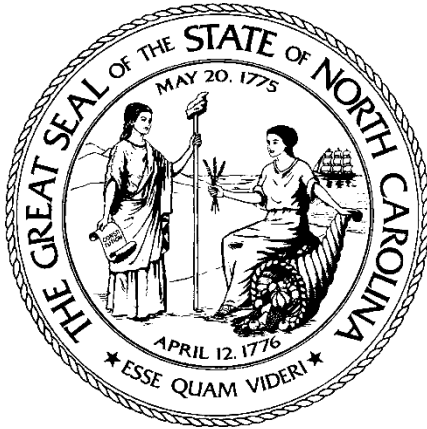


**NC Department of Health and Human Services
Division of Health Benefits**

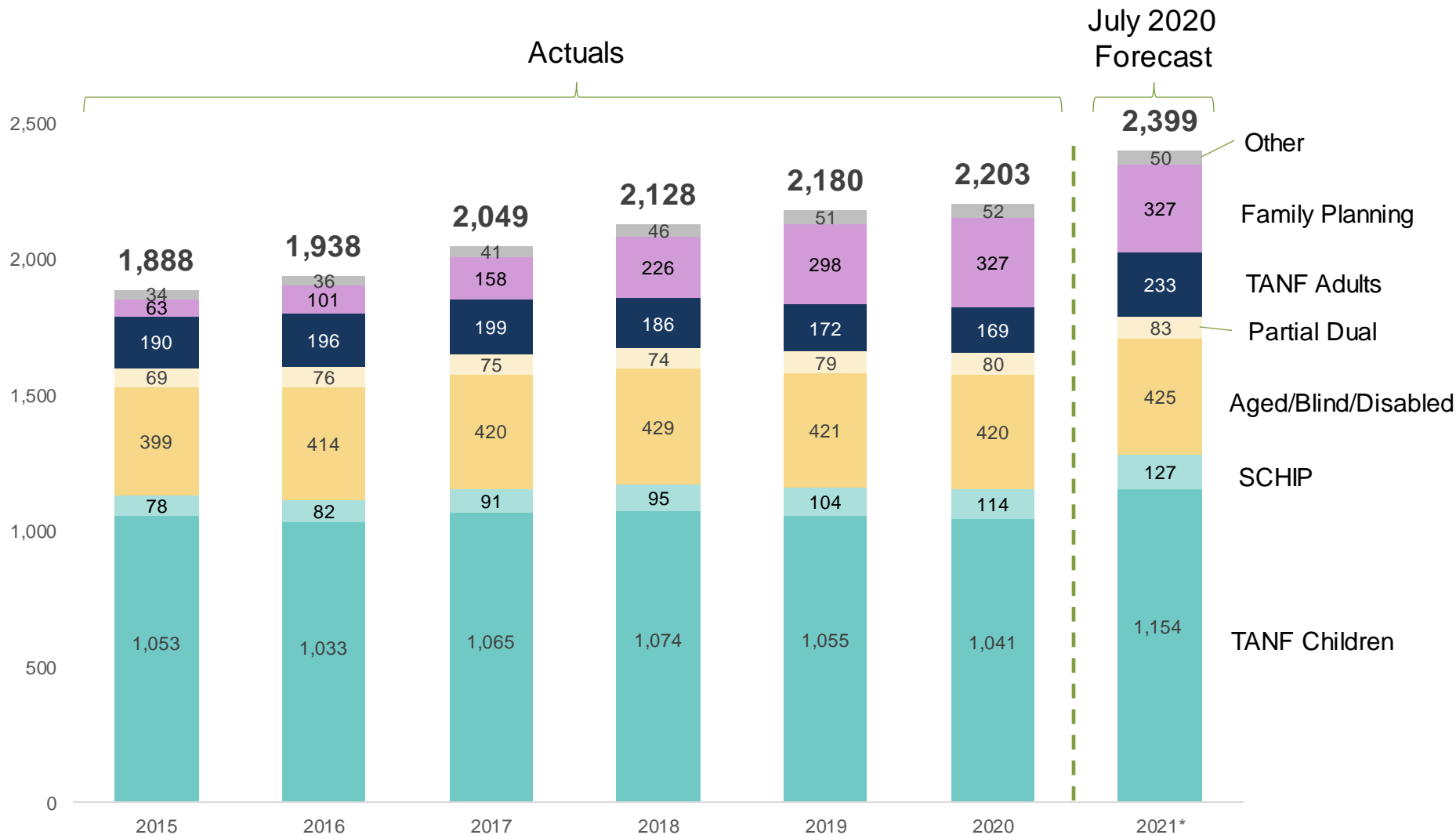


Medicaid and NC Health Choice Enrollment and Financial Update

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

