




**State of Louisiana**  
Department of Health and Hospitals  
Office of Management and Finance

November 8, 2017

**MEMORANDUM**

**TO:** Monthly Medicaid Report Distribution List

**FROM:** W. Jeff Reynolds  
Undersecretary 

**RE:** SFY 2017/2018 Medicaid Financial Report

Enclosed is a copy of our most recent SFY 2017/2018 Medicaid Financial Report as of October 31, 2017.

This report does not reflect the Joint Legislative Committee on the Budget's (JLCB) decision to not extend the five Health Louisiana (Managed Care) contracts to December 31, 2019. The Department is currently working with the Administration to determine the overall impact of JLCB's decision on the Medicaid programs SFY 2017/2018 budget.

If you have any questions or need any additional information, please contact me at 225-342-6726.

c: Rebecca Gee, MD, MPH, Secretary

**DEPARTMENT OF HEALTH  
LOUISIANA MEDICAID PROGRAM  
BUREAU OF HEALTH SERVICES FINANCING**

**FORECAST REPORT  
STATE FISCAL YEAR 2017/18**

**October 2017**



**LOUISIANA MEDICAID PROGRAM**  
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## LOUISIANA MEDICAID PROGRAM

Table-1: Revenue Forecast - Means of Finance - SFY 2017/18

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Financing Category	Budget Appropriation (1.1) A	Forecast Revenue Collections B	Over / (Under) C = B - A	Percent Difference D = (C/A)*100
State General Fund	1,935,099,253	1,935,099,253	0	0.0
Interagency Transfers	24,603,787	24,603,787	0	0.0
Self Generated Revenue	430,505,205	430,505,205	0	0.0
Statutory Dedications	821,238,138	821,238,138	0	0.0
State Total	3,211,446,383	3,211,446,383	0	0.0
Federal	8,739,252,213	8,739,252,213	0	0.0
<b>Total Means of Finance</b>	<b>11,950,698,596</b>	<b>11,950,698,596</b>	<b>0</b>	<b>0.0</b>

Table-2: Expenditure Forecast by Budget Program - SFY 2017/18

Program	Budget Appropriation (1.1) A	Current Forecast (2) B	(Over) / Under C = A - B	Percent Difference D = (C/A)*100
Private Providers	10,293,915,784	9,586,295,930	707,619,854	6.9
Public Providers	220,123,243	187,855,532	32,267,711	14.7
Buy-Ins & Supplements	522,424,563	508,062,123	14,362,440	2.7
Uncompensated Care	914,235,006	1,032,353,101	(118,118,095)	(12.9)
<b>Total Program</b>	<b>\$11,950,698,596</b>	<b>\$11,314,566,686</b>	<b>\$636,131,910</b>	<b>5.3</b>

