

## AB 85 Formulas: Article 12 (Hospital) and Article 13 (Non-Hospital, non-CMSP)

HOSPITAL	NON-HOSPITAL
<p>Details the process to redirect realignment funds.</p> <p>Defines technical terms associated with the calculation.</p> <p>Defines costs.</p> <p>Defines the cost containment limit and provides exceptions to that limit.</p> <p>Defines revenues.</p> <p>Includes legislative intent that by Sept. 13, 2013, the Legislature shall codify an allocation methodology for other sources of funding that include unrestricted special local health funds (tobacco settlement or special assessment), one-time funds or carry-over funds, and county general purpose revenues.</p>	<p>Details the process to redirect realignment funds.</p> <p>Defines technical terms associated with the calculation.</p> <p>Defines costs.</p> <p>Defines the cost containment limit and provides exceptions to that limit.</p> <p>Defines revenues.</p>
<p><u>Total revenues</u> and other funds payable for a fiscal year:</p> <p>Medi-Cal revenues +</p> <p>Uninsured revenues +</p> <p>Medicaid demonstration revenues +</p> <p>Hospital fee direct grants +</p> <p>Special local health funds +</p> <p>County indigent health care realignment amount +</p> <p>Imputed county low-income health amount +</p> <p>Imputed gains from other payers +</p> <p>The amount by which the public hospital system county's cost exceed the cost containment limit (expressed as a negative number) multiplied by .50</p>	<p><u>Total revenues</u> and other funds payable for a fiscal year:</p> <p>Indigent program revenues +</p> <p>Special local health funds +</p> <p>County indigent health care realignment amount +</p> <p>Imputed county low-income health amount</p>
<p><u>MINUS</u></p> <p>Medi-Cal costs, uninsured costs, other entity IGTs,</p>	<p><u>MNUS</u></p> <p>Indigent program costs (not to exceed the cost</p>

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<p>new mandatory other entity IGTs =</p> <p>Resulting amount shall be multiplied by by .70 in 2013-14 and .80 in 2014-15 and beyond.</p> <p>If the amount is positive, then that amount shall be redirected. If the amount is negative, then the amount shall be zero.</p> <p>The amount to be redirected shall not exceed the county indigent care health realignment amount for that FY.</p> <p>The calculation stays in effect until whichever is later: June 30, 2023 OR the beginning of a FY following two consecutive years when the interim calculation is within 10 percent of the final calculation and the final reconciled amounts are within 5% of each other.</p>	<p>containment limit) =</p> <p>Resulting amount shall be multiplied by by .70 in 2013-14 and .80 in 2014-15 and beyond.</p> <p>If the amount is positive, then that amount shall be redirected. If the amount is negative, then the amount shall be zero.</p> <p>The amount to be redirected shall not exceed the county indigent care health realignment amount for that FY.</p> <p>The calculation stays in effect until whichever is later: June 30, 2023 OR the beginning of a FY following two consecutive years when the interim calculation is within 10 percent of the final calculation and the final reconciled amounts are within 5% of each other.</p>
<p>Data submission to DHCS for the historical percentages of health realignment amount, county general fund contribution for Medi-Cal and uninsured, imputed gains from other payers and special local health funds:</p> <ul style="list-style-type: none"> <li>▪ Sept. 30, 2013 – county determines amount or percentage and provides DHCS with the calculation and supporting data</li> <li>▪ If DHCS disagrees, the state will confer with the county by Nov. 15, 2013</li> <li>▪ If agreement is not reached by Dec. 31, 2013, DHCS shall apply the county’s calculation until a decision is issued</li> </ul>	<p>Data submission to DHCS for the historical percentages of health realignment amount, imputed county low-income health amount, and indigent program costs:</p> <ul style="list-style-type: none"> <li>▪ Sept. 30, 2013 – county determines amount or percentage and provides DHCS with the calculation and supporting data</li> <li>▪ If DHCS disagrees, the state will confer with the county by Nov. 15, 2013</li> <li>▪ If agreement is not reached by Dec. 31, 2013, DHCS shall apply the county’s calculation until a decision is issued</li> </ul>
<p>A county can submit a petition to the County Health Care Funding Resolution committee over the data submitted to DHCS for the historical percentages of health realignment amount, county general fund contribution for Medi-Cal and uninsured, imputed gains from other payers and special local health funds.</p> <p>The County Health Care Funding Resolution</p>	<p>A county may submit a petition to the County Health Care Funding Resolution committee regarding the data submitted to DHCS for the historical percentages of health realignment amount, imputed county low-income health amount, and indigent program costs.</p> <p>The County Health Care Funding Resolution committee shall issue a decision within 45 days of</p>

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<p>committee shall issue a decision within 45 days of the decision.</p> <p>A county can contest the determination. While the county is contesting, the Committee’s decision will apply for purposes of an interim calculation.</p> <p>DHCS shall establish an expedited formal appeal process:</p> <ul style="list-style-type: none"> <li>▪ The county shall have 30 calendar days to file an appeal with the DHCS director. Appeals shall be in writing.</li> <li>▪ A formal hearing before an Office of Administrative Hearings and Appeals Administrative Law Judge shall begin within 45 days of filing the appeal requesting a formal hearing.</li> <li>▪ A final decision shall be adopted within 60 days of the close of the record but no later than 5 months following the issuance of the appeal.</li> <li>▪ If a county does not file an appeal within 30 days, the determination of the Committee shall be final.</li> </ul> <p>If a final decision is not issued by DHCS within two years, the county shall be deemed to have exhausted its administrative remedies and can pursue judicial review. The time period can be extended by either undue delay caused by the county or an extension of time granted to a county at its request.</p>	<p>the decision.</p> <p>A county can contest the determination. While the county is contesting, the Committee’s decision will apply for purposes of an interim calculation.</p> <p>DHCS shall establish an expedited formal appeal process:</p> <ul style="list-style-type: none"> <li>▪ The county shall have 30 calendar days to file an appeal with the DHCS director. Appeals shall be in writing.</li> <li>▪ A formal hearing before an Office of Administrative Hearings and Appeals Administrative Law Judge shall begin within 45 days of filing the appeal requesting a formal hearing.</li> <li>▪ A final decision shall be adopted within 60 days of the close of the record but no later than 5 months following the issuance of the appeal.</li> <li>▪ If a county does not file an appeal within 30 days the determination of the Committee shall be final.</li> </ul> <p>If a final decision is not issued by DHCS in two years, the county shall be deemed to have exhausted its administrative remedies and can pursue judicial review. The time period can be extended by either undue delay caused by the county or an extension of time granted to a county at its request.</p>
<p><u>§17612.5</u>. Los Angeles specific formula.</p>	