

California Children's Services

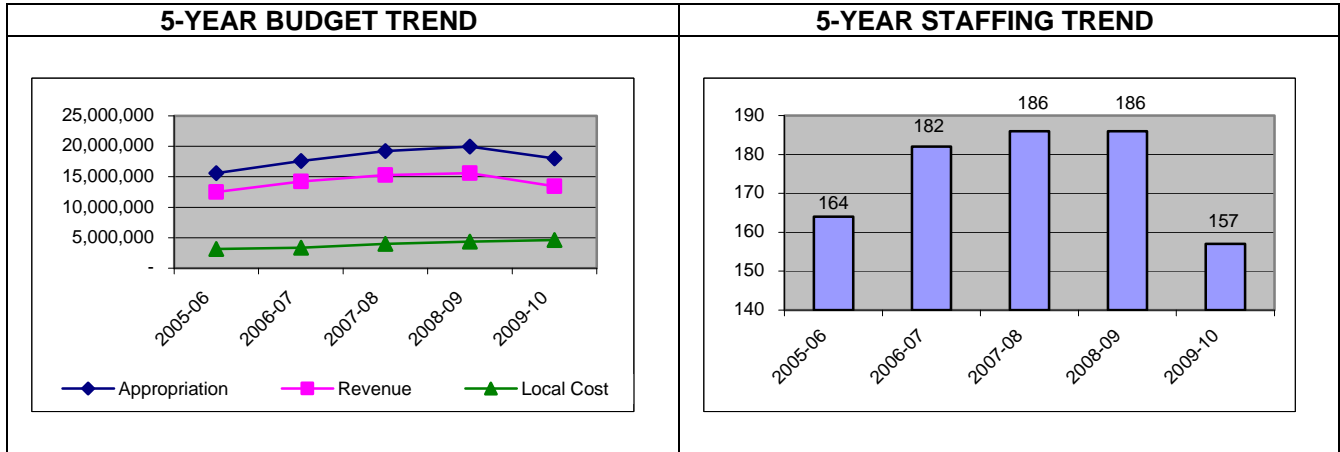
DESCRIPTION OF MAJOR SERVICES

California Children's Services (CCS) is a state program that provides case management, diagnosis, and treatment services to individuals up to 21 years of age with severe qualifying medical conditions and whose families are unable to pay for all or part of their care. State law requires the county to maintain a mandated minimum funding level. In addition to realignment dollars and the county's mandated contribution, funding also comes from Medi-Cal, private insurance, and patient co-payments. Revenues are based upon individual client eligibility for specific programs such as Medi-Cal, Healthy Families, or CCS alone (people who do not qualify for other programs or cannot afford to pay their Medi-Cal co-share payments).

The revenue breakdown among federal, state, realignment and county general fund support depends on the type of services provided under this program. This program provides two types of services:

1. Administrative Component – Case management activities that include determining program eligibility, evaluating needs for specific services, determining the appropriate providers, and authorizing/paying for medically necessary care. Reimbursement for administrative and operational costs of county CCS programs is shared between the state and county programs as per Health and Safety Code Section 123955 (a). Administrative funding was previously based on staffing standards and caseload mix of CCS clients; however, since 2008-09 the state has changed the funding methodology to a proportion of 2006-07 actual expenditure.
 - Medi-Cal accounts for approximately 73.5%. Federal and state funds reimburse CCS for 100% of the costs.
 - Healthy Families accounts for approximately 11.5%. This federal and state program pays 82.5% of the costs. The remaining 17.5% local share is equally funded by Social Services Realignment (8.75%) and county general fund support (8.75%) and is billed to CCS on a quarterly basis. The funding for this section has also been changed to a methodology that uses 2006-07 actual expenditure as a base for allocation in current years.
 - CCS or Non-Medi-Cal caseload accounts for approximately 15%. Federal and state funds account for 50% of the costs associated with treating this clientele. The remaining 50% is split equally between Social Services Realignment (25%) and county general fund support (25%); however, the original budgeted amount is allocated by the state as opposed to what was intended by Health and Safety Code Section 123955 (a).
2. Medical Therapy Component – Provides physical therapy, occupational therapy, and medical therapy conference services. Licensed physical therapists and certified occupational therapists provide evaluation, treatment, consultation services, and case management. The state reimburses the county 50% of the costs incurred by this program up to the allocated amount prescribed by the state. The remaining 50% is equally funded by Social Services Realignment and county general fund support. Additionally, this program is allowed to bill Medi-Cal for therapy provided to Medi-Cal eligible clients. This revenue is split 75% state and 25% county. Approximately 7% of the caseload in the medical therapy component is Medi-Cal eligible.