## LOUISIANA MEDICAID PROGRAM

Table-3: Expenditure Forecast by Budget Category of Service - SFY 2017/18

		Initials (1.2)	Current Forecast (2)	Difference
<b>A: Private Providers Sub-programs</b>		A	B	C = A - B
Ambulatory Surgical Clinics	A_01	2,143,341	2,112,494	30,847
Applied Behavioral Analysis (4)	A_02	28,043,436	27,935,388	108,048
Case Management Services	A_03	7,126,518	7,385,904	(259,386)
Durable Medical Equipment	A_04	12,096,199	11,827,280	268,919
EPSDT (Screening and Early Diagnosis)	A_05	23,803,035	22,901,484	901,551
Early Steps	A_06	9,568,562	10,452,127	(883,565)
Family Planning	A_07	528,278	854,410	(326,132)
Federally Qualified Health Centers	A_08	2,026,010	1,950,097	75,913
Hemodialysis Services	A_09	19,707,005	19,597,953	109,052
Home Health Services	A_10	19,406,735	18,757,768	648,967
Hospice Services	A_11	65,646,448	62,474,335	3,172,113
Hospital - Inpatient Services	A_12	164,361,640	149,418,405	14,943,235
Hospital - Outpatient Services	A_13	51,236,483	49,772,809	1,463,674
ICF-DD Community Homes	A_14	254,652,900	248,112,502	6,540,398
Laboratory and X - Ray Services	A_15	6,862,804	6,798,373	64,431
Long Term Personal Care Services (LT - PCS)	A_16	158,767,012	158,265,822	501,190
Mental Health - Inpatient Services	A_17	7,989,209	7,653,826	335,383
Nursing Homes	A_18	1,032,575,671	1,035,769,120	(3,193,449)
Program for All Inclusive Care for the Elderly (PACE)	A_19	19,123,790	17,005,334	2,118,456
Pediatric Day Health Care (PDHC)	A_20	2,950,392	3,492,787	(542,395)
Pharmacy Payments	A_21	99,866,230	95,126,957	4,739,273
Physician Services	A_22	38,742,707	36,850,772	1,891,935
Rural Health Clinics	A_23	4,325,276	4,313,347	11,929
Transportation: Emergency-Ambulance	A_24	6,245,870	6,007,779	238,091
Transportation: Non-Emergency-Ambulance	A_25	1,340,611	1,197,546	143,065
Waiver: Adult Day Health	A_26	8,946,888	8,118,309	828,579
Waiver: Children's Choice	A_27	13,852,466	12,288,928	1,563,538
Waiver: Community Choices	A_28	110,702,502	107,608,476	3,094,026
Waiver: New Opportunities (NOW)	A_29	450,043,854	456,324,457	(6,280,603)
Waiver: Residential Options (ROW)	A_30	6,717,377	1,693,365	5,024,012
Waiver: Supports	A_31	15,079,129	13,122,253	1,956,876
Other Private Providers	A_32	3,519,024	2,639,268	879,756
Supplemental	A_33	141,164,346	141,164,346	0
<b>Sub-Total Traditional Private Providers</b>		<b>2,789,161,748</b>	<b>2,748,994,021</b>	<b>40,167,727</b>
<b>Managed Care Organizations</b>				
Managed Care - Regular	A_34	4,355,113,754	4,276,702,686	78,411,068
Managed Care - Expansion	A_35	3,449,992,211	2,884,612,544	565,379,667
Dental Benefit Program - Regular	A_36	156,940,481	154,763,135	2,177,346
Dental Benefit Program - Expansion	A_37	14,021,404	13,894,763	126,641
Behavioral Health Partnership	A_38	25,043,284	24,078,280	965,004
<b>Sub-Total MCOs</b>		<b>8,001,111,134</b>	<b>7,354,051,408</b>	<b>647,059,726</b>
Pharmacy Rebates - Regular	A_39	(369,798,447)	(349,613,625)	(20,184,822)
Pharmacy Rebates - Expansion	A_40	(126,558,651)	(167,135,875)	40,577,224
<b>Sub-Total Rebates: YTD (\$175,729,415)</b>		<b>(496,357,098)</b>	<b>(516,749,499)</b>	<b>20,392,401</b>
<b>Total Private Providers</b>		<b>10,293,915,784</b>	<b>9,586,295,930</b>	<b>707,619,854</b>

Budget Adjustments: A BA-7 will be proposed to reverse a hospital base rate payment adjustment associated with changes to hospital payment methods intended for implementation in SFY18 but deferred pending the outcome of a hospital payment study in progress.

## LOUISIANA MEDICAID PROGRAM

Table-3: Expenditure Forecast by Budget Category of Service - SFY 2017/18.. Continued

		Initials (1.2)	Current Forecast (2)	Difference
		A	B	C = A - B
<b>B: Public Providers Sub-Programs</b>				
LSU - Facilities	B_01	3,294,291	2,453,094	841,197
LSU - Physicians	B_02	14,889,037	9,573,907	5,315,130
LDH - State Developmental Facilities	B_03	114,728,008	111,000,000	3,728,008
LDH - Villa Feliciana Nursing Home	B_04	18,751,841	17,548,730	1,203,111
LDH - Office of Public Health	B_05	4,006,602	500,000	3,506,602
LDH - Office of Behavioral Health	B_06	3,419,479	2,995,471	424,008
LDH - Human Services Districts	B_07	1,466,660	882,161	584,499
State - Education	B_08	16,814,566	16,898,769	(84,203)
Local Education Agencies	B_09	42,752,759	26,003,400	16,749,359
<b>Total Public Providers</b>		<b>\$220,123,243</b>	<b>\$187,855,532</b>	<b>\$32,267,711</b>
<b>C: Buy-Ins &amp; Supplements Sub-Programs</b>				
Medicare Premiums & Supplements	C_01	368,887,737	367,006,993	1,880,744
Part-D Clawback (5)	C_02	153,536,826	141,055,130	12,481,696
<b>Total Buy-Ins</b>		<b>\$522,424,563</b>	<b>\$508,062,123</b>	<b>\$14,362,440</b>
<b>D: Uncompensated Care Sub-Programs</b>				
LSU - Facilities	D_01	13,572,737	13,572,737	0
LDH - Office of Behavioral Health	D_02	63,705,633	63,705,633	0
Private Hospitals	D_03	836,956,636	955,074,731	(118,118,095)
<b>Total Uncompensated Care</b>		<b>\$914,235,006</b>	<b>\$1,032,353,101</b>	<b>(\$118,118,095)</b>
<b>Grand Total Medical Vendor Program</b>				
		<b>\$11,950,698,596</b>	<b>\$11,314,566,686</b>	<b>\$636,131,910</b>

