

Statewide Cost Estimate

\$132,855

(Approximate Prospective Cost of \$28,356 Annually)

Health and Safety Code sections 121361, 121362 and 121366

Statutes 1993, Chapter 676; Statutes 1994, Chapter 685;
Statutes 1997, Chapter 116; and Statutes 2002, Chapter 763

Tuberculosis Control

03-TC-14

County of Santa Clara, Claimant

STAFF ANALYSIS

Background and Summary of the Mandate

On October 27, 2011, the Commission on State Mandates (Commission) adopted a statement of decision for the Tuberculosis Control (TB) test claim finding that the test claim statutes impose a partially reimbursable state-mandated program upon counties and cities within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514.¹ The Commission approved this test claim for the following reimbursable activities:

- For local detention facilities to:
 - Submit notification and a written treatment plan that includes the information required by Health and Safety Code section 121362 to the LHO when a person with active TB or reasonably believed to have active TB is discharged or released from the detention facility; and
 - Submit notification and a written treatment plan that includes the information required by Health and Safety Code section 121362 to the LHO and the medical officer of the local detention facility receiving the person when a person with active TB or reasonably believed to have active TB is transferred to a local detention facility in another jurisdiction.
- For LHOs to:
 - Review for approval within 24 hours of receipt only those treatment plans submitted by a health facility; and
 - Notify the medical officer of a parole region or a physician or surgeon designated by the Department of Corrections when there are reasonable grounds to believe that a parolee has active TB and ceases treatment for TB.
- For counties or specified cities to provide counsel to non-indigent TB patients who are subject to an order of detention.

¹ Exhibit A.

Parameters and guidelines were adopted on December 7, 2012.²

Eligible claimants were required to file initial reimbursement claims (for costs incurred between July 1, 2002, and June 30, 2012) with the State Controller's Office (SCO) by July 11, 2013. Late initial reimbursement claims may be filed until July 11, 2014. Reimbursement claims for fiscal year 2012-2013 are due by February 18, 2014.

Eligible Claimants and Period of Reimbursement

Any city, county, and city and county that incurs increased costs as a result of this reimbursable state-mandated program is eligible to claim reimbursement of those costs.

Government Code section 17557(e) states that a test claim shall be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The test claim was filed on September 26, 2003, establishing eligibility for reimbursement for the 2002-2003 fiscal year. Therefore, the costs incurred for compliance with the mandated activities are reimbursable on or after July 1, 2002.

Reimbursable Activities

The parameters and guidelines authorize reimbursement of each eligible claimant for the following activities:

A. The following activities mandated by Health and Safety Code sections 121361 and 121362 are eligible for reimbursement:

1. For local detention facilities:

When a person with active TB or reasonably believed to have active TB is discharged or released from a detention facility:

- i. Draft and submit notification to the Local Health Officer; and
- ii. Submit the written treatment plan that includes the information required by Health and Safety Code section 121362 to the Local Health Officer.

Drafting the written treatment plan is *not* eligible for reimbursement.

b. When a person with active TB or reasonably believed to have active TB is transferred to a local detention facility in another jurisdiction:

- i. Draft and submit notification to the Local Health Officer and the medical officer of the local detention facility receiving the person; and
- ii. Submit the written treatment plan that includes the information required by Health and Safety Code section 121362 to the Local Health Officer and the medical officer of the local detention facility receiving the person.

Drafting the written treatment plan is *not* eligible for reimbursement.

2. For Local Health Officers or others acting at the direction of the Local Health Officer:

- a. Receive and review for approval within 24 hours of receipt only those treatment plans submitted by a health facility. This activity includes the following:
 - Receive health facility's treatment plan.

² Exhibit B.

