

4280 Managed Risk Medical Insurance Board

The Managed Risk Medical Insurance Board provides health coverage through commercial health plans, local initiatives and county organized health systems to certain persons having no health insurance. The Board also develops policy and recommendations on providing health insurance to over 6 million uninsured Californians.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Major Risk Medical Insurance Program	5.8	6.6	4.7	\$29,479	\$54,858	\$39,439
20 Access for Infants and Mothers Program	4.8	4.7	4.7	130,922	133,695	150,984
40 Healthy Families Program	61.0	71.3	69.7	1,077,082	1,158,469	1,130,900
50 County Health Initiative Matching Fund Program	1.9	1.9	1.9	2,286	2,420	2,413
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	73.5	84.5	81.0	\$1,239,769	\$1,349,442	\$1,323,736
FUNDING				2007-08*	2008-09*	2009-10*
0001 General Fund				\$389,410	\$399,916	\$406,352
0236 Unallocated Account, Cigarette and Tobacco Products Surtax Fund				1,485	1,900	940
0309 Perinatal Insurance Fund				57,425	59,762	67,402
0313 Major Risk Medical Insurance Fund				29,479	54,858	39,439
0890 Federal Trust Fund				754,381	808,470	801,579
0995 Reimbursements				6,633	23,510	6,998
3055 County Health Initiative Matching Fund				800	847	845
3085 Mental Health Services Fund				156	179	181
TOTALS, EXPENDITURES, ALL FUNDS				\$1,239,769	\$1,349,442	\$1,323,736

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Insurance Code, Division 2, Parts 2, 6.2, 6.3, 6.4, 6.5, Sections 10700, 12693, 12695, 12699.50 and 12700.

PROGRAM AUTHORITY

10-Major Risk Medical Insurance Program:

Insurance Code, Division 2, Part 6.5, Section 12700.

20-Access For Infants and Mothers Program:

Insurance Code, Division 2, Part 6.3, Section 12695.

40-Healthy Families Program:

Insurance Code, Division 2, Part 6.2, Section 12693.

50-County Health Initiative Matching Fund Program:

Insurance Code, Division 2, Part 6.4, Section 12699.50.

MAJOR PROGRAM CHANGES

- The Budget contains \$16.8 million in the current year for increased reimbursements from the First 5 California Children and Families Commission to fully fund an estimated caseload of 906,000 in the Healthy Families Program. The Budget also provides \$1.1 billion (\$403.9 million General Fund) in the Budget Year, an increase of \$18.6 million (\$6.4 million General Fund) over the 2008 Budget Act, to fully fund an estimated 942,000 children in the Healthy Families Program.

DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions

Workload Budget Adjustments

Other Workload Budget Adjustments

* Dollars in thousands

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	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Increase Reimbursement Authority due to CCFC and Packard Foundation Grants/Gifts to MRMIB (08-09 BR2 & BR3)	\$-	\$147	-	\$-	\$97	-
• ProRata Net Adjustment for 2009-10	-	-	-	-	35	-
• SWCAP Net Adjustment for 2009-10	-	-	-	-	-81	-
• Control Section 3.6 Retirement Rate Adjustment	-1	-2	-	-1	-2	-
• Adjust for Expired Two-Year Limited Position - Streamline Enrollment Processes 2006-07 BCP	-32	-59	-0.9	-32	-59	-0.9
Totals, Other Workload Budget Adjustments	-\$33	\$86	-0.9	-\$33	-\$10	-0.9
Totals, Workload Budget Adjustments	-\$33	\$86	-0.9	-\$33	-\$10	-0.9
Totals, Budget Adjustments	-\$33	\$86	-0.9	-\$33	-\$10	-0.9

PROGRAM DESCRIPTIONS (Program Objectives Statement)

10 - MAJOR RISK MEDICAL INSURANCE PROGRAM

Major Risk Medical Insurance Program - provides health coverage to residents of the state who are unable to secure adequate coverage for themselves and their dependents because insurers consider them to be "medically uninsurable" -- at high risk of needing costly care. The program procures subsidized coverage for subscribers through participating health carriers.

