAL GHPP	\$ 137,172,000	\$ 139,406,000	\$ 137,587,000	\$ 415,000	\$ (1,819,000)
<u>Every Woman Counts Program</u>					
4260-114-0001 (General Fund)	\$ 17,823,000	\$ 19,387,000	\$ 16,805,000	\$ (1,018,000)	\$ (2,582,000)
4260-114-0236 (Prop 99)	\$ 14,515,000	\$ 14,515,000	\$ 14,515,000	\$ 0	\$ 0
4260-114-0009 (Breast Cancer Control Acct)	\$ 7,989,000	\$ 7,989,000	\$ 7,989,000	\$ 0	\$ 0
4260-114-0890 (Center for Disease Control)	\$ 5,128,000	\$ 5,128,000	\$ 5,128,000	\$ 0	\$ 0
TOTAL EWC	\$ 45,455,000	\$ 47,019,000	\$ 44,437,000	\$ (1,018,000)	\$ (2,582,000)
GRAND TOTAL - ALL FUNDS	\$ 267,655,000	\$ 268,931,000	\$ 266,382,000	\$ (1,273,000)	\$ (2,549,000)
4260-111-0001*	\$ 208,965,000	\$ 192,894,000	\$ 200,002,000	\$ (8,963,000)	\$ 7,108,000
4260-111-0890	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
4260-113-0890	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
4260-114-0001	\$ 17,823,000	\$ 19,387,000	\$ 16,805,000	\$ (1,018,000)	\$ (2,582,000)
4260-114-0009	\$ 7,989,000	\$ 7,989,000	\$ 7,989,000	\$ 0	\$ 0
4260-114-0236	\$ 14,515,000	\$ 14,515,000	\$ 14,515,000	\$ 0	\$ 0
4260-114-0890	\$ 5,128,000	\$ 5,128,000	\$ 5,128,000	\$ 0	\$ 0
4260-611-0995	\$ 5,935,000	\$ 4,418,000	\$ 4,495,000	\$ (1,440,000)	\$ 77,000
4260-601-3079	\$ 7,300,000	\$ 24,600,000	\$ 17,448,000	\$ 10,148,000	\$ (7,152,000)
County Funds ¹	\$ 84,024,000	\$ 81,696,000	\$ 83,493,000	\$ (531,000)	\$ 1,797,000

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

CALIFORNIA CHILDREN'S SERVICES
Funding Summary

Fiscal Years 2020-21 and 2021-22 Compared to November Estimate

FY 2020-21, May 2021 Estimate Compared to November 2020 Estimate			
	Nov. 2020 Est. FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
CCS State-Only Caseload:	14,571	12,569	(2,002)
State Funds			
State Only General Fund (4260-111-0001)	\$ 96,678,500	\$ 95,460,000	\$ (1,218,500)
Rebate Special Fund (4260-601-3079)	\$ 7,672,000	\$ 0	\$ (7,672,000)
Total State Fund	\$ 104,350,500	\$ 95,460,000	\$ (8,890,500)
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 4,992,000	\$ 5,992,000	\$ 1,000,000
4260-113-0890 (Federal Title XXI)	\$ 39,519,000	\$ 0	\$ (39,519,000)
4260-113-0890 (Federal Title XXI)	\$ 0	\$ 41,032,000	\$ 41,032,000
Total Federal Funds	\$ 44,511,000	\$ 47,024,000	\$ 2,513,000
Total Funds	\$ 148,861,500	\$ 142,484,000	\$ (6,377,500)

FY 2021-22, May 2021 Estimate Compared to November 2020 Estimate			
	Nov. 2020 Est. FY 2021-22	May 2021 Est. FY 2021-22	Difference Incr./(Decr.)
CCS State-Only Caseload:	14,571	14,601	30
State Funds			
State Only General Fund (4260-111-0001)	\$ 78,513,500	\$ 80,365,500	\$ 1,852,000
Rebate Special Fund (4260-601-3079)	\$ 0	\$ 0	\$ 0
Total State Fund	\$ 78,513,500	\$ 80,365,500	\$ 1,852,000
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 3,992,000	\$ 3,992,000	\$ 0
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
4260-113-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
Total Federal Funds	\$ 3,992,000	\$ 3,992,000	\$ 0
Total Funds	\$ 82,505,500	\$ 84,357,500	\$ 1,852,000

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22			
	May 2021 Est. FY 2020-21	May 2021 Est. FY 2021-22	Difference Incr./(Decr.)
CCS State-Only Caseload:	12,569	14,601	2,032
State Funds			
State Only General Fund (4260-111-0001)	\$ 95,460,000	\$ 80,365,500	\$ (15,094,500)
Rebate Special Fund (4260-601-3079)	\$ 0	\$ 0	\$ 0
Total State Fund	\$ 95,460,000	\$ 80,365,500	\$ (15,094,500)
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,992,000	\$ 3,992,000	\$ (2,000,000)
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
4260-113-0890 (Federal Title XXI)	\$ 41,032,000	\$ 0	\$ (41,032,000)

CALIFORNIA CHILDREN'S SERVICES
Funding Summary
Fiscal Years 2020-21 and 2021-22 Compared to Appropriation

FY 2020-21, May 2021 Estimate Compared to Appropriation			
	Appropriation FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
CCS State-Only Caseload:	14,417	12,569	(1,848)
State Funds			
State Only General Fund (4260-111-0001)	\$ 79,574,500	\$ 95,460,000	\$ 15,885,500
Rebate Special Fund (4260-601-3079)	\$ 0	\$ 0	\$ 0
Total State Fund	\$ 79,574,500	\$ 95,460,000	\$ 15,885,500
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 5,992,000	\$ 539,000
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
4260-113-0890 (Federal Title XXI)	\$ 0	\$ 41,032,000	\$ 41,032,000
Total Federal Funds	\$ 5,453,000	\$ 47,024,000	\$ 41,571,000
Total Funds	\$ 85,027,500	\$ 142,484,000	\$ 57,456,500

May 2021 Estimate for FY 2021-22 Compared to FY 2020-21 Appropriation			
	Appropriation FY 2020-21	May 2021 Est. FY 2021-22	Difference Incr./(Decr.)
CCS State-Only Caseload:	14,417	14,601	184
State Funds			
State Only General Fund (4260-111-0001)	\$ 79,574,500	\$ 80,365,500	\$ 791,000
Rebate Special Fund (4260-601-3079)	\$ 0	\$ 0	\$ 0
Total State Fund	\$ 79,574,500	\$ 80,365,500	\$ 791,000
Federal Funds			
4260-611-0995 (CDPH Title V Reimbursement)	\$ 5,453,000	\$ 3,992,000	\$ (1,461,000)
4260-111-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
4260-113-0890 (Federal Title XXI)	\$ 0	\$ 0	\$ 0
Total Federal Funds	\$ 5,453,000	\$ 3,992,000	\$ (1,461,000)
Total Funds	\$ 85,027,500	\$ 84,357,500	\$ (670,000)

CALIFORNIA CHILDREN'S SERVICES
Fiscal Year 2020-21
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/	4,260,000	4,260,000	-	-	3,760,000
Bone Marrow Xplant 2/	125,000	125,000	-	-	(125,000)
Small County Adj. 3/	<u>400,000</u>	<u>400,000</u>	-	-	<u>(400,000)</u>
Total Treatment Base	4,785,000	4,785,000	-	-	3,235,000
2. Therapy Costs					
Therapy Base	70,186,000	70,186,000	-	-	70,186,000
MTU Medi-Cal Offset 4/	(3,357,000)	(3,357,000)	-	-	(1,119,000)
AB3632 5/	<u>866,000</u>	<u>866,000</u>	-	-	<u>(866,000)</u>
Total Therapy Base	67,695,000	67,695,000	-	-	68,201,000
3. Enroll/Assess Fees	(48,000)	(48,000)	-	-	(48,000)
4. Benefits Policy Changes	<u>58,722,000</u>	<u>17,690,000</u>	-	41,032,000	<u>(3,725,000)</u>
	\$ 131,154,000	\$ 90,122,000	\$ 0	\$ 41,032,000	\$ 67,663,000
B. State Only Admin.					
1. County Admin.	10,787,000	4,795,000	5,992,000	-	10,787,000
2. Fiscal Inter.	365,000	365,000	-	-	-
3. FI Dental	1,000	1,000	-	-	-
4. CMS Net	<u>177,000</u>	<u>177,000</u>	-	-	-
	\$ 11,330,000	\$ 5,338,000	\$ 5,992,000	\$ 0	\$ 10,787,000
Total CCS State Only	\$ 142,484,000	\$ 95,460,000	\$ 5,992,000	\$ 41,032,000	\$ 78,450,000
=====					
GRAND TOTAL	\$ 142,484,000	\$ 95,460,000	\$ 5,992,000	\$ 41,032,000	\$ 78,450,000

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 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/	4,797,000	4,797,000	-	-	4,296,000
Bone Marrow Xplant 2/	125,000	125,000	-	-	(125,000)
Small County Adj. 3/	<u>400,000</u>	<u>400,000</u>	-	-	<u>(400,000)</u>
Total Treatment Base	5,322,000	5,322,000	-	-	3,771,000
2. Therapy Costs					
Therapy Base	71,629,000	71,629,000	-	-	71,628,000
MTU Medi-Cal Offset 4/	(4,435,000)	(4,435,000)	-	-	(1,479,000)
AB3632 5/	<u>866,000</u>	<u>866,000</u>	-	-	<u>(866,000)</u>
Total Therapy Base	68,060,000	68,060,000	-	-	69,283,000
3. Enroll/Assess Fees	(48,000)	(48,000)	-	-	(48,000)
4. Benefits Policy Changes	<u>(3,763,000)</u>	<u>(3,763,000)</u>	-	-	<u>(3,763,000)</u>
	\$ 69,571,000	\$ 69,571,000	\$ 0	\$ 0	\$ 69,243,000
B. State Only Admin.					
1. County Admin.	14,249,500	10,257,500	3,992,000	-	14,249,500
2. Fiscal Inter.	327,000	327,000	-	-	-
3. FI Dental	1,000	1,000	-	-	-
4. CMS Net	<u>209,000</u>	<u>209,000</u>	-	-	-
	\$ 14,786,500	\$ 10,794,500	\$ 3,992,000	\$ 0	\$ 14,249,500
Total CCS State Only	\$ 84,357,500	\$ 80,365,500	\$ 3,992,000	\$ 0	\$ 83,492,500
GRAND TOTAL	\$ 84,357,500	\$ 80,365,500	\$ 3,992,000	\$ 0	\$ 83,492,500

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

- 1/ Treatment base includes costs for services rendered out-of-state. There is no county share for these costs.
- 2/ An estimated \$250,000 in certain bone marrow transplant costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$125,000 is shifted from County to General Fund.
- 3/ An estimated \$800,000 in catastrophic small county services costs are included in the treatment base regressions at 50% GF, 50% County funds. Since they are funded by 100% GF, \$400,000 is shifted from County to General Fund.
- 4/ Medical Therapy Unit (MTU) costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy base at 50% GF/50% County funds. The costs that are reimbursed by Medi-Cal reduce program costs 75% GF, 25% County funds.
- 5/ AB3632 costs are included in the therapy costs used in the base regressions, and are therefore included in the therapy 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 2020-21

May 2021 Estimate Compared to November 2020 Estimate, Total Funds

	Nov. 2020 Est. FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./((Decr.))
A. Total CCS State Only Services	<u>\$ 135,791,500</u>	<u>\$ 131,154,000</u>	<u>\$ (4,637,500)</u>
1. Treatment Services	5,284,000	4,785,000	(499,000)
2. Medical Therapy Program	66,513,000	67,695,000	1,182,000
3. Benefits Policy Changes	64,042,000	58,722,000	(5,320,000)
4. Enroll/Assessment Fees	(47,500)	(48,000)	(500)
B. CCS Administration			
1. County Administration	12,505,000	10,787,000	(1,718,000)
2. Fiscal Intermediary	565,000	543,000	(22,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 148,861,500</u>	<u>\$ 142,484,000</u>	<u>\$ (6,377,500)</u>
TOTAL CCS PROGRAM	<u>\$ 148,861,500</u>	<u>\$ 142,484,000</u>	<u>\$ (6,377,500)</u>

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, State Funds and Federal Funds
Fiscal Year 2020-21

May 2021 Estimate Compared to November 2020 Estimate, State Funds

	Nov. 2020 Est. FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
A. Total CCS State Only Services	<u>\$ 96,272,500</u>	<u>\$ 90,122,000</u>	<u>\$ (6,150,500)</u>
1. Treatment Services	5,284,000	4,785,000	(499,000)
2. Medical Therapy Program	66,513,000	67,695,000	1,182,000
3. Benefits Policy Changes	24,523,000	17,690,000	(6,833,000)
4. Enroll/Assessment Fees	(47,500)	(48,000)	(500)
B. CCS Administration			
1. County Administration	7,513,000	4,795,000	(2,718,000)
2. Fiscal Intermediary	565,000	543,000	(22,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 104,350,500</u>	<u>\$ 95,460,000</u>	<u>\$ (8,890,500)</u>
TOTAL CCS PROGRAM	<u>\$ 104,350,500</u>	<u>\$ 95,460,000</u>	<u>\$ (8,890,500)</u>

May 2021 Estimate Compared to November 2020 Estimate, Federal Funds

	Nov. 2020 Est. FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
A. Total CCS Services	<u>\$ 39,519,000</u>	<u>\$ 41,032,000</u>	<u>\$ 1,513,000</u>
1. Benefits Policy Changes	39,519,000	41,032,000	1,513,000
B. CCS State-Only Administration			
1. County Administration	4,992,000	5,992,000	1,000,000
TOTAL CCS PROGRAM	<u>\$ 44,511,000</u>	<u>\$ 47,024,000</u>	<u>\$ 2,513,000</u>

CALIFORNIA CHILDREN'S SERVICES**Program Requirements, Total Funds****Fiscal Year 2020-21****May 2021 Estimate Compared to Appropriation, Total Funds**

	Appropriation	May 2021 Est.	Difference
	FY 2020-21	FY 2020-21	Incr./ (Decr.)
A. Total CCS State Only Services	<u>\$ 72,281,000</u>	<u>\$ 131,154,000</u>	<u>\$ 58,873,000</u>
1. Treatment Services	5,951,000	4,785,000	(1,166,000)
2. Medical Therapy Program	66,423,000	67,695,000	1,272,000
3. Benefits Policy Changes	(41,000)	58,722,000	58,763,000
4. Enroll/Assessment Fees	(52,000)	(48,000)	4,000
B. CCS Administration			
1. County Administration	12,504,500	10,787,000	(1,717,500)
2. Fiscal Intermediary	242,000	543,000	301,000
TOTAL CCS STATE ONLY PROGRAM	\$ 85,027,500	\$ 142,484,000	\$ 57,456,500
TOTAL CCS PROGRAM	\$ 85,027,500	\$ 142,484,000	\$ 57,456,500

CALIFORNIA CHILDREN'S SERVICES
Program Requirements, State Funds and Federal Funds
Fiscal Year 2020-21

