STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 07/23)

Fiscal Year	**Business Unit Number**	**Department**
FY 2025-26	4260	Health Care Services

Hyperion Budget Request Name	**Relevant Program or Subprogram**
4260-083-BCP-2025-GB	3960010

Budget Request Title
Value Strategy for Hospital Payments in Medi-Cal Managed Care

Budget Request Summary
The Department of Health Care Services requests 29 permanent positions and expenditure authority of $11,276,000 ($2,000,000 Hospital Quality Assurance Fee (HQAF) Fund; $3,632,000 Reimbursement Fund (RF); $5,644,000 Federal Fund (FF)), for fiscal year (FY) 2025-26, $11,015,000 ($2,000,000 HQAF Fund; $3,526,000 RF; $5,489,000 FF) for FY 2026-27 through FY 2028-29, and $8,015,000 ($1,500,000 HQAF Fund; $2,526,000 RF; $3,989,000 FF) in FY 2029-30 and ongoing. The resources are needed to develop, implement, and sustain a comprehensive value strategy for state-directed payments to hospitals in the Medi-Cal program's managed care delivery system.

Requires Legislation (submit required legislation with the BCP)	**Code Section(s) to be Added/Amended/Repealed**
☒ Trailer Bill Language ☐ Budget Bill Language ☐ N/A	Add WIC 14124.18; amend WIC 14169.53.

Does this BCP contain information technology (IT) components? ☒ Yes ☐ No *If yes, departmental Chief Information Officer must sign.*	**Department CIO**	**Date**

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.

Project No. Project Approval Document:

Approval Date: Total Project Cost:

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	**Date**	**Reviewed By**	**Date**
Jessica Bogard	1/10/2025	Erika Sperbeck	1/10/2025
Department Director	**Date**	**Agency Secretary**	**Date**
Michelle Baass	1/10/2025	Kimberly Chen for Kim Johnson, CalHHS, Secretary	1/10/2025

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology

Principal Program Budget Analyst	**Date submitted to the Legislature**
Megan Sabbah	1/10/2025

A. Problem Statement

The Department of Health Care Services (DHCS) requests 29 permanent positions and expenditure authority of $11,276,000 ($2,000,000 Hospital Quality Assurance Fee (HQAF) Fund; $3,632,000; Reimbursement Fund (RF); $5,644,000 Federal Fund (FF)), for fiscal year (FY) 2025-26, $11,015,000 ($2,000,000 HQAF Fund; $3,526,000 RF; $5,489,000 FF) for FY 2026-27 through FY 2028-29, and $8,015,000 ($1,500,000 HQAF Fund; $2,526,000 RF; $3,989,000 FF) in FY 2029-30 and ongoing. The resources are needed to develop, implement, and sustain a comprehensive value strategy for state-directed payments to hospitals in the Medi-Cal program's managed care delivery system.

Division	Position
Capitated Rates Development Division (CRDD:) 12 Permanent Positions	• 1 Staff Services Manager (SSM) III • 1 SSM II • 2 SSM I • 2 Research Data Specialist (RDS) II • 2 RDS I • 4 Associate Governmental Program Analyst (AGPA)
Data Analytics Division (DAD): 2 Permanent Positions	• 1 Research Scientist Supervisor (RSS) I • 1 Research Scientist (RS) I
Health Care Financing (HCF): 1 Permanent Position	• 1 RS V (Social/Behavioral Sciences)
Health Information Management Division (HIMD): 3 Permanent Positions	• 3 Information Technology Specialist (ITS) II
Program Data Reporting Division (PDRD): 1 Permanent Position	• 1 RDS III
Office of Legal Services (OLS): 2 Permanent Positions	• 2 Attorney IV
Quality & Health Equity Division (QHED): 8 Permanent Positions	• 2 Medical Consultant (MC) II • 1 Health Program Manager (HPM) II • 1 SSM I • 4 AGPA

In the Medi-Cal Managed Care (MCMC) delivery system, covered hospital services are reimbursed through a combination of base payments that are typically negotiated between each hospital and Medi-Cal managed care plan (MCP) and supplemental payments that are established by DHCS pursuant to state law.

Federal regulations broadly prohibit the state from directing the amount, frequency, and mode of payments made by MCPs to providers.[1] Pass-through payments (PTP), and state-directed payments (SDP) are financial mechanisms that enable DHCS to secure exemptions from this prohibition in limited circumstances and, therefore, to direct payments made by MCPs to providers in ways that advance Medi-Cal program goals and objectives and help to improve Medi-Cal members' health. PTPs are time-limited arrangements that are subject to federal phasedown and sunset timeframes.[2] SDPs are generally approved for one-year terms and must satisfy a robust list of requirements relating to factors such as, but not limited to, the appropriateness of payment levels, alignment with and achievement of the goals and objectives

[1] Section 438.6(c) of Title 42 of the Code of Federal Regulations (42 C.F.R. 438.6(c)).
[2] 42 C.F.R. 438.6(d).

of Medi-Cal's comprehensive quality strategy, monitoring and evaluation, and documentation and reporting.

The federal Centers for Medicare & Medicaid Services (CMS) expects states to be judicious in their use of SDPs and, thus, subjects SDPs to intensive policy, regulatory, and actuarial review and scrutiny. These expectations were further heightened in the *Medicaid and Children's Health Insurance Program Managed Care Access, Finance and Quality Final Rule* (hereafter, "Final Rule") that was published in April 2024. All SDPs and PTPs must be accounted for in MCMC rate certifications and MCP contracts and, therefore, are subject to federal review and approval.

As of calendar year 2024 (CY 2024), DHCS operates six SDPs and five PTPs specific to hospitals totaling nearly $14 billion total funds (TF) annually. In most of these programs, the non-federal share is "self-financed" by the hospitals, or their affiliated governmental entities, rather than relying on state General Funds (SGF). In these self-financed programs, private hospitals fund the non-federal share through a HQAF while designated public hospitals (DPHs) and district and municipal public hospitals (DMPHs) utilize Intergovernmental transfers (IGTs). All PTPs will be sunset or transitioned to SDPs on or before January 1, 2027, to comply with federal rules.

