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GOVERNOR

DATE: October 24, 2019

PPL No. 19-027

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

**SUBJECT: Countywide Average (CWA) for the Second Quarter (Q2) of State
Fiscal Year (SFY) 2018-19**

The purpose of this Policy and Procedure Letter (PPL) is to notify LGAs of the SFY 2018-19 Q2 CWAs.

LGAs must submit an annual justification (AJ) to use the CWA Medi-Cal Discount Percentage (MDP) methodology. The AJ must be submitted by a LGA Coordinator or an authorized alternate via courier or e-mail. The AJ should specifically state the reason(s) why a claiming unit is unable to utilize the Actual Client Count methodology. AJs must be sent to the designated CMAA Program Analyst prior to the beginning of the SFY to which the AJ applies. Once the Department of Health Care Services (DHCS) approves a LGA's request to use CWA to discount costs, the respective LGA must use the CWA methodology for the full SFY.

The CWA PPL is provided quarterly by DHCS as the data become finalized. Data are finalized within a 12 month lag. The statistical information used to develop the CWA is collected from two sources: the Department of Finance (DOF)¹ and DHCS's² webpages referenced below. The DOF's population statistics are published annually, on a calendar-year basis. They provide an estimate of the yearly population totals by county.

The DHCS's Medi-Cal beneficiary enrollment population totals are published on a continuous basis and provide monthly Medi-Cal beneficiary totals by county for the

¹ State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change - January 1, 2018 and 2019
http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/documents/E-1_2019_InternetVersion.xls

² State of California, Department of Health Care Services, Medical Beneficiaries, Summary Pivot Table, Most Recent 48 Months, November 2018.
https://www.dhcs.ca.gov/dataandstats/statistics/Documents/Pivot_Cnty_Cert_Elig_RCNT48_201811.zip

most recent 48 months of activity. To calculate the CWA, the DHCS's Medi-Cal beneficiary enrollment population totals are averaged for each county by quarter. Subsequently, the county's quarterly averages are divided by the DOF's estimated population totals for every county. The resultant quarterly amounts are then converted to a percentage for each county, known as the quarterly CWA.

The accompanying document to this PPL, the "California DHCS Medi-Cal CWA for SFY 2018-19 Q2", includes the DOF estimated average population for calendar years 2018 and 2019, the DHCS average number of Medi-Cal eligible beneficiaries for SFY 2018-19, Q2: October 1, 2018 through December 31, 2018, and the number of Medi-Cal eligible beneficiaries shown as a percentage by county for Q2 of SFY 2018-19.

For further questions or assistance regarding this PPL, please contact the CMAA program at cmaa@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

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