May 2021 Estimate Compared to Appropriation, State Funds

	Appropriation FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./.(Decr.)
A. Total CCS State Only Services	<u>\$ 72,281,000</u>	<u>\$ 90,122,000</u>	<u>\$ 17,841,000</u>
1. Treatment Services	5,951,000	4,785,000	(1,166,000)
2. Medical Therapy Program	66,423,000	67,695,000	1,272,000
3. Benefits Policy Changes	(41,000)	17,690,000	17,731,000
4. Enroll/Assessment Fees	(52,000)	(48,000)	4,000
B. CCS Administration			
1. County Administration	7,051,500	4,795,000	(2,256,500)
2. Fiscal Intermediary	242,000	543,000	301,000
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 79,574,500</u>	<u>\$ 95,460,000</u>	<u>\$ 15,885,500</u>
TOTAL CCS PROGRAM	<u>\$ 79,574,500</u>	<u>\$ 95,460,000</u>	<u>\$ 15,885,500</u>

May 2021 Estimate Compared to Appropriation, Federal Funds

	Appropriation FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./.(Decr.)
A. Total CCS Services	<u>\$ 0</u>	<u>\$ 41,032,000</u>	<u>\$ 41,032,000</u>
1. Benefits Policy Changes	-	41,032,000	41,032,000
B. CCS State-Only Administration			
1. County Administration	5,453,000	5,992,000	539,000
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 47,024,000</u>	<u>\$ 41,571,000</u>
TOTAL CCS PROGRAM	<u>\$ 5,453,000</u>	<u>\$ 47,024,000</u>	<u>\$ 41,571,000</u>

CALIFORNIA CHILDREN'S SERVICES**Program Requirements, Total Funds****Fiscal Year 2021-22****May 2021 Estimate Compared to November 2020 Estimate, Total Funds**

	Nov. 2020 Est. FY 2021-22	May 2021 Est. FY 2021-22	Difference Incr./ (Decr.)
A. Total CCS State Only Services	<u>\$ 69,454,500</u>	<u>\$ 69,571,000</u>	<u>\$ 116,500</u>
1. Treatment Services	5,284,000	5,322,000	38,000
2. Medical Therapy Program	67,953,000	68,060,000	107,000
3. Benefits Policy Changes	(3,735,000)	(3,763,000)	(28,000)
4. Enroll/Assessment Fees	(47,500)	(48,000)	(500)
B. CCS Administration			
1. County Administration	12,505,000	14,249,500	1,744,500
2. Fiscal Intermediary	<u>546,000</u>	<u>537,000</u>	<u>(9,000)</u>
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 82,505,500</u>	<u>\$ 84,357,500</u>	<u>\$ 1,852,000</u>
TOTAL CCS PROGRAM	<u>\$ 82,505,500</u>	<u>\$ 84,357,500</u>	<u>\$ 1,852,000</u>

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

May 2021 Estimate Compared to November 2020 Estimate, State Funds

	Nov. 2020 Est. FY 2021-22	May 2021 Est. FY 2021-22	Difference Incr./.(Decr.)
A. Total CCS State Only Services	<u>\$ 69,454,500</u>	<u>\$ 69,571,000</u>	<u>\$ 116,500</u>
1. Treatment Services	5,284,000	5,322,000	38,000
2. Medical Therapy Program	67,953,000	68,060,000	107,000
3. Benefits Policy Changes	(3,735,000)	(3,763,000)	(28,000)
4. Enroll/Assessment Fees	(47,500)	(48,000)	(500)
B. CCS Administration			
1. County Administration	8,513,000	10,257,500	1,744,500
2. Fiscal Intermediary	546,000	537,000	(9,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 78,513,500</u>	<u>\$ 80,365,500</u>	<u>\$ 1,852,000</u>
TOTAL CCS PROGRAM	<u>\$ 78,513,500</u>	<u>\$ 80,365,500</u>	<u>\$ 1,852,000</u>

May 2021 Estimate Compared to November 2020 Estimate, Federal Funds

	Nov. 2020 Est. FY 2021-22	May 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 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**Program Requirements, Total Funds****Budget Year Compared to Current Year****May 2021 Estimate, FY 2020-21 Compared to FY 2021-22, Total Funds**

	May 2021 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
A. Total CCS State Only Services	<u>\$ 131,154,000</u>	<u>\$ 69,571,000</u>	<u>\$ (61,583,000)</u>
1. Treatment Services	4,785,000	5,322,000	537,000
2. Medical Therapy Program	67,695,000	68,060,000	365,000
3. Benefits Policy Changes	58,722,000	(3,763,000)	(62,485,000)
4. Enroll/Assessment Fees	(48,000)	(48,000)	-
B. CCS Administration			
1. County Administration	10,787,000	14,249,500	3,462,500
2. Fiscal Intermediary	543,000	537,000	(6,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 142,484,000</u>	<u>\$ 84,357,500</u>	<u>\$ (58,126,500)</u>
TOTAL CCS PROGRAM	<u>\$ 142,484,000</u>	<u>\$ 84,357,500</u>	<u>\$ (58,126,500)</u>

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

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22, State Funds

	May 2021 Est. FY 2020-21	May 2021 Est. FY 2021-22	Difference Incr./.(Decr.)
A. Total CCS State Only Services	<u>\$ 90,122,000</u>	<u>\$ 69,571,000</u>	<u>\$ (20,551,000)</u>
1. Treatment Services	4,785,000	5,322,000	537,000
2. Medical Therapy Program	67,695,000	68,060,000	365,000
3. Benefits Policy Changes	17,690,000	(3,763,000)	(21,453,000)
4. Enroll/Assessment Fees	(48,000)	(48,000)	-
B. CCS Administration			
1. County Administration	4,795,000	10,257,500	5,462,500
2. Fiscal Intermediary	543,000	537,000	(6,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 95,460,000</u>	<u>\$ 80,365,500</u>	<u>\$ (15,094,500)</u>
TOTAL CCS PROGRAM	<u>\$ 95,460,000</u>	<u>\$ 80,365,500</u>	<u>\$ (15,094,500)</u>

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22, Federal Funds

	May 2021 Est. FY 2020-21	May 2021 Est. FY 2021-22	Difference Incr./.(Decr.)
A. Total CCS Services	<u>\$ 41,032,000</u>	<u>\$ 0</u>	<u>\$ (41,032,000)</u>
1. Benefits Policy Changes	41,032,000	-	(41,032,000)
B. CCS State Only Administration			
1. County Administration	5,992,000	3,992,000	(2,000,000)
TOTAL CCS STATE ONLY PROGRAM	<u>\$ 47,024,000</u>	<u>\$ 3,992,000</u>	<u>\$ (43,032,000)</u>
TOTAL CCS PROGRAM	<u>\$ 47,024,000</u>	<u>\$ 3,992,000</u>	<u>\$ (43,032,000)</u>

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

Fiscal Year 2020-21, Comparison of May 2021 and November 2020 Estimates								
POLICY CHG.			NOVEMBER 2020 ESTIMATE		MAY 2021 ESTIMATE		DIFFERENCE, Incr./(Decr.)	
TYPE	NO.	DESCRIPTION	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CCS STATE ONLY								
Other	1	ENROLLMENT AND ASSESSMENT FEES	-\$47,500	-\$47,500	-\$48,000	-\$48,000	-\$500	-\$500
Co. Admin.	2	COUNTY ADMIN. COSTS	\$12,505,000	\$12,505,000	\$10,787,000	\$10,787,000	-\$1,718,000	-\$1,718,000
FI	3	FISCAL INTERMEDIARY EXPENDITURES	\$356,000	\$356,000	\$365,000	\$365,000	\$9,000	\$9,000
FI	4	DENTAL ADMIN. EXPENDITURES	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
FI	5	CMS NET	\$208,000	\$208,000	\$177,000	\$177,000	-\$31,000	-\$31,000
Co. Admin.	6	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$4,992,000	\$0	-\$5,992,000	\$0	-\$1,000,000
Benefits	7	CCS DRUG REBATES	-\$49,000	-\$49,000	-\$25,000	-\$25,000	\$24,000	\$24,000
Benefits	8	CCS NON-BLOOD FACTOR REBATES	-\$3,700,000	-\$3,700,000	-\$3,700,000	-\$3,700,000	\$0	\$0
Benefits	9	CCS HF NON-BLOOD FACTOR REBATES	\$67,791,000	\$28,272,000	\$62,447,000	\$21,415,000	-\$5,344,000	-\$6,857,000
Benefits	10	CCS - CGM REBATES	\$0	\$0	\$0	\$0	\$0	\$0
CCS TOTAL			<u>\$77,064,500</u>	<u>\$32,553,500</u>	<u>\$70,004,000</u>	<u>\$22,980,000</u>	<u>-\$7,060,500</u>	<u>-\$9,573,500</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, Comparison of May 2021 and November 2020 Estimates								
<u>POLICY CHG.</u>			<u>NOVEMBER 2020 ESTIMATE</u>		<u>MAY 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	-\$47,500	-\$47,500	-\$48,000	-\$48,000	-\$500	-\$500
Co. Admin.	2	COUNTY ADMIN. COSTS	\$12,505,000	\$12,505,000	\$14,249,500	\$14,249,500	\$1,744,500	\$1,744,500
FI	3	FISCAL INTERMEDIARY EXPENDITURES	\$322,000	\$322,000	\$327,000	\$327,000	\$5,000	\$5,000
FI	4	DENTAL ADMIN. EXPENDITURES	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0
FI	5	CMS NET	\$223,000	\$223,000	\$209,000	\$209,000	-\$14,000	-\$14,000
Co. Admin.	6	TITLE V REIMBURSEMENT FROM CDPH	\$0	-\$3,992,000	\$0	-\$3,992,000	\$0	\$0
Benefits	7	CCS DRUG REBATES	-\$35,000	-\$35,000	-\$42,000	-\$42,000	-\$7,000	-\$7,000
Benefits	8	CCS NON-BLOOD FACTOR REBATES	-\$3,700,000	-\$3,700,000	-\$3,700,000	-\$3,700,000	\$0	\$0
Benefits	9	CCS HF NON-BLOOD FACTOR REBATES	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	10	CCS - CGM REBATES	\$0	\$0	-\$21,000	-\$21,000	-\$21,000	-\$21,000
CCS TOTAL			<u>\$9,268,500</u>	<u>\$5,276,500</u>	<u>\$10,975,500</u>	<u>\$6,983,500</u>	<u>\$1,707,000</u>	<u>\$1,707,000</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: Stephanie Hockman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	-\$48,000	-\$48,000
	- GENERAL FUND	-\$48,000	-\$48,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$48,000	-\$48,000
	- GENERAL FUND	-\$48,000	-\$48,000
	- COUNTY FUNDS	-\$48,000	-\$48,000

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 2011 - June 2020.

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Enrollment Fees:	\$86,000	\$86,000
Assessment Fees:	\$10,000	\$10,000
Total:	\$96,000 (\$48,000 GF Offset)	\$96,000 (\$48,000 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: Stephanie Hockman

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$10,787,000	\$14,249,500
	- GENERAL FUND	\$10,787,000	\$14,249,500
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$10,787,000	\$14,249,500
	- GENERAL FUND	\$10,787,000	\$14,249,500
	- COUNTY FUNDS	\$10,787,000	\$14,249,500

Purpose:

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

Authority:

Health & Safety Code 123955(a)(e)

Interdependent Policy Changes:

Not Applicable

Background:

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

Reason for Change:

Estimated expenditures are based on prior year reported costs. The change for FY 2020-21 from the prior estimate is attributed to a decrease in caseload due to the economic uncertainty and job loss caused by the COVID-19 pandemic. The change for FY 2021-22 from the prior estimate and between FY 2020-21 and FY 2021-22 in the current estimate is due to an increase in caseload as the Department anticipates the impact of the pandemic will decrease in budget year.

Methodology:

1. For FY 2020-21, the CCS State Only base county administration reimbursement level is based on budgeted county expenditures for FY 2020-21.

FY 2020-21: \$21,574,000 (\$10,787,000 GF) (Includes County Funds)

2. FY 2021-22 is calculated based on the change in caseload between fiscal years in the May 2021 Family Health Estimate. CCS State-Only caseload is expected to increase from 12,569 in FY 2020-21 to 14,601 in FY 2021-22.

FY 2021-22: \$28,499,000 (\$14,249,500 GF) (Includes County Funds)

Funding:

General Fund (4260-111-0001)

County Funds*

* Not included in Total Funds

FISCAL INTERMEDIARY EXPENDITURES

POLICY CHANGE NUMBER: 3
IMPLEMENTATION DATE: 7/1993
ANALYST: Ryan Chin

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$365,000	\$327,000
- GENERAL FUND	\$365,000	\$327,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$365,000	\$327,000
- GENERAL FUND	\$365,000	\$327,000

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. Effective April 1, 2021, 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:

There is an increase for FY 2020-21 and FY 2021-22, from the prior estimate, due to having more actuals to project forward invoice payments and due to the Medi-Cal Rx implementation. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to processing more invoices for payment in FY 2020-21.

Methodology:

1. Based on actual and projected volumes for the current year, the estimated medical FI administrative costs are \$362,000 in FY 2020-21 and \$319,000 in FY 2021-22.
2. The estimated Medi-Cal Rx costs are \$3,000 in FY 2020-21 and \$8,000 in FY 2021-22.
3. The total estimated FI costs for CCS are **\$365,000 in FY 2020-21** and **\$327,000 in FY 2021-22**.

Funding:

100% General Fund (4260-111-0001)

DENTAL ADMIN. EXPENDITURES

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

	<u>FY 2020-21</u>	<u>FY 2021-22</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 2020-21. There is no change from the prior estimate for FY 2021-22. There is no change from FY 2020-21 to FY 2021-22 in the current estimate.

Methodology:

1. The 2016 DXC FI contractor rates for scanning ACL and TAR documents are \$0.27 in FY 2020-21 and \$0.26 in FY 2021-22.
2. The 2016 ASO contractor CCS State Only dental ACL & TAR adjudicating rates in FY 2020-21 are \$0.16 and \$4.95, respectively.

3. The 2016 ASO contractor CCS State Only dental ACL & TAR adjudicating rates for FY 2021-22 are \$0.16 and \$5.10, respectively.

FI - FY 2020-21	Estimated Claims	Rates	Partial Year Expenditure
ACLs	156	\$ 0.27	\$ 42
TARs	22	\$ 0.27	\$ 6
			\$ 100

ASO - FY 2020-21	Estimated Claims	Rates	Partial Year Expenditure
ACLs	702	\$ 0.16	\$ 112
TARs	22	\$ 4.95	\$ 109
			\$ 200

Total FY 2020-21 **\$ 1,000 GF**

FI - FY 2021-22	Estimated Claims	Rates	Estimated Expenditure
ACLs	156	\$ 0.26	\$ 41
TARs	22	\$ 0.26	\$ 6
			\$ 100

ASO - FY 2021-22	Estimated Documents	Rates	Estimated Expenditure
ACLs	702	\$ 0.16	\$ 112
TARs	22	\$ 5.10	\$ 112
			\$ 300

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

Funding:

100% GF (4260-111-0001)

CMS NET

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

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$177,000	\$209,000
	- GENERAL FUND	\$177,000	\$209,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$177,000	\$209,000
	- GENERAL FUND	\$177,000	\$209,000

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:

There is no significant change from the prior estimate for FY 2020-21 or FY 2021-22 or between fiscal years in the current estimate.