- Send request to health facility for medical records and information on TB medications, dosages and diagnostic work-up. Review records and information.
 - Coordinate with health facility on any adjustments to the treatment plan.
 - Send approval to health facility.
- b. Draft and send a notice to the medical officer of a parole region, or a physician or surgeon designated by the Department of Corrections, when there are reasonable grounds to believe that a parolee has active TB and ceases treatment for TB.
- B. The following activity mandated by Health and Safety Code section 121366 is eligible for reimbursement:
1. For cities, counties, and cities and counties to provide counsel to *non-indigent* TB patients who are subject to a civil order of detention issued by a Local Health Officer pursuant to Health and Safety Code section 121365 upon request of the patient. Services provided by counsel include representation of the TB patient at any court review of the order of detention required by Health and Safety Code section 121366.

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Assumptions

Staff reviewed the reimbursement claims data submitted by 1 city and county, 2 counties and compiled by the SCO. The actual claims data showed that 22 initial claims were filed for fiscal years 2002-2003 through 2011-2012 for a total of \$132,855. Based on this data, staff made the following assumptions and used the following methodology to develop a statewide cost estimate for this program.

- *The actual amount claimed for reimbursement may increase and exceed the statewide cost estimate.*
 - There are currently 58 counties and 482 cities in California. Of those, only 2 counties (San Bernardino and Orange) and 1 city and county (San Francisco) filed initial reimbursement claims totaling \$132,855 for this program for fiscal years 2002-2003 through 2011-2012. If other eligible claimants file late or amended initial claims, the amount of reimbursement claims may exceed the statewide cost estimate. Late initial claims for this program for fiscal years 2002-2003 through 2011-2012 may be filed until July 11, 2014.
 - Additionally, the total costs claimed in the most recent three years of the initial claiming period are trending upward. San Bernardino County filed claims for these three years, whereas previous years consisted only of claims from the other two claimants. It is likely that future annual claims will increase as more claimants file.
- *The number of reimbursement claims filed will vary from year to year.*

This program requires a detention facility to submit notification and a written treatment plan to the LHO when a person with active TB or reasonably believed to have active TB is discharged or released from the detention facility. It also requires a detention facility to submit notification and a written treatment plan to the LHO and the medical officer of the local detention facility receiving the person when a person with active TB or reasonably believed to have active TB is transferred to a local detention facility in

another jurisdiction. Claims will be case load driven and, thus, will vary annually depending on the incidence of tuberculosis within detention facilities. It is likely that claims will follow broader statewide health trends.

- *The total amount of reimbursement for this program may be lower than the statewide cost estimate because the SCO may reduce any reimbursement claim for this program.*

The SCO may conduct audits and reduce any claims it deems to be excessive or unreasonable. The reimbursable activities in this program are only a small part of a larger process. Claimants may file claims for activities that, while part of the larger process, are not reimbursable and those claims may therefore be reduced by the SCO.

Methodology

Fiscal Years 2002-2003 through 2011-2012

The statewide cost estimate for fiscal years 2002-2003 through 2011-2012 was developed by totaling the 22 reimbursement claims filed with the SCO for these years, for a total of \$132,855. For the reasons discussed above, staff finds that the averages for the most recent three-year period are most indicative of potential costs. For the most recent three-year period, costs averaged \$28,356 annually. Following is a breakdown of estimated total costs per fiscal year:

Fiscal Year	Number of Claims Filed with SCO	Estimated Cost
2002-2003	1	\$1,474
2003-2004	2	\$6,188
2004-2005	2	\$6,834
2005-2006	2	\$7,168
2006-2007	2	\$7,701
2007-2008	2	\$9,090
2008-2009	2	\$9,332
2009-2010	3	\$28,290
2010-2011	3	\$26,446
2011-2012	3	\$30,332
TOTAL	22	\$132,855

Comments on the Draft Staff Analysis and Proposed Statewide Cost Estimate

On August 7, 2013, Commission staff issued the draft staff analysis and proposed statewide cost estimate³ for comments. No comments were received.

Conclusion

On September 27, 2013, the Commission adopted the statewide cost estimate of **\$132,855** for costs incurred in complying with the *Tuberculosis Control* program.

³ Exhibit C.