



**2010-11
Budget Conference Committee
on AB 190**

Upon Call of the Chair – Room 4203

**Section III
HEALTH**

**Senator Denise Moreno Ducheny, Chair
Assemblymember Bob Blumenfield, Vice Chair
Members: Senator Bob Dutton, Senator Bob Huff, Senator Mark Leno, Senator Alan Lowenthal,
Assemblymember Connie Conway, Assemblymember Felipe Fuentes, Assemblymember Jim Nielsen, and Assemblymember Nancy Skinner**

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Issue	Description	Difference (dollars in thousands)	Conference Action
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4120-001-0001 Emergency Medical Services Authority (EMSA)

004	Pharmaceutical Cache for Mobile Field Hospitals.	Assembly
		\$0

<p>Governor increased by \$448,000 (GF) to fund pharmaceutical cache for Mobile Field Hospitals to refresh supplies on-hand and to provide delivery within 48-hours of their deployment.</p>	<p>Senate -\$448</p>
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<p>EMSA presently receives \$1.7 million (GF) ongoing for drugs, staff, storage, and maintenance.</p>	<p>Difference \$448</p>
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Assembly approved proposal.

Senate rejected proposal.

Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-001-0001 Department of Health Care Services: State Support

121	State Support: Implementation of Pending 1115 Medi-Cal Waiver (May Revision).	Assembly \$0	
	Governor proposed increase of \$9.5 million (\$4.1 million GF, \$5.2 million federal and \$182,000 Mental Health Services Act Funds) for 56 positions and contract resources associated with implementation of the pending 1115 Medi-Cal Waiver.	Senate \$2,061 GF \$2,597 federal	
	Assembly denied proposal.	\$91	
	Senate approved half of proposal, or \$4.7 million (total funds) and 23 positions, to reflect phase-in approach and expressed potential to identify other fund sources.	MHSA Funds Difference \$2,061 GF	

Issue	Description	Difference (dollars in thousands)	Conference Action
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214	Trailer Bill: Monitoring of Medi-Cal Claims Processing System and Replacement of CA-MMIS.	Assembly \$0 TBL	
	Governor proposed no trailer bill.		
	Assembly proposed trailer bill to monitor implementation and require specified reporting with additional components.	Senate \$0 TBL	
	Senate proposed trailer bill to monitor implementation and require specified reporting.	Difference \$0 TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
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315	<p>State Staff: Targeted Case Management Program.</p> <p>Governor increased by \$890,000 (\$445,000 reimbursements from counties, and \$445,000 federal funds) to support eight positions (two-year limited-term) to conduct financial oversight of Targeted Case Management Program as directed by federal Centers for Medicare and Medicaid (CMS).</p>	<p>Assembly -\$191 Reimbursements -\$192 federal</p> <p>Senate \$0</p>	
	<p>Assembly reduced request by half, or \$383,000 (total funds), and approved only four positions for a total appropriation of \$507,000 (total funds).</p>	<p>Difference \$191 Reimbursements \$192 federal</p>	
	<p>Senate approved as proposed.</p>		

Issue	Description	Difference (dollars in thousands)	Conference Action
327	State Staff: Local Education Agency (LEA) Medi-Cal Billing.	Assembly -\$412	
	Governor increased by \$1.6 million (\$819,000 reimbursements from local entities and \$819,000 federal funds) to support 14 positions (two-year limited-term) to conduct audits and review LEA billing information to meet federal CMS requirements.	Reimbursements -\$412 federal	
	Assembly reduced request by \$824,000 (total funds), and approved only seven positions for a total appropriation of \$814,000 (total funds).	Senate \$0	
	Senate approved proposal.	Difference \$412 Reimbursements	
		\$412 federal	

Issue	Description	Difference (dollars in thousands)	Conference Action
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221	State Staff: Reassign Contract Negotiations for Geographic Managed Care Plans to Department of Health Care Services (DHCS) from CMAC.	Assembly \$0	
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	Governor proposed trailer bill language to reassign contract negotiations for Geographic Managed Care Plans from California Medical Assistance Commission to DHCS but did not redirect staff resources to reflect this change.	Senate \$120 GF \$120 federal	
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	Assembly adopted trailer bill as proposed but did not redirect staff.	Difference \$120 GF	
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	Senate adopted trailer bill as proposed and redirected two staff from CMAC to DHCS to perform the negotiations as directed. Total increase for DHCS is \$240,000 (\$120,000 GF and \$120,000 federal) and two staff.	\$120 federal	
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Issue