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 2020-21 are estimated to be \$2,583,000. FY 2021-22 costs are estimated to be \$2,601,000.
3. Based on estimated FY 2020-21 and FY 2021-22 caseload counts, costs for CMS Net are projected to be split:

	FY 2020-21			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	12,569	6.8%	\$	177,000
CCS Medi-Cal	171,061	93.2%	\$	2,406,000
Total	183,630	100%	\$	2,583,000

	FY 2021-22			CMS Net
	<u>Caseload</u>	<u>Percentage</u>		<u>Allocation</u>
CCS State-Only	14,601	8.0%	\$	209,000
CCS Medi-Cal	168,980	92.0%	\$	2,392,000
Total	183,581	100%	\$	2,601,000

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 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$5,992,000	-\$3,992,000
- FEDERAL FUNDS TITLE V	\$5,992,000	\$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	-\$5,992,000	-\$3,992,000
- FEDERAL FUNDS TITLE V	\$5,992,000	\$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:

The change for FY 2020-21, from the prior estimate, is an increase due to an updated reduction timeline for the proposed reduction in the CDPH Interagency Agreement (IA). There is no change for FY 2021-22 from the prior estimate. The change from FY 2020-21 to FY 2021-22, in the current estimate, is a decrease due to proposed reductions in the CDPH IA beginning in FY 2021-22.

Methodology:

1. The amount expected to be received is **\$5,992,000** in **FY 2020-21** and **\$3,992,000** in **FY 2021-22**.

Funding:

CDPH Title V Reimbursement (4260-611-0995)
100% General Fund (4260-111-0001)

CCS DRUG REBATES

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

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	-\$25,000	-\$42,000
- GENERAL FUND	-\$25,000	-\$42,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	-\$25,000	-\$42,000
- GENERAL FUND	-\$25,000	-\$42,000
- COUNTY FUNDS	-\$25,000	-\$42,000

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 2020-21, from the prior estimate, is a decrease due to a two quarter break in rebate collections. The change for FY 2021-22, from the prior estimate, is an increase due to shifting the rebates collection schedule. The change from FY 2020-21 to FY 2021-22, in the current estimate, is an increase due to quarterly rebate collections resuming in FY 2021-22.

Methodology:

1. Rebate projections for FY 2020-21 and FY 2021-22 are based on actual collections during FY 2018-19 and FY 2019-20.
2. Assume a two quarter delay in rebate collections beginning in FY 2020-21 Quarter 2.
3. For FY 2021-22, assume a continuance of an overall declining trend of collected rebates is applied to the estimated amount for FY 2020-21.
4. CCS drug rebate collections, for FY 2020-21 and FY 2021-22, are estimated to be:

Fiscal Year	TF	GF	CF*
FY 2020-21	(\$25,000)	(\$25,000)	(\$25,000)
FY 2021-22	(\$42,000)	(\$42,000)	(\$42,000)

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 2020-21</u>	<u>FY 2021-22</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 . On-going non-BF rebates are invoiced quarterly.

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 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:

There is no change in FY 2020-21 and FY 2021-22, from the prior estimate.

There is no change in FY 2020-21 to FY 2021-22 in the current estimate.

Methodology:

1. \$32,356,000 TF has been collected for retroactive CCS State-Only non-BF rebates as of January 31, 2021.

2. Of the \$32,356,000 TF collected, only \$3,558,000 could be transferred to the GF in FY 2019-20 due to CCS State-Only expenditures being approximately \$3,700,000. Rebates are offset against expenditures.

3. The remaining balance of \$25,240,000 will be carried over and budgeted in FY 2020-21, FY 2021-22, and future fiscal years.

4. CCS State-Only non-BF drug rebate collections for FY 2020-21 and FY 2021-22 are estimated to be:

FY 2020-21	TF	GF	CF*
CCS Retroactive Non-BF Rebates	(\$3,700,000)	(\$3,700,000)	(\$3,700,000)

FY 2021-22	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 HF NON-BLOOD FACTOR REBATES

POLICY CHANGE NUMBER: 9
IMPLEMENTATION DATE: 10/2019
ANALYST: Autumn Recce

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$62,447,000	\$0
	- GENERAL FUND	\$21,415,000	\$0
	- FEDERAL TITLE XXI	\$41,032,000	\$0
PAYMENT LAG		1.0000	0.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$62,447,000	\$0
	- GENERAL FUND	\$21,415,000	\$0
	- FEDERAL FUNDS	\$41,032,000	\$0
	- COUNTY FUNDS	\$0	\$0

Purpose:

This policy change estimates the non-blood factor drug (non-BF) rebate repayment to manufacturers for the California Children's Services Healthy Families (CCS HF).

Authority:**Interdependent Policy Changes:**

Not Applicable

Background:

The Department began collecting non-BF rebates for the CCS HF Program in October 2019. Invoices were issued for the retroactive time period of FY 2006-07 Q1 through FY 2014-15 Q2.

The CCS HF Program was authorized under the Children's Health Insurance Program (CHIP) State Plan and was not eligible for Medicaid rebates. The Department plans to provide reimbursement to the manufacturers.

Reason for Change:

The change from the prior estimate for FY 2020-21 is a decrease in the cost for repayment to manufacturers for CCS HF non-BF drug rebates due to no longer including the rebates collected in FY 2020-21 and estimating only the rebates collected and appropriated in FY 2019-20.

Methodology:

1. The Department collected \$62,447,000 TF in retroactive CCS HF Non-BF drug rebates through June 2020.
2. The CCS HF program was authorized under the CHIP State Plan and was not eligible for Medicaid rebates.
3. The Department is providing reimbursement to the manufacturers. The CCS HF non-BF rebates that have been collected have been transferred to the Medi-Cal Drug Rebate Fund and are being offset with manufacturers' credits towards rebate payments.
4. CCS HF non-BF drug rebate collections transferred to the Medi-Cal Drug rebate fund for credit to manufacturers are:

FY 2020-21	TF	GF	FF
CCS HF Non-Blood Factor Rebates	\$62,447,000	\$21,415,000	\$41,032,000

Funding:

- 100% General Fund (4260-111-0001)
- 100% Title XXI FFP (4260-113-0890)

CCS - CGM REBATES

POLICY CHANGE NUMBER: 10
IMPLEMENTATION DATE: 5/2022
ANALYST: Joel Singh

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$0	-\$21,000
- GENERAL FUND	\$0	-\$21,000
PAYMENT LAG	0.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	-\$21,000
- GENERAL FUND	\$0	-\$21,000
- COUNTY FUNDS	\$0	-\$21,000

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)
Proposed Trailer Bill Language

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 the third quarter of FY 2021-22. 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 is a new policy change.

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 utilized and billed for the first quarter of 2022 (January 1 – March 31, 2022) in April 2022. Assuming rebate collections will be received early May 2022, three months of rebate savings are estimated in FY 2021-22.
5. On a cash basis, total estimated rebate savings in FY 2021-22 is:

FY 2021-22	TF	GF	CF*
CGM Rebate Savings	(\$21,000)	(\$21,000)	(\$21,000)

Funding:

100% General Fund (4260-111-0001)

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>	Fiscal Year	Fiscal Year	Fiscal Year	FY 2020-21 -
	<u>2019-20</u> ¹	<u>2020-21</u>	<u>2021-22</u>	<u>FY 2021-22</u> <u>% Change</u>
CCS State Only	14,104	12,569	14,601	16.17%
SUBTOTAL	14,104	12,569	14,601	16.17%

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

<u>All Counties</u>	Fiscal Year	Fiscal Year	Fiscal Year	FY 2020-21 -
	<u>2019-20</u> ¹	<u>2020-21</u>	<u>2021-22</u>	<u>FY 2021-22</u> <u>% Change</u>
CCS Medi-Cal ²	170,362	171,061	168,980	-1.22%
SUBTOTAL	170,362	171,061	168,980	-1.22%

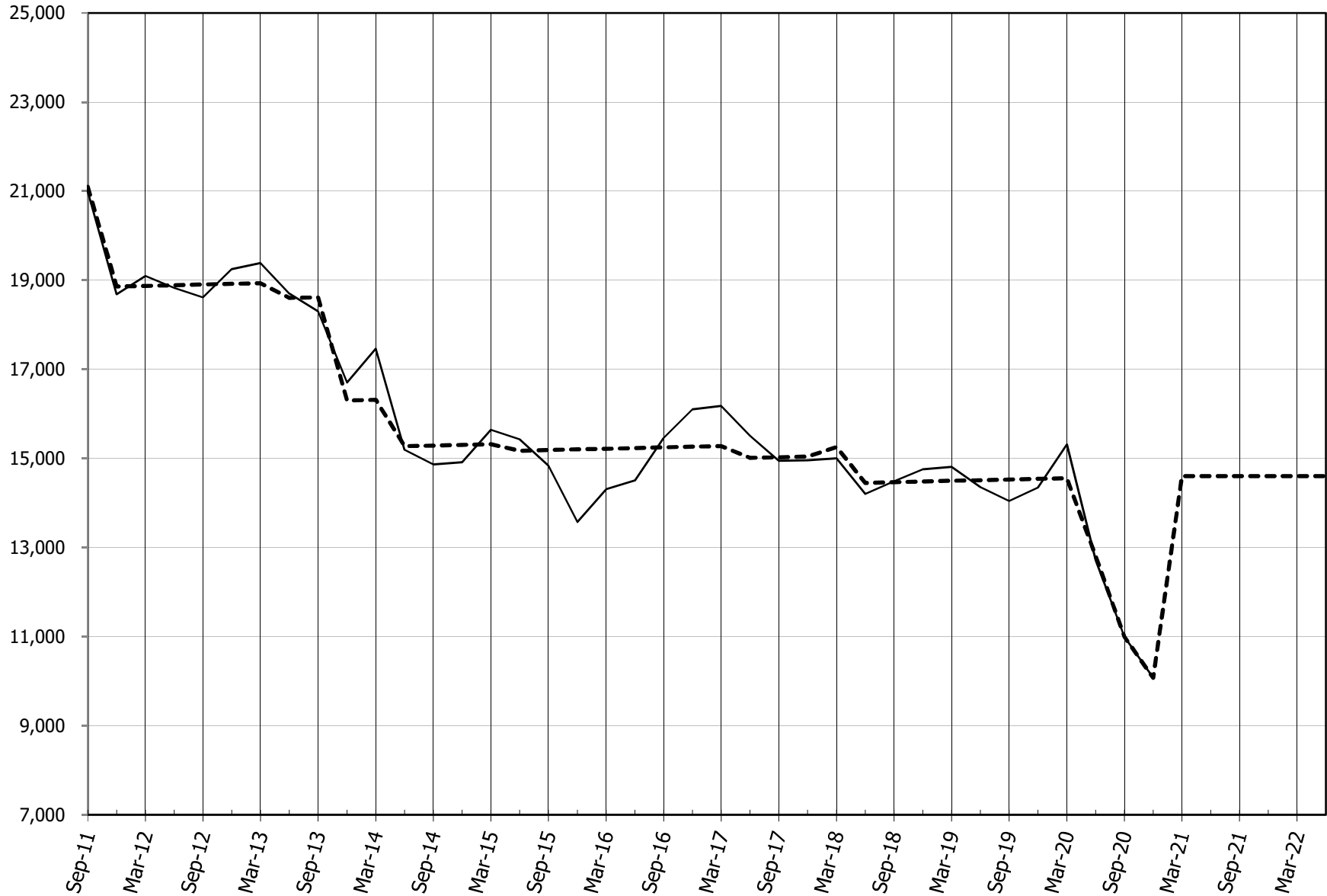
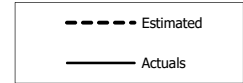
**Total Caseload
(CCS State Only and CCS Medi-Cal)**

<u>All Counties</u>	Fiscal Year	Fiscal Year	Fiscal Year	FY 2020-21 -
	<u>2019-20</u> ¹	<u>2020-21</u>	<u>2021-22</u>	<u>FY 2021-22</u> <u>% Change</u>
CCS State Only	14,104	12,569	14,601	16.17%
CCS Medi-Cal	170,362	171,061	168,980	-1.22%
TOTAL	184,466	183,630	183,581	-0.03%

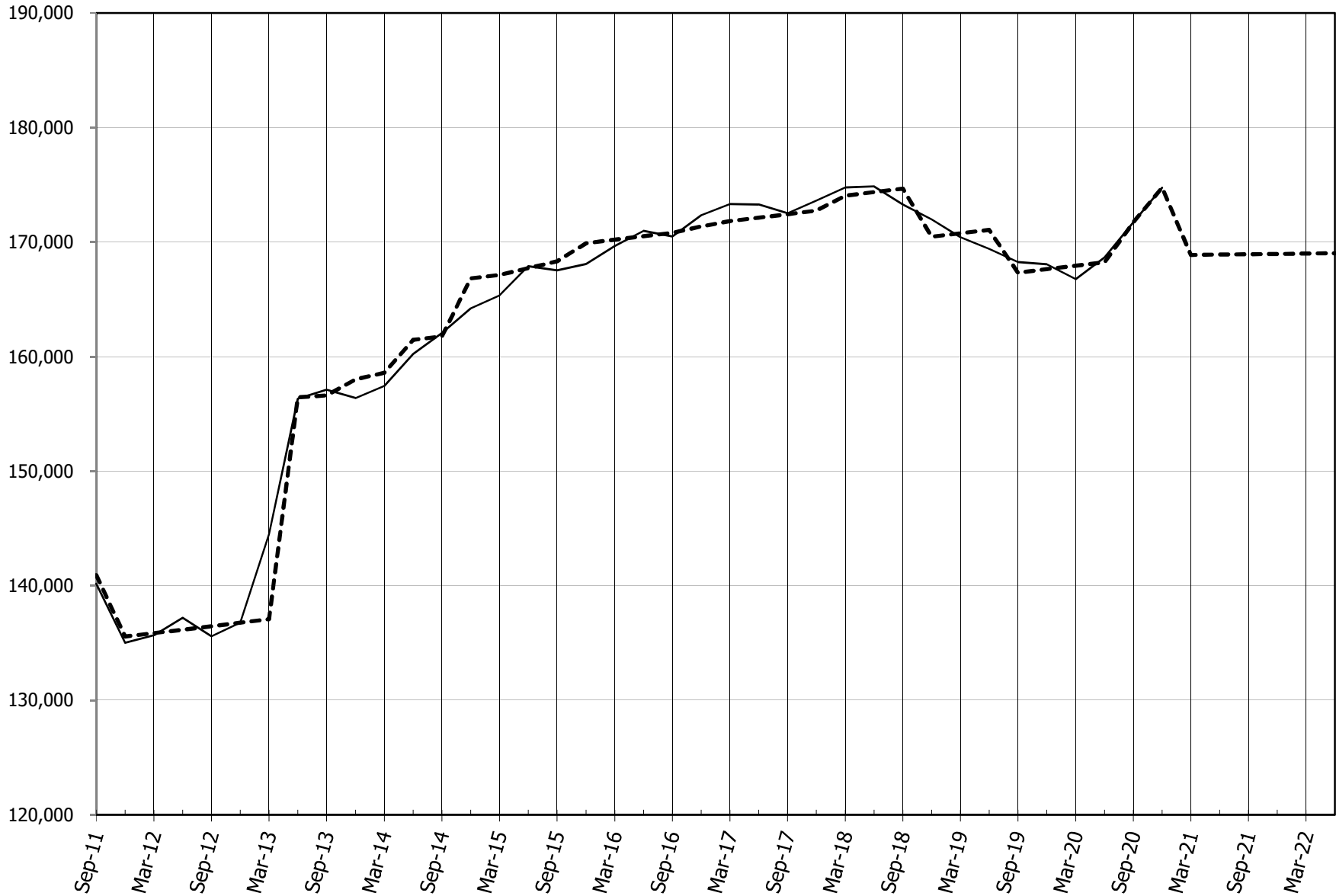
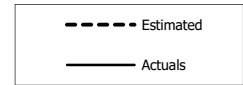
¹ Actual caseload.

