

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: March 25, 2011
POSITION: Neutral

BILL NUMBER: AB 678
AUTHOR: R. Pan

BILL SUMMARY: Medi-Cal: Supplemental Provider Reimbursement

This bill would allow local entities to submit certified public expenditures (CPEs) for ground emergency medical transportation services provided to Medi-Cal beneficiaries. Local entities would submit CPEs to the Department of Health Care Services (DHCS) to draw down federal funds. The federal dollars would provide ground emergency medical transportation service providers with a supplemental payment. This bill would require participating agencies to reimburse DHCS for related administrative expenses.

FISCAL SUMMARY

This bill intends to provide supplemental payments to emergency ground transportation providers without using General Fund expenditures. The supplemental payments would be provided only if federal approval was obtained. The bill would require additional workload from the DHCS. However, it is unclear how large the administrative burden would be. The bill would require local entities to fund the non-federal share of administrative costs associated with processing these supplemental payments.

COMMENTS

The Department of Finance has a neutral position on this bill for the following reasons:

- CPEs are commonly used to increase Medi-Cal provider payments for certain providers without impacting the General Fund.
- Participating local entities would be required to fund the non-federal share of administrative costs.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)								Fund Code	
	SO	LA	CO	PROP	FC	2010-2011	FC	2011-2012		FC
4260/Hlth Care	SO	No				Fiscal impact not determined at this time.				0890
<u>Fund Code</u>	<u>Title</u>									
0890	Trust Fund, Federal									

Analyst/Principal (0543) J. Wunderlich	Date	Program Budget Manager Lisa Ann L. Mangat	Date
---	------	--	------

Department Deputy Director	Date
----------------------------	------

Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)