20 - ACCESS FOR INFANTS AND MOTHERS PROGRAM

Access for Infants and Mothers Program - provides comprehensive health care to pregnant women and educates women about the dangers of tobacco use. Only pregnant women whose family income is between 200 and 300 percent of the federal poverty level are eligible for the program. Pregnant women with incomes below 200 percent of the federal poverty level are eligible for the Medi-Cal program. The AIM Program provides subsidized coverage through participating health plans and covers eligible women through their pregnancy and 60 days postpartum.

40 - HEALTHY FAMILIES PROGRAM

Healthy Families Program - provides a subsidized children's health insurance program for low- to moderate-income families. The children have a choice of participating health, dental, and vision plans that offer a full range of services and comprehensive benefits consistent with those provided to state employees. The program provides subsidized coverage for eligible children up to age 19 in families with incomes up to 250 percent of the federal poverty level that are not eligible for Medi-Cal because of income.

50 - COUNTY HEALTH INITIATIVE MATCHING FUND PROGRAM

County Health Initiative Matching Fund Program - provides a subsidized children's health insurance program for moderate-income families in counties that have chosen to participate and have been approved by the federal government. The children, whose families are ineligible for Medi-Cal or the Healthy Families Program because of income, can be enrolled in a county-sponsored insurance program. Participating counties provide subsidized coverage for eligible children up to age 19 in families with incomes between 250 and 300 percent of the federal poverty level. The County Health Initiative Matching Fund Program provides a full range of services and comprehensive benefits equivalent to those provided under the Healthy Families Program. Program costs are funded by matching county funds with federal funds. The Managed Risk Medical Insurance Board manages the funds, and the counties administer the program.

DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2007-08*	2008-09*	2009-10*
PROGRAM REQUIREMENTS				
10	MAJOR RISK MEDICAL INSURANCE PROGRAM			
	State Operations:			
0313	Major Risk Medical Insurance Fund	\$920	\$1,224	\$1,286
	Totals, State Operations	\$920	\$1,224	\$1,286
	Local Assistance:			
0313	Major Risk Medical Insurance Fund	\$28,559	\$53,634	\$38,153
	Totals, Local Assistance	\$28,559	\$53,634	\$38,153
PROGRAM REQUIREMENTS				

* Dollars in thousands

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	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
20 ACCESS FOR INFANTS AND MOTHERS PROGRAM			
State Operations:			
0309 Perinatal Insurance Fund	\$287	\$324	\$353
0890 Federal Trust Fund	<u>439</u>	<u>630</u>	<u>682</u>
Totals, State Operations	\$726	\$954	\$1,035
Local Assistance:			
0309 Perinatal Insurance Fund	\$57,138	\$59,438	\$67,049
0890 Federal Trust Fund	<u>73,058</u>	<u>73,303</u>	<u>82,900</u>
Totals, Local Assistance	\$130,196	\$132,741	\$149,949
PROGRAM REQUIREMENTS			
40 HEALTHY FAMILIES PROGRAM			
State Operations:			
0001 General Fund	\$2,399	\$2,455	\$2,474
0236 Unallocated Account, Cigarette and Tobacco Products Surtax Fund	25	36	36
0890 Federal Trust Fund	5,772	6,216	6,250
0995 Reimbursements	425	544	509
3085 Mental Health Services Fund	<u>156</u>	<u>179</u>	<u>181</u>
Totals, State Operations	\$8,777	\$9,430	\$9,450
Local Assistance:			
0001 General Fund	\$387,011	\$397,461	\$403,878
0236 Unallocated Account, Cigarette and Tobacco Products Surtax Fund	1,460	1,864	904
0890 Federal Trust Fund	673,626	726,748	710,179
0995 Reimbursements	<u>6,208</u>	<u>22,966</u>	<u>6,489</u>
Totals, Local Assistance	\$1,068,305	\$1,149,039	\$1,121,450
PROGRAM REQUIREMENTS			
50 COUNTY HEALTH INITIATIVE MATCHING FUND PROGRAM			
State Operations:			
0890 Federal Trust Fund	\$108	\$316	\$321
3055 County Health Initiative Matching Fund	<u>58</u>	<u>170</u>	<u>173</u>
Totals, State Operations	\$166	\$486	\$494
Local Assistance:			
0890 Federal Trust Fund	\$1,378	\$1,257	\$1,247
3055 County Health Initiative Matching Fund	<u>742</u>	<u>677</u>	<u>672</u>
Totals, Local Assistance	\$2,120	\$1,934	\$1,919
TOTALS, EXPENDITURES			
State Operations	10,589	12,094	12,265
Local Assistance	<u>1,229,180</u>	<u>1,337,348</u>	<u>1,311,471</u>
Totals, Expenditures	\$1,239,769	\$1,349,442	\$1,323,736