Type	Payment Arrangement	Non-Federal Share	CY 2024 Total *(in millions)*
SDP	DMPH Directed Payment (DHDP)	IGT	$207.3
SDP	DMPH Quality Incentive Pool (DMPH-QIP)	IGT	$172.1
SDP	DPH Enhanced Payment Program (EPP)	IGT	$2,478.2
SDP	DPH Quality Incentive Pool (DPH-QIP)	IGT	$2,037.5
SDP	Major Organ Transplants	SGF	$266.2
SDP	Private Hospital Directed Payment (PHDP)	HQAF	$7,187.3
PTP	Benioff Children's Hospital Oakland PTP	IGT	$22.0
PTP	DMPH PTP	IGT	$97.4
PTP	Martin Luther King, Jr. Community Hospital PTP	SGF	$47.4
PTP	Private Hospital PTP	HQAF	$1,200.0
PTP	Public Distinct-Part Nursing Facility PTP	SGF	$130.0

A portion of revenues generated from the HQAF are used to reimburse the state's costs of administering the program. Currently, this amount is capped at $500,000 per quarter, or $2 million per year.[3] Beginning in 2025, state law authorizes DHCS to assess an administrative fee, not to exceed 5 percent, on IGTs associated with the DHDP, DMPH-QIP, EPP, and DPH-QIP.[4]

Current State and Near-Term

California stands at a pivotal moment with respect to reimbursement of hospital services in the MCMC delivery system. With more than one in three Californians receiving coverage for physical health care from MCPs as of July 2024, and with MCMC spending for hospital services reaching tens of billions dollars each year, it is more important than ever to confirm that MCMC reimbursement for hospital services aligns with the changing demands and needs of the Medi-Cal program, and California's health sector more generally, and continues to support the delivery of appropriate, timely, and high-quality care to Medi-Cal members.

Over the past several years, California has seen multiple hospitals close, nearly close, or scale back services (such as labor and delivery centers) due to financial challenges or constraints. The drivers of these challenges, and the right solutions to them, are complex, multi-faceted, and often unique to each hospital. They may include inadequate reimbursement, ineffective cost controls, workforce shortages, rising labor and supply costs, unfunded capital costs, and other factors. To

[3] Section (§) 14169.53(b)(1)(A)(ii) of the Welfare and Institutions Code (WIC).
[4] WIC § 14197.4(f)(1)(B).

understand a hospital's financial position, all these factors must be considered. Although Medi-Cal reimbursement is not a "silver bullet" to these challenges—some hospitals that have experienced financial distress in recent years have served a predominantly Medi-Cal patient population, while others have served comparatively few Medi-Cal members—it is part of the equation that must be considered.

On average, statewide, MCMC reimburses higher than Medicare for hospital inpatient services and lower than Medicare for hospital outpatient and emergency department (ED) services. Partly in recognition of this fact, the January 2024 Governor's Budget Proposal proposed investments to increase Medi-Cal reimbursement of hospital outpatient and ED services. For various reasons, including the state's budget situation, the 2024-25 Budget did not include these investments—other investments were included, however. Instead, DHCS shifted focus toward using SDPs as a means of increasing MCMC reimbursement of hospital services without incurring significant SGF costs. Informed by extensive financial analysis and engagement with hospital stakeholders, DHCS will be implementing, subject to CMS approval, multi-billion-dollar increases to hospital SDPs commencing with the CY 2025 program year with no new SGF cost. In addition, the 2024-25 Budget appropriated SGF for new directed payments to children's hospitals (effective July 1, 2024) and to Martin Luther King, Jr. Community Hospital (effective January 1, 2026), with estimated annual payments of $230 million TF and $25 million TF, respectively. DHCS anticipates MCMC supplemental reimbursement to hospitals via SDPs and PTPs will exceed $23 billion TF for CY 2025.

These unprecedented investments create many opportunities and certain challenges and obligations. As MCMC supplemental reimbursement grows in CY 2025, and with potential further growth in CY 2026 and beyond, DHCS must reevaluate how SDPs affect financial incentives for care delivery to Medi-Cal members. For example, significantly lower reimbursement for hospital outpatient services than for hospital inpatient services, after accounting for relative cost differences between these services, may perversely incentivize hospitals to prioritize care in inpatient settings over outpatient settings. This would be neither economic and efficient nor support the core goal and objectives of improving Medi-Cal members' health and quality of care. Similarly, many existing SDPs provide a uniform level of supplemental reimbursement that varies only based on the volume of services provided. More thoughtful approaches are needed that consider differences due to geography, the quality of care or value provided to a Medi-Cal member, and other factors. The Legislature has acknowledged the importance of accounting for these types of factors in recent legislative actions that authorized geographically varied reimbursement for professional services (Senate Bill [SB] 159; Committee on Budget and Fiscal Review; Ch. 40, Stats. 2024) and consideration of value in hospital reimbursement (SB 177; Committee on Budget and Fiscal Review; Ch. 491, Stats. 2024).

DHCS will have to tackle these challenges and obligations against the backdrop of a changing federal regulatory landscape due to the Final Rule. The significant increases proposed for CY 2025, will draw even more heightened federal scrutiny of California's SDPs. To verify the continued approvability of SDPs and the investments they represent in the MCMC delivery system, DHCS must comprehensively review and revise existing hospital SDPs to explore, identify, adopt, and maintain new approaches that will certify continued alignment with the changing needs of the Medi-Cal program and the goals and objectives of Medi-Cal's comprehensive quality strategy, result in the achievement of those stated goals and objectives, and enable DHCS to confirm and demonstrate the ongoing value of these SDPs.

Comprehensive Value Strategy

To meet these challenges and obligations, DHCS proposes to use this unique opportunity to develop, publish, implement, and sustain a comprehensive value strategy for hospital SDPs that is designed to sustainably advance access to high-quality inpatient and outpatient hospital

services, financially incentivize appropriate care delivery, and improve health outcomes for Medi-Cal members. This value strategy will enable DHCS to continue to increase MCMC reimbursement for hospital services using SDPs while exercising prudent fiscal stewardship with respect to these programs and implementing long-lasting, balanced solutions in alignment with Medi-Cal's comprehensive quality strategy, federal Medicaid requirements and guidance, and the economic and efficient provisioning of services in the Medi-Cal program.

The value strategy will focus on:

- Achieving improved, sustainable levels of Medi-Cal reimbursement for hospital (and health system) services relative to other payers.

- Advancing appropriate incentives for care delivery that support the economic and efficient provisioning of services, Medi-Cal members' access to care, and improved member health outcomes. This may include approaches such as, but not limited to:

    - Incentivizing care in appropriate and lower-cost outpatient and community-based settings.

    - Evaluating reimbursement levels across all service lines and provider types.

    - Streamlining program design and operational processes, where feasible, to clarify financial incentives, accelerate receipt of payment by hospitals, and minimize avoidable administrative burdens for hospitals, MCPs, and DHCS.

- Aligning with Medi-Cal's comprehensive quality strategy and leveraging SDPs to advance population health, quality of care, and health equity for Medi-Cal members. This may include approaches such as, but not limited to:

    - Considering the broader impacts of hospital SDPs on the Medi-Cal program beyond the narrower impact on the hospital industry and hospital services.