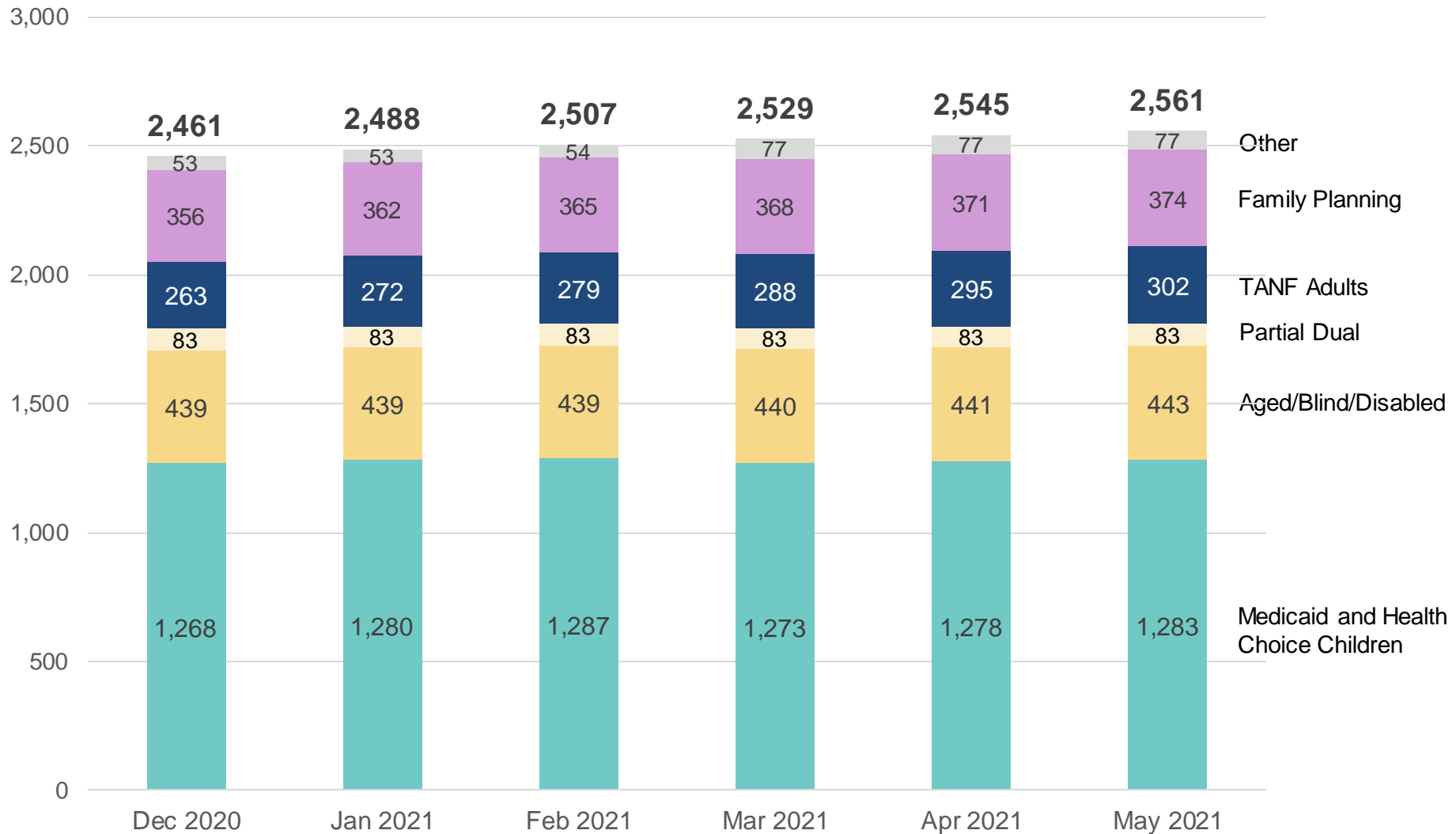
**Medical Care Advisory Committee (MCAC) Meeting
June 11, 2021**

Average Annual Enrollment by PAC (in Thousands)



Medicaid avg membership has actually grown roughly 11% (compared to forecast of 8%) through 2021

