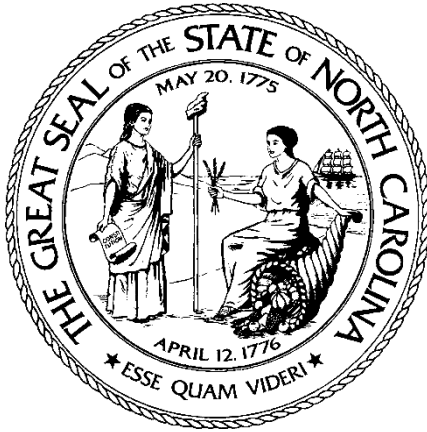


**NC Department of Health and Human Services
Division of Health Benefits**



Medicaid and NC Health Choice Enrollment and Financial Update

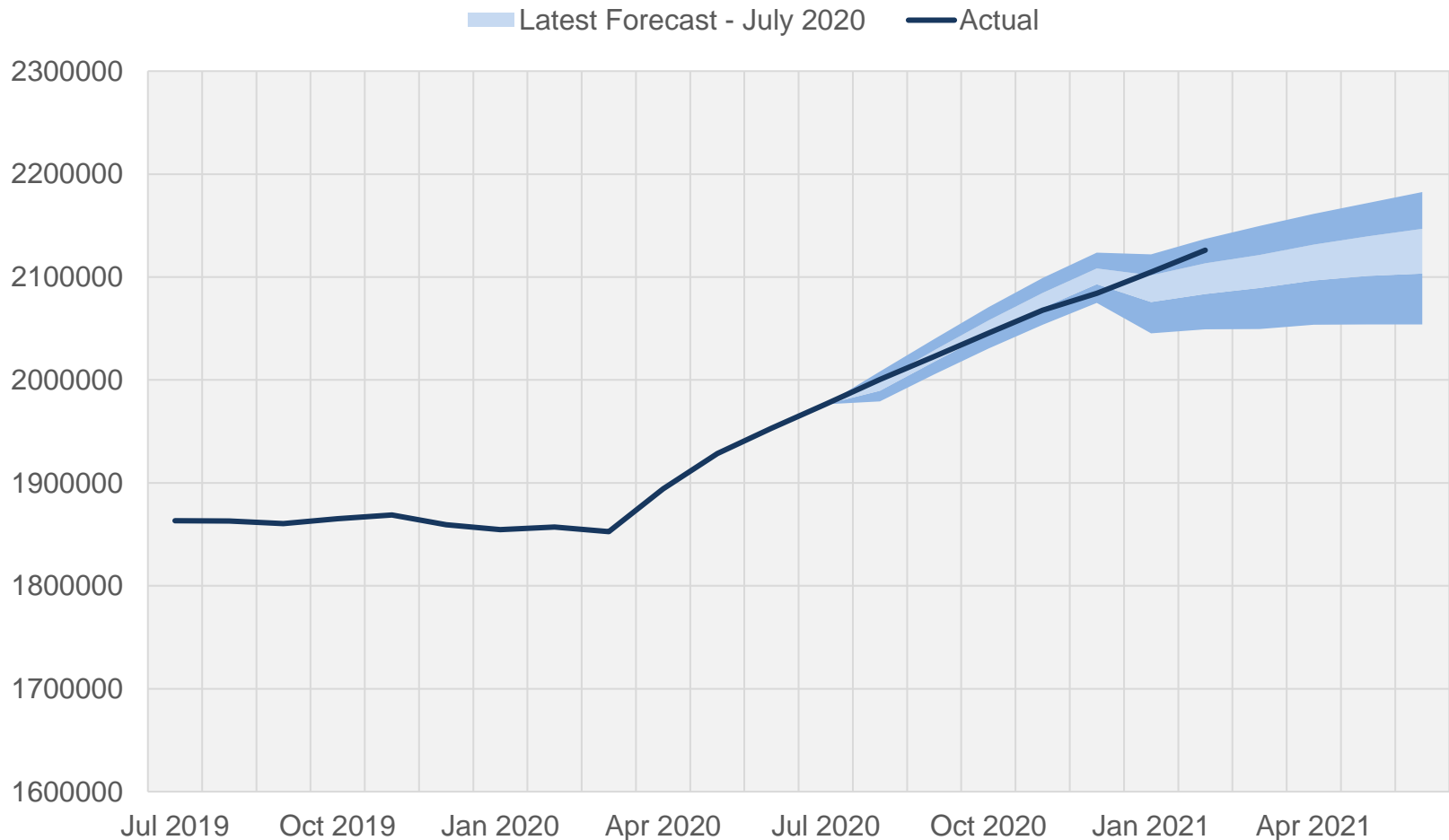
**Adam Levinson
Chief Financial Officer, NC Medicaid**

