

## **MAA PROGRAM UPDATE - DBUG - January 26, 2018**

### Status on Reimbursements:

- Payments have been received by DHCS through FY 15/16 Q2.
- Invoices for 15/16 Q3 and Q4 were submitted at the end of December 2017. Payment for 15/16 Q3 could possibly be received before the end of the fiscal year.

### MAA Backcasting Process:

- We have begun the backcasting process for FY 12/13 based on the current approved backcasting methodology. If the calculation stands most districts will be in a “pay-back” status.

### Legislation/Governor's FY 18/19 Budget:

- Line item in Governor's Budget under State Department of Health Care Services shown below:

***School-Based Medi-Cal Administrative Activities and Local Education Agency Billing Option Program - The Budget includes \$58.4 million General Fund in 2017-18 and \$163.4 million General Fund in 2018-19 for repayments to the federal government resulting from overpayments of federal funds to local education agencies. To the extent a local education agency has an outstanding balance owed to the federal government, the Administration proposes applying one-time discretionary funding appropriated to those local education agencies in the 2018-19 fiscal year toward the outstanding balance owed to the federal government to repay the state General Fund.***

What does this mean?

- DHCS is asking that the General Fund cover the amount owed back to the federal agency, Centers for Medicare and Medicaid Services (CMS), for amounts determined to be overpaid to LEAs due to the backcasting process.
- DHCS will then use Prop. 98 discretionary funds, off-the-top, to collect amounts owed by the school districts thereby reducing the LEAs allocation of these funds.