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Department of Health Care Services



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GOVERNOR

DATE: December 28, 2021

PPL No. 21-022

TO: Local Governmental Agencies' (LGAs) Coordinators for the County-Based Medi-Cal Administrative Activities (CMAA) and Targeted Case Management (TCM) Programs

SUBJECT: LGAs Claiming Reimbursement for State Fiscal Year (SFY) 2019-20 CMAA/TCM Participation Fee

This Policy and Procedure Letter (PPL) advises LGAs that the reimbursable portion of the participation fee for the CMAA and TCM programs for SFY 2019-20 is **11.64 percent** of the reimbursable expenditures. The reimbursable expenditures for the CMAA and TCM programs are claimed through the CMAA program.

Background

Per Welfare and Institutions Code sections 14132.44 and 14132.47, LGAs participating in both the CMAA and TCM programs must pay the Department of Health Care Services (DHCS) the necessary costs that it incurs to administer the programs.

Administrative costs are billed to the designated Host County which invoices and collects each participating LGA's portion of participation costs. An LGA that meets the CMAA or TCM program requirements may receive federal reimbursement for a portion of its participation fee. Reimbursable expenditures do not include costs for DHCS' administration of the program, compensation related to the LGA Executive Committee (EC), or compensation for being the Host County during a state fiscal year.

Calculating the Participation Fee

The Host County calculates the participation fee on an annual basis by determining the sum total of all claimable expenses for the previous SFY for each participating LGA. Claimable expenses cannot include costs that will be or have been claimed for federal reimbursement. The sum of the claimable expenses is then divided by the participation fee of the prior SFY to calculate the claimable participation fee percentage. For example, to calculate the claimable participation fee for SFY 2019-20:

Divide claimable costs by the CMAA/TCM participation fees paid to obtain the claimable participation fee percentage.

Note, claimable costs for the consortium include legal fees, consultative fees, communicative fees, and miscellaneous fees. The claimable costs of \$248,792 is the total claimable amount for all of the LGAs. The figure of \$2,137,902 is the consortium's budget for SFY 2019-20. See equation below.

$$\$248,792 \div \$2,137,902 = 11.64\%$$

To obtain any particular LGA's participation fee for the current SFY, an LGA multiplies its total claimed expenses incurred for the prior SFY by the claimable participation fee percentage.

An LGA's claimable amount must be claimed during the quarter that the LGA made a payment to the Host County. This entry should be on the Cost Worksheet, in the Direct Charge Other Cost section under Cost Pool #5.

Sincerely,

ORIGINAL SIGNED BY

Brian Fitzgerald, Chief
Local Governmental Financing Division