Medical Care Advisory Committee (MCAC) Meeting

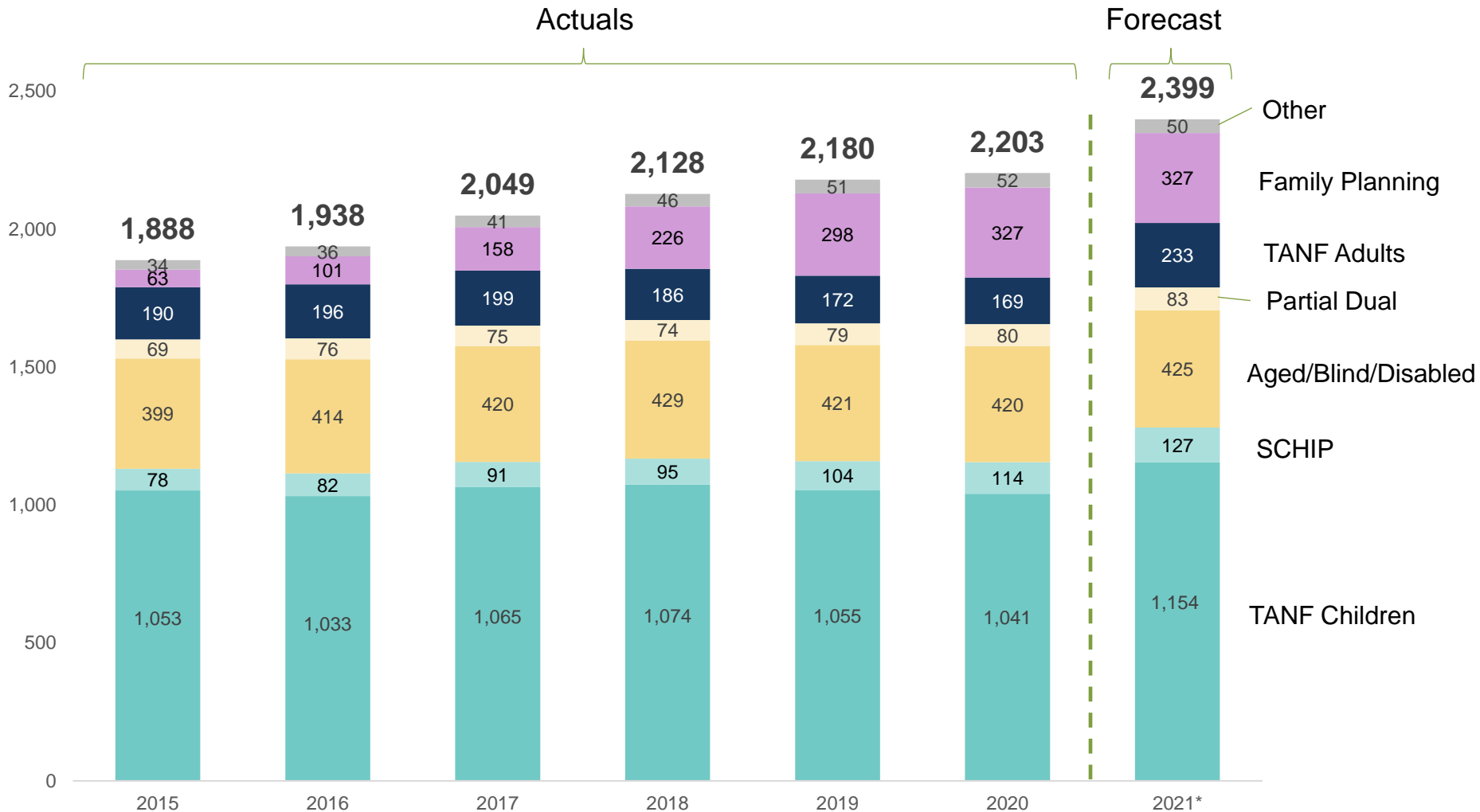
March 19, 2021

Total Enrollment Based on PACs

Not including family planning

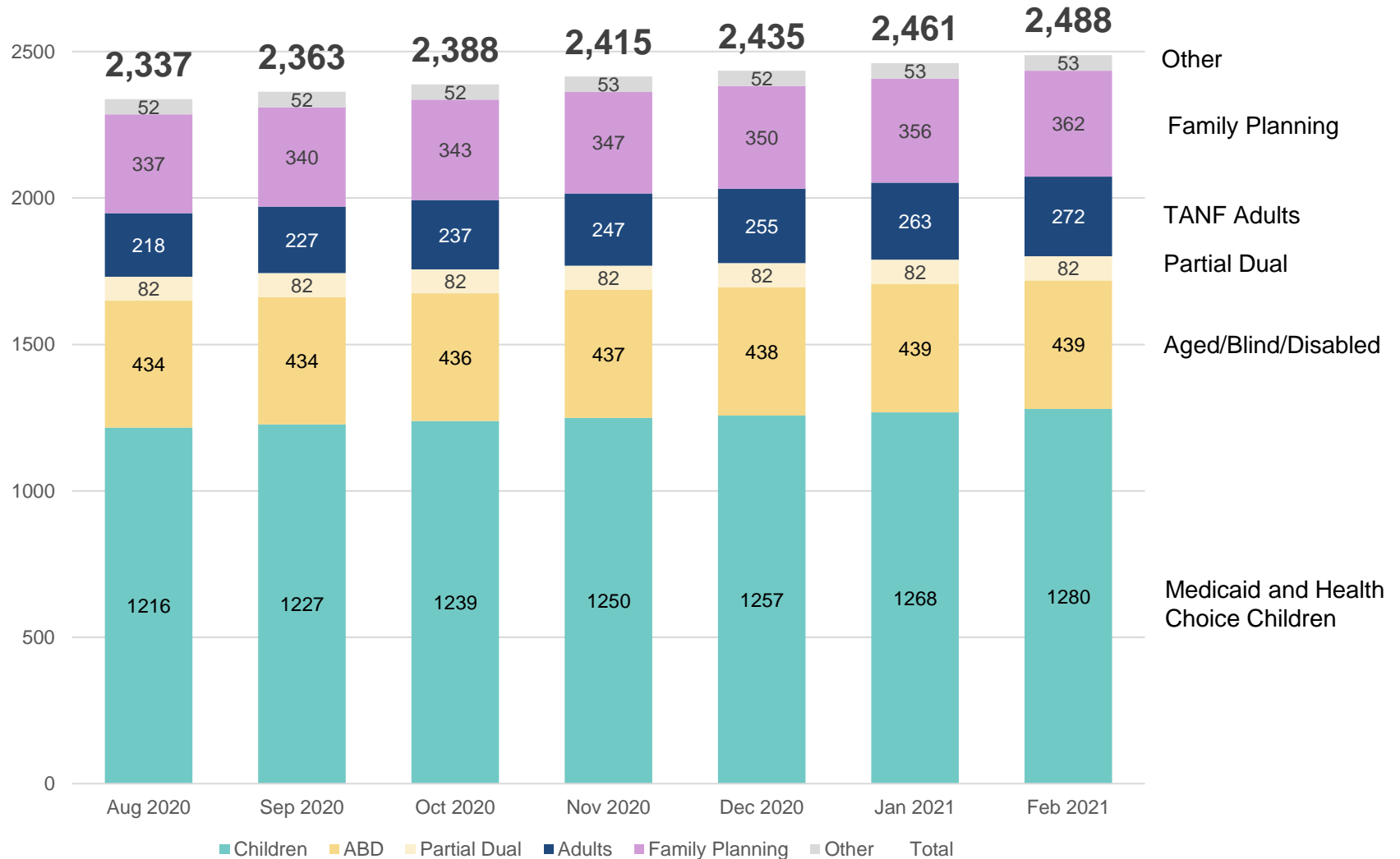


Average Annual Enrollment by PAC (in Thousands)



Medicaid average membership forecasted to grow 8% through 2021

Monthly Medicaid Enrollment by PAC (in Thousands)



NC Medicaid SFY 2020-21: Actuals vs. Prior Year

