

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

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

December 2017



LOUISIANA MEDICAID PROGRAM
Table of Contents

Contents	Table	Page
Table-1: Means of Finance	1	1
Table-2: Budget and Forecast by Program	2	1
Table-3: Current Forecast by Sub-Program	3	2 & 3
Public Private Partnership - Projected Payments	4	4
Expansion Member Mix & Enrollment	5 & 6	5
Notes		6

LOUISIANA MEDICAID PROGRAM

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

See "Notes" Page 6

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	1,935,282,553	1,935,282,553	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	3,211,629,683	3,211,629,683	0	0.0
Federal	8,739,568,913	8,739,568,913	0	0.0
Total Means of Finance	11,951,198,596	11,951,198,596	0	0.0

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	10,294,415,784	9,607,632,643	686,783,141	6.7
Public Providers	220,123,243	184,829,263	35,293,980	16.0
Buy-Ins & Supplements	522,424,563	506,517,993	15,906,570	3.0
Uncompensated Care	914,235,006	1,032,353,101	(118,118,095)	(12.9)
Total Program	\$11,951,198,596	\$11,331,333,001	\$619,865,595	5.2

LOUISIANA MEDICAID PROGRAM

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

		Initials (1.2)	Current Forecast (2)	Difference
A: Private Providers Sub-Programs		A	B	C = A - B
Ambulatory Surgical Clinics	A_01	2,143,341	2,067,004	76,337
Applied Behavioral Analysis (3)	A_02	28,043,436	27,239,434	804,002
Case Management Services	A_03	7,126,518	7,301,118	(174,600)
Durable Medical Equipment	A_04	12,096,199	11,618,524	477,675
EPSDT (Screening and Early Diagnosis)	A_05	23,803,035	22,616,013	1,187,022
Early Steps	A_06	9,568,562	10,425,709	(857,147)
Family Planning	A_07	528,278	798,317	(270,039)
Federally Qualified Health Centers	A_08	2,026,010	1,930,624	95,386
Hemodialysis Services	A_09	19,707,005	19,602,219	104,786
Home Health Services	A_10	19,406,735	18,438,766	967,969
Hospice Services	A_11	65,646,448	62,268,425	3,378,023
Hospital - Inpatient Services	A_12	164,361,640	142,653,493	21,708,147
Hospital - Outpatient Services	A_13	51,236,483	48,138,625	3,097,858
ICF-DD Community Homes	A_14	254,652,900	246,973,914	7,678,986
Laboratory and X - Ray Services	A_15	6,862,804	6,642,500	220,304
Long Term Personal Care Services (LT - PCS)	A_16	158,917,012	157,752,029	1,164,983
Mental Health - Inpatient Services	A_17	7,989,209	7,417,102	572,107
Nursing Homes	A_18	1,032,575,671	1,035,168,722	(2,593,051)
Program for All Inclusive Care for the Elderly (PACE)	A_19	19,123,790	15,852,183	3,271,607
Pediatric Day Health Care (PDHC)	A_20	2,950,392	3,399,342	(448,950)
Pharmacy Payments	A_21	99,866,230	94,172,122	5,694,108
Physician Services	A_22	38,742,707	35,231,358	3,511,349
Rural Health Clinics	A_23	4,325,276	4,186,879	138,397
Transportation: Emergency-Ambulance	A_24	6,245,870	5,938,273	307,597
Transportation: Non-Emergency-Ambulance	A_25	1,340,611	1,162,488	178,123
Waiver: Adult Day Health	A_26	8,946,888	7,980,272	966,616
Waiver: Children's Choice	A_27	13,852,466	11,841,800	2,010,666
Waiver: Community Choices	A_28	111,052,502	107,512,176	3,540,326
Waiver: New Opportunities (NOW)	A_29	450,043,854	455,519,934	(5,476,080)
Waiver: Residential Options (ROW)	A_30	6,717,377	1,994,929	4,722,448
Waiver: Supports	A_31	15,079,129	12,982,975	2,096,154
Other Private Providers	A_32	3,519,024	1,670,913	1,848,111
Supplemental	A_33	141,164,346	141,164,346	0
Sub-Total Traditional Private Providers		2,789,661,748	2,729,662,531	59,999,217
Managed Care Organizations				
Managed Care - Regular	A_34	4,355,113,754	4,319,904,985	35,208,769
Managed Care - Expansion	A_35	3,449,992,211	2,888,738,938	561,253,273
Dental Benefit Program - Regular	A_36	156,940,481	153,793,051	3,147,430
Dental Benefit Program - Expansion	A_37	14,021,404	13,813,847	207,557
Behavioral Health Partnership	A_38	25,043,284	23,470,489	1,572,795
Sub-Total MCOs		8,001,111,134	7,399,721,311	601,389,823
Pharmacy Rebates - Regular	A_39	(369,798,447)	(346,739,490)	(23,058,957)
Pharmacy Rebates - Expansion	A_40	(126,558,651)	(175,011,709)	48,453,058
Sub-Total Rebates: YTD (\$203,099,385)		(496,357,098)	(521,751,199)	25,394,101
Total Private Providers		10,294,415,784	9,607,632,643	686,783,141