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

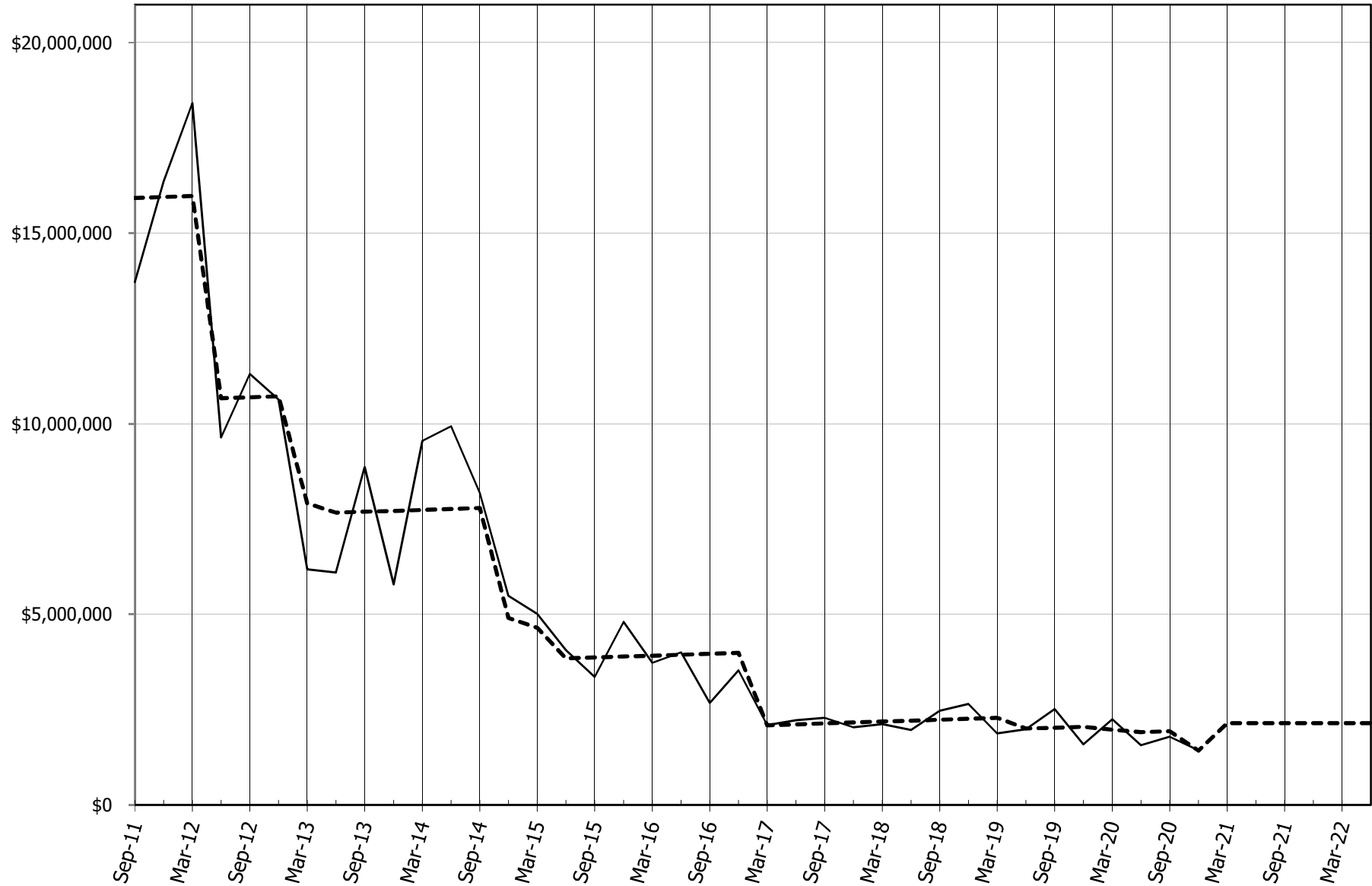
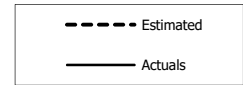
Total Statewide CCS State-Only Caseload



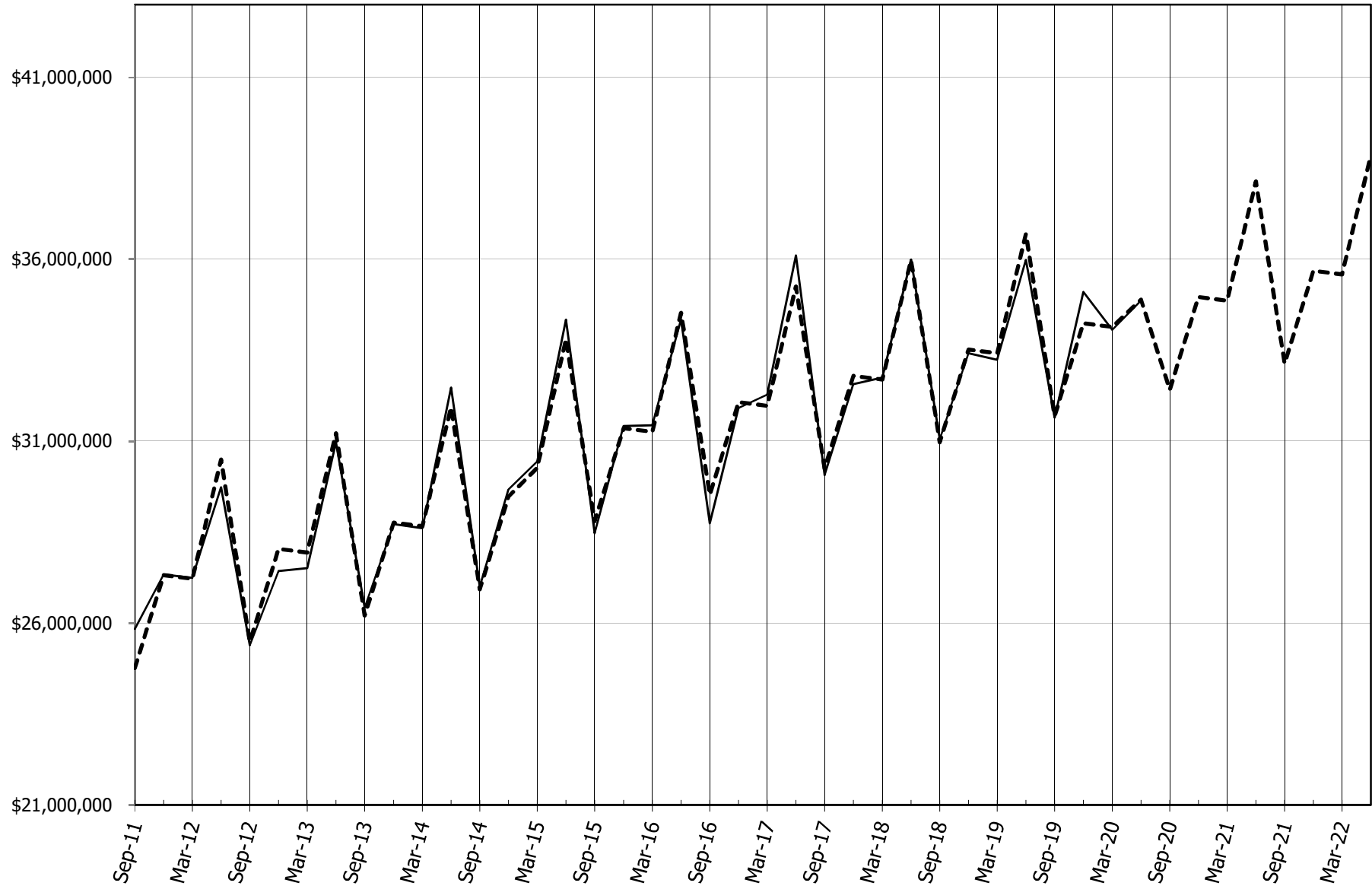
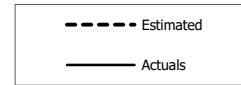
Total Statewide Medi-Cal Caseload



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 2020-21, May 2021 Estimate Compared to November 2020 Estimate

	<u>Nov. 2020 Est. FY 2020-21</u>	<u>May 2021 Est. FY 2020-21</u>	<u>Difference Incr./(Decr.)</u>
State-Only Caseload:	660	598	(62)
Net Dollars:			
4260-111-0001 (General Fund)	\$70,006,800	\$56,224,200	(\$13,782,600)
4260-611-0995 (Enrollment Fees)	\$426,400	\$502,700	\$76,300
4260-601-3079 (Rebate Special Fund)	\$69,964,000	\$76,165,000	\$6,201,000
Total	<u>\$140,397,200</u>	<u>\$132,891,900</u>	<u>(\$7,505,300)</u>

FY 2021-22, May 2021 Estimate Compared to November 2020 Estimate

	<u>Nov. 2020 Est. FY 2021-22</u>	<u>May 2021 Est. FY 2021-22</u>	<u>Difference Incr./(Decr.)</u>
State-Only Caseload:	668	670	2
Net Dollars:			
4260-111-0001 (General Fund)	\$114,379,700	\$119,635,900	\$5,256,200
4260-611-0995 (Enrollment Fees)	\$426,400	\$502,700	\$76,300
4260-601-3079 (Rebates Special Fund)	\$24,600,000	\$17,448,000	(\$7,152,000)
Total	<u>\$139,406,100</u>	<u>\$137,586,600</u>	<u>(\$1,819,500)</u>

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22

	<u>May 2021 Est. FY 2020-21</u>	<u>May 2021 Est. FY 2021-22</u>	<u>Difference Incr./(Decr.)</u>
State-Only Caseload:	598	670	72
Net Dollars:			
4260-111-0001 (General Fund)	\$56,224,200	\$119,635,900	\$63,411,700
4260-611-0995 (Enrollment Fees)	\$502,700	\$502,700	\$0
4260-601-3079 (Rebates Special Fund)	\$76,165,000	\$17,448,000	(\$58,717,000)
Total	<u>\$132,891,900</u>	<u>\$137,586,600</u>	<u>\$4,694,700</u>

GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Summary
Fiscal Years 2020-21 and 2021-22 Compared to Appropriation

FY 2020-21, May 2021 Estimate Compared to Appropriation

	Appropriation FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
State-Only Caseload:	662	598	(64)
Net Dollars:			
4260-111-0001 (General Fund)	\$129,390,400	\$56,224,200	(\$73,166,200)
4260-611-0995 (Enrollment Fees)	\$481,600	\$502,700	\$21,100
4260-601-3079 (Rebates Special Fund)	\$7,300,000	\$76,165,000	\$68,865,000
Total	\$137,172,000	\$132,891,900	(\$4,280,100)

May 2021 Estimate for FY 2021-22 Compared to FY 2020-21 Appropriation

	Appropriation FY 2020-21	May 2021 Est. FY 2021-22	Difference Incr./(Decr.)
State-Only Caseload:	662	670	8
Net Dollars:			
4260-111-0001 (General Fund)	\$129,390,400	\$119,635,900	(\$9,754,500)
4260-611-0995 (Enrollment Fees)	\$481,600	\$502,700	\$21,100
4260-601-3079 (Rebates Special Fund)	\$7,300,000	\$17,448,000	\$10,148,000
Total	\$137,172,000	\$137,586,600	\$414,600

**GENETICALLY HANDICAPPED PERSONS PROGRAM
Funding Sources By Component
Fiscal Year 2020-21**

May 2021 Estimate Compared to November 2020 Estimate, Total Funds

	Nov. 2020 Est. FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 139,692,000	\$ 132,120,000	\$ (7,572,000)
2. Policy Changes	\$ (98,800)	\$ (60,100)	\$ 38,700
Total for Services	\$ 139,593,200	\$ 132,059,900	\$ (7,533,300)
Fiscal Intermediary	\$ 804,000	\$ 832,000	\$ 28,000
Total GHPP Program	\$ 140,397,200	\$ 132,891,900	\$ (7,505,300)

May 2021 Estimate Compared to November 2020 Estimate, General Fund

	Nov. 2020 Est. FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 139,692,000	\$ 132,120,000	\$ (7,572,000)
2. Policy Changes	\$ (70,489,200)	\$ (76,727,800)	\$ (6,238,600)
Total for Services	\$ 69,202,800	\$ 55,392,200	\$ (13,810,600)
Fiscal Intermediary	\$ 804,000	\$ 832,000	\$ 28,000
Total GHPP Program	\$ 70,006,800	\$ 56,224,200	\$ (13,782,600)

May 2021 Estimate Compared to November 2020 Estimate, Federal Funds

	Nov. 2020 Est. FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
1. Base Expenditure Estimate	\$ 0	\$ 0	\$ 0
2. Policy Changes	\$ 0	\$ 0	\$ 0
Total for Services	\$ 0	\$ 0	\$ 0
Fiscal Intermediary	\$ 0	\$ 0	\$ 0
Total GHPP Program	\$ 0	\$ 0	\$ 0

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

May 2021 Estimate Compared to November 2020 Estimate, Total Funds

	Nov. 2020 Est. <u>FY 2021-22</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 139,337,000	\$ 138,089,000	\$ (1,248,000)
2. Policy Changes	\$ (651,900)	\$ (1,251,400)	\$ (599,500)
	-----	-----	-----
Total	\$ 138,685,100	\$ 136,837,600	\$ (1,847,500)
Fiscal Intermediary	\$ 721,000	\$ 749,000	\$ 28,000
	-----	-----	-----
Total GHPP Program	\$ 139,406,100	\$ 137,586,600	\$ (1,819,500)

