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

The 2011-12 Governor's May Revision for the Managed Risk Medical Insurance Board supports services to improve the health of Californians. The Governor's May Revision for Fiscal Year 2011-12 provides a total of $1,357,711,000 for all of MRMIB's programs. Of this total amount $16,453,000 is for state operations and $1,341,258,000 is for local assistance.

Total MRMIB 2011-12 Budget

MRMIB Budget by Fund Source*	
Fund Source	**FY 2011-12**
General Fund (GF)	$179,772
Federal Funds (FF)	$960,212
Special Funds and Reimbursements	$217,727
Total Funds	**$1,357,711**

**Dollars in thousands*

MRMIB 2011-12 State Operations

State Operations by Program*		
Program Title	**Program**	**FY 2011-12**
HFP	40	$10,127
AIM	20	$1,017
CHIM	50	$483
MRMIP	10	$1,300
PCIP	60	$3,526
Total State Operations – All Funds		**$16,453**

State Operations by Fund Source*	
Fund Source	**FY 2011-12**
General Fund (GF)	$2,715
Federal Funds (FF)	$11,394
Special Funds and Reimbursements	$2,344
Total State Operations – All Funds	**$16,453**

**Dollars in thousands*

MRMIB 2011-12 Local Assistance

Local Assistance by Program*		
Program Title	**Program**	**FY 2011-12**
HFP	40	$837,942
AIM	20	$128,349
CHIM	50	$1,334
MRMIP	10	$35,784
PCIP	60	$337,849
Total Local Assistance – All Funds		**1,341,258**

Local Assistance by Fund Source*	
Fund Source	**FY 2011-12**
General Fund (GF)	$177,057
Federal Funds (FF)**	$948,818
Special Funds and Reimbursements	$215,383
Total Local Assistance – All Funds	**$1,341,258**

**Dollars in thousands*
***Includes $337,849,000 for PCIP*

2011-12 Enrollment Levels by Program

Healthy Families Program

For the May Revision, MRMIB projects a year-end total enrollment of 0 subscribers. This is due to a new proposal that would shift all HFP eligibles to the Medi-Cal program over a six-month transition period beginning January 1, 2012. A total of 891,700 HFP children will be transitioned into Medi-Cal by June 30, 2012. In addition, all new HFP eligible children will enroll in Medi-Cal through the Department of Health Care Services (DHCS) beginning January 1, 2012.

Access for Infants and Mothers Program

For the May Revision, MRMIB projects a total annual enrollment of 11,283 subscribers. This is an increase of 70 subscribers compared to the 11,213 projected subscribers for the current year May Revision. 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

The Major Risk Medical Insurance Program has funding for 7,800 subscribers. As of May 2011, there is no waitlist.

County Children's Health Initiative Matching Fund Program

For the May Revision, MRMIB projects a total annual enrollment of 1,247 subscribers. This is a decrease of 11 subscribers compared to the 1,258 projected subscribers for the current year May Revision.

Pre-Existing Condition Insurance Plan

The 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. As of April 30, 2011, there were 2,436 enrollees in PCIP program.

2011-12 Significant May Revision Budget Decisions

Healthy Families Program

- The May Revision includes a proposal to shift all Healthy Families Program (HFP) eligibles to the Medi-Cal program. Beginning January 2012, all new HFP applicants will enroll through DHCS and a six-month transition of current HFP enrollees will take place. Administrative costs for the 150% to 250% FPL children are not revised in this estimate because administrative processes are still being determined. MRMIB's May Revision includes $108.8 million savings in the FY 11-12 due to the shift of HFP children to Medi-Cal.

- Program changes to reduce expenditures, include:
    1. The effective date for premium increases has changed from June 1, 2011 to July 1, 2011.

    2. The effective date of co-payment increases has changed from October 1, 2011 to November 1, 2011.

These proposals are contingent upon federal approval in the Medicaid Program.

    3. The effective date of the restructure of vision benefit coverage has changed from July 1, 2011 to August 1, 2011.

- For May Revision, the Administration assumes that the Managed Care Organization (MCO) tax will be extended through December 31, 2013. MRMIB expects to receive up to $103,290,500 for HFP in 2011-12. MRMIB will use this amount and $9,266,000 in carryover from 2010-11 to reduce 2011-12 General Fund costs.

- The May Revision assumes all current year retroactive payments for the Prospective Payment System (PPS) will be moved into the budget year due to delays in implementing the PPS.

Access for Infants and Mothers Program

For 2011-2012, MRMIB proposes to utilize the Medi-Cal Fee-for-Service network as the delivery system in AIM with implementation effective on October 1, 2011. The AIM Program would utilize the Medi-Cal Fee-for-Service delivery system to provide all new AIM subscribers with access to health coverage through the Full-Scope Medi-Cal health care benefits. AIM subscribers enrolled prior to October 1, 2011 will receive health care coverage through their selected AIM health plan from prenatal coverage through delivery and post partum.