Monthly Medicaid Enrollment by PAC (in Thousands)

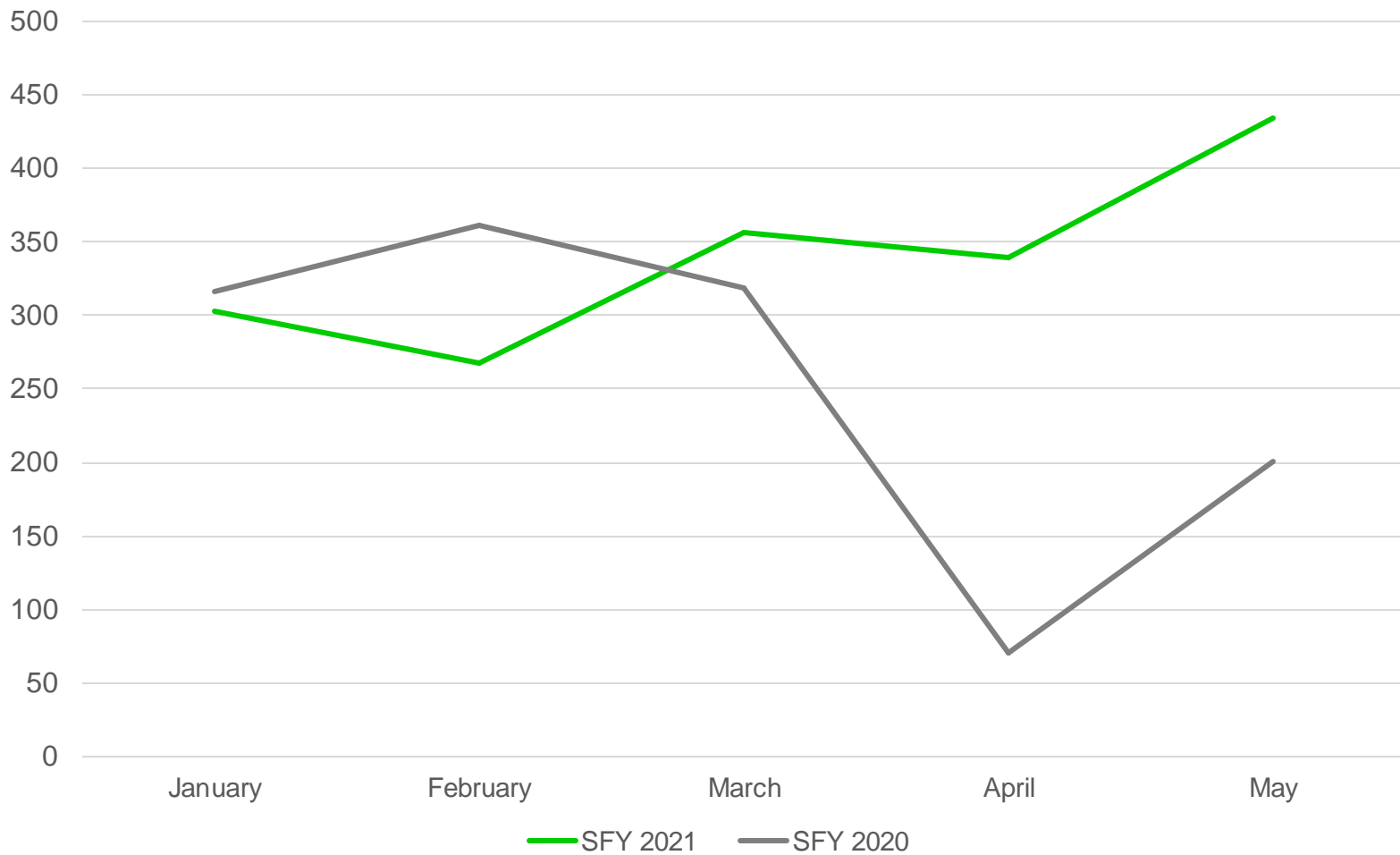


NC Medicaid SFY 2020-21: Actuals vs. Prior Year

As of May 2021, NC Medicaid has spent approximately **\$55m (1.7%) less in appropriations than the prior year at this time.**

	\$ millions	SFY 2019-20 Prior Year	SFY 2020-21 Actuals	Difference	
				\$	%
A	Expenditures	\$15,432	\$15,557	\$125	0.8%
B	Federal Revenue	\$10,837	\$10,967	\$130	1.2%
C	Other Revenue	\$1,289	\$1,339	\$50	13.9%
A - B - C	State Appropriations	\$3,306	\$3,251	-\$55	-1.7%

