



July 12, 2017

Honorable Holly Mitchell, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review Committee

Honorable Phil Ting, Chair
Assembly Budget Committee

Honorable Ricardo Lara, Chair
Senate Appropriations Committee

Honorable Lorena Gonzalez, Chair
Assembly Appropriations Committee

Chapter 24, Statutes of 2013 (AB 85) 2014-15 Final Redirection

Pursuant to section 17610 of the Welfare and Institutions Code, this letter serves as the notification of final determination of the AB 85 2014-15 redirection calculation.

AB 85 modified the 1991 Realignment Local Revenue Fund distributions to capture and redirect savings counties are experiencing from the implementation of federal health care reform beginning fiscal year 2013-14. Consistent with section 17603(c)(1) of the Welfare and Institutions Code, the State redirected \$740.6 million from the Health Subaccount to the Family Support Subaccount in 2014-15. Consistent with sections 17612.3(d)(1) and 17613.3(d)(1) of the Welfare and Institutions Code, the Department of Health Care Services completed the final redirection calculations for 2014-15 and notified each affected county of their respective 2014-15 redirection amount. Based on these calculations, it was determined that the State should have redirected \$1.007 billion for 2014-15 and counties must repay the state a total of \$266.3 million as identified in attachment 1.

Consistent with section 17610(d) of the Welfare and Institutions Code, the state shall pay the counties of San Francisco, San Luis Obispo, Santa Cruz, Tulare, and Ventura the differences identified in attachment 1 to each counties' respective health account of their local health and welfare trust fund. This payment will be made in a lump sum to each respective county by October 1, 2017.

Consistent with section 17610(e) of the Welfare and Institutions Code, the counties of Alameda, Contra Costa, Fresno, Kern, Los Angeles, Merced, Monterey, Orange, Riverside, San Bernardino, San Diego, San Joaquin, San Mateo and Santa Clara shall pay the differences identified in attachment 1 to their family support account, within the local health and welfare trust fund of each county, within three months of receipt of this determination. The funds deposited into the family support account shall be used by these counties to pay for an increased share of CalWORKs grants, services, and/or administration costs.

If counties fail to pay the difference within three months of receipt of this determination, the Director of Finance shall provide a supplemental schedule to the Controller to have 1.5 times the amount of the determination transferred from the next Health Subaccount allocations of the applicable county or city and county to the Family Support Subaccount until 1.5 times the amount owed has been deposited in the family support account.

If you have any questions or need additional information regarding this matter, please call Maricris Acon, Principal Program Budget Analyst, at (916) 445-6423.

MICHAEL COHEN

Director

By:



AMY M. COSTA
Chief Deputy Director

Attachment

cc: Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
 Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
 Mr. Mac Taylor, Legislative Analyst (3)
 Mr. Mark Ibele, Staff Director, Senate Budget and Fiscal Review Committee
 Mr. Mark McKenzie, Staff Director, Senate Appropriations Committee
 Mr. Kirk Feely, Budget Fiscal Director, Senate Republican Fiscal Office
 Mr. Craig Cornett, Senate President pro Tempore's Office (2)
 Mr. Christian Griffith, Chief Consultant, Assembly Budget Committee
 Mr. Pedro R. Reyes, Chief Consultant, Assembly Appropriations Committee
 Ms. Cyndi Hillery, Staff Director, Assembly Republican Fiscal Committee
 Mr. Seren Taylor, Director of Strategic Policy, Assembly Republican Leader's Office
 Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
 Mr. Christopher W. Woods, Assembly Speaker's Office (2)
 Mr. Michael Wilkening, Undersecretary, Health and Human Services Agency
 Mr. Robert Duca, Assistant Secretary, Health and Human Services Agency
 Ms. Jennifer Kent, Director, Department of Health Care Services
 Ms. Mari Cantwell, Chief Deputy Director, Department of Health Care Services
 Ms. Lindy Harrington, Deputy Director, Health Care Financing, Department of Health Care Services