BUDGET HISTORY



PERFORMANCE HISTORY

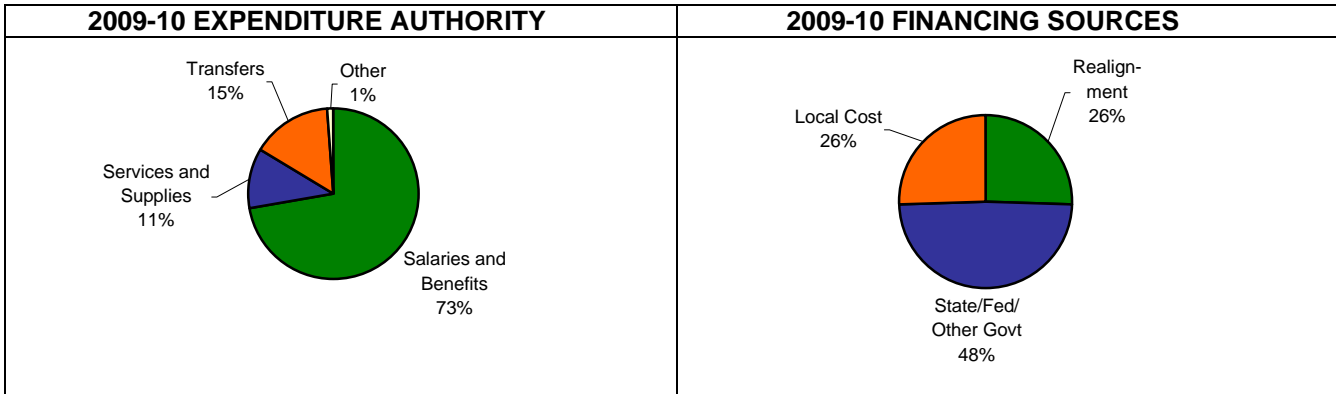
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Estimate
Appropriation	14,054,913	15,083,111	15,743,778	20,145,914	16,503,660
Departmental Revenue	11,023,247	11,962,630	12,458,215	15,786,181	12,454,657
Local Cost	3,031,666	3,120,481	3,285,563	4,359,733	4,049,003
Budgeted Staffing				186	

Estimated appropriation for 2008-09 is less than budget primarily due to salary savings resulting from current delays in hiring.

Estimated departmental revenue for 2008-09 is less than budget due to decreased claims associated with the above salary savings and a state imposed cap on revenue reimbursement, which is expected to continue into the next fiscal year.



ANALYSIS OF PROPOSED BUDGET



As a result of the current economic condition, the 2009-10 proposed budget was impacted by a salary reduction. This reduction resulted in a decrease of \$93,759 to appropriation and local cost. Budgeted staffing was reduced by 2 vacant positions.

IMPACTS DUE TO BUDGET REDUCTIONS

Brief Description of Budget Impact	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost
Salary Reduction Reduction made to salaries and benefits - deleted 2 vacant Office Assistant II positions.	(2)	(93,759)	-	(93,759)
Total	(2)	(93,759)	-	(93,759)

The preceding reductions were incorporated into the departmental budget and are reflected in the following schedule that details the budget by appropriation unit.

GROUP: Health Care
DEPARTMENT: Public Health - California Children's Services
FUND: General

BUDGET UNIT: AAA CCS
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Estimate	2008-09 Final Budget	2009-10 Proposed Budget	Change From 2008-09 Final Budget
Appropriation							
Salaries and Benefits	10,568,993	11,177,521	11,718,736	11,909,108	14,892,433	13,038,530	(1,853,903)
Services and Supplies	1,649,341	1,600,579	1,768,628	1,959,669	2,061,842	2,030,105	(31,737)
Central Computer	-	128,066	133,912	154,738	154,738	155,811	1,073
Travel	-	-	-	37,304	73,000	49,073	(23,927)
Equipment	-	-	-	-	-	12,800	12,800
L/P Struct/Equip/Vehicles	7,004	-	-	-	-	-	-
Transfers	1,829,575	2,176,945	2,170,166	2,517,584	2,778,656	2,744,917	(33,739)
Total Exp Authority	14,054,913	15,083,111	15,791,442	16,578,403	19,960,669	18,031,236	(1,929,433)
Reimbursements	-	-	(47,664)	(74,743)	-	-	-
Total Requirements	14,054,913	15,083,111	15,743,778	16,503,660	19,960,669	18,031,236	(1,929,433)
Departmental Revenue							
Realignment	3,012,979	3,120,482	3,285,562	4,049,004	4,359,733	4,609,733	250,000
State, Fed or Gov't Aid	7,983,596	8,800,737	9,142,750	8,384,987	11,206,763	8,785,770	(2,420,993)
Current Services	26,433	41,199	26,278	17,000	30,513	22,000	(8,513)
Other Revenue	239	212	3,625	3,666	3,927	4,000	73
Total Revenue	11,023,247	11,962,630	12,458,215	12,454,657	15,600,936	13,421,503	(2,179,433)
Local Cost	3,031,666	3,120,481	3,285,563	4,049,003	4,359,733	4,609,733	250,000
Budgeted Staffing					186	157	(29)



Salaries and benefits of \$13,038,530 fund 157 budgeted positions and are decreasing by \$1,853,903, which primarily reflects the deletion of 30 vacant positions. Offsetting this decrease is the addition of a new classification, CCS Physician Consultant II. This classification is being requested in order to provide the required level of medical oversight for the program, including direct responsibility for medical eligibility determination.

Services and supplies of \$2,030,105 primarily include payments to the state and other providers for treatment costs and medical supplies. The decrease of \$31,737 is related to reductions in these payments partially offset by increases in county services.

Travel of \$49,073 is decreasing by \$23,927. Travel was a new appropriation for 2008-09 therefore the budgeted amount was a preliminary estimate. The amount budgeted for 2009-10 is based on 2008-09 estimated expenditures.

Transfers of \$2,744,917 include payments to the: 1) Public Health general fund budget unit for administrative costs and automated systems support; 2) Real Estate Department for lease costs; 3) Human Resources for Employee Health and Productivity program; and 4) Purchasing Department for the purchase of office supplies. The decrease of \$33,739 is related to the deletion of nutritionist services paid to Public Health partially offset by increases in the payments previously mentioned.

Social services realignment and county general fund support of \$4,609,733 are each increasing by \$250,000 to fund administrative expenses and cost of providing mandated treatment. State law requires the county to maintain a mandated minimum funding level for this program. This funding is provided 50% by Social Services Realignment and 50% by county general fund support.

State aid revenue of \$8,785,770 is decreasing by \$2,420,993. The decrease reflects the decreased revenues associated with the state imposed cap on revenue reimbursement.