As of January 2021, NC Medicaid has spent approximately **\$502 million (21.3%) less than the prior year at this time.**

	\$ millions	SFY 2019-20 Prior Year	SFY 2020-21 Actuals	Difference	
				\$	%
A	Expenditures	\$8,586	\$9,185	\$599	7.0%
B	Federal Revenue	\$5,522	\$6,484	\$962	17.4%
C	Other Revenue	\$710	\$849	\$139	19.7%
A - B - C	State Appropriations	\$2,355	\$1,853	-\$502	-21.3%

NC Medicaid SFY 2020-21: Actuals vs. Budget

As of January 2021, NC Medicaid has spent approximately **\$1.8b (45%) of the authorized appropriations budget.**

	\$ millions	SFY 2020-21 Budget	SFY 2020-21 Actuals	Available	
				\$	%
A	Expenditures	\$18,200	\$9,185	\$9,015	50%
B	Federal Revenue	\$12,396	\$6,484	\$5,882	47%
C	Other Revenue	\$1,678	\$849	\$859	51%
A - B - C	State Appropriations	\$4,126	\$1,853	\$2,273	55%

SFY 2020-21 Expenditures Year-to-Date

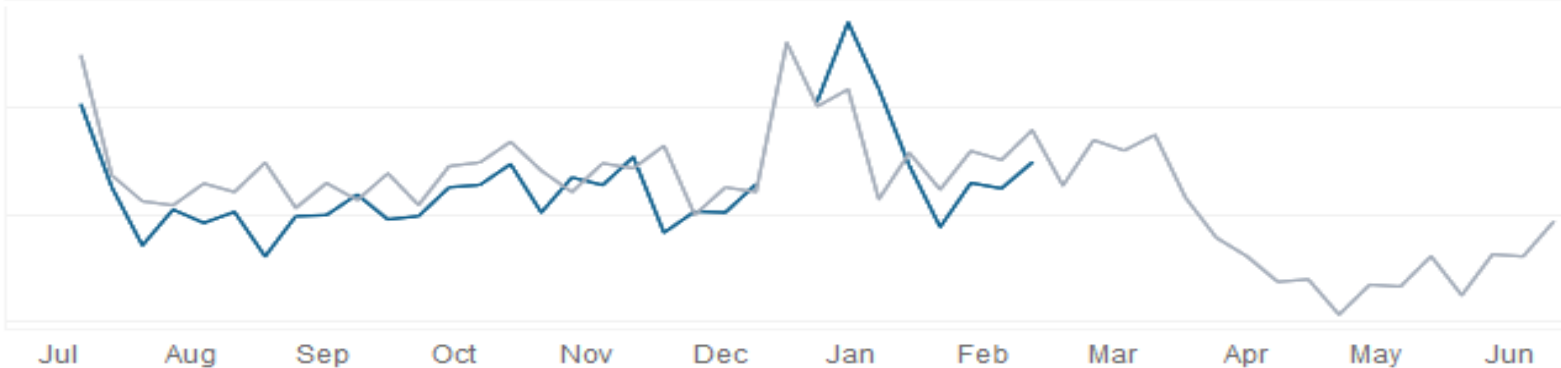
Several reasons that spending for the current fiscal year is below projections:

