



State of Louisiana
Louisiana Department of Health
Office of the Management and Finance

MEMORANDUM

To: Distribution List
From: Cindy Rives *Cindy Rives*
Undersecretary
Date: March 10, 2020
Subject: SFY 2019/20 Medicaid Monthly Forecast Report – February 2020

Attached, please find the Medicaid Forecast Report for February 2020. The report utilizes actual revenue and expenditures through February 29, 2020 and trends expenditures forward through June 30, 2020.

Compared to the prior month report, forecasted expenditures in total have increased by \$37.3M, largely driven by projected increases in the MCO line items due to updated enrollment projections. This increase is being offset by reductions in the Buy-Ins and Supplements programs related to revised enrollment projections for the population as well as an offsetting increase in projected pharmacy rebates (primarily driven by Hepatitis C subscription and the single Preferred Drug List).

From a revenue perspective, we continue to forecast excess budget authority in Inter-Governmental Transfers, which are classified as Self-Generated Revenue and in Premium Taxes and Provider Fees, which are classified as Statutory Dedications, as a result of forecasted expenditures for the expansion population currently projected to come in under budget as well as certain Fee for Service line items that impact the provider fees. Additionally, we are reporting excess federal budget authority largely driven by the Medical Loss Ratio refund (\$162M).

Included in the report is the recipient enrollment numbers which can also be accessed via the department's web site at <http://ldh.la.gov/index.cfm/page/1275>. The department continues to monitor enrollment data and will update the associated assumptions and trends in our budget model in future monthly reports.

If you have any questions, please contact me at 225-342-6726 or via e-mail at cindy.rives@la.gov. Thanks.

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

**FORECAST REPORT
STATE FISCAL YEAR 2019/20**

February 2020



**LOUISIANA MEDICAID PROGRAM
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Table-1: Revenue Forecast - Means of Finance - SFY 2019/20

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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	1,972,822,724	1,968,273,226	(4,549,498)	(0.2)
Interagency Transfers	102,020,133	102,020,133	0	0.0
Self Generated Revenue	481,336,101	471,853,358	(9,482,743)	(2.0)
Statutory Dedications	908,258,941	892,434,770	(15,824,171)	(1.7)
Federal	9,823,487,079	9,576,764,259	(246,722,820)	(2.5)
Total Means of Finance	\$13,287,924,978	\$13,011,345,746	(\$276,579,232)	(2.1)

1) MATF premium tax and provider fees is projected to be under-collected by \$6,031,486 and \$2,324,392, respectively.

2) MATF carryforward shortfall of \$7,468,293.

Table-2: Expenditure Forecast by Budget Program - SFY 2019/20

Program	Budget Appropriation (1.1) A	Current Forecast (2) B	(Over) / Under C = A - B	Percent Difference D = (C/A)*100
Private Providers	11,332,633,714	11,065,727,439	266,906,275	2.4
Public Providers	231,715,318	224,604,687	7,110,631	3.1
Buy-Ins & Supplements	546,556,636	543,994,310	2,562,326	0.5
Uncompensated Care	1,177,019,310	1,177,019,310	0	0.0
Total Program	\$13,287,924,978	\$13,011,345,746	\$276,579,232	2.1

1) This report projects expenditures through the state fiscal year which ends on June 30th. However, the Medicaid program, which is funded by the federal government, operates on a federal fiscal year which ends on September 30th. Excess federal budget authority is used by the department to reconcile the 4th quarter of the federal fiscal year.

2) For revenues (Table-1), positive variances reported in the Over/(Under) column mean that projected revenues are greater than budget appropriations while negative variances indicate revenue shortfalls. However, for expenditures (Table-2), positive variances mean that projections are less than budget appropriations while negative variances indicate projections in excess of budget.

