



**DIVISION OF MEDICAL ASSISTANCE**  
**MEDICAID BUDGET UPDATE**

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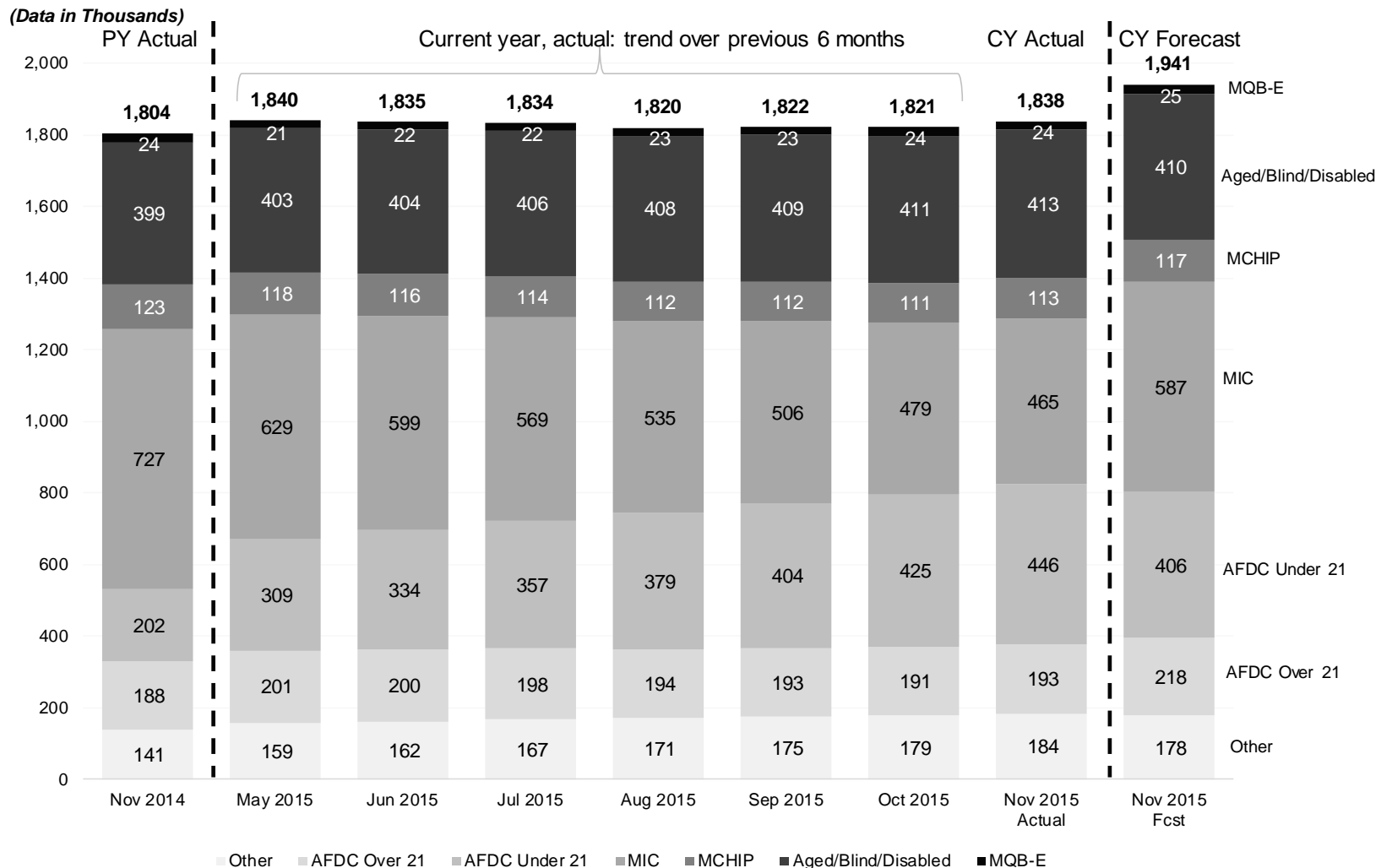
**Roger Barnes**  
**Deputy Director of Finance, DMA**

**December 11, 2015**

# Medicaid Enrollment by Program Aid Category



Current enrollment at November 2015 of 1.838M is 1.9% higher than the one year prior 1.804M at November 2014



# Medicaid: State Fiscal Year 2016

## Comparison of October Year-To-Date Actual Results vs. Prior Year



**While claims expenditures were \$32.0M higher, total Medicaid expenditures were \$35.1M lower vs. the prior year.**

**The year over year variance is driven primarily by the timing of cost settlements (\$48.6M) and prior year's audit & adjustments (\$20.6M).**