Description

Difference
(dollars in thousands)

Conference Action

250 **State Staff: Develop New Physician Administered Drug Reimbursement Rate (May Revision).** Assembly
\$0

Governor increased by \$169,000 (\$44,000 GF and \$125,000 federal) to fund a Pharmaceutical Consultant position to develop a new Physician administered drug reimbursement rate under the Medi-Cal Program. Senate
\$44
GF

Assembly denied request. \$125
federal

Senate approved as proposed. Difference
\$44
GF

(Will conform to Issue 326, Item 4260-101-0001.) \$125
federal

Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-101-0001 Department of Health Care Services: Medi-Cal Program

114 **Mandatory Enrollment in Medi-Cal Managed Care for Seniors and Persons with Disabilities (May Revision).** Assembly
\$0

Governor reduced by \$357.5 million (\$178.7 million GF and \$178.7 million federal funds) to reflect a phase-in of mandatory enrollment for these Medi-Cal enrollees who reside in Medi-Cal Managed Care counties (14 counties) and are not dually eligible for federal Medicare. About 431,683 people would be phased-in over a 12-month period. The phase-in would begin February 2011. Trailer bill language is also proposed.

Senate
-\$178,748
GF

-\$178,748
federal

Difference
\$178,748

Assembly denied proposal. GF

Senate modified proposal by adopting reduction and referring trailer bill to policy committee process. \$178,748
federal

Issue	Description	Difference (dollars in thousands)	Conference Action
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131	Trailer Bill: Extend Hospital Fee for Six Months (May Revision).	Assembly -\$160,000 GF	
	Governor decreased by \$160 million (GF) and proposes trailer bill to extend for six-months the existing Hospital Fee, as established under AB 1383, Statutes of 2009. The increased revenues from this fee will backfill for General Fund support.	Senate -\$160,000 GF TBL	
	Assembly approved fund shift but directed trailer bill to policy committee process.	Difference \$0	
	Senate approved as proposed.	TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
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149	Hospital Rate Freeze in Medi-Cal (May Revision).	Assembly	
		-\$84,481	
	Governor decreased by \$169 million (\$84.5 million GF and \$84.5 million federal funds) by imposing a rate freeze to Medi-Cal Inpatient Hospital rates paid to all hospitals, except for Designated Public Hospitals, at the rate that was in effect on January 1, 2010. Trailer bill is also proposed.	GF	
		-\$84,481	
		federal	
		TBL	
	Assembly approved proposal.	Senate	
		\$0	
	Senate denied proposal.		
		Difference	
		-\$84,481	
		GF	
		-\$84,481	
		federal	
		TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
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222	Ten Percent Reduction to Designated Public Hospitals under Existing Medi-Cal Hospital Financing Waiver.	Assembly \$0	
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	Governor proposed trailer bill to shift \$54.2 million (federal funds), or 10 percent, from payments received by Designated Public Hospitals to backfill for General Fund support in certain State-operated programs for 2010-11 and 2011-12.	TBL Senate \$2,500 GF	
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	For 2010-11, a total of \$29.5 million would be used to backfill for General Fund support. Of this amount, \$2.5 million would offset General Fund support in Medi-Cal. The remaining \$27 million would offset General Fund support in the Genetically Handicapped Persons Program (Issue 222, Item 4260-111-0001, below).	-\$29,500 federal Difference \$2,500 GF	
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	Trailer bill would reduce payments for hospitals provided during the period of July 1, 2010 through June 30, 2011. As such, DHCS assumes reduction would apply under the presently being developed 1115 Medi-Cal Waiver.	-\$29,500 federal TBL	
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Assembly approved proposal.

Senate denied proposal.