    - Prioritizing support for hospitals and/or lines of service that, were they to close or be discontinued, respectively, would most directly affect Medi-Cal members' health.

    - Adhering to a multi-year strategy that draws more value from SDPs and increasingly links payments directly to population health, quality of care, and health equity goals and objectives.

- Certifying the continued federal approvability of SDPs.

B. Justification

At a high level, the staff and contract resources will:

- Develop, in consultation with stakeholders, and publish a comprehensive value strategy that includes recommendations for changes to hospital reimbursement methodologies and considerations for obtaining the necessary federal approvals for, and any conforming state law changes necessary to effectuate, recommended changes to reimbursement methodologies.

- Implement the value strategy through, as applicable, new or modified reimbursement methodologies, including seeking any necessary federal approvals and conforming state law changes.

- Sustain the new or modified reimbursement methodologies on an ongoing basis including, but not limited to, associated recurring policy and guidance development, analyses and calculations, data exchange or management, quality or performance measurement, payment processing, oversight and monitoring, stakeholder education and technical assistance, and ad-hoc solutioning.

CRDD (12 Permanent Positions)

1 SSM III
1 SSM II
2 SSM I
2 RDS II
2 RDS I
4 AGPA

The SSM III will have full management and supervisory responsibility for the branch overseeing all hospital SDPs. This branch will be composed of one section that currently exists, and one new section with two new units. The SSM III will directly supervise 2 SSM II. The SSM III will be the senior manager responsible for formulating and administering reimbursement methodologies, policies, and programs related to hospital SDPs under the comprehensive value strategy.

The SSM II will have supervisory responsibility for a new section overseeing the implementation of the comprehensive value strategy for public hospitals. The SSM II will directly supervise an RDS II and an SSM I.

2 SSM I will be responsible for the oversight, supervision of staff, and alignment of the new SDP workloads associated with the comprehensive value strategy.

2 RDS II will independently perform the most complex data analysis, respond to the most urgent ad-hoc research requests, act in a lead capacity to perform technical quality review of research data work produced by line units, develop new standardized research data methodologies and guidelines for use by line units, and train and mentor line unit research data staff.

2 RDS I will develop and maintain tools and methodologies used to analyze and evaluate reimbursement rates, costs, and utilization across counties, regions, hospitals, and MCPs to support development and review of hospital reimbursement methodologies under the comprehensive value strategy, design and maintain tools and methodologies to comply with CMS monitoring requirements, and respond to complex ad-hoc research and data requests.

4 AGPA will review, analyze, and draft responses to MCP and hospital inquiries, develop technical program guidance and documentation, coordinate with cross-divisional partners in QHED, HIMD, and DAD, and coordinate the development and implementation of SDPs with other affected HCF teams. CRDD may initially cross-advertise these positions at the Staff Services Analyst (SSA) level to develop new staff, but ongoing workload will be at the AGPA journey level.

DAD (2 Permanent Positions)

1 RSS I
1 RS I

DAD is requesting 2 permanent positions within the Data Science Branch responsible for supporting the analytic needs of the program and data systems related to the directed payment program evaluation. This includes developing measure specifications, extracting data, planning and conducting program evaluations, developing and monitoring technical requirements related to measurement and methods; monitoring data quality, reviewing and approving contractor

reports, and reporting state directed payment expenditures in the Transformed Medicaid Statistical Information System (T-MSIS). The positions will provide consulting/advisory support for complex measure specifications, programming best practices, and advanced analytics.

1 RSS I will hire, train, and manage research staff responsible for operationalizing the evaluation of directed payment programs with the new federal rules. This position will be responsible for all aspects of supervision, including recruitment, retention and training, verifying work standards, and evaluating and documenting performance, and communicating with staff and management about technical or scientific issues, program implementation, policy issues and deadlines. The RSS I will oversee and assist in the technical support for a research team that develops and produces a wide range of analyses and evaluations focused on incentive payment program evaluation, quality of care, and improving health outcomes for Medi-Cal members. The position plans, organizes, and directs the design and completion of analytic products and major scientific research studies or health care services investigations of broad scientific scope and complexity to which epidemiologic approaches and biostatical methods are applied to critically evaluate health care utilization, quality of care, access to care, health outcomes, and social drivers of health. The position oversees and leads the development of enterprise standards and process documentation for analyzing and managing Home and Community Based Services-related data and certifying its availability, quality, and usability.

1 RS I will use epidemiologic, biostatistical/statistical, and survey techniques and theories to plan, organize, and carry out scientific research and evaluation of health care services utilization, health outcomes, quality of care, and access to effective and appropriate healthcare services for Medi-Cal members, including the impact of social drivers of health such as education, income, race/ethnicity, and health and disability status. The RS I will act as a resource/team lead to management, research, and other Enterprise Data and Information Management staff, as well as staff from DHCS program areas in requirements gathering, data extraction, data quality investigations, and documentation. The position will serve as DHCS' scientific liaison to external requestors or data sharing partners on analytic preparation and interpretation, and assist with data sharing related agreements and data release. The position will assist with the development and production of publication-quality data products for the public, DHCS programs, external stakeholders, and scientific journals.

HCF (1 Permanent Position)

1 RS V (Social/Behavioral Sciences)

The RS V will advise the Deputy Director, HCF, and Assistant Deputy Director, Financing, on economic and demographic matters; plan, organize, and direct complex economic and demographic studies that inform the development of reimbursement methodologies; and perform the most complex statistical and econometric analyses. The RS V will support making evidence-based decisions that advance health care access, quality, and equity through scientific cost and benefit analyses of alternative reimbursement methodologies and policies. The RS V will examine factors including, but not limited to, social and economic trends and inequality; economic impacts and cost factors of policies; individual and organizational performance; community dynamics and structure; and community and statewide decision making and policy development.

HIMD (3 Permanent Positions)

3 ITS II

HIMD is requesting 3 ITS II that will maintain and demonstrate leadership and expertise in data related to state directed payments and act as the liaison to DHCS programs in data management and strategy. The 3 ITS IIs will provide data support and consultation related to methodical development and limitations, data collection and improvement, data reporting and querying, and data linkage and integration. The 3 ITS IIs will also work with program to develop

long-term data strategy to support requirements. The ITS IIs will also design the appropriate exchanges to help SDP payment data move between the necessary systems and to enable efficient access to SDP data. The ITS IIs will provide consultation in support of data management activities with knowledge and skills in data management principles, services, components, trends, interfaces, protocols, and data architectures. The ITS IIs will also perform quality checks on data to provide confidence to program in the monitoring of data to determine levels of performance and compliance with the Final Rule. The ITS IIs will also support the T-MSIS mandated reporting to CMS as SDP data is required in T-MSIS reporting. The ITS IIs will enable the capturing and reporting of data in the Management Information System and Decision Support System (MIS/DSS) that aligns with T-MSIS reporting requirements and will participate in Standard Operating Procedure testing with CMS.