May 2021 Estimate Compared to November 2020 Estimate, General Fund

	Nov. 2020 Est. <u>FY 2021-22</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 139,337,000	\$ 138,089,000	\$ (1,248,000)
2. Policy Changes	\$ (25,678,300)	\$ (19,202,100)	\$ 6,476,200
	-----	-----	-----
Total for Services	\$ 113,658,700	\$ 118,886,900	\$ 5,228,200
Fiscal Intermediary	\$ 721,000	\$ 749,000	\$ 28,000
	-----	-----	-----
Total GHPP Program	\$ 114,379,700	\$ 119,635,900	\$ 5,256,200

May 2021 Estimate Compared to November 2020 Estimate, Federal Funds

	Nov. 2020 Est. <u>FY 2021-22</u>	May 2021 Est. <u>FY 2021-22</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
Funding Sources By Component
Current Year vs Budget Year

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22, Total Funds

	May 2021 Est.	May 2021 Est.	Difference
	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>Incr./((Decr.)</u>
1. Base Expenditure Estimate	\$ 132,120,000	\$ 138,089,000	\$ 5,969,000
2. Policy Changes	\$ (60,100)	\$ (1,251,400)	\$ (1,191,300)
	-----	-----	-----
Total for Services	\$ 132,059,900	\$ 136,837,600	\$ 4,777,700
Fiscal Intermediary	\$ 832,000	\$ 749,000	\$ (83,000)
	-----	-----	-----
Total GHPP Program	\$ 132,891,900	\$ 137,586,600	\$ 4,694,700

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22, General Fund

	May 2021 Est.	May 2021 Est.	Difference
	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>Incr./((Decr.)</u>
1. Base Expenditure Estimate	\$ 132,120,000	\$ 138,089,000	\$ 5,969,000
2. Policy Changes	\$ (76,727,800)	\$ (19,202,100)	\$ 57,525,700
	-----	-----	-----
Total for Services	\$ 55,392,200	\$ 118,886,900	\$ 63,494,700
Fiscal Intermediary	\$ 832,000	\$ 749,000	\$ (83,000)
	-----	-----	-----
Total GHPP Program	\$ 56,224,200	\$ 119,635,900	\$ 63,411,700

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22, Federal Funds

	May 2021 Est.	May 2021 Est.	Difference
	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>Incr./((Decr.)</u>
1. Base Expenditure Estimate	\$ 0	\$ 0	\$ 0
2. Policy Changes	\$ 0	\$ 0	\$ 0
	-----	-----	-----
Total for Services	\$ 0	\$ 0	\$ 0
Fiscal Intermediary	\$ 0	\$ 0	\$ 0
	-----	-----	-----
Total GHPP Program	\$ 0	\$ 0	\$ 0

GENETICALLY HANDICAPPED PERSONS PROGRAM
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>
2019-20 Actuals	Hemophilia	308	\$ 403,200	\$ 124,196,000
	Cystic Fibrosis	217	60,700	13,176,000
	Sickle Cell	65	4,000	262,000
	Huntington's	33	600	20,000
	Metabolic 2/	24	10,700	257,000
		647	\$ 213,200	\$ 137,911,000
2020-21 Estimate	Hemophilia	284	\$ 418,900	\$ 118,954,000
	Cystic Fibrosis	209	61,400	12,835,000
	Sickle Cell	57	4,400	248,000
	Huntington's	29	200	7,000
	Metabolic 2/	19	4,000	76,000
		598	\$ 220,900	\$ 132,120,000
2021-22 Estimate	Hemophilia	317	\$ 392,500	\$ 124,427,000
	Cystic Fibrosis	229	58,000	13,293,000
	Sickle Cell	66	3,700	247,000
	Huntington's	34	500	18,000
	Metabolic 2/	24	4,300	104,000
		670	\$ 206,100	\$ 138,089,000

1/ Actual expenditure data is complete through January 2021.

Actual caseload data is complete through January 2021.

2/ Metabolic conditions category includes Von Hippel Lindau syndrome.

GENETICALLY HANDICAPPED PERSONS PROGRAM
Base Estimate Comparisons for Fiscal Years 2020-21 and 2021-22

FY 2020-21, May 2021 Estimate Compared to November 2020 Estimate

	Nov. 2020 Est. FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./(Decr.)
Hemophilia	\$ 125,292,000	\$ 118,954,000	\$ (6,338,000)
Cystic Fibrosis	14,046,000	12,835,000	(1,211,000)
Sickle Cell	218,000	248,000	30,000
Huntington's	15,000	7,000	(8,000)
Metabolic	121,000	76,000	(45,000)
TOTAL	\$ 139,692,000	\$ 132,120,000	\$ (7,572,000)

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22

	May 2021 Est. FY 2020-21	May 2021 Est. FY 2021-22	Difference Incr./(Decr.)
Hemophilia	\$ 118,954,000	\$ 124,427,000	\$ 5,473,000
Cystic Fibrosis	12,835,000	13,293,000	458,000
Sickle Cell	248,000	247,000	(1,000)
Huntington's	7,000	18,000	11,000
Metabolic	76,000	104,000	28,000
TOTAL	\$ 132,120,000	\$ 138,089,000	\$ 5,969,000

FY 2021-22, May 2021 Estimate Compared to November 2020 Estimate

	Nov. 2020 Est. FY 2021-22	May 2021 Est. FY 2021-22	Difference Incr./(Decr.)
Hemophilia	\$ 124,892,000	\$ 124,427,000	\$ (465,000)
Cystic Fibrosis	14,068,000	13,293,000	(775,000)
Sickle Cell	229,000	247,000	18,000
Huntington's	17,000	18,000	1,000
Metabolic	131,000	104,000	(27,000)
TOTAL	\$ 139,337,000	\$ 138,089,000	\$ (1,248,000)

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

FY 2020-21, May 2021 Estimate Compared to Appropriation

	Appropriation FY 2020-21	May 2021 Est. FY 2020-21	Difference Incr./Decr.)
Hemophilia	\$ 126,197,000	\$ 118,954,000	(\$ 7,243,000)
Cystic Fibrosis	10,978,000	12,835,000	1,857,000
Sickle Cell	322,000	248,000	(74,000)
Huntington's	41,000	7,000	(34,000)
Metabolic	170,000	76,000	(94,000)
TOTAL	\$ 137,708,000	\$ 132,120,000	(\$ 5,588,000)

May 2021 Estimate for FY 2021-22 Compared to FY 2020-21 Appropriation

	Appropriation FY 2020-21	May 2021 Est. FY 2021-22	Difference Incr./Decr.)
Hemophilia	\$ 126,197,000	\$ 124,427,000	(\$ 1,770,000)
Cystic Fibrosis	10,978,000	13,293,000	2,315,000
Sickle Cell	322,000	247,000	(75,000)
Huntington's	41,000	18,000	(23,000)
Metabolic	170,000	104,000	(66,000)
TOTAL	\$ 137,708,000	\$ 138,089,000	\$ 381,000

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

Fiscal Year 2020-21

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	581	297	284
Cystic Fibrosis	373	164	209
Sickle Cell	170	113	57
Huntington's	67	38	29
Metabolic	<u>99</u>	<u>80</u>	<u>19</u>
Total	1,290	692	598

Fiscal Year 2021-22

	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPP Only Caseload</u>
Hemophilia	609	292	317
Cystic Fibrosis	397	168	229
Sickle Cell	189	123	66
Huntington's	74	40	34
Metabolic	<u>112</u>	<u>88</u>	<u>24</u>
Total	1,381	711	670

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

FY 2020-21, May 2021 Estimate Compared to November 2020 Estimate

	Nov. 2020 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2020-21</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	314	284	(30)
Cystic Fibrosis	223	209	(14)
Sickle Cell	65	57	(8)
Huntington's	33	29	(4)
Metabolic	<u>25</u>	<u>19</u>	<u>(6)</u>
Total	660	598	(62)

Fiscal Year 2020-21 Compared to Fiscal Year 2021-22

	May 2021 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
Hemophilia	284	317	33
Cystic Fibrosis	209	229	20
Sickle Cell	57	66	9
Huntington's	29	34	5
Metabolic	<u>19</u>	<u>24</u>	<u>5</u>
Total	598	670	72

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

FY 2020-21, May 2021 Estimate Compared to November 2020 Estimate

	Nov. 2020 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2020-21</u>	Difference <u>Incr./Decr.</u>
Hemophilia	289	297	8
Cystic Fibrosis	168	164	(4)
Sickle Cell	121	113	(8)
Huntington's	39	38	(1)
Metabolic	<u>85</u>	<u>80</u>	<u>(5)</u>
Total	702	692	(10)

Fiscal Year 2020-21 Compared to Fiscal Year 2021-22

	May 2021 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./Decr.</u>
Hemophilia	297	292	(5)
Cystic Fibrosis	164	168	4
Sickle Cell	113	123	10
Huntington's	38	40	2
Metabolic	<u>80</u>	<u>88</u>	<u>8</u>
Total	692	711	19

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

Fiscal Year 2020-21, Comparison of May 2021 and November 2020 Estimates								
<u>POLICY CHG.</u>			<u>NOVEMBER 2020 ESTIMATE</u>		<u>MAY 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	\$804,000	\$804,000	\$832,000	\$832,000	\$28,000	\$28,000
Benefits	3	BLOOD FACTOR DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	GHPP PREMIUM COSTS	\$87,000	\$87,000	\$105,000	\$105,000	\$18,000	\$18,000
Benefits	5	GHPP PREMIUM SAVINGS	-\$185,800	-\$185,800	-\$165,100	-\$165,100	\$20,700	\$20,700
Benefits	6	GHPP NON-BLOOD FACTOR REBATES	\$0	\$0	\$0	\$0	\$0	\$0
GHPP TOTAL			\$705,200	\$705,200	\$771,900	\$771,900	\$66,700	\$66,700

Fiscal Year 2021-22, Comparison of May 2021 and November 2020 Estimates								
<u>POLICY CHG.</u>			<u>NOVEMBER 2020 ESTIMATE</u>		<u>MAY 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	\$721,000	\$721,000	\$749,000	\$749,000	\$28,000	\$28,000
Benefits	3	BLOOD FACTOR DRUG REBATES	\$0	\$0	\$0	\$0	\$0	\$0
Other	4	GHPP PREMIUM COSTS	\$107,000	\$107,000	\$124,000	\$124,000	\$17,000	\$17,000
Benefits	5	GHPP PREMIUM SAVINGS	-\$758,900	-\$758,900	-\$1,375,400	-\$1,375,400	-\$616,500	-\$616,500
Benefits	6	GHPP NON-BLOOD FACTOR REBATES	\$0	\$0	\$0	\$0	\$0	\$0
GHPP TOTAL			\$69,100	\$69,100	-\$502,400	-\$502,400	-\$571,500	-\$571,500

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

ENROLLMENT FEES

POLICY CHANGE NUMBER: 1
IMPLEMENTATION DATE: 7/1993
ANALYST: Celine Donaldson

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$502,700	-\$502,700
- ENROLLMENT FEES FUND	\$502,700	\$502,700
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE		
- TOTAL FUNDS	\$0	\$0
- GENERAL FUND	-\$502,700	-\$502,700
- ENROLLMENT FEES FUND	\$502,700	\$502,700

Purpose:

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

Authority:

Health & Safety Code 125166

Interdependent Policy Changes:

Not Applicable

Background:

Families receiving GHPP services may be assessed enrollment fees. Collection of enrollment fees occur on the client's enrollment anniversary date.

GHPP enrollment fees are assessed based on a sliding scale. Effective December 1, 2009, the Department increased GHPP enrollment fees to 1.5% of Adjusted Gross Income (AGI) for families with incomes between 200% and 299% of the Federal Poverty Level (FPL), and 3% of AGI for families with incomes 300% or greater than the FPL.

Reason for Change:

Actual fees collected have been updated to include fees collected for prior years during the fiscal year on a cash basis. These dollars were not included in the prior estimate, resulting in an increase in projected fee collections for FY 2020-21 and FY 2021-22. 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 \$351,200 collected as of January 2021 for FY 2020-21. Averaging the fees collected in these 19 months, the estimated enrollment fees for FY 2020-21 and FY 2021-22 are \$502,700.

FY 2020-21: $$(444,700+351,200) \div 19 \times 12 = \$502,700$ (\$502,700 GF)

FY 2021-22: $$(444,700+351,200) \div 19 \times 12 = \$502,700$ (\$502,700 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 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$832,000	\$749,000
- GENERAL FUND	\$832,000	\$749,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$832,000	\$749,000
- GENERAL FUND	\$832,000	\$749,000

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 program utilizes FIs to adjudicate and pay medical and dental claims. Effective October 1, 2020, the Gainwell (GTS) and IBM contractors began processing medical claims. Effective April 1, 2021, 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:

There is an increase for FY 2020-21 and FY 2021-22, from the prior estimate, due to having more actuals to project forward invoice payments and due to the Medi-Cal Rx implementation. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to processing more invoices for payment in FY 2020-21.

Methodology:

1. Based on actual and projected volumes for the current year, the estimated medical FI administrative costs are \$820,000 in FY 2020-21 and \$718,000 in FY 2021-22.
2. Based on actual and projected volumes for the current year, the estimated dental FI administrative costs are \$1,000 in FY 2020-21 and FY 2021-22.
3. The estimated Medi-Cal Rx are \$11,000 in FY 2020-21, and \$30,000 in FY 2021-22.
4. The total estimated medical and dental FI administrative costs for GHPP are **\$832,000 in FY 2020-21** and **\$749,000 in FY 2021-22**.

Funding:

100% General Fund (4260-111-0001)

BLOOD FACTOR DRUG REBATES

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

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$5,724,000	-\$10,648,000
	- REBATE SPECIAL FUND	\$5,724,000	\$10,648,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$5,724,000	-\$10,648,000
	- REBATE SPECIAL FUND	\$5,724,000	\$10,648,000

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 2020-21, from the prior estimate, is a decrease due to a two quarter break in rebate collections. The change for FY 2021-22, from the prior estimate, is an increase due to shifting the rebates collection schedule. The change from FY 2020-21 to FY 2021-22, in the current estimate, is an increase due to quarterly rebate collections resuming in FY 2021-22.

Methodology:

1. Rebate projections for FY 2020-21 and FY 2021-22 are based on actual collections during FY 2018-19 and FY 2019-20.
2. The percentage change from FY 2018-19 to FY 2019-20 was used to determine the estimated amount for FY 2020-21.
3. For FY 2021-22, assume the percentage change from FY 2018-19 to FY 2019-20 is applied to the estimated amount for FY 2020-21.
4. Assume a two quarter delay in rebate collections beginning in FY 2020-21 Quarter 2.
5. The Department anticipates collecting **\$5,724,000** in **FY 2020-21** and **\$10,648,000** in **FY 2021-22** 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: Celine Donaldson

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$105,000	\$124,000
	- GENERAL FUND	\$105,000	\$124,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$105,000	\$124,000
	- GENERAL FUND	\$105,000	\$124,000

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 for both fiscal years is due to three additional cystic fibrosis clients enrolling and participating in the program in FY 2020-21. Two of these clients have higher than average premiums, increasing the projected premium by \$220 for clients with this condition. The increase in costs is offset by three clients with lower than average premiums no longer participating in the program.