Issue	Description	Difference (dollars in thousands)	Conference Action
223	Ten Percent Reduction to Private Hospitals under Existing Medi-Cal Hospital Financing Waiver.	Assembly \$0 GF	
	Governor reduced by \$51.6 million (\$25.8 million GF and \$25.8 million federal), or 10 percent, in the amount Private Hospitals receive though the existing Medi-Cal Hospital Financing Waiver.	\$0 federal	
	Trailer bill would reduce payments for hospitals provided during the period of July 1, 2010 through June 30, 2011. As such, DHCS assumes reduction would apply under the presently being developed 1115 Medi-Cal Waiver.	TBL	
	Assembly approved proposal.	Senate \$25,799 GF	
	Senate denied proposal.	\$25,799 federal	
		Difference \$25,799 GF	
		\$25,798 federal	
		TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
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135	Reduction to Radiology Rates in Medi-Cal (May Revision).	Assembly \$0	
	Governor decreased by \$27.2 million (\$13.6 million GF and \$13.6 million federal funds) by reducing the rates paid for radiology services to 80 percent of federal Medicare rates for the same or similar service, effective October 1, 2010. Trailer bill is also proposed.	Senate -\$13,620 GF -\$13,620 federal	
	Assembly denied proposal.	TBL	
	Senate approved proposal.	Difference \$13,620 GF \$13,620 federal	
		TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
326	New Physician Administered Drug Reimbursement Rate (May Revision).	Assembly \$6,420 GF	
	Governor decreases by \$12.8 million (\$6.4 million GF and \$6.4 million federal funds) to implement a new Physician administered drug reimbursement rate which would be the <i>lower</i> of: (1) Medi-Cal reimbursement for Pharmacy providers (Average Wholesale Price minus 17 percent); <i>or</i> (2) federal Medicare rate (Average Sales Price plus 6 percent), unless federal law requires a higher reimbursement level. An effective date of February 1, 2011, is assumed in trailer bill language.	\$6,420 federal Senate -\$6,420 GF -\$6,420 federal	
	Assembly denied proposal.	TBL	
	Senate adopted proposal.	Difference \$6,420 GF \$6,420 federal	
		TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
155	Medi-Cal Quality Assurance Fee (QAF) on Nursing Homes, and Quality and Accountability Proposal (May Revision).	Assembly \$80,000 GF	(QAF funded)
	Governor proposes comprehensive changes over three-years for the method in which Medi-Cal reimburses Nursing Homes, including collection of QAF, the structure of the reimbursement rate, quality and accountability measures, and related components. Trailer bill language is proposed.	\$80,000 federal funds TBL for 1-yr	
	Within this comprehensive package, a rate increase of 3.93 percent for 2010-11 is proposed for certain Nursing Homes, for a total increase of \$160 million (\$80 million GF/QAF, and \$80 million federal funds).	Senate \$80,000 GF (QAF funded)	
	Assembly adopted placeholder trailer bill to implement components of proposal for 2010-11 only, and required revenues from QAF to be used to support the Long-Term Care Ombudsman Program within the Department of Aging.	\$80,000 federal funds TBL placeholder	
	Senate adopted placeholder trailer bill to send the issue to Conference Committee for further discussions.	Difference \$0	
		TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
TBL	California Discount Prescription Drug Program.	Assembly	
	Governor proposed trailer bill language to delay implementation of this program until 2011-12, and if funding is not provided in Budget Act of 2011, the program would sunset as of February 1, 2012.	\$0	
		TBL	
		no sunset	
		Senate	
		\$0	
	Assembly approved delay but deleted sunset provision.	TBL	
	Senate approved as proposed.		
		Difference	
		\$0	
		TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
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133	Medi-Cal Eligibility Processing: Methodology Change on Eligibility Growth (May Revision).	Assembly \$43,948 GF	
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Governor reduced by \$87.9 million (\$43.9 million GF and \$43.9 million federal funds) by recalculating the County Administrative baseline for Medi-Cal caseload growth.

\$43,948
federal funds

Specifically, DHCS proposes to change existing method for determining growth funding (to account for new Medi-Cal caseload) by trending it differently to account for only one-year of caseload growth instead of a two-year period as done historically.

Senate
-\$21,974
GF
-\$21,974
federal funds

Assembly denied proposal.

TBL

Senate increased by \$44 million (\$22 million GF and \$22 million federal funds) to recognize half of the savings and adopted trailer bill to develop a methodology for next year.