PDRD (1 Permanent Positions)
1 RDS III

1 RDS III position would maintain coordination between of PDRD with Quality Population and Health Management (QPHM), DAD, and HIMD, acting as the lead data steward for translating technical needs to collect the required data, and the PDRD lead in the data analytic support for the division. The RDS III would provide analytical guidance, direction, and leadership functions to the RDS IIs, by initiating the monitoring process necessary for the department to store high-quality information, possible ongoing technical assistance to the data submitters, and provide data analytic support within DHCS. The RDS III will be responsible for monitoring both the private and public hospital systems and creating systems that enforce greater data quality which will enhance the program reporting. The RDS III will create, maintain, and manage the documentation required to teach section-based researchers so that the day-to-day work can be accomplished efficiently by the RDS III.

OLS (2 Permanent Positions)
2 Attorney IV

OLS requests 2 Attorney IV positions to support new workload related to the implementation and maintenance of the SDPs. OLS will advise on the implementation of the SDPs and draft and revise documentation needed to secure federal approvals necessary to effectuate these programs. The Attorney IVs will be responsible for researching and advising on the several state plan amendments (SPA) and SDP preprints that must be prepared and submitted to CMS, which will include complex reimbursement methodologies changes due to the new CMS Final Rule. This will also include responding to CMS questions and negotiating with CMS to secure federal approval. After initial implementation, directed payment programs will require regular updates, and adjustments based on federal rule changes. In addition to regular policy updates, these payment programs will produce regular requests for legal advice about novel factual scenarios requiring interpretation. Furthermore, monitoring compliance of providers and plans with the newly created obligations will require legal advice and may require potential legal action. Taken together, this will produce a long-term ongoing workload.

QHED (8 Permanent Positions)
2 MC II
1 HPM II
1 SSM I
4 AGPA

MC II
QHED is requesting 2 permanent MC II positions to oversee day-to-day programmatic decision making, annual program development, and long-term strategy across private and DPH/DMPH directed payment programs. One MC II will work with the PHDP program while the other will work with the DPH/DMPH directed payment program. Hospital directed payment programs must be

run taking into context what happens at the frontline in hospitals; otherwise, the programs will not properly incentivize changes in behavior that improve care delivery to Medi-Cal members. Physicians are uniquely positioned to understand the nuances of frontline healthcare delivery.

Day-to-day work will include interpreting measure specifications, clinical review of hospitals' and MCPs' data (to certify reporting integrity), and clinical oversight of the teams running each directed payment program.

Annual program development will include the following: (1) developing and updating measure specifications for the directed payment programs, including measures for which DHCS is the measure steward (which requires clinician input to confirm specifications are rational); (2) determining which quality measures are included in the programs; and (3) determining how many measures a hospital can report on.

Long-term strategic planning will include being lead on the following: (1) developing and implementing a long-term road map to move to MCP reporting (and possibly DHCS reporting beyond that) of quality measures on behalf of hospital; (2) determining how and when hospitals can choose which measures are tied to funding; (3) determining the structure for hospitals to earn funds; (4) evaluating and choosing benchmarks for performance; (5) evaluating and implementing strategies to address health equity; and (6) evaluating and implementing strategies to simplify hospital directed payment programs.

HPM II

QHED is requesting 1 permanent HPM II position to manage all hospital directed payment programs. The HPM II will be responsible for supervising staff and providing guidance in day-to-day program oversight and making policy decisions.

Currently, the QIP program for DPHs and DMPHs are managed via a unit which consists of an SSM I and AGPAs. As the size and scope of hospital directed payment programs expand, creating a section with a section chief will verify the programs are effectively managed and aligned. The new section under this position will include two units (each managed by its own SSM I); one unit will be the current Program Accountability Unit which manages the QIP program, and the second will be the newly formed unit to oversee the PHDP program.

This new role and section will engage and coordinate with internal and external stakeholders to develop and implement the department's quality and equity strategy related to hospital directed payments, and coordinate efforts across the department and with other California payers, hospital entities, and partners to align quality and equity measures.

SSM I

QHED is requesting 1 permanent SSM I position to manage the PHDP program. The SSM I will be tasked to oversee incentive claims and payment for the PHDP program as well as manage day-to-day program activities, complete more complex policy analysis and priority projects associated with PHDPs, convene and engage with other DHCS divisions including CRDD and Managed Care Quality and Monitoring Division on payment and program activities. In addition, the SSM I will provide direct supervision and oversee the performance of 4 AGPA positions.

The SSM I and 4 AGPA positions will make up a new unit that solely focuses on policy and responsibilities centered around PHDPs. This unit will sit in a new section within the Value-Based Payment Branch, that will have focal management and oversight of all hospital directed payment programs.

AGPAs

QHED is requesting 4 permanent AGPA positions to assist in day-to-day programmatic support of private hospitals/entities, conduct completeness and comprehensive reviews on semi-annual and annual reports, monitor and assess the implementation of program policy and protocols, and propose recommendations and solutions based on report analyses. Additionally, the AGPAs will be tasked to annually review, update, and incorporate performance measures into a specification manual for participating private hospital systems/entities to use. They will also assist in developing policy documents and to review, analyze, and approve annual hospital performance reports to determine hospital payment amounts on reported metrics per hospital. Specifically, the AGPAs will perform monitoring and review of these performance reports which are an integral part of program operations and evaluating the success of hospital system improvement and transformation.

The AGPAs will also provide continuous support and technical assistance to participating private hospital systems/entities, which would include tasks such as but not limited to participating in regular calls with key external partners who represent participating hospitals, working with hospital appointed staff on web portal/reporting issues and resolutions, and collaborate with other DHCS divisions and external partners to align performance and incentive payment.

Contracts

Hospital Comprehensive Value Strategy Design & Implementation Contract (Four-Year LT)
$3,000,0000 ($500,000 HQAF; $1,000,000 IGT; $1,500,000 FF) FY 2025-26 through FY 2028-29

Contractor support for development and implementation of a comprehensive value strategy for hospital SDPs including:

- Support for stakeholder engagement on the design of the strategy, including facilitating internal and external workgroups, developing discussion and presentation materials, and reviewing and analyzing stakeholder feedback.

- Designing appropriate population health, quality of care, health equity, and cost accountability metrics, and associated reimbursement mechanisms to support sustainable reimbursement of hospitals in the Medi-Cal program.

- Analyzing and leveraging data regarding hospitals' Medi-Cal revenues, costs, and cost drivers, reimbursement levels relative to other payers, and considerations applicable to specific subsets of hospitals, geographies, lines of service (such as labor-and-delivery), and other stratifications.

