



Legislation Text

File #: 13-1355, **Version:** 1

Health and Human Services Agency recommending that the Board adopt Resolution **181-2013** confirming redirection of 60 percent of the portion of Health Realignment revenues previously provided to counties who participate in the County Medical Services Program to the new Family Support Services Subaccount at the State level beginning January 2014, in accordance with Welfare and Institutions Code Section 17600.50(a).

FUNDING: Health Realignment.

Fiscal Impact/Change to Net County Cost

This Resolution _____ has no impact on Net County Cost.

Background

In 1983, California law transferred responsibility for providing health care services for indigent adults to the counties. The law recognized that smaller, rural counties were not in a position to assume this responsibility; therefore, the law also provided that counties with a population of 300,000 or less could contract back with the State to provide health care services for indigent adults. The organization created to provide oversight and management of funds for indigent care services for adults in these rural communities was the County Medical Services Program ("CMSP"); the County of El Dorado is one of 35 participating rural and semi-rural counties. In 1991, the State/Local Program Realignment resulted in the State General Fund contribution for CMSP being capped at \$20.2 million each fiscal year, at which point Program Realignment revenue (vehicle license fees and sales tax) became the primary revenue source supporting the program.

The Affordable Care Act actually refers to two separate pieces of legislation, the Patient Protection and Affordable Care Act, and the Health Care and Education Reconciliation Act of 2010. Together these two legislative acts expand Medicaid (known as Medi-Cal in California) coverage to low income Americans, including those who were previously ineligible for Medi-Cal and were covered under CMSP. Effective January 2014, the majority of CMSP beneficiaries either will transition to Medi-Cal for coverage or may choose coverage via the Covered California Exchange process.

As a result, Realignment Trailer Bills were approved with the fiscal year 2013-14 State Budget which established Welfare and Institutions Code ("WIC") Section 17600.50(a). WIC Section 17600.50(a) requires the creation of the Family Support Subaccount at the State level, and requires counties to create a new Family Support Account in their local health and welfare trust funds. Furthermore, in accordance with WIC 17609.02 (as added by Assembly Bill 85), it states "except as provided in Section 17600.20, funds deposited in the Family Support Account may be expended only to pay for an increased county contribution toward the costs of CalWORKS as those funds were allocated by the Department of Finance."

In addition, WIC 17600.50(a) requires counties participating in the CMSP program to adopt resolutions by December 4, 2013 that confirm acceptance of a methodology to determine payments into the Family Support Services Subaccount. This is the only methodology available to those

counties participating in the CMSP program, and said methodology as defined in Exhibit A to Resolution _____, redirects sixty percent (60%) of Health Realignment funds to the Family Support Services Subaccount.

Reason for Recommendation

The Health and Human Services Agency recommends approval of Resolution _____ to ensure compliance with Welfare and Institutions Code Section 17600.50(a).

Action(s) to be taken following Board approval

1. Clerk of the Board to provide two (2) certified copies of adopted Resolution _____ to the Health and Human Services Agency at Briw Road by November 15, 2013 to meet the submission deadline of December 4, 2013.
2. Health and Human Services Agency to submit certified copy of adopted Resolution to the Governing Board of CMSP.

Contact

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Concurrences

County Counsel