Difference
-\$21,974
GF
-\$21,974
federal funds

TBL

Issue	Description	Difference (dollars in thousands)	Conference Action
328	Shifted Proposition 99 Funds (Hospital Services Acct and Unallocated Acct) from Medi-Cal Program to the Every Woman Counts Program in DPH.	Assembly \$36,000 GF	
	Governor provides \$36 million in Proposition 99 Funds (\$27 million in Hospital Services Account and \$9 million in Unallocated Account) to backfill for General Fund support in Medi-Cal to assist in funding the Orthopaedic Hospital settlement which increased outpatient rates in prior years.	-\$26,965 Hospital Acct -\$9,035 Unallocated Acct	
	Assembly redirected \$36 million (Proposition 99 Funds) from Medi-Cal Program to provide funding to the Every Woman Counts Program within the Department of Public Health (DPH).	Senate \$0 Difference \$36,000 GF	
	Senate approved proposal.		

(Will conform to Issue503, Item 4265-111-000.)

Issue	Description	Difference (dollars in thousands)	Conference Action
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316	Shifted Portion of AB 1383 Hospital Fee Revenue from Medi-Cal to Healthy Families Program (Fund Shift).	Assembly \$29,726 GF	
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	Governor proposed to offset \$720 million (GF) in Medi-Cal children's health care coverage in 2010-11 with revenues from Hospital Fees as enacted in 2009.	Senate \$0 GF	
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	Assembly redirected a total of \$29.7 million in revenues from the Hospital Fees to support Medi-Cal children's health care coverage and directs it to the Healthy Families Program. This redirection results in an increase of \$29.7 million (GF) in the Medi-Cal Program.	Difference \$29,592 GF	
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	Senate approved as proposed to offset \$720 million (GF) in Medi-Cal children's health care coverage in 2010-11 with revenues from Hospital Fees, as enacted in 2009.		
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(Will conform to Issue 316, Item 4280-101-0001 and Issue 316, Item 4280-102-0001.)

Issue	Description	Difference (dollars in thousands)	Conference Action
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4260-111-0001 Department of Health Care Services: Other Health Care Programs

309 **Community Clinic Programs.**

Governor vetoed \$20 million (GF) from clinic programs, including American Indian Clinic Program, Seasonal and Migratory Worker Clinic Program, the Rural Health Clinic Program, and Expanded Access to Primary Care Clinics, in the Budget Act of 2009 and continues this reduction into 2010-11.

Assembly
\$25,000
GF

Senate
\$0

Difference
\$25,000

Assembly increased by \$25 million (GF) in 2010-11 to restore this veto and provide clinic support.

GF

Senate took no action.

Issue	Description	Difference (dollars in thousands)	Conference Action
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222	Reduction to Designated Public Hospitals under Existing Medi-Cal Hospital Financing Waiver. (Genetically Handicapped Persons Program.)	Assembly \$0	
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	Governor proposed trailer bill language to shift \$29.5 million (federal funds), from payments received by Designated Public Hospitals under the existing Medi-Cal Hospital Financing Waiver to backfill for General Fund support in certain State-operated programs for 2010-11.	Senate \$27,000 GF Difference \$27,000 GF	
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Of the total amount, \$27 million would be used to backfill for General Fund support in the Genetically Handicapped Persons Program.

Trailer bill language would reduce payments for hospitals provided during the period of July 1, 2010 through June 30, 2011. As such, the DHCS assumes this reduction would apply under the presently being developed 1115 Medi-Cal Waiver.

Assembly approved proposal.

Senate denied proposal and backfills with \$27 million (GF) for the Genetically Handicapped Persons Program..

(Conforms to Issue 222, Item 4260-101-0001.)

4265-001-0001 Department of Public Health (DPH): State Support and Contracts

399 **State Contracts: Decline in Proposition 99 Research Account Funds (May Revision).** Assembly
\$0

Governor reduced by \$153,000 external research contracts due to a projected decrease in Proposition 99 revenues for the Research Account. Senate
-\$153
Research
Acct

A *net* total of \$4.4 million (Proposition 99, Research Acct) in DPH external research contracts is proposed. Difference
\$153

Assembly took no action. Research
Acct

Senate approved as proposed.

4265	Department of Public Health (DPH)	Section III	
Issue	Description	Difference (dollars in thousands)	Conference Action
702	State Contract: Increase to Prostate Cancer Treatment Program.	Assembly \$1,500 GF	
	Governor proposed no action.		
	Assembly increased by \$1.5 million (GF) the contract with the University of California at Los Angeles to provide treatment for Prostate Cancer. This would increase current funding of \$3.1 million (GF) to a total of \$4.6 million (GF) for 2010-11.	Senate \$0 Difference \$1,500 GF	
	Senate took no action.		