- Analyzing existing PTPs and SDPs to identify opportunities to align with overarching goals in the comprehensive value strategy. Supporting DHCS to obtain federal approvals and implement operational changes necessary to effectuate the comprehensive value strategy.

Hospital Directed Payment Ongoing Support Contract
$2,400,0000 ($400,000 HQAF; $800,000 IGT; $1,200,000 FF) in FY 2025-26 and ongoing

Contractor support for ongoing operations of hospital SDPs:

- Contractor support to audit quality measure submissions that are expected for the PHDP. Some quality measures may be External Quality Review Organization audited Managed Care Accountability Set (MCAS) measures reported by MCPs on behalf of the private hospitals. However, many measures for private hospitals are expected to be inpatient measures. Due to data availability, MCPs cannot report on most inpatient measures.

Private hospitals will have to report performance on these measures directly to DHCS, and auditing of these data are necessary to confirm data accuracy and programmatic integrity.

- Contractor support to audit quality measure submissions in the existing DPH-QIP and DMPH-QIP programs. Current resources are insufficient to audit all hospitals with a satisfactory level of assurance. Without auditing of hospital-produced data, the risk of inaccurate quality data increases which could impact the integrity of the program and of program payments, and the federal approvability of the program and availability of federal financial participation. Similar to the PHDP, while some measures will transition to being reported by MCPs, there are many measures only hospitals can report and auditing of these is essential.

- Contractor support to organize and facilitate an annual conference to share best practices between hospitals, MCPs, and other stakeholders to identify strategies to improve patient care quality on the ground and continuously leverages lessons learned to iterate and improve hospital SDPs.

Statutory Changes

DHCS requests statutory changes to:

- Add WIC § 14124.18, to require DHCS to establish a hospital comprehensive value strategy in consultation with stakeholders and authorize DHCS to enter into contracts to develop the hospital comprehensive value strategy without review by the Department of General Services.

- Amend WIC § 14169.53, to increase the $500,000-per-quarter (i.e., $2-million-per-year) statutory limit on the portion of HQAF revenues that may be used to fund state operations costs.

C. Departmentwide and Statewide Considerations

This proposal is consistent with the Department's purpose and goals to increase meaningful access and achieve excellence in health outcomes. DHCS is the single state agency responsible for financing and administering the Medi-Cal program. DHCS' requested resources will be used to implement changes in SDPs in compliance with federal regulations. Non-compliance with federal regulations, or failure to secure approval of SDPs, will jeopardize federal funding.

D. Outcomes and Accountability

Approval of these resources will certify that DHCS has the capacity and resources to successfully develop and operationalize the new program-related responsibilities associated with increased funding and changes related to DHCS-offered programs and benefits and the ongoing monitoring of hospital SDPs.

Resources will be used to support the development of processes and procedures, stand up workflows, and other planning activities, associated with implementing, operationalizing, and sustaining the new procedures related to hospital SDPs.

If approved, the following outcomes will ultimately be achieved:

- Increase value generated from the significant volume of MCMC supplemental reimbursement for hospital services.

- Improve oversight and monitoring of the respective programs, and alignment to broader Medi-Cal goals and objectives related to population health, quality of care, and health equity for Medi-Cal members.

- Increase member access to care and improve health outcomes.

- Strengthen relationships and communication with stakeholders and the public.

Enhanced compliance with regulatory requirements.

Projected Outcomes

Workload Measures	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Facilitate with internal stakeholders to update DHCS systems to create infrastructure to support new workstreams.	0	26	26	26	26	26
Analyze data, generate reports, and provide insights to verify program integrity and to inform policy decisions and program enhancements.	0	6,000	6,000	6,000	6,000	6,000
Establish and document operational procedures, policies, review tools, and various tracking systems.	0	1,000	1,000	1,000	1,000	1,000
Evaluate, development, and implement measures for directed payment programs.	0	1,000	1,000	1,000	1,000	1,000
Development a long-term strategy for implementation of hospital directed payment programs.	0	1,000	1,000	1,000	1,000	1,000
Facilitate regular and structured engagement with all stakeholders through small workgroups, Chief Financial Officer meetings, and technical assistance webinars.	0	104	104	104	104	104
Develop, review, and maintain all policies and procedures related to federal regulation compliance.	0	500	500	500	500	500
Facilitate with internal stakeholders to update DHCS systems to create infrastructure to support new workstreams.	0	26	26	26	26	26

E. Implementation Plan

Upon approval of this proposal, the impacted divisions will initiate the necessary steps to secure the positions with start dates of July 1, 2025. All positions will be recruited and filled according to DHCS' standard recruitment processes, which are outlined in both internal DHCS-produced and external California Human Resources-produced policies, procedures, and requirements for hiring qualified state staff.

F. Supplemental Information

- Attachment A: Workload Standards
- Attachment B: Fiscal Detail Sheet

G. Workload Standards

WORKLOAD STANDARDS
Capitated Rates Development Division
1 Staff Services Manager III
805-760-4802-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Oversee hospital SDP comprehensive value strategy implementation and operation.	45	10	450
Supervise and lead Branch activities including administration and directing workload.	45	10	450
Formulate and administer reimbursement methodologies, policies, and programs related to hospital SDPs.	45	10	450
Advise Division Chief and DHCS Executive Staff on Branch projects, activities, recommendations, and cross-cutting impacts.	45	10	450
Total hours worked			**1,800**
1,800 hours = 1 Position			
Actual number of Positions requested			**1**

WORKLOAD STANDARDS
Capitated Rates Development Division
1 Staff Services Manager II
805-780-4801-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Supervise and lead section activities related including administration and directing workload.	20	15	300
Advise Branch Chief on section projects and activities.	50	3	150
Review and edit section-generated work products and deliverables.	125	4	500
Establish and maintain section project priorities.	20	15	300
Recruit, train, and supervise section staff.	5	20	100
Review and approve reimbursement methodologies, policies, and programs.	15	30	450
Total hours worked			**1,800**
1,800 hours = 1 Position			
Actual number of Positions requested			**1**

Capitated Rates Development Division
2 Staff Services Manager I
805-760-4800-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Lead unit activities and staff related to directed payments.	25	20	500
Review and edit unit-generated work products and deliverables.	220	7.5	1,650
Utilize staff effectively in the conduct of program and policy development for directed payments.	25	20	500
Establish and maintain project priorities.	25	20	500
Recruit and train lower-level staff.	5	30	150
Make programmatic recommendations to section chief.	20	15	300
Total hours worked			**3,600**
1,800 hours = 1 Position			
Actual number of Positions requested			**2**

