

Item 11

PROPOSED STATEWIDE COST ESTIMATE

\$27,469

(Approximate Prospective Cost of \$5,428 Annually)

Welfare and Institutions Code Section 14029.5

Statutes 2006, Chapter 657

Medi-Cal Eligibility of Juvenile Offenders

08-TC-04

STAFF ANALYSIS

Background and Summary of the Mandate

This program addresses activities of county juvenile detention facilities and county welfare departments (CWDs) to assist juveniles whose Medi-Cal coverage is terminated as a result of incarceration in a juvenile detention facility for 30 days or more to obtain Medi-Cal or other health coverage immediately upon release from custody.

On December 6, 2013, the Commission on State Mandates (Commission) adopted a statement of decision¹ finding that Welfare and Institutions Code section 14029.5, as amended by test claim statute, imposes a partially reimbursable state-mandated program on local agencies within the meaning of article XIII B, section 6 of the California Constitution, and Government Code section 17514.

Parameters and guidelines² were adopted on March 28, 2014 approving the reimbursable activities described below under the *Reimbursable Activities* section.

Eligible claimants were required to file initial reimbursement claims, for costs incurred for the period January 1, 2008 through June 30, 2008 and fiscal years 2008-2009 through 2012-2013, with the State Controller's Office (SCO) by October 31, 2014. Late initial reimbursement claims may be filed until October 31, 2015.

Eligible Claimants and Period of Reimbursement

Any county and city and county that incurs increased costs as a result of this mandate is eligible to claim reimbursement.

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. County of Alameda filed the test claim on January 29, 2009, establishing eligibility for reimbursement for the 2007-2008 fiscal year. However, the effective date of the reimbursable state-mandated activities begins

¹ Exhibit A. Test Claim Statement of Decision.

² Exhibit B. Parameters and Guidelines.

January 1, 2008, the effective date of the test claim statute. As a result, any costs incurred for the activities in these parameters and guidelines are reimbursable on or after January 1, 2008.

Reimbursable Activities

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

For County Juvenile Detention Facilities:

1. Subject to the provisions in Activity 2 below, immediately following the issuance of an order of the juvenile court committing the ward to a juvenile hall, camp, or ranch for 30 days or longer, provide the appropriate CWD with the following information: (a) the ward's name, (b) scheduled or actual release date, (c) any known information regarding the ward's Medi-Cal status prior to disposition, and (d) sufficient information when available for the CWD to begin the process of determining the ward's eligibility for the Medi-Cal program, including available contact information for the ward's parent or guardian if the ward is a minor.
2. If the ward is a minor and before providing information to the CWD, notify the parent or guardian in writing of the intention to submit the information to the CWD. The parent or guardian shall be given a reasonable time to opt out of the Medi-Cal eligibility determination. If the parent or guardian opts out of the Medi-Cal eligibility determination, the county detention facility shall not provide information to the CWD.

For County Welfare Departments:

1. From January 1, 2008, until December 31, 2008, upon receipt of the information from the county detention facility, and pursuant to the protocols and procedures developed by the Department of Health Services (DHCS), initiate an application for benefits under the Medi-Cal program for all juvenile wards.
2. Beginning January 1, 2009, upon receipt of the information from the county detention facility, and pursuant to the protocols and procedures developed by DHCS, initiate an application for benefits under the Medi-Cal program only for wards not already enrolled in the Medi-Cal program. If the ward is a minor, promptly contact the parent or guardian to arrange for completion of the application. Applications shall be expedited for those wards scheduled to be released in fewer than 45 days.
3. If the ward does not meet the eligibility requirements for the Medi-Cal program, forward the ward's information to the appropriate entity to determine eligibility for the Healthy Families Program, or other appropriate health coverage program, with the consent of the ward's parents or guardian if the ward is a minor.
4. If the ward meets eligibility requirements for the Medi-Cal program, provide sufficient documentation to enable the ward to obtain necessary medical care upon release from custody. The documentation consists of issuing an immediate need paper Medi-Cal card for the juvenile as soon as eligibility is established.

The activity to "determine the individual's eligibility for benefits under the Medi-Cal program" is not reimbursable because it is not new.

Offsetting Revenues and Reimbursements

The parameters and guidelines³ provide:

Any offsets the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, service fees collected, federal funds, and other state funds, shall be identified and deducted from this claim.

To the extent that the claimant has used fees or any funds provided by the state or federal government, as opposed to proceeds of local taxes, to pay for the cost of the program, those costs are not reimbursable.

Statewide Cost Estimate

Assumptions

Staff reviewed the reimbursement claims data submitted by the three counties that submitted initial claims, which was compiled by the SCO.⁴ The data showed that three counties filed initial claims for fiscal years 2009-2010 through 2012-2013, two counties filed initial claims for fiscal year 2008-2009 and only one county filed an initial claim for fiscal year 2007-2008 for a total of \$27,469. 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 combined, only three counties filed initial reimbursement claims totaling \$27,469. If other eligible claimants file late or amended initial claims, the amount of reimbursement claims may exceed the statewide cost estimate. Late initial reimbursement claims for this program for the period January 1, 2008 through June 30, 2008 and fiscal years 2008-2009 through 2012-2013 may be filed until October 31, 2015. There also may be several reasons that non-claiming counties did not file reimbursement claims, including but not limited to, (1) they did not incur more than \$1,000 in increased costs for this program and (2) they did not have supporting documentation to file a reimbursement claim.

- *The annual costs of the program may vary depending on the number of Medi-Cal-eligible wards.*

The reimbursable activities of this program are based on caseload rather than a fixed cycle. The number of Medi-Cal-eligible wards at a county juvenile detention facility will directly correlate to the volume of activities such as information dissemination to the county welfare department, notice to the ward's parent or guardian, and initiation of application for Medi-Cal benefits.

- *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.*

³ Exhibit B. Parameters and Guidelines.

⁴ Claims data reported as of November 18, 2014.

The SCO may conduct audits and reduce any claims it deems to be excessive or unreasonable.

Methodology

January 1, 2008 through June 30, 2008 and fiscal years 2008-2009 through 2012-2013.

The statewide cost estimate for the period January 1, 2008 through June 30, 2008 and fiscal years 2008-2009 through 2012-2013 was developed by totaling the 15 reimbursement claims filed with the SCO for this period totaling \$27,469. Staff finds that the average for the most recent three-year period is likely indicative of potential future costs. For that three-year period, costs averaged \$5,428 annually

Following is a breakdown of estimated total costs per fiscal year:

Fiscal Year	Number of Claims Filed with SCO	Estimated Cost
2007-2008	1	\$2,155
2008-2009	2	\$3,758
2009-2010	3	\$5,273
2010-2011	3	\$6,160
2011-2012	3	\$5,519
2012-2013	3	\$4,604
TOTAL	15	\$27,469

Draft Proposed Statewide Cost Estimate

On December 9, 2014, Commission staff issued the draft proposed statewide cost estimate.⁵ No comments were filed on the draft proposed statewide cost estimate.

Staff Recommendation

Staff recommends the Commission adopt the proposed statewide cost estimate of **\$27,469 (Approximate Prospective Cost of \$5,428 Annually)** for costs incurred in complying with the *Medi-Cal Eligibility of Juvenile Offenders* program.

⁵ Exhibit C. Draft Proposed Statewide Cost Estimate.