

Actions on HFP Budget Balancing Reductions

[Governor's Budget presumes budget enactment in July; implementation of budget reductions in November]

[Nothing is final until Legislature enacts budget and Governor signs it]

	Governor's May Revision*	Senate Budget Committee	Assembly Budget Subcommittee	Conference Committee
Increases Certain Subscriber Premiums	<ul style="list-style-type: none"> ○ Increase category B (151-200%) from \$9 to \$16/month (+7). Increase the family maximum for this category from \$27 to \$39. ○ Increase category C (200-259%) from \$15 to \$19 (+4). Increase the family value package for this category from \$45 to \$48. ○ Budgeted a 2.2% enrollment impact for 08-09 (19,190 enrollees), growing to 4.8% the following year. ○ TBL needed to increase premiums. <p><u>Savings: \$18 million GF; \$48.6 million TF</u></p>	<ul style="list-style-type: none"> ○ Increase to \$13/child (+ \$4). Increase family maximum to \$39. ○ Increase to \$17/child (+ \$2). Increase family maximum to \$51. ○ Accepted enrollment reduction. ○ Adopted conforming TBL. <p><u>Savings: \$14.5 million GF; \$38.9 million TF</u></p>	<ul style="list-style-type: none"> ○ Unspecified premium increases to produce savings level below. MRMIB to calculate. ○ Legislative intent is that the reduction be implemented in such a way as to minimize caseload reduction impact. ○ Adopted placeholder TBL but wants savings to have a minimum enrollment impact. <p><u>Savings: \$9 million GF; \$24.3 million TF</u></p>	<p>Yes. Different \$ and language.</p> <p>Conference Committee Action: No action taken as of 6/18/2008.</p>
Increase Certain Subscriber Co-payments	<ul style="list-style-type: none"> ○ Increased co-payments for Category B and C from \$5 to \$ 7.50 for non-preventive services. ○ Reduced health plan rates by 1.25% to reflect decreased utilization. ○ TBL authorizing changes to benefits via 	Rejected Proposal	Rejected Proposal	No

	<p>emergency regulations.</p> <p><u>Savings: \$1.9 million GF; \$5.2 million TF</u></p>	<p><u>Savings: None</u></p>	<p><u>Savings: None</u></p>	
<p>Plan Rate Reduction</p>	<ul style="list-style-type: none"> ○ 5% reduction to existing health, dental and vision plan rates. ○ TBL directing these rate reductions and providing emergency regulations authority. ○ TBL changing language specifying vision benefit from “equivalent” to state employees to “comparable”. <p><u>Savings:\$14.4 million GF; \$40.6 million TF</u></p>	<p>Accepted proposal. Adopt TBL, except committee consultant to work with MRMIB to revise language regarding the vision benefit.</p> <p><u>Savings: Same as Governor</u></p>	<p>Accepted proposal. Adopt “placeholder” TBL. However, language regarding vision benefit not approved.</p> <p><u>Savings: Same as Governor</u></p>	<p>Yes</p> <p>Savings the same but TBL different.</p> <p>Conference Committee Action: Senate action adopted.</p>
<p>Place a Cap on Dental Benefits</p>	<ul style="list-style-type: none"> ○ Proposed cap of \$1,000 and associated dental rate reductions of 8.5% for fee-for services and 3% for capitated providers. ○ TBL to authorize change via authority to adopt emergency regulations. <p><u>Savings: \$3.0 million GF; \$8.3 million TF</u></p>	<p>Approved cap of \$1,500 and rate reductions due to decreased utilization to be determined.</p> <p>Unclear whether action included approval of TBL.</p> <p><u>Savings: \$1.1 million GF; \$4 million TF</u></p>	<p>Approved cap of \$1,500 and rate reductions due to decreased utilization to be determined.</p> <p>Approved modified TBL consistent with change.</p> <p><u>Savings: \$1.1 million GF; \$4 million TF</u></p>	<p>Yes</p> <p>Savings the same, but TBL different.</p> <p>Conference Committee Action: No action as of 6/18/2008.</p>
<p>Implementation of SB 437 Eligibility Changes</p>	<p>Delay implementation</p> <p><u>Savings:</u></p>	<p>Approved proposal</p> <p><u>Savings:</u></p>	<p>Approved proposal</p> <p><u>Savings:</u></p>	<p>No</p>

	<u>LAO: \$1.895 million GF; \$5,230 million TF</u> <u>Support: \$116,000 million GF; \$333,000 million TF</u>	<u>Same as Governor</u>	<u>Same as Governor</u>	
Rural Health Demonstration Projects (RHDP)	Included \$2.6 million for new RHDP projects (\$904,000 Prop. 99 funds).	Increased funding by an additional \$3.7 million (\$960,000 Prop. 99 funds), for a total of \$6.3 million.	No action	Yes Conference Committee Action: Senate action adopted.

* Note: If Legislature desires to have an “open” conference committee, any issue could be brought up even if houses took identical actions.