

Department of Health Care Services Primary & Rural Health Division

Medi-Cal/Medicaid



January 19, 2011

Ongoing Items

1. REIMBURSEMENT FOR: DIETICIANS; COMMUNITY HEALTH REPRESENTATIVES; TELEMEDICINE; SUBSTANCE ABUSE COUNSELORS; TRANSPORTATION; GROUP THERAPY (DIABETES, TOBACCO CESSATION, NUTRITION, ETC.); TRADITIONAL MEDICINE; PUBLIC HEALTH NURSING, ETC.
2. OUT OF STATE PROVIDER LICENSE VS. CA'S REQUIREMENT?
3. 2010/11 PROPOSED HEALTH MEDI-CAL BUDGET CUTS OF CORE BENEFITS (3-13%) STATUS OF...
4. STATUS OF MEDI-CAL ADMINISTRATIVE ACTIVITES (MAA) MATCH
5. STATUS OF INDIAN HEALTH PROGRAM (IHP) FUNDING IN 2010
6. CROSS BORDER REIMBURSEMENT FROM MEDI-CAL FOR INPATIENT BEHAVIORAL HEALTH TO TRIBAL PROGRAMS IN OTHER STATES.
7. INCREASE REIMBURSEMENT FOR ACCUPUNCTURE AND CHIROPRACTIC FROM 2X/MONTH PER TO PHYSICIANS APPROVED TREATMENT PLAN.
8. TRIBES DESIRE TO PROVIDE CULTURAL COMPETENCY TRAINING TO MEDI-CAL STAFF ON A ROUTINE BASIS
9. APPROVAL OF STATE/TRIBAL CONSULTATION POLICY FOR HEALTH
10. CONSULT TOPICS: WAIVERS; MOA; TRIBAL WAIVER OPTIONS (GEOGRAPHIC DESIGNATION) ??
This item has not been clearly defined to DHCS.



DHCS Update

Personnel

Edmund G. Brown JR – Governor, State of California

Diana S. Dooley – Secretary, California Health and Human Services Agency

David Maxwell-Jolly, Ph.D. – Undersecretary, California Health and Human Services Agency

Toby Douglas – Director, California Department of Health Care Services

California Budget

\$204 billion proposed 2011-12

budget

- \$84.6 billion General Fund
- \$76.7 billion Federal Funds

\$25.4 billion budget deficit

DHCS Budget

	<u>2010-11</u>	<u>Proposed 2011-12</u>
General Fund	\$13,009,291	\$13,374,007
Federal Funds	\$35,888,003	\$24,583,986
Special Fund & Reimbursements	<u>\$ 7,621,185</u>	<u>\$ 4,581,747</u>
Total Funds	\$56,518,479	\$42,539,740

(Dollars in thousands)

DHCS Budget

Governor Proposed Budget Solutions

- Limit doctor visits to 10 per year for adults including all clinics and hospital outpatient departments
- Limit prescriptions to 6 per month, except for life-saving drugs
- Establish maximum benefit dollar caps on medical supplies (hearing aid: \$1,510, incontinence supplies: \$1,659, urological supplies: \$6,435, and wound care: \$391) and durable medical equipment (\$1,604)
- Impose copayments for medical services. Medi-Cal recipients would be required to pay \$5 for physician, clinic, pharmacy, and dental services. Also, to charge a \$3 copayment for lower-cost drugs
- Impose a \$50 copayment for emergency room visits
- Impose a \$100 per day copayment - up to a maximum of \$200 - for hospital stays
- Eliminate Medi-Cal coverage for Adult Day Health services
- Eliminate Medi-Cal coverage for over-the-counter cough and cold medications and nutritional supplements
- Reduce 10% payments to physicians, pharmacies, clinics, and other providers who deliver health care services to Medi-Cal patients.

**Some of these proposal will require statutory changes and/or approval of federal CMS

Budget Process Overview

- January 10th, the Governor presents the Governor's Proposed Budget.
- March-April, the Assembly and Senate Budget Subcommittees begin to hold budget hearings.
- Mid-May, the Governor publishes his May Revise. The May Revise reflects changes in spending and revenues.
- May Revise is released, at which time, there are budget hearings held.
- End of May, the subcommittees submit their reports to the full committees. Once both houses have passed the budget bill with two-thirds vote, it goes to the Budget Conference Committee.
- June (assuming the Budget is passed on time), the Governor has 12 working days to sign or veto the Budget Bill after receiving it from the Legislature. The Governor may "blue pencil" decrease or eliminate specific budget items at this time.
- Late June (assuming budget is enacted on time), the budget bill is accompanied with "trailer bills". Trailer Bills are designed to implement the budget, which often needs changes in the law.