WORKLOAD STANDARDS
Capitated Rates Development Division
2 Research Data Specialist II
805-760-5758-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Perform complex data analysis related to directed payments.	30	20	600
Perform ad-hoc research requests related to hospital SDPs.	20	40	800
Act in a lead capacity for all section data requests.	20	20	400
Train and mentor unit staff in data techniques and development.	20	20	400
Develop new standardized research data methodologies and guidelines for use by line units.	30	20	600
Provide technical assistance to internal and external stakeholders related to data needs.	80	10	800
Total hours worked			**3,600**
1,800 hours = 1 Position			
Actual number of Positions requested			**2**

WORKLOAD STANDARDS
Capitated Rates Development Division
2 Research Data Specialist I
805-760-5742-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Develop and maintain tools and methodologies used to analyze and evaluate reimbursement rates and utilization related to hospital SDPs.	60	20	1,200
Research, gather, compile, and analyze structured and unstructured data.	60	10	600
Analyze reimbursement costs and utilization trends across regions, counties, and health care delivery systems to support directed payment development and review.	60	10	600
Design and maintain tools and methodologies to comply with CMS monitoring requirements.	60	10	600
Respond to complex ad hoc research data requests.	60	10	600
Total hours worked			**3,600**
1,800 hours = 1 Position			
Actual number of Positions requested			**2**

WORKLOAD STANDARDS
Capitated Rates Development Division
4 Associate Governmental Program Analyst
805-149-5393-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Coordinate the work of others, act as a team or conference leader.	104	14	1,040
Review, analyze, and draft responses to provider and MCP inquiries, develop technical program guidance and documentation.	1,550	2	3,100
Document control, development, tracking, and maintenance of rate setting documents and communications.	100	10	1,000
Coordinate the development and implementation of directed payment programs.	72	10	720
Review MCP submitted data, reports, procedures, and other documentation.	134	10	1,340
Total hours worked			**7,200**
1,800 hours = 1 Position			
Actual number of Positions requested			**4**

WORKLOAD STANDARDS
Data Analytics Division
1 Research Scientist Supervisor I
803-396-5647-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Hire, train, and manage research staff responsible for operationalizing reimbursement methodologies, access monitoring protocols, and directed payment programs/policies based on the new federal rules.	1	540	540
Plan, organize, and direct the design and implementation of analytic products and scientific research studies or health care services investigations related to the evaluation of reimbursement methods and directed payment programs. Oversee and lead the development of enterprise standards.	1	540	540
Develop and maintain the formal intake and business analysis process for Branch data requests, fulfill new/urgent/ad hoc requests, provide consulting/advisory services, and build infrastructure to support efficient analytic operations.	1	360	360
Serve as a subject matter expert for directed payment program evaluation, quality improvement initiatives, population health research, measure specifications, programming best practices, advanced analytics, and the data analytic tool chain. Develop and manage analytic processes and infrastructure to facilitate consistent and repeatable work regarding data analytics, program evaluation, data governance, strategic data exchange, and research products. Participate in and lead related workgroups.	1	180	180
Oversee and lead the development and production of publication-quality state, federal, and public reports, dashboards, and peer-reviewed journal articles related to quality of care/population health to be consumed by the public.	1	180	180
Total hours worked			**1,800**
1,800 hours = 1 Position			
Actual number of Positions requested			**1**

WORKLOAD STANDARDS
Data Analytics Division
1 Research Scientist I
803-396-5580-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Plan, organize, and conduct analyses and evaluations of limited scientific scope and complexity to assess the impact of directed payment programs/policies on access, quality, utilization, health outcomes, and expenditures in the context of disparities/equity and population health.	1	540	540
Develop enterprise standards and process documentation for analyzing and managing data and verifying its availability, quality, and usability. Translate requests/business needs into measures. Develop technical requirements related to reimbursement methodologies, access monitoring protocols, and evaluation of directed payment programs/policies.	1	540	540
Act as a technical scientific consultant on scientific studies relating to specific phases of a more complex scientific research or evaluation study or large-scale data linkage to support DHCS in strategic data exchange and planning decisions. Work collaboratively with teams in other DHCS programs and other state agencies as assigned.	1	540	540
Contribute to publications of scientific findings, comprehensive reports, management briefs, benchmark reports and dashboards related to reimbursement methodologies and directed payment program evaluation. Prepare presentations and provide training for peers and others.	1	180	180
Total hours worked			**1,800**
1,800 hours = 1 Position			
Actual number of Positions requested			**1**

WORKLOAD STANDARDS

Health Care Financing
1 Research Scientist V
803-017-5636-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Perform economic and demographic research and examine factors related to social and economic trends and inequalities.	12	30	360
Plan, organize, and direct complex studies.	4	90	360
Inform the development of reimbursement methodologies.	6	60	360
Support evidence-based decisions making that advances health care access, quality, and equity through high-quality cost/benefit analyses of alternative reimbursement methodologies and policies.	24	15	360
Analyze reports and data sets relevant to community dynamics and structure, statewide decision making, and policy development.	24	15	360
Total hours worked			**1,800**
1,800 hours = 1 Position			
Actual number of Positions requested			**1**

WORKLOAD STANDARDS
Health Information Management Division
3 Information Technology Specialist II
803-395-1414-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Analyze and develop data management requirements to support new or updated state directed payment data	80	10	800
Analyze data design and data exchange constraints of existing and proposed business applications and recommend solutions	80	10	800
Analyze challenging data integration problems across health care delivery systems and recommend solutions	80	10	800
Identify problem areas and develop action plans to mitigate data related problems across health care delivery systems to support directed payment development.	60	20	1,200
Identify the correct data architectural model to address the customer's business objectives and integrate new or updated strategy for SPDs with existing data services and projects in DHCS.	80	10	800
Facilitate and support business requirements and align with strategic planning for the enterprise projects and its customers, business partners, and vendors.	50	4	200
Collaborate with Enterprise Technology Services to implement required architecture and technology to support data services efforts.	4	10	400
Perform data quality checks and liaise with CMS on T-MSIS impacts related to SDP data	4	10	400
Total hours worked			**5,400**
1,800 hours = 1 Position			
Actual number of Positions requested			**3**

WORKLOAD STANDARDS
Program Data Reporting Division
1 Research Data Specialist III
803-397-5770-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Conduct literature reviews and research related to private hospitals, assist in program evaluation regarding, conduct quality assessments and performance improvement models for DHCS to leverage for enhanced data collection and reporting.	2	100	200
Conduct highly complex data compilations and analyses using various data analytic software.	4	75	300
Design, plan, coordinate, manage, and facilitate stakeholder process for development of data checks to enforce high quality data, evaluation and reporting framework.	12	25	300
Analyze and assess available data sources and develop methodologies for calculating and reporting data pursuant to performance and outcome measures developed.	12	30	360
Provide expert consultation, training, and technical assistance on private hospital analysis and methods to internal and external staff and stakeholders.	12	30	360
Lead and facilitate various internal and external work groups, committees, and meetings.	10	28	280
Total hours worked			**1,800**
1,800 hours = 1 Position			
Actual number of Positions requested			**1**

