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## Care Coordination Advisory Committee Medi-Cal Sources of Non-Federal Share

### Types of Non-Federal Share

#### **Certified Public Expenditure (CPE)**

State or local governmental entities certify that they have spent CPE funds on items and services that are eligible for federal matching Medicaid funds. The spent funds may not include public funds that originated as state Medicaid payment revenues. Federal matching funds are then provided for the federal share of the CPE. Unlike Intergovernmental Transfers (IGTs), CPEs do not involve an actual transfer of funds to the Medicaid agency. Instead, the federal government recognizes the expenditure by the state or local governmental entity as eligible for federal match and provides the federal share to the Medicaid agency.

#### **General Fund**

The General Fund is the predominant fund for financing state government programs. It is used to account for revenues which are not specifically designated to be accounted for by any other fund. The primary sources of revenue for the General Fund are the personal income tax, sales tax and bank and corporation taxes.

#### **Intergovernmental Transfer (IGT)**

IGTs are transfers of public funds between or within levels of government. The transfer of funds may take place from one level of government to another (e.g., county to state) or within the same level of government (e.g., from a state university hospital to the state Medicaid agency). States can use county or state funds as the match for federal funds.

#### **Provider Taxes/Fees (all are also Special Funds)**

Provider taxes/fees are imposed by states on health care services where the burden of the tax falls mostly on providers, such as a tax on inpatient hospital services or nursing facility beds. Under current regulations, states may not use provider tax revenues for the state share of Medicaid spending without a waiver unless the tax meets three requirements: must be broad-based, uniformly imposed, and cannot hold providers harmless from the burden of the tax.

#### Current Fees/Taxes that support Medi-Cal

- Hospital Quality Assurance Fee (ongoing)
- Long Term Care Quality Assurance Fees (sunsets July 30, 2020)
  - Freestanding Nursing Facilities, Level B
  - Freestanding Subacute Nursing Facilities, Level B
  - Intermediate Care Facilities for the Developmentally Disabled

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- Freestanding Pediatric Subacute Facilities
- Managed Care Organization Tax (sunsets June 30, 2019)
- Ground Emergency Medical Transportation (pending CMS approval of the rate increase; assuming CMS approves rate increase, it would be retroactive to July 1, 2018)

**Special Funds (other than Provider Taxes/Fees)**

Funds created by statute, or administratively per Government Code section 13306, used to budget and account for taxes, licenses, and fees that are restricted by law for particular activities of the government.

- Emergency Air Transportation Fund
- Proposition 99: Hospital Services Account
- Proposition 99 Physician Services Account
- Proposition 99 Unallocated Account
- Healthcare Treatment Fund (Proposition 56)
- Healthcare Service Plans Fines and Penalties Fund

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***Tables of Current CPE and IGT Programs***

| CURRENT CPE PROGRAMS                                                         | Who Provides CPE                                                  |
|------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Specialty Mental Health Services Program                                     | Counties                                                          |
| Drug Medi-Cal Program, including Organized Delivery System                   | Counties                                                          |
| Medi-Cal Targeted Case Management Program (TCM)                              | Counties                                                          |
| County Medi-Cal Administrative Activities Program (CMAA)                     | Counties                                                          |
| Tribal Medi-Cal Administrative Activities Program (TMAA)                     | Local Governmental Agencies                                       |
| Local Education Agency Billing Option Program (LEA-BOP)                      | Local Governmental Agencies                                       |
| School-Based Medi-Cal Administrative Activities Program (SMAA)               | Local Governmental Agencies                                       |
| Inpatient Hospital Services Reimbursement for Designated Public Hospitals    | Designated Public Hospital Systems                                |
| Supplemental Payments Outpatient Hospital Services in Public Hospitals       | Designated Public Hospital Systems & District/Municipal Hospitals |
| Physician/Non-Physician Practitioner Supplemental Payments                   | Designated Public Hospital Systems                                |
| Adult State Inmate                                                           | CDCR                                                              |
| State Medical Parole                                                         | CDCR                                                              |
| Juvenile State Ward                                                          | CDCR                                                              |
| Adult County Inmate                                                          | Counties                                                          |
| Juvenile County Ward                                                         | Counties                                                          |
| County Compassionate Release/Medical Probation                               | Counties                                                          |
| Construction Renovation & Reimbursement for Public Hospitals                 | Designated Public Hospital Systems                                |
| Construction Renovation & Reimbursement for Distinct Part Nursing Facilities | Public DP NFs                                                     |
| Veterans' Homes                                                              | State Owned SNFs                                                  |
| Ground Emergency Medical Transportation Supplemental Payments                | Public GEMT Providers                                             |
| California Childrens Services (CCS)*                                         | DHCS                                                              |
| Genetically Handicapped Persons Program (GHPP)*                              | DHCS                                                              |
| Medically Indigent Adult Long Term Care (MIA-LTC)*                           | DHCS                                                              |
| AIDS Drug Assistance Program (ADAP)*                                         | CDPH                                                              |
| Prostate Cancer Treatment Program*                                           | DHCS                                                              |

\* Designated State Health Programs approved under Medi-Cal 2020 Demonstration to claim FFP using CPEs

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| CURRENT IGT PROGRAMS                                                       | Who Provides IGT                                     |
|----------------------------------------------------------------------------|------------------------------------------------------|
| Global Payment Program                                                     | Designated Public Hospital Systems (excluding UC)    |
| Whole Person Care Program                                                  | Counties, Cities, Designated Public Hospital Systems |
| PRIME                                                                      | Designated Public Hospital Systems                   |
| DSH funding for UC Hospitals                                               | UC Hospitals                                         |
| Enhanced Payments to Private Trauma Hospitals                              | Counties                                             |
| NDPH Supplemental Payments (AB 113)                                        | District/Municipal Hospitals                         |
| Martin Luther King Jr Community Hospital Payment Program                   | Los Angeles County                                   |
| Managed Care Health Care Financing Programs                                | Various public entities                              |
| Managed Care Public Hospital Financing (Enhance Payment/Quality Incentive) | Designated Public Hospitals                          |