



AGENDA ITEM: 9
 DATE OF MEETING: October 20, 2010
 ACTION: X
 INFORMATION: _____

STATE BUDGET SOLUTIONS

SUMMARY OF REQUEST

The California 2010/11 budget passed by the Legislature and signed by the Governor on October 8, 2010, includes the following language:

Item/Description (SB 870, Ducheny)	Amount
<p>4280-101-0001 – For local assistance, Managed Risk Medical Insurance Board (MRMIB), for the Healthy Families Program (HFP)</p> <p>Schedule (3). Amount payable from the Counties Children and Families Account, California Children and Families Trust Fund (Item 4280-101-0585)</p> <p>For local assistance, MRMIB, for payment to Item 4280-101-0001, payable from the Counties Children and Families Account, California Children and Families Trust Fund, for the HFP.</p> <p>Provision 1: Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4280-102-0585 in order to effectively administer the HFP.</p>	-\$80,020,000
<p>4280-102-0585 – For local assistance, MRMIB, for payment to Item 4280-101-0001, payable from the Counties Children and Families Account, California Children and Families Trust Fund, for HFP administrative contracts.</p> <p>Provision 1: Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this line item and Item 4280-101-0585 in order to effectively administer the HFP.</p>	-\$2,732,000
<p>4300-101-0001 – For local assistance, Department of Developmental Services (DDS), for Regional Centers</p> <p>Schedule (8). Amount payable from the Counties Children and Families Account, California Children and Families Trust Fund (Item 4300-101-0585)</p>	-\$50,000,000

Total \$132,752,000

Attached for your review are the previous agenda items from December 18, 2008, August 13, 2009, and April 8, 2010, that supported the prior approvals to MRMIB and DDS. The amount of funds authorized through these agenda items totaled \$148.15 million. Following is a brief summary of each State Commission authorization.

December 18, 2008

The State Commission authorized up to \$16.75 million to pay for health care premiums for children ages 0 through 5 who were new enrollees to the HFP, administered by MRMIB, from December 28, 2008, through June 30, 2009. You will note in the December 2008 agenda item that it was a joint solution shared by First 5 county commissions. MRMIB invoiced First 5 California for \$15,271,619. The First 5 county commissions have committed to reimburse First 5 California for approximately 73% of the invoiced amount. MRMIB has not provided First 5 California with the final FY 2008-09 audit of children served and the amount expended under this contract.

August 13, 2009

The State Commission authorized up to \$81.4 million to pay for health care premiums for children ages 0 through 5 who were new enrollees to the HFP, administered by MRMIB, from August 13, 2009, through June 30, 2010. The full authorized amount has been transferred to MRMIB. MRMIB is required to submit a full audit report for these expenditures to First 5 California by February 28, 2011.

April 8, 2010

The State Commission approved up to \$50 million to pay for new regional center early intervention services administered by the DDS provided to new children ages 0 to 5 through the Early Start Program, the Prevention Program, and pursuant to the Lanterman Developmental Disabilities Services Act from July 1, 2009, through June 30, 2010. The full authorized amount has been transferred to DDS. DDS is required to submit a full audit report for these expenditures to First 5 California by June 30, 2011, or upon completion, whichever is sooner.

In summary, the First 5 California Commission has contributed a total of \$135.5 million to support programs administered by MRMIB and DDS from December 2008 to June 2010. The First 5 county commissions have contributed \$11.18 million to the HFP.