Issue	Description	Difference (dollars in thousands)	Conference Action
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504	State Operations: 2010 Water Bond (May Revision).	Assembly \$0	
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<p>Governor increased by \$501,000 (Safe Clean Reliable Drinking Water Supplemental Fund) to provide seven positions for 2010-11, and by \$5.3 million (Safe Clean Reliable Drinking Water Supplemental Fund) to provide 45 positions for 2011-12 to implement the Water Bond measure on the November 2010 ballot. A two-year appropriation is proposed.</p>	<p>Senate \$501 Special Fund</p> <p>Difference \$501 Special Fund</p>
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Assembly denied proposal.

Senate approved only one-year to provide for immediate implementation pending approval by voters in November 2010 election.

(Will conform to Issue 505, Item 4265-111-0001.)

4265	Department of Public Health (DPH)	Section III	
Issue	Description	Difference (dollars in thousands)	Conference Action
506	State Operations: Every Woman Counts Program (May Revision).	Assembly \$0	
	Governor reduced by \$1.740 million (Breast Cancer Control Account) the professional education and regional contracts in the Every Woman Counts Program to align expenditures with available funds.	Senate -\$1,740 Special Fund	
	Assembly denied proposal.	Difference \$1,740	
	Senate adopted proposal.	Special Fund	
	<i>(Will conform to Issue 503, Item 4265-111-0001.)</i>		

Issue	Description	Difference (dollars in thousands)	Conference Action
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565	State Operations: Staff for Nursing Home Quality & Accountability Reviews (May Revision).	Assembly \$2,195 Reimbursements	
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Governor proposed 38.5 DPH staff to conduct (1) onsite audits of Nursing Home facility compliance with 3.2 nursing hours per patient day ratio; and (2) State licensing surveys for compliance with State laws. In 2010-11, DPH staff is phased-in and funded using a redirection of funds (GF and federal match) from the Department of Health Care Services. This is General Fund neutral.

Senate \$2,195 Reimbursements

Difference \$0

In 2011-12, DPH staff is a full compliment of 38.5 positions and is funded using Quality Assurance Fees collected from Nursing Homes, and federal funds.

This is a component of the Administration's overall AB 1629 reauthorization and Nursing Home quality assurance and accountability initiative.

Assembly approved for one-year only.

Senate approved for two-years.

(Will conform to Issue155, Item 4260-101-0001.)

4265-004-0890 Department of Public Health (DPH): State Support and Contracts

021	<p>Transfer Federal Funds to the Umbilical Cord Blood Collection Program Fund (May Revision).</p> <p>Governor increased by \$471,000 (one-time federal grant) to support collection and storage of publicly donated and ethnically diverse umbilical cord blood for use in transplantation. This grant is through a Congressional Special Initiative and can only be used for this purpose.</p> <p>Assembly modified to appropriate funds, provide half-time position, and adopted Budget Bill Language as follows:</p> <p>For transfer by the Controller from the Federal Trust Fund to the Umbilical Cord Blood Collection Fund for expenditure in accordance with the federal Health Resources and Services Administration (HRSA) Special Congressional Initiative: Cord Blood Education and Public Cord Blood Banking in California grant guidance. Cord Blood entities, in addition to banks, shall be considered eligible to submit proposals under this RFP; and the winning contractor shall make cord blood units that cannot be used for transplantation available for research purposes, at their own expense, provided that neither of these requirements violate the HRSA grant requirements or jeopardize California’s receipt of this funding.</p> <p>Senate approved as proposed.</p>	<p>Assembly \$471 federal BBL</p> <p>Senate \$471 federal</p> <p>Difference \$0 BBL</p>
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4265-111-0001 Department of Public Health (DPH): Local Assistance

299 **Media Campaign-- Decline in Proposition 99 Health Education Account (May Revision).** Assembly \$0

Governor reduced by \$1.2 million the Tobacco Control Program's media campaign due to a projected decrease in Proposition 99 revenues for the Health Education Account. Senate -\$1,228 Health Ed Acct

A *net* total of \$14.5 million (Proposition 99, Health Education Acct) is proposed for the media campaign. Difference \$1,228 Health Ed Acct

Assembly took no action.

Senate approved as proposed.

