

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
June 17, 2008

To: Board of Supervisors

From: Department of Human Assistance

Subject: Report Back On Loss Of State And Federal Funds By Deleting Medi-Cal / CMISP Positions

Supervisory
District: All

Contact: Daniel C. Kim, Deputy Director, 875-3744

BACKGROUND

The Board of Supervisors expressed concern that the reductions to the Medi-Cal / CMISP program will result in a loss of State and/or Federal funds. The Board directed the Department of Human Assistance (DHA) to provide background information on the allocation of Medi-Cal / CMISP funds at the State and Federal level.

DISCUSSION

DHA determines eligibility for both the Medi-Cal and CMISP programs. The majority of the Medi-Cal staff determine eligibility for only the Medi-Cal program. However, a few of the staff determine eligibility for both the Medi-Cal and CMISP programs.

The Medi-Cal Program is funded entirely by State and Federal revenue, whereas the County Medically Indigent Services Program (CMISP) is funded entirely by County General Fund. The Federal government will reimburse 50 percent of all Medi-Cal staffing costs, but the State portion of the Medi-Cal allocation is capped. If our Medi-Cal costs are at such a level that we would exceed our State allocation cap, 50 percent would have to be covered by General Fund, with the other 50 percent still covered by Federal funds.

Based on our estimates of State funding for Medi-Cal, we have determined that the Department could exceed its Medi-Cal (State) allocation in Fiscal Year 2008-09 at our current staffing levels. If we maintain our current Medi-Cal staffing levels, the Department will exceed its capped State Medi-Cal allocation by roughly \$562,011. Rather than overmatch our State Medi-Cal allocation, DHA proposes to delete 20 FTE Eligibility Specialists and 3.0 FTE Senior Eligibility Specialists in Medi-Cal. These reductions total

\$1,378,132 and prevent us from needing to use \$562,011 in General Funds to backfill the Medi-Cal program.

By making these reductions, the Department projects it will lose roughly \$689,066 in Federal matching funds. While the loss of Medi-Cal FTEs will adversely impact our ability to determine Medi-Cal eligibility, DHA did not backfill behind the loss or lack of State funding. The Department, however, will work aggressively with the State to increase its Medi-Cal funding in Fiscal Year 2008-09.

Respectfully submitted,

Bruce Wagstaff, Director
Human Assistance

APPROVED:
TERRY SCHUTTEN
County Executive

By: _____
Penelope Clarke, Administrator
Countywide Services Agency

BW:DK