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: Public Providers Sub-Programs				
LSU - Facilities	B_01	3,294,291	2,453,094	841,197
LSU - Physicians	B_02	14,889,037	9,464,474	5,424,563
LDH - State Developmental Facilities	B_03	114,728,008	108,442,000	6,286,008
LDH - Villa Feliciana Nursing Home	B_04	18,751,841	17,169,112	1,582,729
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	2,949,409	470,070
LDH - Human Services Districts	B_07	1,466,660	778,025	688,635
State - Education	B_08	16,814,566	17,069,749	(255,183)
Local Education Agencies	B_09	42,752,759	26,003,400	16,749,359
Total Public Providers		\$220,123,243	\$184,829,263	\$35,293,980
C: Buy-Ins & Supplements Sub-Programs				
Medicare Premiums & Supplements	C_01	368,887,737	366,830,167	2,057,570
Part-D Clawback (4)	C_02	153,536,826	139,687,827	13,848,999
Total Buy-Ins		\$522,424,563	\$506,517,993	\$15,906,570
D: Uncompensated Care Sub-Programs				
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)
Total Uncompensated Care		\$914,235,006	\$1,032,353,101	(\$118,118,095)
Grand Total Medical Vendor Program		\$11,951,198,596	\$11,331,333,001	\$619,865,595

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-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
Total	\$521,270,366	\$626,477,941	\$1,147,748,307

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 ¹ (Actual - Original)
Female, 19-24	335.62	13.3%	753,869	\$253,013,614	\$325.94	13.4%	726,312	236,733,896	(\$16,279,718)
Male, 19-24	291.35	7.7%	437,704	\$127,523,648	\$283.96	7.9%	429,207	121,876,287	(\$5,647,361)
Female, 25-39	446.34	25.7%	1,460,105	\$651,699,641	\$433.40	25.8%	1,399,966	606,750,086	(\$44,949,555)
Male, 25-39	404.95	13.4%	761,619	\$308,419,816	\$395.84	13.8%	747,673	295,956,184	(\$12,463,632)
Female, 40-49	633.10	10.4%	591,916	\$374,741,979	\$617.51	10.4%	562,006	347,042,145	(\$27,699,834)
Male, 40-49	619.59	6.4%	365,142	\$226,238,939	\$606.58	6.6%	356,182	216,053,348	(\$10,185,591)
Female, 50-64	732.96	13.6%	772,253	\$566,033,713	\$716.87	13.0%	707,298	507,039,408	(\$58,994,305)
Male, 50-64	821.27	9.3%	529,881	\$435,177,091	\$804.41	9.2%	497,923	400,535,826	(\$34,641,265)
High Need	1,475.83	0.2%	10,046	\$14,825,979	\$1,405.90	0.0%	1,242	1,746,010	(\$13,079,968)
Kickpayments				\$298,345,769				\$155,005,748	(\$143,340,021)
Budget Adjustments ²				\$193,972,023				\$0	(\$193,972,023)
Total			5,682,535	\$3,449,992,211			5,427,808	\$2,888,738,938	(\$561,253,273)

¹Difference 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

²Budget 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

Regular PMPMs were not paid for October enrollment onwards- so still projections.

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 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.
- 4 Part-D Clawback Expenditures - All State Funds.