

The Managed Risk Medical Insurance Board 2011-12 Governor's Budget Overview

The 2011-12 Governor's Budget for the Managed Risk Medical Insurance Board supports services to improve the health of Californians. The Governor's Budget for Fiscal Year 2011-12 provides a total of \$1,556,822,000 for all of MRMIB's programs. Of this total amount \$16,629,000 is for state operations and \$1,540,193,000 is for local assistance.

Total MRMIB 2011-12 Budget

MRMIB Budget by Fund Source*	
Fund Source	FY 2011-12
General Fund (GF)	\$267,469
Federal Funds (FF)	\$749,563
Special Funds and Reimbursements	\$539,790
Total Funds	\$1,556,822

**Dollars in thousands*

MRMIB 2011-12 State Operations

State Operations by Program*		
Program Title	Program	FY 2011-12
HFP	40	\$10,304
AIM	20	\$1,017
CHIM	50	\$482
MRMIP	10	\$1,300
PCIP	60	\$3,526
Total State Operations – All Funds		\$16,629

State Operations by Fund Source*	
Fund Source	FY 2011-12
General Fund (GF)	\$2,715
Federal Funds (FF)	\$7,868
Special Funds and Reimbursements	\$6,046
Total State Operations – All Funds	\$16,629

**Dollars in thousands*

MRMIB 2011-12 Local Assistance

Local Assistance by Program*		
Program Title	Program	FY 2011-12
HFP	40	\$1,043,820
AIM	20	\$121,448
CHIM	50	\$1,291
MRMIP	10	\$35,784
PCIP	60	\$337,850
Total Local Assistance – All Funds		\$1,540,193

Local Assistance by Fund Source*	
Fund Source	FY 2011-12
General Fund (GF)	\$264,754
Federal Funds (FF)	\$741,695
Special Funds and Reimbursements	\$533,744
Total Local Assistance – All Funds	\$1,540,193

**Dollars in thousands*

2011-12 Enrollment Levels by Program

Healthy Families Program

For the Governor's Budget, MRMIB projects a year-end total enrollment of 916,029 subscribers. This is an increase of 21,822 subscribers compared to the 894,207 projected subscribers for the current year November Estimate. This increase in enrollment results in a budget year total growth rate of 2.4 percent over the current year.

Access for Infants and Mothers Program

For the Governor's Budget, MRMIB projects a total annual enrollment of 10,652 subscribers. This is an increase of 66 subscribers compared to the 10,586 projected subscribers for the current year November Estimate. This increase in enrollment results in a budget year total growth rate of 0.62 percent over the current year.

Major Risk Medical Insurance Program

In the current year, the Major Risk Medical Insurance Program has funding for 7,800 subscribers. As of November 2010, there is no waitlist.

County Children's Health Initiative Matching Fund Program

For the Governor's Budget, MRMIB projects a total annual enrollment of 1,144 subscribers. This is a decrease of 12 subscribers compared to the 1,156 projected subscribers for the current year.

Pre-Existing Condition Insurance Plan

In the current year, total maximum monthly enrollment in the Pre-Existing Condition Insurance Plan is 24,300. This projection is based on the report from PricewaterhouseCoopers LLP which was presented during the December 15, 2010 Board Meeting.

2011-12 Significant Budget Assumptions/Proposals

Healthy Families Program

- On August 16, 2010, DHCS was informed that although they will continue to receive an enhanced FMAP rate, it will not be at the level assumed in the May Revision. The 2010 November Estimate reflects the most recent DHCS MCO revenue estimate and MRMIB's recalculated share of this revenue based on the revised FMAP rates. MRMIB assumes the MCO tax will be made permanent, and expects to receive up to \$97,226,000 for HFP in 2011-12.
- Program changes to reduce expenditures, include:
 1. Premium increases effective June 1, 2011, for subscribers in Categories B and C by \$14 and \$18, respectively. In addition, trailer bill language (TBL) is proposed that would establish the following premium schedule.

		Current Premium	June Premium Increase	New Premium
Category A	1 Child	\$7	+\$0	\$7
	2+ Children	\$14	+\$0	\$14
Category B	1 Child	\$16	+\$14	\$30
	2 Children	\$32	+\$28	\$60
	3+ Children	\$48	+\$42	\$90
Category C	1 Child	\$24	+\$18	\$42
	2 Children	\$48	+\$36	\$84
	3+ Children	\$72	+\$54	\$126

2. Co-payment increases effective October 1, 2011, for
 - Emergency room visits from \$15 to \$50
 - Inpatient hospital co-payment of \$100 per day (\$200 maximum per occurrence)
 These proposals are contingent upon a waiver and approval by CMS and conforming co-payments in Medi-Cal.
3. Elimination of vision coverage as a benefit of the Healthy Families effective June 1, 2011.

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 - \$24 monthly premiums per child with a maximum of \$72 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.

Pre-Existing Condition Insurance Plan (PCIP)

The Pre-Existing Condition Insurance Plan (PCIP) is a program resulting from federal health care reform that offers health coverage to medically-uninsurable individuals who live in California. This program is available to individuals who do not have health coverage in the 6 months prior to applying for PCIP, and is 100% funded by the Federal government.

For additional information about MRMIB, visit www.mrmib.ca.gov.