

# The Managed Risk Medical Insurance Board 2009-10 Governor's Budget Overview

The 2009-10 Governor's Budget for the Managed Risk Medical Insurance Board (MRMIB) supports services to improve the health of Californians. For fiscal year (FY) 2009-10 the Governor's Budget provides a total of \$1,323,736,000 for all of MRMIB's programs. Of the proposed amount \$12,265,000 is for state operations and \$1,311,471,000 is for local assistance.

## MRMIB 2009-10 State Operations

State Operations by Program*		
Program Title	Program	2009-10 Proposed – All Funds
HFP	40	\$9,450
AIM	20	\$1,035
CHIM	50	\$494
MRMIP	10	\$1,286
<b>Total State Operations – All Funds</b>		<b>\$12,265</b>

State Operations by Fund Source*	
Fund Source	2009-10 Proposed
General Fund (GF)	\$2,474
Federal Funds (FF)	\$7,253
Special Funds and Reimbursements	\$2,538
<b>Total State Operations – All Funds</b>	<b>\$12,265</b>

## MRMIB 2009-10 Local Assistance

Local Assistance by Program*		
Program Title	Program	2009-10 Proposed – All Funds
HFP	40	\$1,121,450
AIM	20	\$149,949
CHIM	50	\$1,919
MRMIP	10	\$38,153
<b>Total Local Assistance – All Funds</b>		<b>\$1,311,471</b>

Local Assistance by Fund Source*	
Fund Source	2009-10 Proposed
General Fund (GF)	\$403,878
Federal Funds (FF)	\$794,326
Special Funds and Reimbursements	\$113,267
<b>Total Local Assistance – All Funds</b>	<b>\$1,311,471</b>

*\*Dollars in thousands*

## Total MRMIB 2009-10 Budget

MRMIB Budget by Fund Source*	
Fund Source	2009-10 Proposed
General Fund (GF)	\$406,352
Federal Funds (FF)	\$801,579
Special Funds and Reimbursements	\$115,805
<b>Total Funds</b>	<b>\$1,323,736</b>

*\*Dollars in thousands*

## **2009-10 Enrollment Levels by Program**

### **Healthy Families Program**

For the Governor's Budget, MRMIB projects a year-end total enrollment of 941,786 subscribers. This is an increase of 36,200 subscribers compared to the 905,586 projected subscribers for the current year November Estimate. This increase in enrollment results in a budget year total growth rate of 4.0 percent over the current year.

### **Access for Infants and Mothers Program**

For the Governor's Budget, MRMIB projects a total annual enrollment of 13,656 subscribers. This is an increase of 1,022 subscribers compared to the 12,634 projected subscribers for the current year November Estimate. This increase in enrollment results in a budget year total growth rate of 8.1 percent over the current year.

### **Major Risk Medical Insurance Program**

In the current year, the Major Risk Medical Insurance Program has funding for 7,100 subscribers. There is no change to the enrollment cap compared to 2007-08 funding levels. As of January 9, 2009, 455 applicants have been waitlisted.

### **County Children's Health Initiative Matching Fund Program**

For the Governor's Budget, MRMIB projects a total annual enrollment of 1,641 subscribers. This is an increase of 48 subscribers compared to the 1,593 projected subscribers for the current year November Estimate. This increase in enrollment results in a budget year total growth rate of 3 percent over the current year.

## **2009-10 Reductions due to Declining Proposition 99 Revenues**

### **Major Risk Medical Insurance Program**

Due to declining Proposition 99 revenues, the Governor's Budget proposes funding for the Major Risk Medical Insurance Program of \$38,439,000. This means MRMIP will serve approximately 7,100 subscribers in 2009-10 and may have an increasing waitlist.

## **2009-10 Other Significant Budget Decisions**

### **Healthy Families Program**

- An increase of \$18.6 million (\$6.4 million General Fund) over the 2008 Budget Act, to fully fund an estimated 942,000 children
- No Cost Sharing Increases anticipated in FY 09-10

### **Access for Infants and Mothers Program**

- No Cost Sharing Increases anticipated in FY 09-10
- No Reduction to AIM Income Eligibility Levels

## **State Children's Health Insurance Program Funding**

The State Children's Health Insurance Program (SCHIP) established by Title XXI of the Social Security Act is a major source of funding for HFP, AIM and CHIM. On December 29, 2007, President Bush signed legislation re-authorizing SCHIP through March 2009. The legislation signed by President Bush included sufficient funding for shortfall states, such as California, to maintain projected enrollment levels through March 2009. The process of funding shortfall states has not yet been made public.

The federal SCHIP Reauthorization bill was passed by the House Floor on January 14<sup>th</sup>. It is currently being marked up by the Senate.

## **The Managed Risk Medical Insurance Board Overview**

The California Managed Risk Medical Insurance Board (MRMIB) provides and promotes access to affordable coverage for comprehensive, high quality, cost effective healthcare services to improve the health of Californians. The MRMIB administers four health care programs:

### **Access for Infants & Mothers (AIM)**

The Access for Infants and Mothers program provides low cost insurance coverage to uninsured, middle income pregnant women. The subscriber cost is 1.5% of their adjusted annual household income. The State of California and the Federal Government supplement the participant's contribution to cover the full cost of care.

The AIM Program provides comprehensive healthcare from the effective date of coverage in AIM until 60 days after the pregnancy has ended. Pregnant women receive their care from participating health plans. Babies born to women enrolled in AIM are eligible for enrollment in the Healthy Families Program.

### **Healthy Families Program (HFP)**

The Healthy Families Program provides health, dental and vision coverage to uninsured children, until the age 19, in families with income greater than 100% and less than 250% of the Federal Poverty Level (FPL). Families participating in HFP choose between a number of participating health, dental and vision plans. Families pay \$4 and \$17 monthly premiums per child with a maximum of \$51 per family. The State and Federal governments provide funding for the HFP.

### **Major Risk Medical Insurance Program (MRMIP)**

The Major Risk Medical Insurance Program provides health insurance for Californians unable to obtain coverage in the individual health insurance market because of pre-existing conditions.

Californians qualifying for the program participate in the cost of their coverage by paying premiums. The State of California uses tobacco tax funds to supplement the premiums paid by participants to cover the cost of care in MRMIP. The State shares in the cost of post-MRMIP coverage with health plans that provide the coverage.

**County Children’s Health Initiative Matching Fund Program (CHIM)**

The County Children’s Health Initiative Program was established by Chapter 648, Statutes of 2001 (AB 495). This program allows four Counties to draw down federal financial participation to match local funds spent on federally eligible children enrolled in children’s health initiatives.

*For additional information about MRMIB, visit [www.mrmib.ca.gov](http://www.mrmib.ca.gov).*