Appropriations Expenditures, Jan-May, Current vs. Prior Year



Procedure Counts Year-to-Date, SFY 2021

Procedures Summary

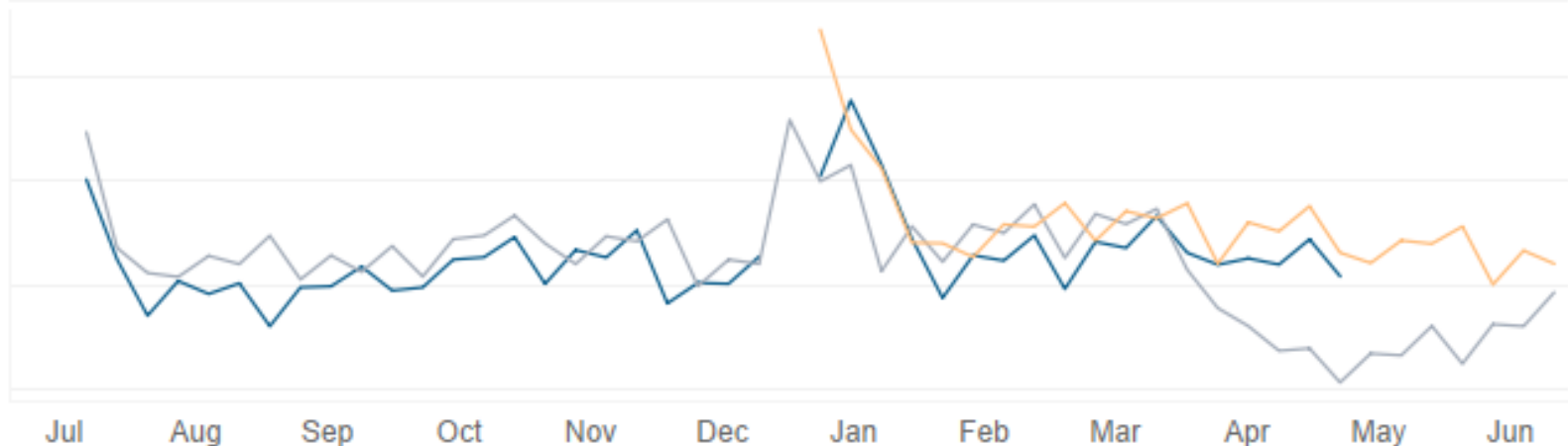
COS: All

SFY Current Yr Procs	91,950,491
Prior SFY Procs	95,920,558
YoY Proc Difference	-3,970,067
% Diff SFY YoY Procs (YTD)	-4.1%

Proc Trend - Rolling 3 Week Average

COS: All

■ FY 2019
 ■ 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.

NC Medicaid Expenditures by Service Category

Service Category	SFY 2019-20	SFY 2020-21	% Change
Capitation (LME/MCO, PACE)	\$2,792	\$3,650	31%
Pharmacy (Gross)	1,850	2,073	12%
Physician	1,262	1,434	14%
Skilled Nursing Facility	1,314	2,057	57%
Hospital - Inpatient	887	997	12%
Hospital - Outpatient	511	624	22%
Personal Care Services	446	579	30%
Dental	311	388	25%
Hospital - ER	331	345	4%
CAP - Disabled Adult	283	350	24%
CAP - Child	63	79	25%
Other	1,166	1,399	20%
Total	\$11,214	\$13,975	25%

Through 6/8/2021

NC Medicaid SFY 2020-21: Actuals vs. Budget

As of May 2021, NC Medicaid has spent approximately **\$3.3b (79%)** of the authorized appropriations budget.

	\$ millions	SFY 2020-21 Budget	SFY 2020-21 Actuals	Available	
				\$	%
A	Expenditures	\$17,995	\$15,557	\$2,438	14%
B	Federal Revenue	\$12,188	\$10,967	\$1,221	10%
C	Other Revenue	\$1,681	\$1,339	\$342	20%
A - B - C	State Appropriations	\$4,126	\$3,251	\$875	21%

SFY 2020-21 Expenditures Year-to-Date

Overall spending 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**

Looking Ahead to SFY 2021-23 Biennium

Several factors drive our estimated rebase request:

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