The increase between FY 2020-21 and FY 2021-22 in the current estimate is due to the anticipated enrollment of three additional clients in FY 2021-22.

Methodology:

1. Assume the monthly premium costs per enrollee are \$230 for Hemophilia, \$650 for Cystic Fibrosis, \$360 for Sickle Cell, \$230 for Metabolic, and \$310 for Huntington's based on recent premium costs for participants.
2. As of January 2021, 18 clients are enrolled and participating in the program. The total member months for current clients are:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	12	12
Cystic Fibrosis	108	108
Sickle Cell	48	48
Metabolic	12	12
Huntington's	24	24

3. Assume three new clients will enroll in FY 2020-21. The estimated member months for additional clients are:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	4	24
Cystic Fibrosis	5	12

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

	Member Months
	FY 2021-22
Hemophilia	13
Cystic Fibrosis	11

5. Total Member Months:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	16	49
Cystic Fibrosis	113	131
Sickle Cell	48	48
Metabolic	12	12
Huntington's	24	24
Total	213	264

6. Projected Premium Payments (Rounded):

	FY 2020-21	FY 2021-22
Total Funds	\$ 105,000	\$ 124,000
General Funds	\$ 105,000	\$ 124,000

Funding:

100% GF (4260-111-0001)

GHPP PREMIUM SAVINGS

POLICY CHANGE NUMBER: 5
IMPLEMENTATION DATE: 12/2009
ANALYST: Celine Donaldson

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	-\$1,097,000	-\$2,256,000
	- GENERAL FUND	-\$1,097,000	-\$2,256,000
PAYMENT LAG		0.9551	0.9802
% REFLECTED IN BASE		84.24%	37.80%
APPLIED TO BASE	- TOTAL FUNDS	-\$165,100	-\$1,375,400
	- GENERAL FUND	-\$165,100	-\$1,375,400

Purpose:

This policy change estimates the program savings for the Genetically Handicapped Persons Program (GHPP) clients covered by a commercial insurance plan.

Authority:

Health & Safety Code 125157(c)

Interdependent Policy Changes:

GHPP Premium Costs

Background:

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

Reason for Change:

Projected savings declined from the prior year for FY 2020-21 due to clients with higher costs per case disenrolling and new clients with lower costs per case enrolling. The effect of this change in FY 2021-22 from the prior estimate is offset by the anticipated enrollment of two new clients with higher costs per case.

The increase between FY 2020-21 and FY 2021-22 in the current estimate is due to the anticipated enrollment of three additional clients in FY 2021-22.

Methodology:

1. As of January 2021, 18 clients are enrolled and participating in the program. The total member months for current clients are:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	12	12
Cystic Fibrosis	108	108
Sickle Cell	48	48
Metabolic	12	12
Huntington's	24	24

2. Assume three new clients will enroll in FY 2020-21. The estimated member months for additional clients are:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	4	24
Cystic Fibrosis	5	12

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

	Member Months	
		FY 2021-22
Hemophilia		13
Cystic Fibrosis		11

4. Total Member Months:

	Member Months	
	FY 2020-21	FY 2021-22
Hemophilia	16	49
Cystic Fibrosis	113	131
Sickle Cell	48	48
Metabolic	12	12
Huntington's	24	24
Total	213	264

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

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Hemophilia	\$ 418,900	\$ 392,500
Cystic Fibrosis	\$ 61,400	\$ 58,000
Sickle Cell	\$ 4,400	\$ 3,700
Metabolic	\$ 4,000	\$ 4,300
Huntington's	\$ 200	\$ 500

6. Projected Savings (Rounded):

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
Total Funds	\$ 1,097,000	\$ 2,256,000
General Funds	\$ 1,097,000	\$ 2,256,000

Funding:

100% GF (4260-111-0001)

GHPP NON-BLOOD FACTOR REBATES

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

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$70,441,000	-\$6,800,000
	- REBATE SPECIAL FUND	\$70,441,000	\$6,800,000
PAYMENT LAG		1.0000	1.0000
% REFLECTED IN BASE		0.00%	0.00%
APPLIED TO BASE	- TOTAL FUNDS	\$0	\$0
	- GENERAL FUND	-\$70,441,000	-\$6,800,000
	- REBATE SPECIAL FUND	\$70,441,000	\$6,800,000

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. On-going non-BF rebates are invoiced quarterly. The new non-BF rebates will be deposited to 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 will be the last collected rebates associated under the DSHP designation. The Department is exploring options with Centers for Medicare and Medicaid Services (CMS) to continue the collection of rebates.

Reason for Change:

The change from the prior estimate for FY 2020-21 is an increase in savings due to including additional retroactive rebates collected through January 31, 2021.

The change from the prior estimate for FY 2021-22 is a decrease in savings due to estimating that there will be a pause in rebate invoicing for FY 2020-21 Q3 and Q4.

The change from FY 2020-21 to FY 2021-22 in the current estimate, is a decrease in savings due to estimating rebates collections for two quarters of invoices in FY 2021-22.

Methodology:

1. \$102,544,000 TF has been collected for retroactive GHPP non-BF rebates as of January 31, 2021.
2. \$52,715,000 in retroactive rebates were transferred to the GF in FY 2019-20. The remaining balance of \$49,829,000 will be transferred in FY 2020-21.
3. For current rebates, it is estimated that rebates invoiced for FY 2019-20 Q1 through FY 2020-21 Q2 totaling an estimated \$20,612,000 will be collected and transferred to the GF.
4. Assume there will be a two quarter pause in rebate invoicing for FY 2020-21 Q3 and Q4 while the Department seeks CMS approval to begin collecting rebates again under a new authority.
4. In FY 2021-22 it is estimated that rebates for invoices issued for FY 2021-22 Q1 and Q2 totaling an estimated \$6,800,000 will be collected and transferred to the GF.
3. GHPP non-BF drug rebate collections for FY 2020-21 and FY 2021-22 are estimated to be:

FY 2020-21	TF	GF	Drug Rebates Special Fund
Retroactive Non-BF Rebates	\$0	(\$49,829,000)	\$49,829,000
FY 2019-20 Q1 through FY 2020-21 Q2 Non-BF Rebates	\$0	(\$20,612,000)	\$20,612,000
Total	\$0	(\$70,441,000)	\$70,441,000

FY 2021-22	TF	GF	Drug Rebates Special Fund
FY 2021-22 Q1 and Q2 Non-BF Rebates	\$0	(\$6,800,000)	\$6,800,000

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	1,748	982	766	\$ 30,512,255
2	1,451	781	670	28,986,791
3	1,273	669	604	27,143,321
4	1,286	663	623	26,899,066
2018-19	1,440	774	666	\$ 113,541,000
1	1,297	665	632	\$ 33,535,996
2	1,327	673	654	34,107,018
3	1,341	685	656	35,936,176
4	1,354	711	643	34,331,131
2019-20	1,331	684	647	\$ 137,911,000
1	1,249	684	565	\$ 32,389,958
2	1,216	678	538	34,284,472
3	1,324	701	623	31,589,221
4	1,369	705	664	33,856,182
2020-21	1,290	692	598	\$ 132,120,000
1	1,376	707	669	\$ 34,122,593
2	1,377	709	668	34,389,003
3	1,380	711	669	34,655,414
4	1,384	714	670	34,921,824
2021-22	1,381	711	670	\$ 138,089,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 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	666	334	332	\$ 26,983,282
2	611	299	312	25,825,791
3	556	273	283	24,455,206
4	568	273	295	24,765,239
2018-19	600	295	305	\$ 102,030,000
1	573	274	299	\$ 30,705,823
2	586	274	312	30,802,364
3	596	279	317	31,788,753
4	601	297	304	30,898,977
2019-20	589	281	308	\$ 124,196,000
1	563	297	266	\$ 29,066,934
2	559	303	256	31,069,380
3	593	297	296	28,376,786
4	606	289	317	30,440,808
2020-21	581	297	284	\$ 118,954,000
1	607	290	317	\$ 30,707,219
2	608	291	317	30,973,629
3	609	292	317	31,240,040
4	610	293	317	31,506,450
2021-22	609	292	317	\$ 124,427,000

- Note:** 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 reflects projected base estimate values.

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

Cystic Fibrosis

<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPH Only Caseload</u>	<u>Total GHPH Only Payments</u>
1	483	216	267	\$ 3,341,392
2	417	186	231	2,988,684
3	376	166	210	2,516,183
4	376	161	215	2,030,024
2018-19	414	183	231	\$ 10,876,000
1	375	160	215	\$ 2,570,999
2	383	165	218	3,186,973
3	383	167	216	4,053,004
4	388	168	220	3,364,906
2019-20	382	165	217	\$ 13,176,000
1	365	163	202	\$ 3,268,247
2	353	160	193	3,133,546
3	382	167	215	3,109,798
4	393	168	225	3,323,268
2020-21	373	164	209	\$ 12,835,000
1	394	168	226	\$ 3,323,268
2	396	168	228	3,323,268
3	397	168	229	3,323,268
4	399	168	231	3,323,268
2021-22	397	168	229	\$ 13,293,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 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	310	230	80	\$ 90,351
2	224	163	61	94,670
3	177	121	56	93,711
4	178	115	63	83,652
2018-19	222	157	65	\$ 362,000
1	180	116	64	\$ 71,533
2	185	119	66	62,938
3	186	120	66	69,803
4	184	120	64	57,310
2019-20	184	119	65	\$ 262,000
1	162	109	53	\$ 49,374
2	154	105	49	74,157
3	176	116	60	62,338
4	188	122	66	61,713
2020-21	170	113	57	\$ 248,000
1	188	122	66	\$ 61,713
2	189	123	66	61,713
3	189	123	66	61,713
4	190	124	66	61,713
2021-22	189	123	66	\$ 247,000

Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 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	151	96	55	\$ 12,002
2	95	54	41	12,467
3	74	39	35	16,271
4	71	39	32	12,233
2018-19	98	57	41	\$ 53,000
1	71	37	34	\$ 13,016
2	70	36	34	6,242
3	69	37	32	121
4	70	40	30	168
2019-20	71	38	33	\$ 20,000
1	63	37	26	\$ 0
2	59	35	24	-
3	70	39	31	2,956
4	74	40	34	4,434
2020-21	67	38	29	\$ 7,000
1	74	40	34	\$ 4,434
2	74	40	34	4,434
3	74	40	34	4,434
4	74	40	34	4,434
2021-22	74	40	34	\$ 18,000

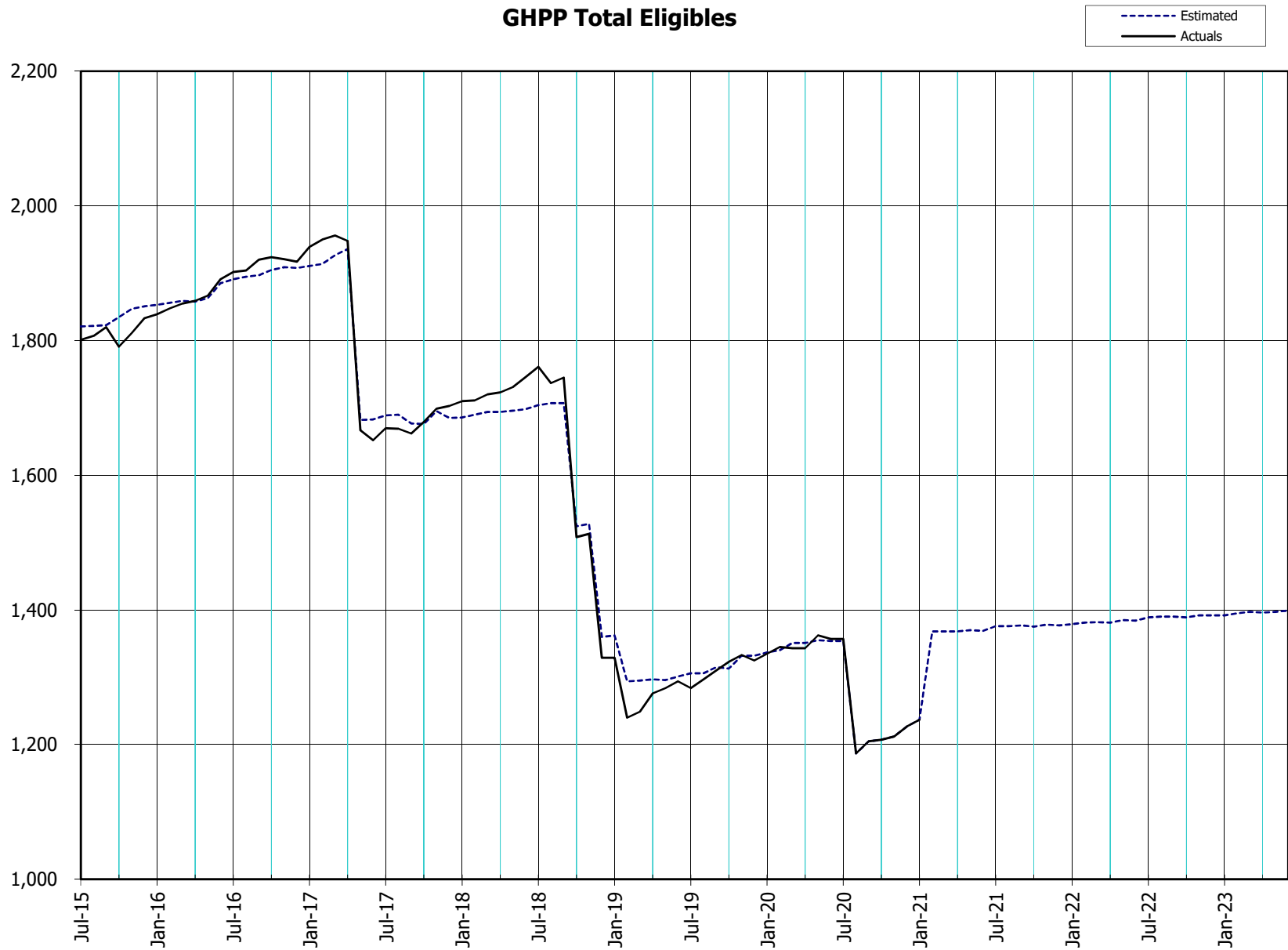
Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 reflects projected base estimate values.