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Table-3: Expenditure Forecast by Budget Category of Service - SFY 2019/20

		Initials (1.2)	Current Forecast (2)	Difference
		A	B	C = A - B
A: Private Providers Sub-Programs				
Ambulatory Surgical Clinics	A_01	2,129,962	2,024,365	105,597
Case Management Services	A_02	7,731,565	7,390,747	340,818
Durable Medical Equipment	A_03	10,414,097	10,944,129	(530,032)
EPSDT (Screening and Early Diagnosis)	A_04	22,095,786	19,112,555	2,983,231
Early Steps	A_05	11,454,293	11,651,991	(197,698)
Family Planning	A_06	338,235	441,050	(102,815)
Federally Qualified Health Centers	A_07	2,314,513	2,058,546	255,967
Hemodialysis Services	A_08	25,206,422	23,448,946	1,757,476
Home Health Services	A_09	13,884,410	12,594,747	1,289,663
Hospice Services	A_10	71,095,765	71,651,411	(555,646)
Hospital - Inpatient Services	A_11	120,462,896	105,059,210	15,403,686
Hospital - Outpatient Services	A_12	48,590,806	48,883,469	(292,663)
ICF-DD Community Homes	A_13	272,605,154	262,685,294	9,919,860
Laboratory and X - Ray Services	A_14	5,782,699	5,231,124	551,575
Long Term Personal Care Services (LT - PCS)	A_15	208,570,110	185,619,467	22,950,643
Mental Health - Inpatient Services	A_16	8,362,578	7,138,278	1,224,300
Nursing Homes	A_17	1,094,183,526	1,094,647,391	(463,865)
Program for All Inclusive Care for the Elderly (PACE)	A_18	19,892,050	16,498,933	3,393,117
Pediatric Day Health Care (PDHC)	A_19	2,681,253	2,265,859	395,394
Pharmacy Payments	A_20	78,004,561	75,737,599	2,266,962
Physician Services	A_21	30,227,207	26,443,317	3,783,890
Rural Health Clinics	A_22	4,954,726	4,915,922	38,804
Transportation: Emergency-Ambulance	A_23	5,611,192	4,277,262	1,333,930
Transportation: Non-Emergency-Ambulance	A_24	838,242	980,300	(142,058)
Waiver: Adult Day Health	A_25	9,271,894	7,659,092	1,612,802
Waiver: Community Choices	A_26	122,467,105	104,560,381	17,906,724
Waiver: Most Appropriate (MAW)	A_27	585,040,340	584,070,153	970,187
Other Private Providers	A_28	716,179	241,494	474,685
Supplemental	A_29	181,233,969	181,233,969	0
Sub-Total Traditional Private Providers		2,966,161,535	2,879,487,002	86,674,533
Managed Care Organizations				
Managed Care - Regular	A_30	4,901,358,172	5,086,166,742	(184,808,570)
Managed Care - Expansion	A_31	3,895,482,730	3,596,873,856	298,608,874
Dental Benefit Program - Regular	A_32	185,213,022	174,041,907	11,171,115
Dental Benefit Program - Expansion	A_33	16,269,124	15,078,951	1,210,173
Behavioral Health Partnership/CSOC	A_34	71,595,567	71,495,715	99,852
Sub-Total MCOs		9,069,938,615	8,943,657,171	126,281,444
Pharmacy Rebates - Regular	A_35	(434,858,823)	(451,839,107)	16,980,284
Pharmacy Rebates - Expansion	A_36	(268,607,613)	(305,577,627)	36,970,014
Sub-Total Rebates - (YTD - \$532,261,038)		(703,466,436)	(757,416,734)	53,950,298
Total Private Providers		\$11,332,633,714	\$11,065,727,439	\$266,906,275

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Table-3: Expenditure Forecast by Budget Category of Service - SFY 2019/20.. Continued

