

BUDGET AND FINANCE COMMITTEE REPORT relative to the Fiscal Year 2014-15 Medi-Cal Intergovernmental Transfer Program (FY 2015 IGT) to access federal Medicaid funds for emergency medical and ambulance transport services.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. REQUEST the City Attorney to draft an ordinance establishing a special fund titled Medi-Cal Intergovernmental Transfer Program (IGT Fund) for the deposit of monies received from the State of California Department of Health Care Services (DHCS), or its contracted Health Care Plans (HCPs), for the Los Angeles Fire Department (LAFD) to provide emergency medical and ambulance transport (EMS) and health care services in accordance with California Welfare and Institutions Code Section 14301.4.
2. AUTHORIZE the Controller to:
 - a. Electronically transfer \$9,512,324 from the LAFD Fund No. 100/38, EMS Program Account No. 001012 Salaries Sworn, to the DHCS, by no later than September 9, 2016, for LAFD participation in the FY 2015 IGT to access federal Medicaid funds for EMS services.
 - b. Set up a receivable in the new IGT Fund in an amount to be determined upon receipt of the FY 2015 IGT program funds from the DHCS or its contracted HCPs.
 - c. Establish an appropriation account, account number to be determined (TBD), within the new IGT Fund, titled FY2015 Medi-Cal Intergovernmental Transfer, for the receipt and disbursement of the FY 2015 IGT funds.
3. AUTHORIZE the LAFD to:
 - a. Deposit the FY 2015 IGT receipts in the new IGT Fund, FY2015 Medi-Cal IGT Account No. TBD.
 - b. Transfer \$9,512,324 from the new IGT Fund, FY2015 Medi-Cal IGT Account No. TBD to the LAFD Fund No. 100/38, EMS Program Account No. 001012 Salaries Sworn.
4. AUTHORIZE the Controller, if the new IGT Fund has not been established when the FY 2015 IGT program funds are received, to deposit receipts into the Fire Department Trust Fund No. 848/38, Revenue Source No. 5504 Contribution - Trust, and transfer therefrom the amount of \$9,512,324 in advanced funds to the LAFD Fund No. 100/38, EMS Program Account No. 001012 Salaries Sworn, in place of Recommendation Nos. 2b through 3b above.
5. INSTRUCT the LAFD and City Administrative Officer (CAO) to report, upon receipt of the FY 2015 IGT program funds, on the current fiscal condition of the LAFD budget and its EMS resource priorities.

6. AUTHORIZE the LAFD to prepare Controller instructions for any technical adjustments in compliance with the intent of Council actions, subject to the approval of the City Administrative Officer; and, AUTHORIZE the Controller to implement the instructions.

Fiscal Impact Statement: The CAO reports that approval of the recommendations in this report will require an upfront transfer of \$9.51 million, consisting of \$7.93 million in eligible Medi-Cal costs and \$1.58 million for administrative fees, from the LAFD's Sworn Salaries Account to the DHCS. The anticipated amount transferred back to the City from the DHCS or its contracted HCPs will be \$15.37 million, including \$5.86 million in net revenues. There is no additional General Fund impact. These actions are in compliance with the City's Financial Policies in that proposed ongoing programs or services are to be supported by ongoing revenues.

Community Impact Statement: None submitted.

(Public Safety Committee waived consideration of the above matter)

SUMMARY

At its regular meeting held on August 29, 2016, the Budget and Finance Committee considered a report from the CAO dated August 25, 2016 relative to authorization for participation by the LAFD in the FY 2015 Medi-Cal Intergovernmental Transfer Program to access federal Medicaid Funds for emergency medical and ambulance transport services. The CAO reports that an upfront commitment of \$9.51 million is required for participation in the Program, and that the City will ultimately net \$5.86 million in federal funding in 2016-17. The funding, once received, will be used by the LAFD for EMS-related programs and services supplemental to the 2016-17 Adopted Budget. Representatives of the CAO and the LAFD addressed the Committee relative to the CAO's report and responded to related questions.

After providing an opportunity for public comment, the Committee approved the recommendations in the CAO report. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	YES
BLUMENFIELD:	YES
BONIN:	ABSENT

REW
8/29/16
FILE NO. 16-0530

-NOT OFFICIAL UNTIL COUNCIL ACTS-