Issue	Description	Difference (dollars in thousands)	Conference Action
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505	2010 Water Bond (May Revision).	Assembly \$0	
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Governor increased by \$103 million (Safe Clean Reliable Drinking Water Supplemental Fund) in 2010-11 for groundwater projects and emergency grants for water systems serving disadvantaged communities as designated in the Water Bond measure on the November 2010 ballot.

Senate
\$103,000
Special Fund

Difference
\$103,000

In addition, an increase of \$213.6 million (Safe Clean Reliable Drinking Water Supplemental Fund) is proposed for 2011-12 which addresses groundwater projects, emergency grants, and drought relief.

Special Fund

Assembly denied proposal.

Senate approved only one-year to provide for immediate implementation pending approval by voters in November 2010 election.

Issue	Description	Difference (dollars in thousands)	Conference Action
503	<p>Funding for Every Woman Counts (EWC) Program. (May Revision)</p> <p>Governor provided a total of \$40.7 million, of which \$8.4 million is for support, \$3.5 million is for local contracts, and \$28.8 million is for clinical claims. It is funded as follows:</p> <ul style="list-style-type: none"> • Proposition 99, Unallocated Acct \$22.1 million • Breast Cancer Control Acct \$12.3 million • Federal \$ 6.3 million <p>This level of funding continues current freeze on new client enrollments and also proposes cost containment measures.</p> <p>Assembly increased by \$36 million (\$9 million Prop 99, Hospital Services Acct, and \$27 million Prop 99, Unallocated Acct) clinical claims component. Governor had used this \$36 million (Proposition 99 Funds) as backfill for GF in the Medi-Cal Program versus the EWC.</p> <p>Also adopted modified tiered rate proposal to pay providers \$10 for normal screenings and \$50 for abnormal screenings. Designated as GF backfill to Medi-Cal Program. Also adopted trailer bill language to require DPH to provide an estimate package with customary budget release.</p> <p>Senate increased by \$25 million (GF) the clinical claims component to send to Conference Committee for comprehensive discussion.</p>	<p>Assembly \$36,000 Special Funds TBL</p> <p>Senate \$25,000 GF</p> <p>Difference \$36,000 Special Funds TBL</p>	

Issue	Description	Difference (dollars in thousands)	Conference Action
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752	Restore Vetoed Funds to Maternal and Child Health (MCH) Programs.	Assembly \$12,000 GF	
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Governor vetoed \$12 million (GF) in the Budget Act of 2009, including \$3 million (GF) from the Black Infant Health Program and \$9 million (GF) from Adolescent Family Life Program (AFLP), and continues this reduction through 2010-11.

Senate
\$0
GF

In 2009, in lieu of Governor's proposed elimination of General Fund support for all MCH programs, the Legislature reduced by a total of \$8.5 million (GF) several programs, leaving the \$12 million (GF) which was then vetoed.

Difference
\$12,000
GF

Assembly increased by \$12 million (GF) to restore amount vetoed by Governor in 2009.

Senate took no action.

4265	Department of Public Health (DPH)	Section III	
Issue	Description	Difference (dollars in thousands)	Conference Action
TBL	Trailer Bill: Board of Pharmacy Legislation for Ambulatory Surgical Center Licensing.	Assembly \$0 TBL	
	Governor proposed no action.		
	Assembly proposed trailer bill language to mirror AB 2292 (Lowenthal), as introduced, to authorize Ambulatory Surgical Centers as specified to purchase drugs at wholesale for administration or dispensing as authorized under the direction of the Board of Pharmacy.	Senate \$0 Difference \$0 TBL	
	Senate took no action.		

Issue	Description	Difference (dollars in thousands)	Conference Action
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TBL	Trailer Bill: Intent Language to Use AB 1383 Hospital Fee Revenues for Expansion of Children's Health Services.	Assembly \$0 TBL	
	Governor proposed no action.	Senate \$0	
	Assembly adopted trailer bill language expressing the intent of the Legislature to use Hospital Fee revenues, as generated under AB 1383, Statutes of 2009, to expand children's health care services in future years	Difference \$0 TBL	
	Senate took no action.		