## LOUISIANA MEDICAID PROGRAM

Table-4: Public Private Partnership - Projected Payments - SFY 2017/18

Hospital	UPL	UCC/DSH	Total Payments
Bogalusa (Wash/St. Tamm)	15,979,476	18,883,228	34,862,704
Houma (LJ Chabert)	58,616,970	75,891,316	134,508,286
Baton Rouge - OLOL	103,500,000	0	103,500,000
Baton Rouge - Woman's	10,203,122	0	10,203,122
New Orleans (ILH)	144,247,827	243,672,891	387,920,718
Lafayette (Univ Med Cntr)	62,006,681	56,225,260	118,231,941
Independence (Lallie Kemp)	6,117,224	13,572,737	19,689,961
Lake Charles (WO Moss)	3,500,000	38,082,958	41,582,958
Monroe (EA Conway)	117,099,066	0	117,099,066
Alexandria (Huey P. Long)	0	46,078,961	46,078,961
Shreveport (LSU-HSC)	0	134,070,590	134,070,590
<b>Total</b>	<b>\$521,270,366</b>	<b>\$626,477,941</b>	<b>\$1,147,748,307</b>

## LOUISIANA MEDICAID PROGRAM

### State Fiscal Year 2017/18 Expansion

**Table-5: Original Distribution of Members and Member Months vs. Actual Distribution of Members and Member Months**

Rate Cell	Statewide PMPM Avg	Original Distribution Assumed	Original Member Months	= PMPM * MM	Updated Statewide PMPM Avg	Updated Distribution	Updated Member Months	= PMPM * MM	Difference <sup>1</sup> (Actual - Original)
Female, 19-24	335.62	13.3%	753,869	\$253,013,614	\$325.67	13.4%	725,810	236,376,562	(\$16,637,053)
Male, 19-24	291.35	7.7%	437,704	\$127,523,648	\$283.72	7.9%	428,911	121,692,323	(\$5,831,325)
Female, 25-39	446.34	25.7%	1,460,105	\$651,699,641	\$433.05	25.8%	1,398,999	605,834,236	(\$45,865,405)
Male, 25-39	404.95	13.4%	761,619	\$308,419,816	\$395.51	13.8%	747,156	295,509,457	(\$12,910,358)
Female, 40-49	633.10	10.4%	591,916	\$374,741,979	\$617.00	10.4%	561,618	346,518,307	(\$28,223,671)
Male, 40-49	619.59	6.4%	365,142	\$226,238,939	\$606.08	6.6%	355,937	215,727,229	(\$10,511,710)
Female, 50-64	732.96	13.6%	772,253	\$566,033,713	\$716.28	13.0%	706,810	506,274,064	(\$59,759,648)
Male, 50-64	821.27	9.3%	529,881	\$435,177,091	\$803.75	9.2%	497,579	399,931,243	(\$35,245,848)
High Need	1,475.83	0.2%	10,046	\$14,825,979	\$1,404.74	0.0%	1,241	1,743,375	(\$13,082,604)
Kickpayments				\$298,345,769				\$155,005,748	(\$143,340,021)
Budget Adjustments <sup>2</sup>				\$193,972,023				\$0	(\$193,972,023)
<b>Total</b>			<b>5,682,535</b>	<b>\$3,449,992,211</b>			<b>5,424,061</b>	<b>\$2,884,612,544</b>	<b>(\$565,379,666)</b>

<sup>1</sup>Difference is due to several factors:

- a. Reduction in PMPMs by an average of -10% effective with the 2/1/18 rate certification
- b. Reduction in member months due to slowed enrollment growth
- c. Kickpayment adjustment to reflect slowed shift of pregnant women into the New Adult Group

<sup>2</sup>Budget Adjustments: To reverse a hospital "base rate" payment adjustment associated with changes to hospital payment methods intended for implementation in SFY18 but deferred pending the outcome of a hospital payment study in progress

**Table-6: Medicaid Expansion Enrollment Projections**

July-17	Actuals	432,463
August-17	Actuals	435,195
September-17	Actuals	438,594
October-17	Projection	443,781
November-17	Projection	449,027
December-17	Projection	454,334
January-18	Projection	459,701
February-18	Projection	465,130
March-18	Projection	470,621
April-18	Projection	476,176
May-18	Projection	481,794
June-18	Projection	487,415



**LOUISIANA MEDICAID PROGRAM  
(Numbered Notes to the Monthly Financial Report)**

- 1.1 This column represents the Appropriation (Act 3) for the Medicaid Program's four (4) budget categories: (A) Payments to Private Providers, (B) Payments to Public Providers, (C) Medicare Buy-Ins, Part-D, and Supplements, and (D) Uncompensated Care Costs.
- 1.2 This column represents initial spread of Act 3 Medical Vendor Appropriation for private provider sub-programs, public providers, Medicare Buy-Ins & Supplements, and Uncompensated care payments.
- 2 This column represents SFY 2017/18 expenditures forecast based on the latest available data/information and reflects projected payments through the end of the State Fiscal Year.
- 3 State Match.
- 4 Applied Behavior Analysis (ABA) services for children age 0-20 pursuant to federal court order in pending lawsuit Chisholm v. Kliebert. ABA services must be provided to class members who have a diagnosis of Autism Spectrum Disorder (ASD), for whom services are determined medically necessary.
- 5 Part-D Clawback Expenditures - All State Funds.