EXPENDITURES BY CATEGORY (Summary By Object)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
1 State Operations						
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	73.5	88.9	84.2	\$4,851	\$5,770	\$5,587
Total Adjustments	-	-	1.0	-	8	101

* Dollars in thousands

4280 Managed Risk Medical Insurance Board - Continued

1 State Operations	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
Estimated Salary Savings	-	-4.4	-4.2	-	-279	-274
Net Totals, Salaries and Wages	73.5	84.5	81.0	\$4,851	\$5,499	\$5,414
Staff Benefits	-	-	-	1,721	1,938	1,904
Totals, Personal Services	73.5	84.5	81.0	\$6,572	\$7,437	\$7,318
OPERATING EXPENSES AND EQUIPMENT				\$4,017	\$4,657	\$4,947
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$10,589	\$12,094	\$12,265
2 Local Assistance				Expenditures		
				2007-08*	2008-09*	2009-10*
Major Risk Medical Insurance Program - Provider Contracts				\$28,559	\$53,634	\$38,153
Access for Infants and Mothers Program - Provider Contracts				130,196	132,741	149,949
Healthy Families Program				1,068,305	1,149,039	1,121,450
County Health Initiative Matching Fund Program				2,120	1,934	1,919
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)				\$1,229,180	\$1,337,348	\$1,311,471

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
0001 General Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,400	\$2,458	\$2,447
Allocation for employee compensation	59	3	-
Adjustment per Section 3.60	-5	-1	-
Adjustment per Section 4.04	-9	-	-
Adjustment per Section 15.25	-4	-	-
017 Budget Act appropriation	26	27	27
Allocation for employee compensation	1	-	-
Totals Available	\$2,468	\$2,487	\$2,474
Unexpended balance, estimated savings	-69	-32	-
TOTALS, EXPENDITURES	\$2,399	\$2,455	\$2,474
0236 Unallocated Account, Cigarette and Tobacco Products Surtax Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$36	\$36	\$36
Allocation for employee compensation	1	-	-
Totals Available	\$37	\$36	\$36
Unexpended balance, estimated savings	-12	-	-
TOTALS, EXPENDITURES	\$25	\$36	\$36
0309 Perinatal Insurance Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$361	\$319	\$348
Allocation for employee compensation	6	-	-
017 Budget Act appropriation	5	5	5
Totals Available	\$372	\$324	\$353
Unexpended balance, estimated savings	-85	-	-
TOTALS, EXPENDITURES	\$287	\$324	\$353
0313 Major Risk Medical Insurance Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$1,207	\$1,207	\$1,270
Allocation for employee compensation	23	1	-

* Dollars in thousands

4280 Managed Risk Medical Insurance Board - Continued

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
Adjustment per Section 3.60	-2	-	-
Adjustment per Section 15.25	-1	-	-
017 Budget Act appropriation	<u>16</u>	<u>16</u>	<u>16</u>
Totals Available	\$1,243	\$1,224	\$1,286
Unexpended balance, estimated savings	<u>-323</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$920	\$1,224	\$1,286
0890 Federal Trust Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$6,783	\$6,841	\$6,872
Allocation for employee compensation	124	6	-
Adjustment per Section 3.60	-11	-2	-
Adjustment per Section 15.25	-7	-	-
Budget Adjustment	-685	-59	-
003 Budget Act appropriation	309	316	321
Allocation for employee compensation	3	-	-
Budget Adjustment	-204	-	-
017 Budget Act appropriation	58	60	60
Allocation for employee compensation	2	-	-
Budget Adjustment	<u>-53</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$6,319	\$7,162	\$7,253
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$425	\$544	\$509
3055 County Health Initiative Matching Fund			
APPROPRIATIONS			
003 Budget Act appropriation	\$166	\$170	\$173
Allocation for employee compensation	<u>2</u>	<u>-</u>	<u>-</u>
Totals Available	\$168	\$170	\$173
Unexpended balance, estimated savings	<u>-110</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$58	\$170	\$173
3085 Mental Health Services Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$156	\$179	\$181
Allocation for employee compensation	<u>2</u>	<u>-</u>	<u>-</u>
Totals Available	\$158	\$179	\$181
Unexpended balance, estimated savings	<u>-2</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$156	\$179	\$181
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$10,589	\$12,094	\$12,265
2 LOCAL ASSISTANCE			
0001 General Fund			
APPROPRIATIONS			
101 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	\$372,429	\$-	\$-
101 Budget Act appropriation	-	371,781	377,487
102 Budget Act appropriation	<u>26,240</u>	<u>25,680</u>	<u>26,391</u>
Totals Available	\$398,669	\$397,461	\$403,878
Unexpended balance, estimated savings	<u>-11,658</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$387,011	\$397,461	\$403,878
0232 Hospital Services Account, Cigarette and Tobacco Products Surtax Fund			