WORKLOAD STANDARDS
Office of Legal Services
2 Attorney IV
803-030-5780-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Participate in CMS discussions, intra- and inter-departmental workgroup efforts, including researching, analyzing, and advising staff in healthcare issues affecting discreet populations.	80	10	800
Perform complex research and analyze federal and state laws to advise the department and Agency/Governor's Office (GO) and provide ongoing compliance advice to program staff.	6	10	600
Draft, review, and revise necessary federal Medicaid authorities, including waiver or SPAs.	88	10	880
Draft and review policy and procedure letters, program guides, and similar documents related to policy guidance.	40	10	400
Provide pre-litigation support, such as assessing potential legal issues, strategic planning to avoid litigation, and advocate concerns having large fiscal implications.	30	10	300
Draft and review federal and state legislation and regulations necessary to implement and administer Medi-Cal directed payment programs.	22	10	220
Coordinate with Department of Finance, Agency, GO; respond to correspondence and other inquiries from the public, legislators, and other interested stakeholders within tight timeframes.	20	10	200
Research, analyze, and advise staff for responding to external inquiries, plan negotiation and communications, and stakeholder questions and concerns to reach consensus avoid potential litigation.	20	10	200
Total hours worked			**3,600**
1,800 hours = 1 Position			
Actual number of Positions requested			**2**

Quality and Health Equity Division
2 Medical Consultant II
803-097-7788-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Clinical review of performance data submitted by hospitals and MCPs to certify the integrity of data. This will involve reported data appear clinically reasonable.	520	1	520
Provide clinical consultation to hospital directed payment program staff on auditing tasks, measure specification interpretation, and other issues that require clinical consultation.	520	1	520
Stakeholder engagement, auditor, and internal meetings to develop, interpret, and update measure specifications. Will involve detailed clinical analysis to verify measure specifications are appropriate and measure what is intended, especially for measure that are developed and maintained by DHCS ("homegrown measures").	130	4	520
Stakeholder engagement, auditor, and internal meetings to choose quality measures and number of measures for hospital directed payment programs. Will involve detailed analysis to determine clinical appropriateness of measures, consistent with DHCS strategic priorities (which includes attending internal meetings to keep abreast of), and review of best practices for incentive programs.	260	2	520
Develop and implement long-term strategies for hospital directed payment programs. This will involve regular internal and external meeting, including with both stakeholders and contractors. Clinical input is essential to verify the long-term strategy helps achieve DHCS' goals and is a realistic approach given how healthcare is delivered.	4	260	1,040
Develop and implement health equity strategies for hospital directed payment programs. This will involve regular internal and external meetings, including engaging with stakeholders and to determine best practices for implementing health equity programming.	4	120	480
Total hours worked			**3,600**
1,800 hours = 1 Position			
Actual number of Positions requested			**2**

<u>WORKLOAD STANDARDS</u>
Quality and Health Equity Division

1 Health Program Manager II
803-097-8428-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Engage with internal DHCS divisions and external stakeholders to coordinate the alignment of the Department's financial quality incentive programs with the department's Comprehensive Quality Strategy. Work in partnership with contractor to plan, organize, and facilitate an annual stakeholder conference.	1	480	480
Supervise staff and provide guidance in day-to-day program and policy decisions and other management functions such as attending to personnel matters.	1	480	480
Lead the development of measure specifications and benchmarks for quality incentive programs.	1	360	360
Review and approve legislative bill analyses, legislative concepts, legislative proposals, and analysis of federal statutory and regulatory changes related to quality incentive programs.	1	180	180
Develop processes and timelines for reviewing provider and plan reports on quality measures submitted to DHCS. Work with other departmental divisions to coordinate quality payments based on improvements in quality demonstrated by these reports.	1	180	180
Coordinate efforts across the Department and with other California payers to align quality measures	1	120	120
Total hours worked			**1,800**
1,800 hours = 1 Position			
Actual number of Positions requested			**1**

<u>WORKLOAD STANDARDS</u>
Quality and Health Equity Division
1 Staff Services Manager I

803-097-4800-XXX
Permanent

Activities	Number of Items	Hours per Item	Total Hours
Train staff to conduct performance analysis and monitoring alignment with program specifications and policies. Collaborate with DHCS partners and experts on program documents and develop guidance for staff training on all new protocols and procedures. Guide staff in providing technical assistance for the PHDP program, track deadlines and progress for policy documents and reports. Manage day-to-day activities and complex projects. Analyze issues, develop alternatives and recommendations based on research, legislation (state and federal), and policy briefs related to health care policy and administration.	1	720	720
Supervise staff and perform other management functions such as hiring, training, evaluating, and monitoring performance. Monitor, evaluate and complete employee performance appraisals on a timely basis. Develop and inform employee of job expectations for work evaluation. Evaluate work performed and identify training needs for improved job performance. Provide leadership and growth opportunities for staff, promoting staff development. Promptly identify and address/resolve employee performance issues. Confirm that program operations and hiring practices conform to bargaining unit contracts, state policies and equal employment opportunity objectives and guidelines.	1	720	720
Convene and engage with other DHCS divisions on payment and programmatic activities. Attend and convene meetings both within QPHM, other DHCS divisions, and with external contractors and stakeholders. Work in partnership with contractor to plan, organize, and facilitate an annual stakeholder conference.	1	180	180
Conduct other special projects requested by QPHM upper management and the Directorate. Provide research, analysis, and oversight of special or sensitive projects and assignments for the Directorate by effectively interacting with all levels of management within the Department.	1	180	180
Total hours worked			**1,800**
1,800 hours = 1 Position			
Actual number of Positions requested			**1**

WORKLOAD STANDARDS
Quality and Health Equity Division
4 Associate Governmental Program Analyst
803-097-5393-XXX