FY 2014-15 Redirection Summary

County	2014-15 Interim Redirection	2014-15 Final Redirection	Reconciliation (Difference)
Alpine	\$ 13,150.00	\$ 13,150.00	\$ -
Alameda	\$ 44,592,649.30	\$ 45,019,858.46	\$ 427,209.16
Amador	\$ 620,264.00	\$ 620,264.00	\$ -
Butte	\$ 5,950,593.00	\$ 5,950,593.00	\$ -
Calaveras	\$ 913,959.00	\$ 913,959.00	\$ -
CMSP Board	\$ 150,348,351.54	\$ 150,348,351.54	\$ -
Colusa	\$ 799,988.00	\$ 799,988.00	\$ -
Contra Costa	\$ 15,927,158.10	\$ 22,602,374.10	\$ 6,675,216.00
Del Norte	\$ 781,358.00	\$ 781,358.00	\$ -
El Dorado	\$ 3,535,288.00	\$ 3,535,288.00	\$ -
Fresno	\$ 9,839,628.60	\$ 10,548,462.04	\$ 708,833.44
Glenn	\$ 787,933.00	\$ 787,933.00	\$ -
Humboldt	\$ 6,883,182.00	\$ 6,883,182.00	\$ -
Imperial	\$ 6,394,422.00	\$ 6,394,422.00	\$ -
Inyo	\$ 1,100,257.00	\$ 1,100,257.00	\$ -
Kern	\$ 3,038,259.30	\$ 15,584,611.88	\$ 12,546,352.58
Kings	\$ 2,832,833.00	\$ 2,832,833.00	\$ -
Lake	\$ 1,022,963.00	\$ 1,022,963.00	\$ -
Lassen	\$ 687,113.00	\$ 687,113.00	\$ -
Los Angeles	\$ 238,230,704.30	\$ 365,515,546.45	\$ 127,284,842.15
Madera	\$ 2,882,147.00	\$ 2,882,147.00	\$ -
Marin	\$ 7,725,909.00	\$ 7,725,909.00	\$ -
Mariposa	\$ 435,062.00	\$ 435,062.00	\$ -
Mendocino	\$ 1,654,999.00	\$ 1,654,999.00	\$ -
Merced	\$ 2,117,668.10	\$ 2,781,909.89	\$ 664,241.79
Modoc	\$ 469,034.00	\$ 469,034.00	\$ -
Mono	\$ 369,309.00	\$ 369,309.00	\$ -
Monterey	\$ 2,486,294.40	\$ 5,362,080.22	\$ 2,875,785.82
Napa	\$ 3,062,967.00	\$ 3,062,967.00	\$ -
Nevada	\$ 1,860,793.00	\$ 1,860,793.00	\$ -
Orange	\$ 40,766,270.96	\$ 40,767,744.30	\$ 1,473.34
Placer	\$ 3,196,494.15	\$ 3,196,494.15	\$ -
Plumas	\$ 905,192.00	\$ 905,192.00	\$ -
Riverside	\$ 4,872,320.80	\$ 33,471,965.86	\$ 28,599,645.06
Sacramento	\$ 31,351,272.43	\$ 31,351,272.43	\$ -
San Benito	\$ 1,086,011.00	\$ 1,086,011.00	\$ -
San Bernardino	\$ 3,062,992.20	\$ 29,446,981.80	\$ 26,383,989.60
San Diego	\$ 44,091,240.84	\$ 44,093,978.72	\$ 2,737.88
San Francisco	\$ 3,896,974.20	\$ -	\$ (3,896,974.20)
San Joaquin	\$ 3,316,784.80	\$ 18,374,120.01	\$ 15,057,335.21
San Luis Obispo	\$ 2,829,426.69	\$ 2,829,251.48	\$ (175.21)
San Mateo	\$ -	\$ 15,819,534.18	\$ 15,819,534.18
Santa Barbara	\$ 7,996,298.27	\$ 7,996,298.27	\$ -
Santa Clara	\$ -	\$ 34,023,138.48	\$ 34,023,138.48
Santa Cruz	\$ 3,680,307.31	\$ 3,578,370.14	\$ (101,937.17)
Shasta	\$ 5,361,013.00	\$ 5,361,013.00	\$ -
Sierra	\$ 135,888.00	\$ 135,888.00	\$ -
Siskiyou	\$ 1,372,034.00	\$ 1,372,034.00	\$ -
Solano	\$ 6,871,127.00	\$ 6,871,127.00	\$ -
Sonoma	\$ 13,183,359.00	\$ 13,183,359.00	\$ -
Stanislaus	\$ 10,728,550.95	\$ 10,728,550.95	\$ -
Sutter	\$ 2,996,118.00	\$ 2,996,118.00	\$ -
Tehama	\$ 1,912,299.00	\$ 1,912,299.00	\$ -
Trinity	\$ 611,497.00	\$ 611,497.00	\$ -
Tulare	\$ 6,832,771.67	\$ 6,187,851.58	\$ (644,920.09)
Tuolumne	\$ 1,455,320.00	\$ 1,455,320.00	\$ -
Ventura	\$ 14,900,010.00	\$ 14,725,020.15	\$ (174,989.85)
Yolo	\$ 3,462,219.57	\$ 3,462,219.57	\$ -
Yuba	\$ 2,395,580.00	\$ 2,395,580.00	\$ -
Total	\$ 740,633,609.48	\$ 1,006,884,947.65	\$ 266,251,338.17