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

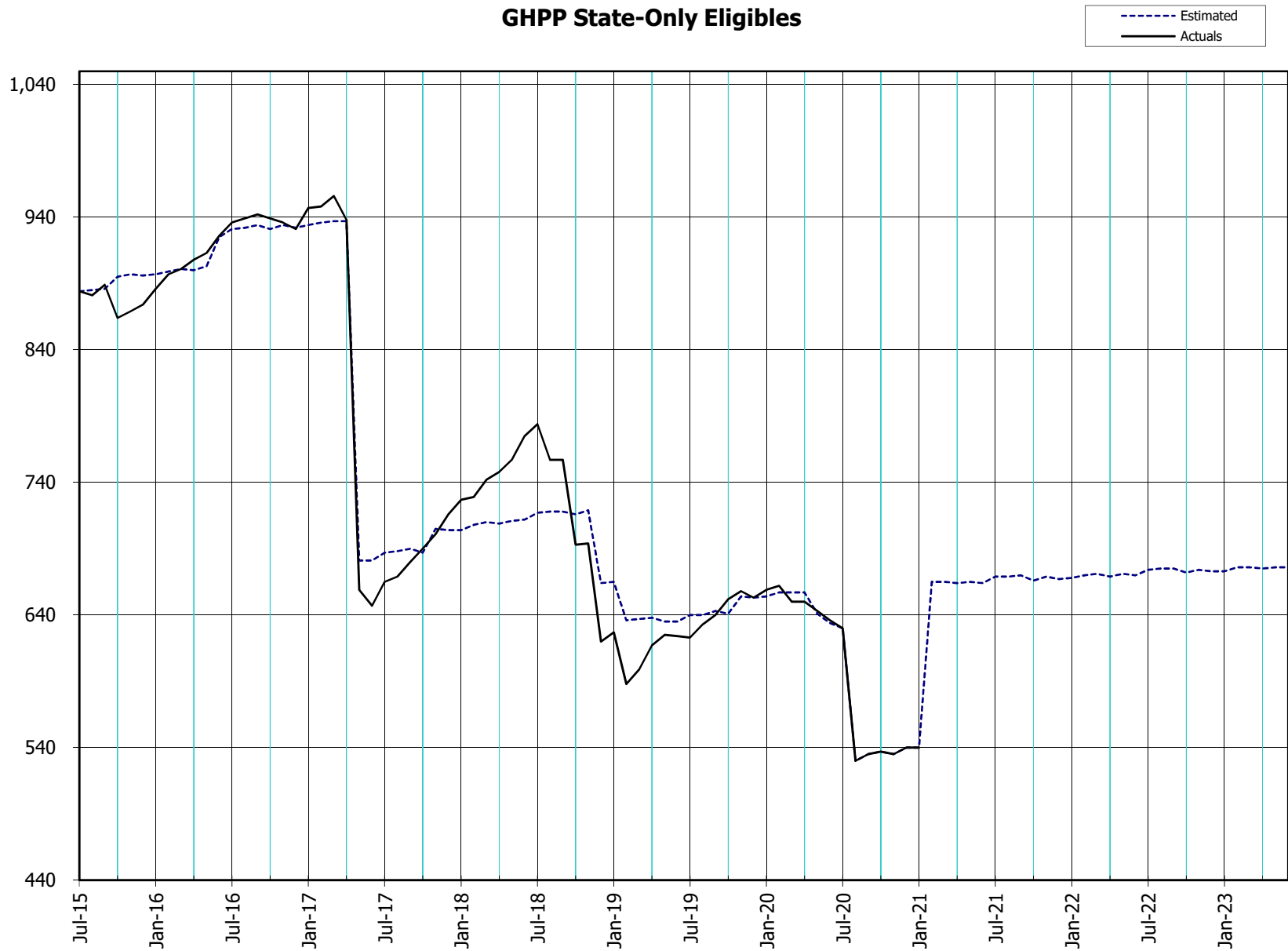
Metabolic

<u>Quarter</u>	<u>Total Caseload</u>	<u>Medi-Cal Caseload</u>	<u>GHPH Only Caseload</u>	<u>Total GHPH Only Payments</u>
1	138	106	32	\$ 85,228
2	104	79	25	65,179
3	90	70	20	61,950
4	93	75	18	7,918
2018-19	106	82	24	\$ 220,000
1	98	78	20	\$ 174,625
2	103	79	24	48,501
3	107	82	25	24,495
4	111	86	25	9,770
2019-20	105	81	24	\$ 257,000
1	96	78	18	\$ 5,403
2	91	75	16	7,389
3	103	82	21	37,343
4	108	86	22	25,959
2020-21	99	80	19	\$ 76,000
1	113	87	26	\$ 25,959
2	110	87	23	25,959
3	111	88	23	25,959
4	111	89	22	25,959
2021-22	112	88	24	\$ 104,000

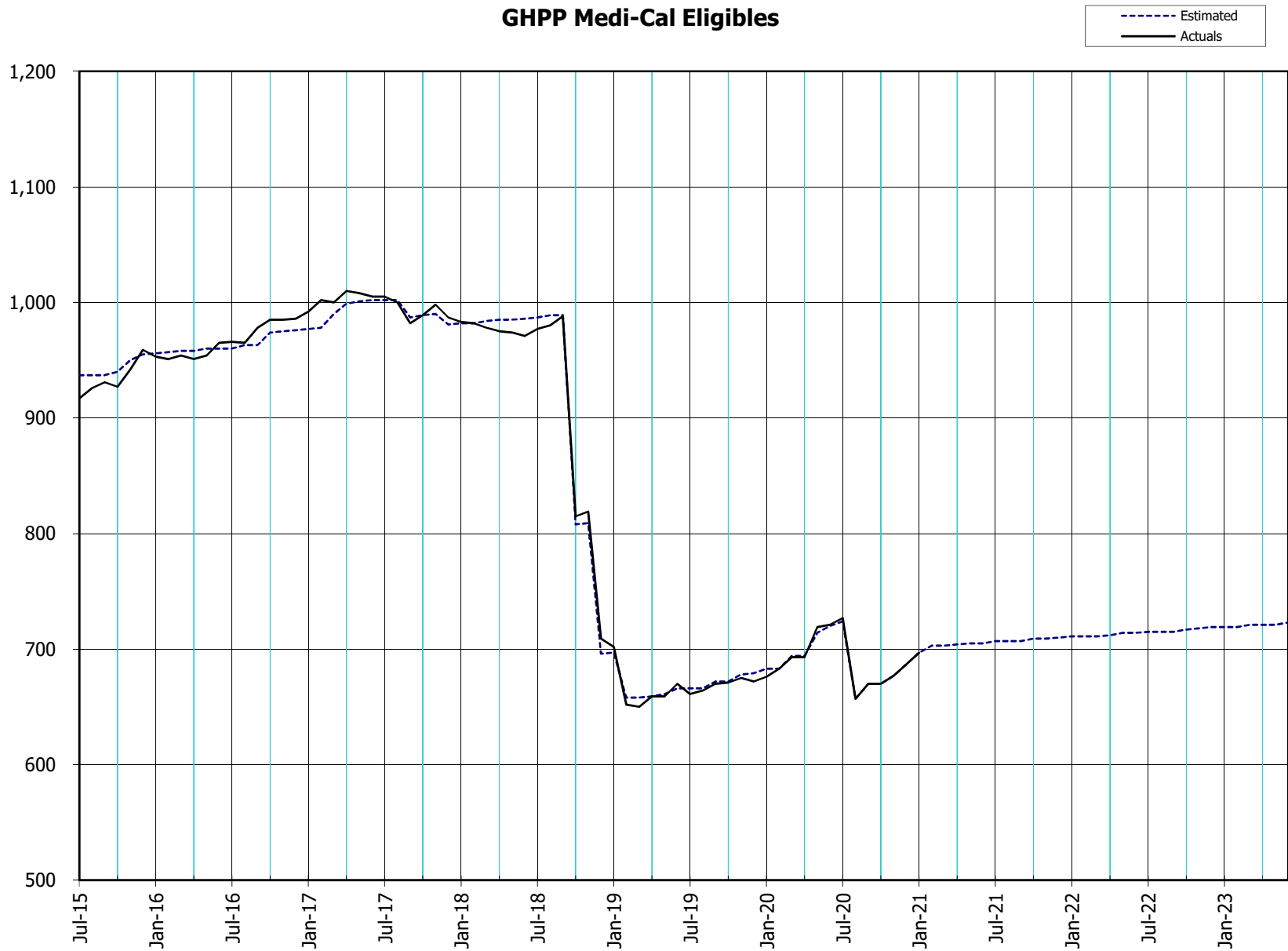
Note: 1) Expenditures reflect Total Cash Payments, Not accrued expenses.
 2) FY 2020-21 reflects actuals and projected base estimate values.
 3) FY 2021-22 reflects projected base estimate values.



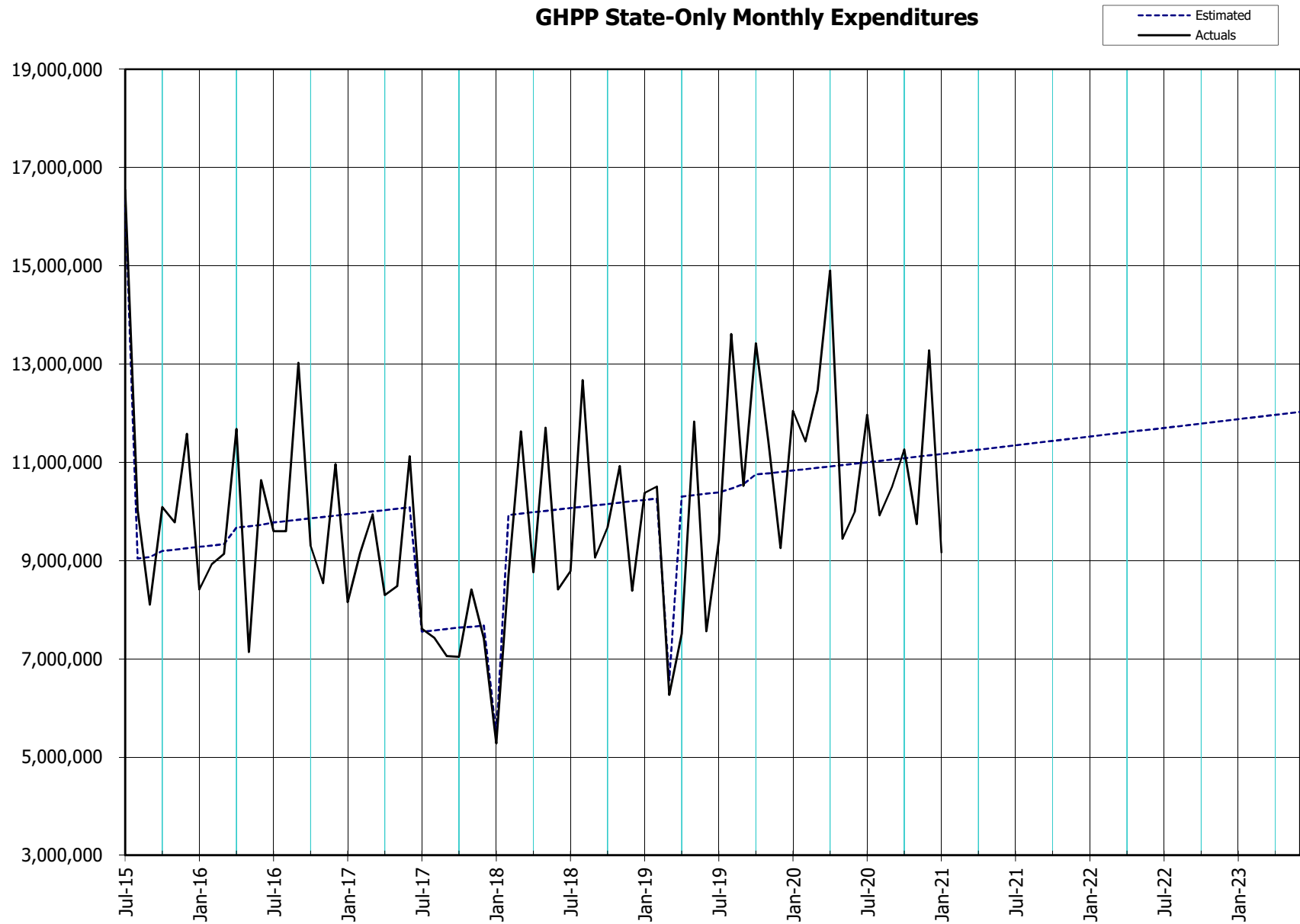
GHPP State-Only Eligibles



GHPP Medi-Cal Eligibles



GHPP State-Only Monthly Expenditures



EVERY WOMAN COUNTS PROGRAM

Funding Summary

FY 2020-21, November 2020 Estimate Compared to May 2021 Estimate

	Nov. 2020 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2020-21</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	24,919	21,409	(3,510)
Net Dollars:			
4260-114-0001 (General Fund)	\$15,182,000	\$9,718,000	(\$5,464,000)
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>\$42,814,000</u>	<u>\$37,350,000</u>	<u>(\$5,464,000)</u>

FY 2021-22, November 2020 Estimate Compared to May 2021 Estimate

	Nov. 2020 Est. <u>FY 2021-22</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	27,425	24,602	(2,823)
Net Dollars:			
4260-114-0001 (General Fund)	\$19,387,000	\$16,805,000	(\$2,582,000)
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>\$47,019,000</u>	<u>\$44,437,000</u>	<u>(\$2,582,000)</u>

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22

	May 2021 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./(Decr.)</u>
Caseload:	21,409	24,602	3,193
Net Dollars:			
4260-114-0001 (General Fund)	\$9,718,000	\$16,805,000	\$7,087,000
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>\$37,350,000</u>	<u>\$44,437,000</u>	<u>\$7,087,000</u>

EVERY WOMAN COUNTS PROGRAM Funding Summary

FY 2020-21, May 2021 Estimate Compared to Appropriation

	Appropriation <u>FY 2020-21</u>	May 2021 Est. <u>FY 2020-21</u>	Difference <u>Incr./ (Decr.)</u>
Caseload:	27,621	21,409	(6,212)
Net Dollars:			
4260-114-0001 (General Fund)	\$17,823,000	\$9,718,000	(\$8,105,000)
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>\$45,455,000</u>	<u>\$37,350,000</u>	<u>(\$8,105,000)</u>

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22

	May 2021 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./ (Decr.)</u>
Caseload:²	21,409	24,602	3,193
Net Dollars:			
4260-114-0001 (General Fund)	\$9,718,000	\$16,805,000	\$7,087,000
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>\$37,350,000</u>	<u>\$44,437,000</u>	<u>\$7,087,000</u>

² The November 2020 caseload estimate is based on updated data through July 2020.