		Initials (1.2)	Current Forecast (2)	Difference
		A	B	C = A - B
B: Public Providers Sub-Programs				
LSU - Facilities	B_01	2,453,094	2,453,094	0
LSU - Physicians	B_02	14,889,037	14,889,037	0
LDH - State Developmental Facilities (3)	B_03	143,257,535	136,883,499	6,374,036
LDH - Villa Feliciana Nursing Home	B_04	17,570,203	18,382,817	(812,414)
LDH - Office of Public Health	B_05	1,654,827	50,030	1,604,797
LDH - Office of Behavioral Health	B_06	3,429,879	3,623,590	(193,711)
LDH - Human Services Districts	B_07	473,676	335,752	137,924
State - Education (3)	B_08	1,017,321	1,017,321	0
Local Education Agencies	B_09	46,969,746	46,969,746	0
Total Public Providers		\$231,715,318	\$224,604,687	\$7,110,631
C: Buy-Ins & Supplements Sub-Programs (4)				
Medicare Premiums & Supplements	C_01	393,783,221	391,572,399	2,210,822
Part-D Claw back (5)	C_02	152,773,415	152,421,911	351,504
Total Buy-Ins		\$546,556,636	\$543,994,310	\$2,562,326
D: Uncompensated Care Sub-Programs				
LSU - Facilities	D_01	13,647,057	13,647,057	0
LDH - Office of Behavioral Health	D_02	84,868,114	84,868,114	0
Private Hospitals	D_03	1,078,504,139	1,078,504,139	0
Total Uncompensated Care		\$1,177,019,310	\$1,177,019,310	\$0
Grand Total Medical Vendor Program		\$13,287,924,978	\$13,011,345,746	\$276,579,232

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Table-4: Public Private Partnership - Projected Payments - SFY 2019/20

Hospital	UPL/FMP	UCC/DSH	Total Projected 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	75,000,000	0	75,000,000
Baton Rouge - Woman's	9,894,611	0	9,894,611
New Orleans (ILH)	123,247,827	240,672,891	363,920,718
Lafayette (Univ Med Cntr)	62,006,681	56,225,260	118,231,941
Independence (Lallie Kemp)	6,117,224	13,647,057	19,764,281
Lake Charles (WO Moss)	3,500,000	38,082,958	41,582,958
Monroe (EA Conway)	160,099,066	0	160,099,066
Alexandria (Huey P. Long)	0	46,078,961	46,078,961
Shreveport (LSU-HSC)	0	134,070,590	134,070,590
Total	\$514,461,855	\$623,552,261	\$1,138,014,116

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Table - 5: Enrollment for State Fiscal Year 2019/20 (6)

Month	Expansion	Non-Expansion	Total
Jul'19	450,347	1,112,032	1,562,379
Aug	459,691	1,128,357	1,588,048
Sep	466,943	1,134,842	1,601,785
Oct	466,251	1,143,091	1,609,342
Nov	456,357	1,132,527	1,588,884
Dec	468,415	1,113,510	1,581,925
Jan'20	482,806	1,123,566	1,606,372
Feb	472,427	1,132,530	1,604,957
Jun'20 (Projected)	467,830	1,122,379	1,590,208

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

- 1.1 This column represents the Appropriation (Act 10) and approved BA-7s for Means of Finance and for the Medicaid Program's four (4) budget expenditure categories: (A) Payments to Private Providers, (B) Payments to Public Providers, (C) Medicare Buy-Ins & Supplements, and (D) Uncompensated Care Costs.
- 1.2 This column represents the initial spread of Act 10 and approved BA-7s for the Medical Vendor Payments Appropriation for private provider sub-programs, public providers, Medicare Buy-Ins & Supplements, and Uncompensated care payments.
- 2 This column represents SFY 2019/20 expenditures forecast based on the latest available data/information and reflects projected payments through the end of the State Fiscal Year.
- 3 Through December 2019, "State Education" included 5 provider IDs – La Special Education Center (ID #s 71209 and 71234), La School for the Deaf (ID #s 70176 and 12793) and the La School for the Visually Impaired (ID# 12916). Per Act 411, management responsibilities for the La Special Education Center transferred to LDH effective January 2020 and the provider IDs associated with the Center is now reported on the "LDH-State Development Facilities" line. The remaining provider IDs and facilities continue to be reported on the "State Education" line.
- 4 The Buy-Ins & Supplements program is projected to be over budget based on higher than expected enrollment of dually eligible recipients.
- 5 Claw back Expenditures are financed with 100% state funds to pay Part-D premiums.
- 6 Medicaid enrollment information can be found at <http://ldh.la.gov/index.cfm/page/1275>
Numbers reported for July 19 through current period represent actual enrollment while the June 20 numbers are projected. Enrollment is calculated by counting anyone enrolled at any point in the month