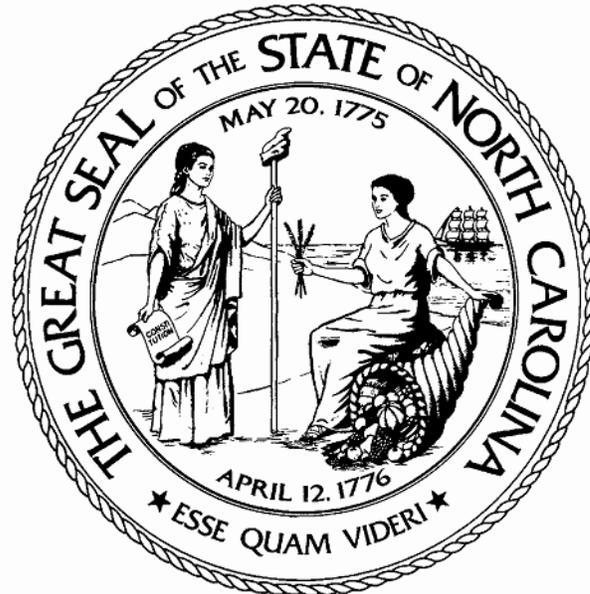


Graduate Medical Education Medical Reimbursement

Session Law 2017-57; Section 11H.13(c)



Report to the

**Joint Legislative Oversight Committee on
Medicaid and NC Health Choice**

and

Fiscal Research Division

By

NC Department of Health and Human Services

January 1, 2018

Introduction

As part of Session Law 2015-57 and the Joint Conference Committee report, the Department of Health and Human Services is to report on the actual expenditures of appropriated funds for graduate medical education (GME) to teaching hospitals in comparison with the amount budgeted in the 2017 Appropriations Act. Additionally, DHHS is to report any actions that may be required by the DHHS to adjust spending to operate within the authorized appropriations.

“**SECTION 11H.13(c)** No later than January 1, 2018, DMA shall report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Fiscal Research Division on all of the following:

(1) The actual and forecasted total requirements less receipts for payments made for the GME add-on to the DRG Unit Value (Base) rate.”

Table 1 shows that the actual State appropriations spent from July 1, 2017 through November 30, 2017 is less than the forecasted amount for the same period. DHHS projects that it will remain under budget for the remainder of the State fiscal year.

Table 1 - GME Only	Actual (as of 11/30/17)	Forecast (through 11/30/17)	SFY 2018 Annual Forecast
Total Requirements	\$ 37,952,228	37,670,553	\$ 90,409,327
Receipts	\$ 25,684,082	25,133,793	\$ 60,321,103
State Appropriations	\$ 12,268,146	12,536,760	\$ 30,088,224

“(2) The actual and forecasted total requirements less receipts for all Medicaid spending.”

Table 2 reflects the annual authorized budget and the spending forecast for the SFY2018. DHHS projects that the Medicaid program will operate within its authorized budget.

Table 2	Actual (as of 11/30/17)*	SFY 2018 Forecast	SFY 2018 Authorized Budget*
Total Requirements	\$ 5,933,043,554	\$ 14,542,000,000	\$ 14,392,218,025
Receipts	\$ 4,360,642,493	\$ 10,874,000,000	\$ 10,696,084,532
State Appropriations	\$ 1,572,401,061	\$ 3,668,000,000	\$ 3,696,133,493

*Please note budget and actual figures current in NCAS as of 12/17/2017

“(3) Any specific actions the Department of Health and Human Services has taken or proposes to take to maintain total Medicaid spending within the amounts appropriated for the Medicaid program.”

Since the Medicaid program is forecasted to maintain total Medicaid spending within the amounts appropriated for the Medicaid program, DHHS does not recommend changes to the Medicaid policies or provider reimbursement rates. However, the Department will continue to monitor the Medicaid spending and make any adjustments necessary to remain within Medicaid’s authorized budget.