* Dollars in thousands

4280 Managed Risk Medical Insurance Board - Continued

2 LOCAL ASSISTANCE	2007-08*	2008-09*	2009-10*
APPROPRIATIONS			
111 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007 (transfer to Perinatal Insurance Fund)	(\$34,879)	\$-	\$-
Revised expenditure authority per provision 1	(1,340)	(-)	-
111 Budget Act appropriation (transfer to Perinatal Insurance Fund)	-	(42,273)	(44,035)
Revised expenditure authority per provision 1	(-)	(-5,622)	-
112 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007 (transfer to the Major Risk Medical Insurance Fund)	(1,072)	-	-
112 Budget Act appropriation (transfer to the Major Risk Medical Insurance Fund)	<u>-</u>	<u>(6,818)</u>	<u>(6,818)</u>
TOTALS, EXPENDITURES	\$-	\$-	\$-
0233 Physician Services Account, Cigarette and Tobacco Products Surtax Fund			
APPROPRIATIONS			
111 Budget Act appropriation, as amended by Chapter 172, Statutes of 2006 (transfer to Perinatal Insurance Fund)	(\$14,474)	\$-	\$-
111 Budget Act appropriation (transfer to Perinatal Insurance Fund)	-	(15,170)	(12,770)
112 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007 (transfer to the Major Risk Medical Insurance Fund)	(614)	-	-
112 Budget Act appropriation (transfer to the Major Risk Medical Insurance Fund)	<u>-</u>	<u>(2,121)</u>	<u>(2,121)</u>
TOTALS, EXPENDITURES	\$-	\$-	\$-
0236 Unallocated Account, Cigarette and Tobacco Products Surtax Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$175	\$-	\$175
104 Budget Act appropriation	2,047	1,864	729
111 Budget Act appropriation, as amended by Chapter 172, Statutes of 2006 (transfer to Perinatal Insurance Fund)	(3,263)	-	-
111 Budget Act appropriation (transfer to Perinatal Insurance Fund)	<u>-</u>	<u>(266)</u>	<u>(904)</u>
Totals Available	\$2,222	\$1,864	\$904
Unexpended balance, estimated savings	<u>-762</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$1,460	\$1,864	\$904
0309 Perinatal Insurance Fund			
APPROPRIATIONS			
Insurance Code Section 12699-AIM	<u>\$57,138</u>	<u>\$59,438</u>	<u>\$67,049</u>
TOTALS, EXPENDITURES	\$57,138	\$59,438	\$67,049
0313 Major Risk Medical Insurance Fund			
APPROPRIATIONS			
Insurance Code Section 12739-MRMIP	<u>\$28,559</u>	<u>\$53,634</u>	<u>\$38,153</u>
TOTALS, EXPENDITURES	\$28,559	\$53,634	\$38,153
0890 Federal Trust Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$729,841	\$732,917	\$751,191
Budget Adjustment	-25,034	21,935	-
102 Budget Act appropriation	40,539	40,084	40,534
Budget Adjustment	-1,127	736	-
103 Budget Act appropriation	1,519	1,494	1,247
Budget Adjustment	-141	-237	-
104 Budget Act appropriation	3,802	4,379	1,354
Budget Adjustment	<u>-1,337</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$748,062	\$801,308	\$794,326
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	\$6,208	\$22,966	\$6,489