Permanent

Activities	Number of Items	Hours per Item	Total Hours
Provides project support for the hospital directed payment programs in identifying, adjudicating, and resolving complex policy issues. Independently reviews hospital system reports, analyzes the data, and evaluates system performance based on the reports. Provides complex technical assistance to hospital system staff to help systems achieve defined quality improvement performance targets. Independently develops, supports, evaluates, and improves learning networks consisting of several hospital systems. Collaboratively develops written and verbal communication content for learning collaborative and/or program webinars.	4	900	3,600
Provides project support for program evaluation and learning collaborative development. Assists external evaluators/auditors with preparing evaluation reports that accurately reflect the activities undertaken during the program year. Prepares reports for the CMS. Participates in project monitoring through regular conference calls and written guidance managed by CMS. Extracts data from program reporting portal and de-identifies data in accordance with DHCS standards. Communicates and problem solves with individual hospitals as well hospital associations.	4	360	1,440
Conducts independent analytical research and develops complex policy analysis. Supports periodic updates to the Quality Strategy. Independently works on policies and programs related to quality improvement programs and broader system transformation. This work.	4	360	1,440
Serve as an analyst in special projects or other assignments, as required, including occasional bill analyses. Prepares and presents oral and written recommendations to management. Organizes and helps team facilitate meetings, trainings, seminars, and conferences on population health, clinical quality, and health care costs.	4	180	720
Total hours worked			**7,200**
1,800 hours = 1 Position			
Actual number of Positions requested			**4**

H. BCP Fiscal Detail Sheet

BCP Title: Value Strategy for Hospital Payments in Medi-Cal Managed Care

BR Name: 4260-083-BCP-2025-GB

Budget Request Summary

Personal Services

Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Positions - Permanent	0.0	29.0	29.0	29.0	29.0	29.0
Total Positions	**0.0**	**29.0**	**29.0**	**29.0**	**29.0**	**29.0**
Earnings - Permanent	0	3,169	3,169	3,169	3,169	3,169
Total Salaries and Wages	**$0**	**$3,169**	**$3,169**	**$3,169**	**$3,169**	**$3,169**
Total Staff Benefits	0	1,776	1,776	1,776	1,776	1,776
Total Personal Services	**$0**	**$4,945**	**$4,945**	**$4,945**	**$4,945**	**$4,945**

Operating Expenses and Equipment

Operating Expenses and Equipment	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5301 - General Expense	0	174	116	116	116	116
5302 - Printing	0	58	58	58	58	58
5304 - Communications	0	58	58	58	58	58
5320 - Travel: In-State	0	119	119	119	119	119
5322 - Training	0	29	29	29	29	29
5324 - Facilities Operation	0	261	261	261	261	261
5340 - Consulting and Professional Services - External	0	5,400	5,400	5,400	5,400	2,400
5344 - Consolidated Data Centers	0	29	29	29	29	29
539X - Other	0	203	0	0	0	0
Total Operating Expenses and Equipment	**$0**	**$6,331**	**$6,070**	**$6,070**	**$6,070**	**$3,070**

Total Budget Request

Total Budget Request	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Budget Request	**$0**	**$11,276**	**$11,015**	**$11,015**	**$11,015**	**$8,015**

Fund Summary

Fund Source

Fund Source	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
State Operations - 0890 - Federal Trust Fund	0	5,644	5,489	5,489	5,489	3,989
0995 - Reimbursements	0	3,632	3,526	3,526	3,526	2,526
State Operations - 3158 - Hospital Quality Assurance Revenue Fund	0	2,000	2,000	2,000	2,000	1,500
Total State Operations Expenditures	**$0**	**$11,276**	**$11,015**	**$11,015**	**$11,015**	**$8,015**
Total All Funds	**$0**	**$11,276**	**$11,015**	**$11,015**	**$11,015**	**$8,015**

Program Summary

Program Funding

Program Funding	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
3960010 - Medical Care Services (Medi-Cal)	0	11,276	11,015	11,015	11,015	8,015
Total All Programs	**$0**	**$11,276**	**$11,015**	**$11,015**	**$11,015**	**$8,015**

Personal Services Details

Positions

Positions	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
1414 - Info Tech Spec II (Eff. 07-01-2025)	0.0	3.0	3.0	3.0	3.0	3.0
4800 - Staff Svcs Mgr I (Eff. 07-01-2025)	0.0	3.0	3.0	3.0	3.0	3.0
4801 - Staff Svcs Mgr II (Supvry) (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
4802 - Staff Svcs Mgr III (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
5393 - Assoc Govtl Program Analyst (Eff. 07-01-2025)	0.0	8.0	8.0	8.0	8.0	8.0
5580 - Research Scientist I (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
5636 - Research Scientist V (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
5647 - Research Scientist Supvr I (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
5742 - Research Data Spec I (Eff. 07-01-2025)	0.0	2.0	2.0	2.0	2.0	2.0
5758 - Research Data Spec II (Eff. 07-01-2025)	0.0	2.0	2.0	2.0	2.0	2.0
5770 - Research Data Spec III (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
5780 - Atty IV (Eff. 07-01-2025)	0.0	2.0	2.0	2.0	2.0	2.0
7788 - Med Consultant II (Eff. 07-01-2025)	0.0	2.0	2.0	2.0	2.0	2.0
8428 - Hlth Program Mgr II (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	**0.0**	**29.0**	**29.0**	**29.0**	**29.0**	**29.0**

Salaries and Wages

Salaries and Wages	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
1414 - Info Tech Spec II (Eff. 07-01-2025)	0	359	359	359	359	359
4800 - Staff Svcs Mgr I (Eff. 07-01-2025)	0	281	281	281	281	281
4801 - Staff Svcs Mgr II (Supvry) (Eff. 07-01-2025)	0	103	103	103	103	103
4802 - Staff Svcs Mgr III (Eff. 07-01-2025)	0	119	119	119	119	119
5393 - Assoc Govtl Program Analyst (Eff. 07-01-2025)	0	643	643	643	643	643
5580 - Research Scientist I (Eff. 07-01-2025)	0	88	88	88	88	88
5636 - Research Scientist V (Eff. 07-01-2025)	0	133	133	133	133	133
5647 - Research Scientist Supvr I (Eff. 07-01-2025)	0	121	121	121	121	121
5742 - Research Data Spec I (Eff. 07-01-2025)	0	185	185	185	185	185
5758 - Research Data Spec II (Eff. 07-01-2025)	0	204	204	204	204	204
5770 - Research Data Spec III (Eff. 07-01-2025)	0	112	112	112	112	112
5780 - Atty IV (Eff. 07-01-2025)	0	327	327	327	327	327
7788 - Med Consultant II (Eff. 07-01-2025)	0	391	391	391	391	391
8428 - Hlth Program Mgr II (Eff. 07-01-2025)	0	103	103	103	103	103
Total Salaries and Wages	**$0**	**$3,169**	**$3,169**	**$3,169**	**$3,169**	**$3,169**

Staff Benefits

Staff Benefits	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5150350 - Health Insurance	0	762	762	762	762	762
5150600 - Retirement - General	0	1,014	1,014	1,014	1,014	1,014
Total Staff Benefits	**$0**	**$1,776**	**$1,776**	**$1,776**	**$1,776**	**$1,776**

Total Personal Services

Total Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Personal Services	**$0**	**$4,945**	**$4,945**	**$4,945**	**$4,945**	**$4,945**