- Continued effects of social distancing**
- COVID treatment and testing costs lower than expected**
- Added/Auto-extended beneficiaries (i.e., source of enrollment growth) on average lower acuity than expected**
- Extension of public health emergency and the enhanced FMAP**

Procedure Counts, April-November 2020

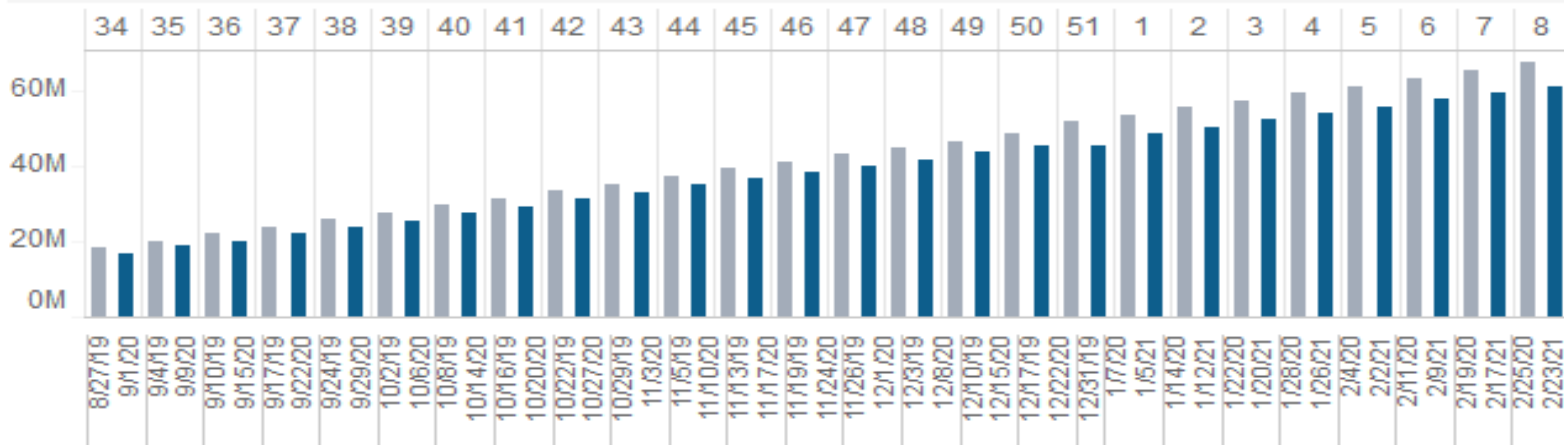
Proc Trend - Rolling 3 Week Average
COS: All