* Dollars in thousands

4280 Managed Risk Medical Insurance Board - Continued

2 LOCAL ASSISTANCE	2007-08*	2008-09*	2009-10*
3055 County Health Initiative Matching Fund			
APPROPRIATIONS			
103 Budget Act appropriation	\$818	\$804	\$672
Totals Available	\$818	\$804	\$672
Unexpended balance, estimated savings	-76	-127	-
TOTALS, EXPENDITURES	\$742	\$677	\$672
3133 Managed Care Administrative Fines and Penalties Fund			
APPROPRIATIONS			
112 Budget Act appropriation (transfer to the Major Risk Medical Insurance Fund)	\$-	\$-	(\$500)
TOTALS, EXPENDITURES	\$-	\$-	\$-
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$1,229,180	\$1,337,348	\$1,311,471
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$1,239,769	\$1,349,442	\$1,323,736

FUND CONDITION STATEMENTS

	2007-08*	2008-09*	2009-10*
0309 Perinatal Insurance Fund ^s			
BEGINNING BALANCE	\$377	\$3,041	\$2,904
Prior year adjustments	-985	-	-
Adjusted Beginning Balance	-\$608	\$3,041	\$2,904
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
161400 Miscellaneous Revenue	7,119	7,538	8,346
Transfers and Other Adjustments:			
FO0232 From Hospital Services Account Cigarette and Tobacco Products Surtax Fund per Item 4280-111-0232, Budget Acts	36,219	36,651	44,035
FO0233 From Physician Services Account, Cigarette and Tobacco Products Surtax Fund per Item 4280-111-0233, Budget Acts	14,474	15,170	12,770
FO0236 From Unallocated Account, Cigarette and Tobacco Products Surtax Fund per Item 4280-111-0236, Budget Acts	3,263	266	904
Total Revenues, Transfers, and Other Adjustments	\$61,075	\$59,625	\$66,055
Total Resources	\$60,467	\$62,666	\$68,959
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	1	-	-
4280 Managed Risk Medical Insurance Board			
State Operations	287	324	353
Local Assistance	57,138	59,438	67,049
Total Expenditures and Expenditure Adjustments	\$57,426	\$59,762	\$67,402
FUND BALANCE	\$3,041	\$2,904	\$1,557
Reserve for economic uncertainties	3,041	2,904	1,557
0313 Major Risk Medical Insurance Fund ^s			
BEGINNING BALANCE	\$18,404	\$5,920	-
Prior year adjustments	-4,690	-	-
Adjusted Beginning Balance	\$13,714	\$5,920	-
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Transfers and Other Adjustments:			
FO0232 From Hospital Services Account Cigarette and Tobacco Products Surtax Fund per Insurance Code Section 12739	18,000	18,000	\$18,000
FO0232 From Hospital Services Account Cigarette and Tobacco Products Surtax Fund per Item 4280-112-0232, Budget Acts	1,072	6,818	6,818

* Dollars in thousands

4280 Managed Risk Medical Insurance Board - Continued

	2007-08*	2008-09*	2009-10*
FO0233 From Physician Services Account, Cigarette and Tobacco Products Surtax Fund per Item 4280-112-0233, Budget Acts	614	2,121	2,121
FO0233 From Physician Services Account, Cigarette and Tobacco Products Surtax Fund per Insurance Code Section 12739(b)(2)	1,000	11,000	11,000
FO0236 From Unallocated Account, Cigarette and Tobacco Products Surtax Fund per Insurance Code Section 12739(b)(3)	1,000	1,000	1,000
FO0933 From Managed Care Fund per Chapter 607, Statues of 2008 Section 12(B)	-	10,000	-
FO3133 From Managed Care Administrative Fines and Penalties Fund per Item 4280-112-3133, Budget Act of 2009	-	-	500
Total Revenues, Transfers, and Other Adjustments	<u>\$21,686</u>	<u>\$48,939</u>	<u>\$39,439</u>
Total Resources	\$35,400	\$54,859	\$39,439
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	1	1	-
4280 Managed Risk Medical Insurance Board			
State Operations	920	1,224	1,286
Local Assistance	<u>28,559</u>	<u>53,634</u>	<u>38,153</u>
Total Expenditures and Expenditure Adjustments	<u>\$29,480</u>	<u>\$54,859</u>	<u>\$39,439</u>
FUND BALANCE	\$5,920	-	-
Reserve for economic uncertainties	5,920	-	-

* Dollars in thousands