Issue	Description	Difference (dollars in thousands)	Conference Action
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4270-001-0001 California Medical Assistance Commission (CMAC)

200	State Staff: Reassign Contract Negotiations for Geographic Managed Care Plans from CMAC to Department of Health Care Services (DHCS).	Assembly \$0	
	Governor proposed trailer bill language to reassign contract negotiations for Geographic Managed Care Plans from CMAC to DHCS but did not redirect staff resources to reflect this change.	Senate -\$120 GF	
	Assembly adopted trailer bill language as proposed but did not redirect staff.	-\$120 Reimbursement	
	Senate adopted trailer bill language as proposed and redirected two staff from CMAC to the DHCS to perform the negotiations as directed. Total reduction is \$240,000 (\$120,000 GF and \$120,000 reimbursements).	Difference \$120 GF -\$120 Reimbursement	

(Conforms to Issue 221, Item 4260-001-0001.)

Issue	Description	Difference (dollars in thousands)	Conference Action
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4280-001-0001 Managed Risk Medical Insurance Board: State Support

541	<p>State Staff: Conform to Federal CHIPRA Implementation for Healthy Families (May Revision).</p> <p>Governor increased by \$882,000 (\$308,000 GF) for nine positions (two-year limited term) to implement changes in Healthy Families Program as required by federal Children’s Health Insurance Program Reauthorization Act (CHIRPA) of 2009.</p> <p>Assembly approved Governor’s May Revision and adopted Budget Bill Language to require MRMIB to report on federally mandated activities and amount of funding necessary to comply with federally mandated activities.</p> <p>Senate approved Governor’s May Revision.</p>	<p>Assembly \$308 BBL</p> <p>Senate \$308</p> <p>Difference \$0 BBL</p>	
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Issue	Description	Difference (dollars in thousands)	Conference Action
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4280-101-0001 Managed Risk Medical Insurance Board: Healthy Families Program

316 **Shifted Portion of AB 1383 Hospital Fee Revenue from Medi-Cal to Healthy Families Program (Fund Shift).**

Assembly
-\$29,592

Governor proposed to offset \$720 million (GF) in Medi-Cal children's health care coverage in 2010-11 with revenues from Hospital Fees, as enacted in 2009.

Senate
\$0

Difference
\$29,592

Assembly redirected a total of \$29.7 million (this item and following one) in revenues from the Hospital Fee to the Healthy Families Program, instead of appropriating for Medi-Cal children's health care coverage.

Senate approved as proposed to offset \$720 million (GF) in Medi-Cal children's health care coverage in 2010-11 with revenues from Hospital Fees, as enacted in 2009.

Issue	Description	Difference (dollars in thousands)	Conference Action
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4280-102-0001 Managed Risk Medical Insurance Board: Healthy Families Program

316 **Shifted Portion of AB 1383 Hospital Fee Revenue from Medi-Cal to Healthy Families Program (Fund Shift).**

Assembly
-\$134

Governor proposed to offset \$720 million (GF) in Medi-Cal children's health care coverage in 2010-11 with revenues from Hospital Fees, as enacted in 2009.

Senate
\$0

Difference
\$134

Assembly redirected a total of \$29.7 million (this item and above item) in revenues from the Hospital Fee to the Healthy Families Program, instead of in Medi-Cal children's health care coverage.

Senate approved as proposed to offset \$720 million (GF) in Medi-Cal children's health care coverage in 20-11 with revenues from Hospital Fees, as enacted in 2009.

(Conforms to Item 4280-101-0001, Issue 316, above.)

4300-004-0001 Department of Developmental Services: Developmental Centers

417	Adjustment for State Special Schools.	Assembly \$443
	Governor proposed no action.	GF
	Assembly increased by \$443,000 (GF) for State Special Schools to conform to technical current-year adjustments made per the Assembly Proposition 98 package.	Senate \$0
	Senate took no action.	Difference \$443 GF

(Will conform to Item 6110 in Education.)

4300-101-0001 Department of Developmental Services: Community-Based Local Assistance

313 **Additional 1.25 Percent Reduction to Purchase of** Assembly
 & **Services and Regional Center (RC) Operations.** \$25,382

314 **Governor** reduces \$48.2 million (\$25.4 million GF) by GF

increasing existing three percent reduction to Purchase of \$22,818
 Services and RC Operations to a total of 4.25 percent Reimbursements
 effective July 1, 2010 to June 30, 2011.