■ FY 2020 ■ FY 2021

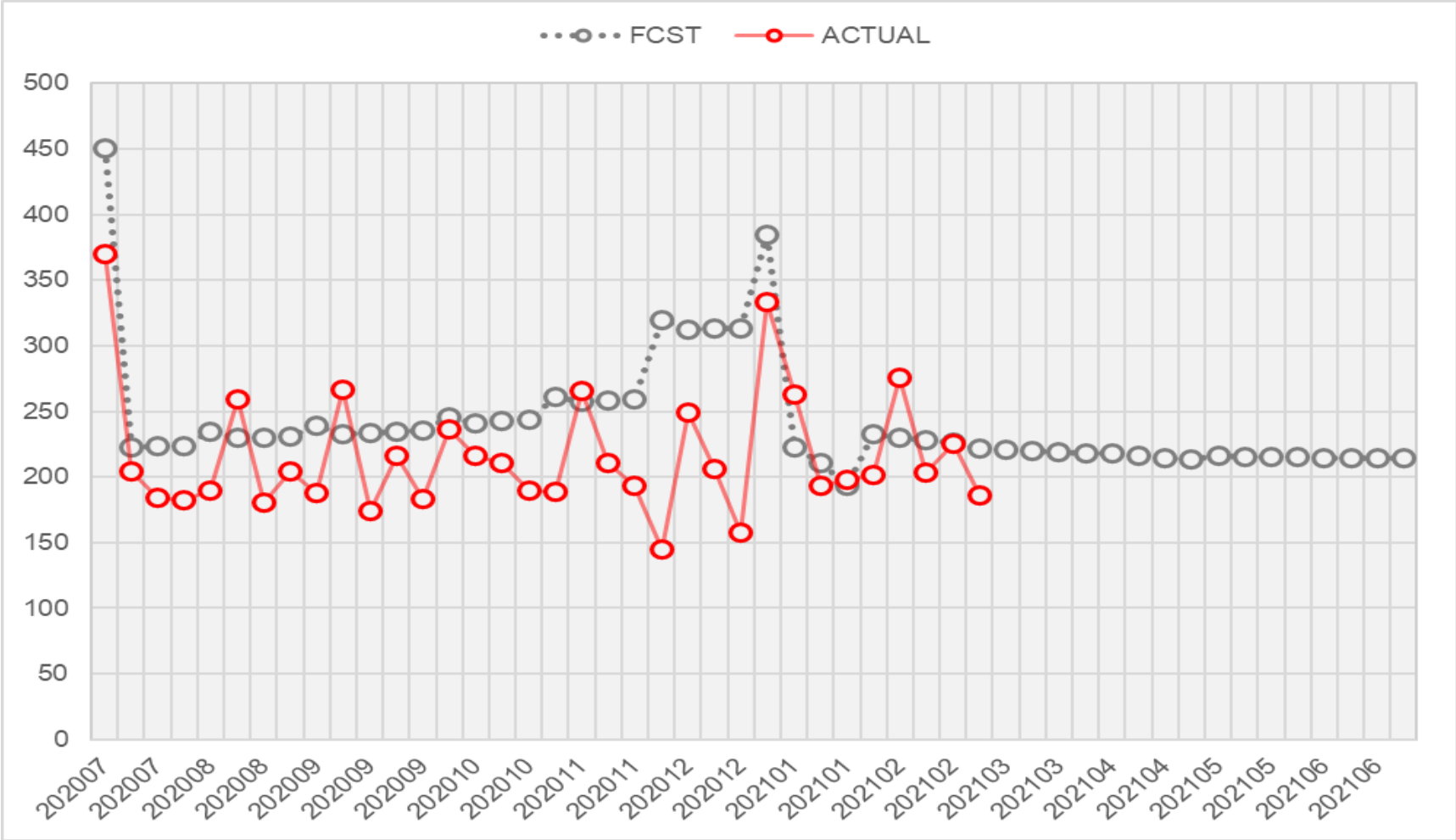


Note: The trend for SFY 2021 has a gap because there was not a checkwrite during the last week of Dec. 2020.

Cumulative Procs by Checkwrite
COS: All



Actual vs. Forecasted Spending (Through 3/2)



20% below expected spend as of 3/2

NC Medicaid Expenditures by Service Category

Service Category	SFY 2019-20	SFY 2020-21	% Change
Capitation (LME/MCO, PACE)	\$1,769	\$2,720	54%
Pharmacy (Gross)	1,292	1,453	13%
Physician	922	945	3%
Skilled Nursing Facility	923	1,485	61%
Hospital - Inpatient	632	716	13%
Hospital - Outpatient	380	436	15%
Personal Care Services	305	417	37%
Dental	260	273	5%
Hospital - ER	248	238	-4%
CAP - Disabled Adult	195	254	31%
CAP - Child	44	58	31%
Other	838	976	16%
Total	\$7,808	\$9,972	28%

Through 3/2

Looking Ahead to SFY 2021-23 Biennium

As we look ahead to the budget for the next biennium, there are several factors we think will drive estimates:

- Long-term economic effects on enrollment
- PHE impacts on FMAP, enrollment, and policy
- Managed Care launch and claims run-out