Accelerated Budget Timeline

- ❖ The Budget calls for an accelerated timeline to restore balance to the state's finances. It assumes that all necessary statutory changes to implement budget solutions will be adopted by the Legislature and signed by the Governor by March. This will allow the necessary ballot measures to be placed before the voters at a statewide special election to be called for June 2011.
- ❖ In addition, early enactment of budget proposals will lead to implementation sooner allowing greater savings to be achieved by the end of 2011-12. Likewise, the Administration expects that the legislative process will be inclusive and that a two-thirds vote will be obtained to quickly implement the statutory changes.



Indian Health Clinic Data

AI/AN Medi-Cal Enrollees by Month

July 2009 thru June 2010

Month	Number of American Indian Enrollees
Jul-09	33,812
Aug-09	34,071
Sep-09	34,119
Oct-09	34,158
Nov-09	34,083
Dec-09	33,934
Jan-10	34,032
Feb-10	34,091
Mar-10	34,208
Apr-10	34,325
May-10	34,373
Jun-10	34,358

*The number of
Medi-Cal
enrollees
identified as
AI/AN averaged
34,130 per
month*

There is an increase in AI/AN enrollment compared to last fiscal year 2008-2009. In FY 2008-2009, the number of Medi-Cal enrollees identified as AI/AN averaged 33,245 per month.

Indian Health Clinic Data

AI/AN Enrollees by Age Group

January 2010

Age Group	Number of American Indian Enrollees	Percentage of Total
Under 1 year	879	2.58%
1 - 18 years	14,580	42.84%
19 - 44 years	10,585	31.10%
45 - 54 years	3,351	9.85%
55 - 64 years	2,285	6.71%
65 - 74 years	1,425	4.19%
75 - 84 years	672	1.97%
85 years & over	254	0.75%

2010 45.4% of the AI/AN Medi-Cal enrollees are in the age group 0-18 years

2009 50.2% of the AI/AN Medi-Cal enrollees are in the age group 0–20 years

2010 41.0% of the AI/AN Medi-Cal enrollees are in the age group 19-54 years

2009 32.8% of the AI/AN Medi-Cal enrollees are in the age group 21-50 years

2010 13.6% are 55 years and above

2009 16.9% are 51 years and above



Section 1115 Comprehensive Demonstration Project Waiver Proposal

Status

The federal government has approved Section 1115 waiver proposal on November 2, 2010 and is effective November 1, 2010 through October 31, 2015.

California will receive approximately \$10 billion in federal funds to invest in our health delivery system to prepare for national health care reform.

Section 1115 Comprehensive Demonstration Project Waiver Proposal

Key Elements

1. Expanded coverage
 - to cover as many as 500,000 uninsured individuals
 - Low Income Health Program (LIHP)
 - A. Medicaid Coverage Expansion (MCE) – covers adults between 19 and 64 years of age with family incomes at or below 133% of federal poverty level (FPL)
 - B. Health Care Coverage Initiative (HCCI) – covers adults between 19 and 64 years of age with family incomes above 133 through 200% of FPL
 - C. RFP for county, city and county, consortium of more than one county, or a health authority will be release soon. Service to begin in October.
2. Increased Funding for Uncompensated Care
 - expands the existing Safety Net Care Pool to covers uncompensated care costs in public hospitals
3. Improved Care for Vulnerable Populations
 - mandatory enroll Seniors and Person with Disabilities in managed care plans
 - pilot program for children with special health care needs
4. Promotion of Public Hospital System Transformation creates the Delivery System Reform Incentive Pool to improve the public hospital system
 - Incentive Pool four categories includes
 - i. infrastructure development
 - ii. innovation and redesign
 - iii. population focused improvement
 - iv. urgent improvement in care

Website:
www.dhcs.ca.gov/provgovpart/pages/lihp.aspx



Other Activities

- SPA Webinars Quarterly
- HRSA Training/Workshop
- Federal Meetings
- DHCS Medi-Cal Advisory Notices
- DHCS Medi-Cal Annual Meeting
- Rural HIT Network Development Grants (ORHP)
- Technical Assistance
 - Medi-Cal Process
 - Indian Health/Medi-Cal Policy Updates
- Medi-Cal Staff Training





Thank you

DHCS website :
www.dhcs.ca.gov