Of this amount, \$41.6 million (\$20.7 million GF) is from Senate
 Purchase of Services and \$6.6 million (\$4.6 million GF) \$0

is from RC Operations. Existing *exemptions* for Difference
 Supported Employment, the SSP supplement for \$25,382
 independent living, and services with “usual and GF

customary” rates would apply. Other services may be \$22,818
 exempt from reduction if RC demonstrates that full Reimbursements
 payment is necessary to protect health and safety of

consumer and DDS has granted approval. TBL
 Proposed trailer bill gives RCs’ authority to *temporarily*
 modify certain provider requirements as specified, except
 for licensed or certified providers, to reduce
 administrative requirements on providers.

Assembly rejected proposal.

Senate adopted proposal with placeholder trailer bill
 language.

Issue	Description	Difference (dollars in thousands)	Conference Action
416	<p>Temporary Assistance for Needy Families (TANF) Grant Adjustment: Fund Shift Only.</p>	<p>Assembly \$0</p>	
	<p>Governor proposed to use federal TANF Grant funds from CalWORKS to backfill for General Fund support in the Department of Developmental Services.</p>	<p>Senate \$34,027</p>	
	<p>Assembly retained Governor’s proposed level of federal TANF Grant funds in DDS as a result of action taken to fund CalWORKS with Jobs and Economic Security Fund.</p>	<p>Difference \$34,027</p>	
	<p>Senate increased by \$34 million (GF) to reflect rejection of CalWORKS cuts and shifted majority of federal TANF Grant funds back to Department of Social Services item.</p>		
	<p><i>(Will Conform to Item 5180-111-0001 for CalWORKS)</i></p>		

4440-001-0001 Department of Mental Health: State Support

100	<p>Legal Services Workload (May Revision).</p> <p>Governor increased by \$3.1 million (GF) to hire six DMH positions and to contract with private counsel for its legal workload. DMH contends these resources are needed due to changes at the Attorney General’s (AG’s) Office regarding “non-billable” departments.</p> <p>Assembly adopted LAO recommendation and Budget Bill Language to provide only \$1.2 million (GF) for DMH to contract with AG’s Office.</p> <p>Senate adopted LAO recommendation but was not provided Budget Bill Language at the time.</p>	<p>Assembly -\$1,876 GF BBL</p> <p>Senate -\$1,876 GF</p> <p>Difference \$0 BBL</p>
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4440-103-0001 Department of Mental Health: Local Assistance

TBL **Trailer Bill: Institution for Mental Disease (IMD) Rate Freeze.** Assembly TBL

Governor proposed no action. Senate

Assembly adopted trailer bill language to mirror AB 2645 (Chesbro), as introduced, which would set the reimbursement rate for services in Institutions for Mental Disease at the same rate as was in effect on July 1, 2009. The effective date of this rate freeze would be July 1, 2010, and it would result in County savings of from \$3 million to \$5 million. As proposed, the rate freeze would be ongoing. Difference TBL

There is no State General Fund affect.

Senate took no action.

4440-104-0001 Department of Mental Health: Mandate Local Assistance

480 **Proposed Suspension of AB 3632 Funding for Special Education Students needing Mental Health Services (May Revision).** Assembly
\$52,000
BBL

Governor proposed suspension of this mandate by eliminating \$52 million (GF) from this Item. Senate
\$51,999

Assembly restored \$52 million (GF) and rejected Governor’s proposal. Adopted Budget Bill Language to require \$52 million (GF) to be spent on 2010-11 costs. Difference
\$1

Senate restored \$51.9 million (GF) to send the issue to Conference.

(Will conform to Item6110-161-0001/0890 under Education.)

Issue	Description	Difference (dollars in thousands)	Conference Action
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4440-111-0001 Department of Mental Health: Local Assistance

601 **Restore Vetoed Funds to Caregiver Resource Center.** Assembly
\$4,800

Governor vetoed \$4.1 million (GF) in the Budget Act of 2009 for the Caregiver Resource Centers and continues this reduction through 2010-11. Senate
\$0

Specifically, Budget Act of 2008 provided \$10.5 million (GF). In 2009, in lieu of Governor's proposed elimination of program, Legislature reduced by \$3.5 million (GF) leaving \$7 million (GF) in the appropriation. Governor's veto leaves a total of \$2.9 million (GF) Difference
\$4,800

These centers provide services and supports to caregivers of family members with a cognitive impairment.

Assistance can include respite care, consultation and care planning, counseling and support planning groups, education and training, and legal and financial assistance.

Assembly increased by \$4.8 million (GF) for 2010-11 to restore slightly more than amount vetoed by the Governor in 2009.

Senate took no action.