(\$ millions)

Fund Description	SFY2015A YTD	SFY2016A YTD	Variance (vs. SFY2015)	Variance %
<b>Medical Assistance Payments</b>				
Hospital	\$ 502.4	\$ 473.0	\$ (29.4)	-5.8%
Skilled Nursing Facility	400.8	412.3	11.4	2.9%
Physicians	361.9	335.6	(26.3)	-7.3%
Drugs	300.7	340.2	39.5	13.1%
Other	2,021.3	2,058.0	36.8	1.8%
<b>Total Medical Assistance Payments</b>	<b>\$ 3,587.1</b>	<b>\$ 3,619.2</b>	<b>\$ 32.0</b>	<b>0.9%</b>
Consolidated Supplemental Hospital Payments	901.0	926.0	25.0	2.8%
Other Expenditures	253.4	161.2	(92.2)	-36.4%
<b>Total Expenditures</b>	<b>\$ 4,741.5</b>	<b>\$ 4,706.4</b>	<b>\$ (35.1)</b>	<b>-0.7%</b>

# Medicaid: State Fiscal Year 2016

## Comparison of October Year-To-Date Actual Results vs. Budget



Medicaid expenditures were \$244.6M or 5.2% favorable to the authorized budget.

This favorable variance is driven by lower enrollment, service utilization, and cost than those assumed in the budget.

(\$ millions)

Fund Description	SFY2016A YTD	SFY2016B YTD <sup>1</sup>	Variance (vs. Budget)	Variance %
<b>Medical Assistance Payments</b>				
Hospital	\$ 473.0	\$ 539.9	\$ 66.8	14.1%
Skilled Nursing Facility	412.3	422.5	10.2	2.5%
Physicians	335.6	385.2	49.6	14.8%
Drugs	340.2	369.3	29.2	8.6%
Other	2,058.0	2,137.7	79.6	3.9%
<b>Total Medical Assistance Payments</b>	<b>\$ 3,619.2</b>	<b>\$ 3,854.6</b>	<b>\$ 235.4</b>	<b>6.5%</b>
Consolidated Supplemental Hospital Payments	926.0	897.2	(28.8)	-3.1%
Other Expenditures	161.2	199.1	37.9	23.5%
<b>Total Expenditures</b>	<b>\$ 4,706.4</b>	<b>\$ 4,950.9</b>	<b>\$ 244.6</b>	<b>5.2%</b>

1. Includes accounting entries expected to be made this month reflecting Year to Year activity.

# Medicaid: State Fiscal Year 2016

## Comparison of October Year-To-Date Actual Results vs. Budget



The use of appropriations totaled \$1.166B, which is \$127M or 10.9% favorable to the authorized budget.

(\$ millions)			VARIANCE	
	SFY2016A YTD	SFY2016B YTD <sup>1</sup>	\$	%
<b><u>Medicaid</u></b>				
Expenditures	\$ 4,706	\$ 4,951	\$ 245	5.2%
Federal Revenues	2,918	3,057	139	4.8%
Other Revenues	622	600	(22)	-3.5%
<b>State Appropriations</b>	<b>\$ 1,166</b>	<b>\$ 1,294</b>	<b>\$ 127</b>	<b>10.9%</b>

1. Includes accounting entries expected to be made this month reflecting Year to Year activity.

# Medicaid: Biennium Budget



**State appropriations are budgeted \$185M, or 5.2% higher for SFY2016 vs. the adjusted authorized budget for SFY2015 and \$180M or 4.8% higher for SFY2017 vs. SFY2016.**

(\$ millions)	SFY2015B <sup>1</sup>		SFY2016B <sup>2</sup>		VARIANCE		SFY2016B <sup>2</sup>		SFY2017B		VARIANCE			
					\$	%			\$	%	\$	%		
Expenditures	\$	13,642	\$	14,346	\$	704	5.2%	\$	14,346	\$	14,897	\$	551	3.8%
Federal Revenues		8,602		9,179		577	6.7%		9,179		9,624		445	4.8%
Other Revenues		1,489		1,431		(58)	-3.9%		1,431		1,357		(74)	-5.2%
<b>State Appropriations</b>	<b>\$</b>	<b>3,552</b>	<b>\$</b>	<b>3,737</b>	<b>\$</b>	<b>185</b>	<b>5.2%</b>	<b>\$</b>	<b>3,737</b>	<b>\$</b>	<b>3,916</b>	<b>\$</b>	<b>180</b>	<b>4.8%</b>

1. Adjusted for non-recurring appropriations of \$137M.

2. Includes accounting entries expected to be made this month reflecting Year to Year activity.