



# Board Agenda Item 40

DATE: January 24, 2023

TO: Board of Supervisors

SUBMITTED BY: David Luchini, Director, Department of Public Health

SUBJECT: Retroactive FY 2022-23 California Department of Health Care Services Allocation Plan

RECOMMENDED ACTION(S):

**Approve retroactive submission of the FY 2022-23 California Department of Health Care Services Allocation for child health services under California Children's Services and authorize the Chairman to execute the Certification Statement as required by the California Department of Health Care Services effective July 1, 2022 to June 30, 2023 (\$5,568,636).**

There is no additional Net County Cost associated with the recommended action. Approval of the recommended action will allow the County to continue to receive non-competitive funding from the California Department of Health Care Services (DHCS) to administer the California Children's Services (CCS) program. CCS programs across the State received allocations less than prior years. According to DHCS notification, allocations were reduced due to DHCS erroneously estimating caseload reductions, however, DHCS intends to reevaluate and reissue an updated FY 2022-23 budget allocation. Fresno County's allocation is 23% less than the prior fiscal year and will cover approximately 75% of anticipated FY 2022-23 CCS program costs. The anticipated County match at the reduced allocation, estimated at \$129,035, will be funded with Health Realignment. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable alternative actions as the County is mandated under Health and Safety Code (H & SC) Section 123850 to administer the CCS program. Should your Board not approve the recommended action, the Department would not have sufficient funds to offset mandated program service costs.

RETROACTIVE AGREEMENT:

The Department received notification of the FY 2022-23 budget allocation from DHCS on November 18, 2022 and is retroactive to July 1, 2022. This item is brought to your Board in accordance with the agenda item processing timelines. The approved Children's Medical Services (CMS) Plan submission deadline to DHCS is January 27, 2023.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. The FY 2022-23 non-competitive allocation of \$5,568,636 represents a \$1,649,039 or a 23% decrease from the prior year. Sufficient appropriations and estimated revenues are included in the Department's Org 5620 FY 2022-23 Adopted Budget.

The reduced allocation was due to DHCS' erroneous estimate of caseload reductions as a result of COVID-19 public health emergency ending, which was projected last July 2022.

The State acknowledged the error in calculating the allocation and committed to reevaluating and reissuing an updated FY 2022-23 budget allocation as warranted, by February 2023. However, DHCS still requires local CCS programs to submit a plan and budget based on the reduced allocation. The recommended budget represents approximately 75% of program expenditures (Org 56201600). In the event Fresno County's allocation is not increased, the Department will utilize Future of Public Health Funding allocation to offset cost above the CCS allocation.

The recommended CMS budget includes the required County match of \$129,035, contingent upon allocation spending, will be covered by Health and Welfare Realignment funds. The allocation allows full recovery of indirect costs and the Department's current indirect cost rate is 18.816%.

CCS costs are allocated within Federal and State funding sources based on the County's CCS client caseload and staff time studies.

#### DISCUSSION:

The CCS program provides medical case management, diagnostic and treatment services to infants, children and youth under the age of 21 with CCS-eligible medical conditions such as congenital heart disease, cancer, cystic fibrosis, chronic lung disease, serious birth defects, hearing loss and cerebral palsy. The CCS program is administered as a partnership between county health departments and DHCS. The recommended allocation supports the following administrative activities performed by the County:

- Medical review, evaluation and determination of children and youth under 21 applying for CCS benefits;
- Review and determination of residential and financial eligibilities of medically qualified individuals;
- Authorize appropriate diagnostic services, treatment, therapy, specialized medical care and related services eligible CCS clients;
- Medical case management to ensure eligible infants, children and youth receive the authorized medical services;
- Review, authorize and purchase supplies and other services needed for treatment of the eligible CCS medical condition;
- Assessments, interventions and coordination of care;
- Assistance, consultation and training to providers and hospitals on the CCS authorization process;
- Support for family navigation through consultation and linking to community resources and other family support organizations; and,
- Assessment, intervention and guidance to clients and families in developing transition plans as the CCS client ages out.

Each county's annual allocation is based on the number of CCS clients. In FY 2021-22, the Fresno CCS caseload was 7330.

Beyond administration of the CCS program and in accordance with Health & Safety Code Section 123940, CCS counties share in the responsibility, with the State and Federal government to fund the medically necessary services such as diagnostics, treatment, medication and therapy to eligible clients. The counties pay their share of cost on a quarterly basis.

Medically necessary occupational and physical therapy are provided through the Medical Therapy Program (MTP) which is a special program under CCS. These services are provided at the Medical Therapy Units (MTUs) located in three County public schools.

DHCS provides a separate allocation to fund the MTP however, counties are not required to submit plan or budget details.

To finalize the allocation process, DHCS requires your Board to certify approval of the recommended CCS allocation plan and that the County will comply with applicable laws, regulations, and policies related to the CCS program. The recommended CCS allocation plan is retroactive to July 1, 2022 and serves in lieu of an agreement. Historically, the DHCS allocation plan included the allocations for other child health services programs, however, those plans are not included in this item because they were presented to your Board on October 25, 2022. Upon approval of the recommended action by your Board, no additional executed documents are required to receive funding.

REFERENCE MATERIAL:

BAI # 48, October 25, 2022

BAI # 47, November 16, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - FY 2022-23 CMS Plan for CCS

CAO ANALYST:

Ron Alexander