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

EVERY WOMAN COUNTS PROGRAM
Funding Sources By Component
Fiscal Year 2020-21

May 2021 Estimate Compared to November 2020 Estimate, Total Funds

	Nov. 2020 Est.	May 2021 Est.	Difference
	<u>FY 2020-21</u>	<u>FY 2020-21</u>	<u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 32,444,000	\$ 30,410,000	\$ (2,034,000)
2. Policy Changes	\$ 2,355,600	\$ 3,064,800	\$ 709,200
	-----	-----	-----
Total for Services	\$ 34,799,600	\$ 33,474,800	\$ (1,324,800)
Fiscal Intermediary	\$ 3,797,000	\$ 3,875,000	\$ 78,000
	-----	-----	-----
Total EWC Program	\$ 38,596,600	\$ 37,349,800	\$ (1,246,800)

May 2021 Estimate Compared to November 2020 Estimate, General Fund

	Nov. 2020 Est.	May 2021 Est.	Difference
	<u>FY 2020-21</u>	<u>FY 2020-21</u>	<u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 32,444,000	\$ 30,410,000	\$ (2,034,000)
2. Policy Changes	\$ (25,276,400)	\$ (24,567,200)	\$ 709,200
	-----	-----	-----
Total for Services	\$ 7,167,600	\$ 5,842,800	\$ (1,324,800)
Fiscal Intermediary	\$ 3,797,000	\$ 3,875,000	\$ 78,000
	-----	-----	-----
Total EWC Program	\$ 10,964,600	\$ 9,717,800	\$ (1,246,800)

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

May 2021 Estimate Compared to November 2020 Estimate, Total Funds

	Nov. 2020 Est.	May 2021 Est.	Difference
	<u>FY 2021-22</u>	<u>FY 2021-22</u>	<u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 36,661,000	\$ 37,474,000	\$ 813,000
2. Policy Changes	\$ 5,424,100	\$ 3,520,300	\$ (1,903,800)
	-----	-----	-----
Total for Services	\$ 42,085,100	\$ 40,994,300	\$ (1,090,800)
Fiscal Intermediary	\$ 3,453,000	\$ 3,443,000	\$ (10,000)
	-----	-----	-----
Total EWC Program	\$ 45,538,100	\$ 44,437,300	\$ (1,100,800)

May 2021 Estimate Compared to November 2020 Estimate, General Funds

	Nov. 2020 Est.	May 2021 Est.	Difference
	<u>FY 2021-22</u>	<u>FY 2021-22</u>	<u>Incr./(Decr.)</u>
1. Base Expenditure Estimate	\$ 36,661,000	\$ 37,474,000	\$ 813,000
2. Policy Changes	\$ (22,207,900)	\$ (24,111,700)	\$ (1,903,800)
	-----	-----	-----
Total for Services	\$ 14,453,100	\$ 13,362,300	\$ (1,090,800)
Fiscal Intermediary	\$ 3,453,000	\$ 3,443,000	\$ (10,000)
	-----	-----	-----
Total EWC Program	\$ 17,906,100	\$ 16,805,300	\$ (1,100,800)

Notes:

1) Projections are based on cash basis.

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

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22, Total Funds

	May 2021 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 30,410,000	\$ 37,474,000	\$ 7,064,000
2. Policy Changes	\$ 3,064,800	\$ 3,520,300	\$ 455,500
Total for Services	\$ 33,474,800	\$ 40,994,300	\$ 7,519,500
Fiscal Intermediary	\$ 3,875,000	\$ 3,443,000	\$ (432,000)
Total EWC Program	\$ 37,349,800	\$ 44,437,300	\$ 7,087,500

May 2021 Estimate, FY 2020-21 Compared to FY 2021-22, General Fund

	May 2021 Est. <u>FY 2020-21</u>	May 2021 Est. <u>FY 2021-22</u>	Difference <u>Incr./Decr.</u>
1. Base Expenditure Estimate	\$ 30,410,000	\$ 37,474,000	\$ 7,064,000
2. Policy Changes	\$ (24,567,200)	\$ (24,111,700)	\$ 455,500
Total for Services	\$ 5,842,800	\$ 13,362,300	\$ 7,519,500
Fiscal Intermediary	\$ 3,875,000	\$ 3,443,000	\$ (432,000)
Total EWC Program	\$ 9,717,800	\$ 16,805,300	\$ 7,087,500

Notes:

1) Projections are based on cash basis.

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

Fiscal Year 2020-21, Comparison of May 2021 and November 2020 Estimates

POLICY CHG.		NOVEMBER 2020 ESTIMATE		MAY 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	\$3,797,000	\$3,797,000	\$3,875,000	\$3,875,000	\$78,000	\$78,000
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	6 EWC ERRONEOUS PAYMENT CORRECTIONS	\$204,000	\$204,000	\$0	\$0	-\$204,000	-\$204,000
Benefits	7 MRI AND MRI GUIDED BIOPSY SCREENING BENEFITS	\$439,700	\$439,700	\$85,200	\$85,200	-\$354,500	-\$354,500
Benefits	8 EWC COVID-19 Caseload Impacts	-\$1,345,100	-\$1,345,100	-\$77,400	-\$77,400	\$1,267,700	\$1,267,700
EWC TOTAL		\$6,152,600	\$1,024,600	\$6,939,800	\$1,811,800	\$787,200	\$787,200

Fiscal Year 2021-22, Comparison of May 2021 and November 2020 Estimates

POLICY CHG.		NOVEMBER 2020 ESTIMATE		MAY 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	\$3,453,000	\$3,453,000	\$3,443,000	\$3,443,000	-\$10,000	-\$10,000
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	6 EWC ERRONEOUS PAYMENT CORRECTIONS	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	6 EWC ERRONEOUS PAYMENT CORRECTIONS	\$0	\$0	\$0	\$0	\$0	\$0
Benefits	7 MRI AND MRI GUIDED BIOPSY SCREENING BENEFITS	\$2,367,100	\$2,367,100	\$463,300	\$463,300	-\$1,903,800	-\$1,903,800
Benefits	8 EWC COVID-19 Caseload Impacts	\$0	\$0	\$0	\$0	\$0	\$0
EWC TOTAL		\$8,877,100	\$3,749,100	\$6,963,300	\$1,835,300	-\$1,913,800	-\$1,913,800

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 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$3,875,000	\$3,443,000
- GENERAL FUND	\$3,875,000	\$3,443,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$3,875,000	\$3,443,000
- GENERAL FUND	\$3,875,000	\$3,443,000

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:

There is an increase for FY 2020-21 and a decrease for FY 2021-22, from the prior estimate, due to using updated payment data to estimate expenditures. There is a decrease from FY 2020-21 to FY 2021-22, in the current estimate, due to processing more invoices for payment in FY 2020-21.

Methodology:

1. The total estimated EWC FI administrative costs are:

Total EWC FI Costs	FY 2020-21	FY 2021-22
Processing Costs	\$3,375,000	\$2,943,000
SDNs	\$500,000	\$500,000
Total	\$3,875,000	\$3,443,000

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 2020-21</u>	<u>FY 2021-22</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 2020-21 and FY 2021-22.

There is no change from FY 2020-21 to FY 2021-22 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 2020-21** and **FY 2021-22**.

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 2020-21</u>	<u>FY 2021-22</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 2020-21 and 2021-22 from the prior estimate.

There is no change from FY 2020-21 to FY 2021-22 in the current estimate.

Methodology:

1. The EWC program will receive \$7,989,000 of BCCA funds in FY 2020-21 and FY 2021-22. 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 2020-21</u>	<u>FY 2021-22</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.

Reason for Change:

There is no change for FY 2020-21 and FY 2021-22 from the prior estimate. There is no change from FY 2020-21 to FY 2021-22 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 \$10,109,199 for FY 2020-21 and FY 2021-22.
2. The Department receives 69.24% of the total grant amount and the California Department of Public Health (CDPH) receives the remaining 30.76%.

(Dollars in Thousands)

Agency	FY 2020-21	FY 2021-22
Department	\$7,000	\$7,000
CDPH	\$3,109	\$3,109
Total CDC Grant Amount	\$10,109	\$10,109

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 2020-21	FY 2021-22
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 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$3,057,000	\$3,057,000
- GENERAL FUND	\$3,057,000	\$3,057,000
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	0.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$3,057,000	\$3,057,000
- GENERAL FUND	\$3,057,000	\$3,057,000

Purpose:

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

Authority:

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

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.

- Promote high quality screening services through management of a regional primary care provider network.

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

Reason for Change:

There is no change from the prior estimate for FY 2020-21 and FY 2021-22. There is no change from FY 2020-21 to FY 2021-22 in the current estimate.

Methodology:

1. Effective January 1, 2019, all regional contracts have been extended for another three years.
2. The contracts are funded as follows:

Contracts	FY 2020-21	FY 2021-22
CA Health Collaborative	\$2,129,500	\$2,129,500
Community Health Partnership	\$266,800	\$266,800
County of Orange	\$306,400	\$0
Radiant Health Centers	\$0	\$306,400
Santa Barbara County	\$354,300	\$354,300
Total	\$3,057,000	\$3,057,000

Funding:

100% General Fund (4260-114-0001)

EWC ERRONEOUS PAYMENT CORRECTIONS

POLICY CHANGE NUMBER: 6
IMPLEMENTATION DATE: 10/1/2020
ANALYST: Ryan Chin

	<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST - TOTAL FUNDS	\$204,000	\$0
- GENERAL FUND	\$204,000	\$0
PAYMENT LAG	1.0000	1.0000
% REFLECTED IN BASE	100.00%	0.00%
APPLIED TO BASE - TOTAL FUNDS	\$0	\$0
- GENERAL FUND	\$0	\$0

Purpose:

This policy change estimates erroneous payment corrections (EPC) for the Every Woman Counts (EWC) program.

Authority:

Not Applicable

Interdependent Policy Changes:

Not Applicable

Background:

The 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. Two EPCs deployed in FY 2020-21 to reprocess previously denied claims for EWC providers.

This policy change was previously entitled "EWC Mammography Code Modifications" and budgeted costs for a one-time EPC to remove limitations and Treatment Authorization Request restrictions for EWC mammography codes. This policy change now includes estimates for all EWC EPCs.

Reason for Change:

There is no change for FY 2020-21 and FY 2021-22, from the prior estimate. The change from FY 2020-21 to FY 2021-22, in the current estimate, is a decrease due to one-time EPCs deploying in FY 2020-21 and no EPCs estimated for deployment in FY 2021-22.

Methodology

1. Assume a one-time EPC deployed in October 2020 and a one-time EPC deployed in January 2021.
2. Previously denied claims were reprocessed for approximately 660 providers for **\$204,000** in **FY 2020-21**.

Funding:

100% General Fund (4260-114-0001)

MRI AND MRI GUIDED BIOPSY SCREENING BENEFITS

POLICY CHANGE NUMBER: 7
IMPLEMENTATION DATE: 6/1/2020
ANALYST: Ryan Chin

		<u>FY 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	\$2,988,000	\$3,108,000
	- GENERAL FUND	\$2,988,000	\$3,108,000
PAYMENT LAG		0.1750	0.9230
% REFLECTED IN BASE		83.71%	83.85%
APPLIED TO BASE	- TOTAL FUNDS	\$85,200	\$463,300
	- GENERAL FUND	\$85,200	\$463,300

Purpose:

This policy change adds Magnetic Resonance Imaging (MRI) breast screening and MRI guided biopsies as a payable benefit for the Every Woman Counts (EWC) program.

Authority:

Cooperative Agreement – Grant #NU58DP006344

Interdependent Policy Changes:

Not applicable

Background:

The Centers for Disease Control and Prevention (CDC), National Breast and Cervical Cancer Early Detection Program (NBCCEDP) recommends their federally funded grantees screen women who are at high risk for breast cancer with a breast MRI. Also, the CDC updated its data collection system to start monitoring the number of high-risk women enrolled in the NBCCEDP across the United States, and if these women are receiving adequate screening. To comply with these required CDC standard procedures, effective June 1, 2020, the Department's EWC program will add MRIs and MRI guided biopsies as payable benefits based on medical necessity and national screening guidelines.

Reason for Change:

There is no change from the prior estimate for FY 2020-21 and FY 2021-22. There is no change from FY 2020-21 to FY 2021-22 in the current estimate. Although there is no change for estimate totals, there is an increase in funds reflected in the Base Estimate.

Methodology:

1. Assume effective June 1, 2020, EWC providers will be allowed to bill for MRIs and MRI guided biopsy procedures.
2. The estimated cost for **FY 2020-21** is **\$2,988,000 GF** and **\$3,108,000 GF** for **FY 2021-22**.

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 2020-21</u>	<u>FY 2021-22</u>
FULL YEAR COST	- TOTAL FUNDS	-\$2,245,000	-\$2,693,000
	- GENERAL FUND	-\$2,245,000	-\$2,693,000
PAYMENT LAG		0.4430	0.9240
% REFLECTED IN BASE		92.22%	100.00%
APPLIED TO BASE	- TOTAL FUNDS	-\$77,400	\$0
	- GENERAL FUND	-\$77,400	\$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 2020-21, from the prior estimate, is an increase in GF expenditures due to higher than anticipated users accessing services. The change for FY 2021-22, from the prior estimate, is a decrease in GF expenditures due to extending the COVID-19 PHE to December 31, 2021. The change from FY 2020-21 to FY 2021-22, is a slight decrease in GF expenditures due to actuals in FY 2020-21 being higher than initially anticipated.

Methodology:

1. Assume the PHE period extends through December 31, 2021.
2. Using historical data trends, the following estimate reflects COVID-19 impact on a cash basis for FY 2020-21 and FY 2021-22.

FY 2020-21	Caseload	Expenditures
EWC Base	22,577	\$30,410,000
COVID-19 Impact	21,409	\$28,165,000
Total COVID-19 Adjustment	(1,168)	(\$2,245,000)

FY 2021-22	Caseload	Expenditures
EWC Base	27,405	\$18,737,000
COVID-19 Impact	24,602	\$16,044,000
Total COVID-19 Adjustment	(2,803)	(\$2,693,000)

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 2016				\$6,303,405 *
Oct-Dec 2016				\$6,571,635 *
Jan-Mar 2017				\$6,839,865 *
April -June 2017				\$7,108,095 *
FY 2016-17	25,030		25,030 *	\$26,823,000
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				\$7,703,638 **
April -June 2021				\$9,368,521 **
FY 2020-21	22,577	-1,168 **	21,409 **	\$30,410,000
July-Sept 2021				\$9,368,521 **
Oct-Dec 2021				\$9,368,521 **
Jan-Mar 2022				\$9,368,521 **
April -June 2022				\$9,368,521 **
FY 2021-22	27,405	-2,803 **	24,602 **	\$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
May 2021
FISCAL YEARS 2020-21 & 2021-22

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, ~~colposcopy~~ **colonoscopy** 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 CSS health care delivery system, the department initiated a CCS Redesign project with stakeholder input.

To move incrementally toward a better integrated and coordinated system of care for CCS, the Department has developed a multi-year framework for a "Whole Child" model (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.

~~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 will identify 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, 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 Viltolarsen 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**

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

~~Onasemnogene Apeparvovec (Zolgensma), a gene therapy, was approved by the Federal Drug Administration (FDA) on May 24, 2019, for children with spinal muscular atrophy aged less than two years with bi-allelic mutations in the survival motor neuron (SMN1) gene. This treatment for symptomatic children with SMA is a once in a lifetime dosage.~~

~~Golodirsen (Vyondys 53) is a lifetime treatment for treatment of patients with Duchenne Muscular Dystrophy who have a confirmed mutation of the DMD gene that is amenable to exon 53 skipping. The drug was FDA approved on December 13, 2019.~~

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. ~~HIPP~~ **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 ~~HIPP~~ **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 ~~two~~ **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

GHPP

EWC

DISCONTINUED POLICY CHANGES

Time-Limited/No Longer Applicable

CCS

GHPP

EWC

DISCONTINUED POLICY CHANGES

Withdrawn

CCS

GHPP

EWC