

FY 2016 Medicaid Budget Overview

Medicaid Advisory Committee
January 26, 2015

FY 2016 Medicaid Budget Allowance

■ Provider Reimbursement ...	\$8.5B (\$2.5B GF, .9B SF)
■ MCHP	\$218M (\$ 33M GF)
■ Kidney	\$5M (GF)
■ Administration	\$136M (\$ 25.4M GF)
■ Behavioral Health	\$1B (.4M GF)
■ Total	\$11.6B (\$3.2B GF, .9B SF)

12% increase or \$1B TF (\$92M GF) increase over all FY 2015 original provider reimbursement appropriations

FY 2015 BPW Actions (GF)

- MCO MLR adjustment for CY 2014.....\$10M
- Uncompensated Care Savings.....\$ 8M
- Provider E&M rate reduction to 87% of Medicare effective 4/1/2015.....\$9.7M
- Nursing Home reduction of planned rate increase to 1%....\$2M
- Reduce increase planned for Medical Day Care and Private Duty Nursing Providers by 50% effective 1/1/2015.....\$7M

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Cost Containment in FY 2016 Allowance (GF)

- MCO 2% rate reduction
- MCO reduction in supplemental payments for HEP C drugs
- Physician Fee reduction for E&M codes to 87% of Medicare
- Reduction in Provider rates back to FY 2014 levels:
 - Nursing Homes
 - Medical Day Care
 - Private Duty Nursing
 - Community First Choice
 - Personal Care
 - Home and Community Based Options
 - Specialty Mental Health

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Cost Containment included in FY 2016 Allowance (GF) cont' d

- Eliminate the family planning program
- Eliminate the State funded Adult Day Care Grant Program
- Reduce the eligibility level for pregnant women to 185% of FPL
- Eliminate increase due to NADAC implementation in the prescription drug program
- Realize savings from the Hospital Uncompensated Care reductions

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Enrollment

■ FY 2016

■ <i>Medicaid total</i>	1,213,302	<u>MCO</u> 980,235	<u>FFS</u> 233,067
■ <i>MCHP total</i>	115,302	<u>MCO</u> 112,053	<u>FFS</u> 3,249

■ FY 2015

■ <i>Medicaid total</i>	1,149,733	<u>MCO</u> 939,426	<u>FFS</u> 210,307
■ <i>MCHP total</i>	114,901	<u>MCO</u> 112,106	<u>FFS</u> 2,795

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