



# **SFY-2017 BUDGET UPDATE FOR MO HEALTHNET OVERSIGHT COMMITTEE**

Presented by Andrew Bond, CPA  
Finance Director  
January 28, 2016

# MO HealthNet Oversight Committee

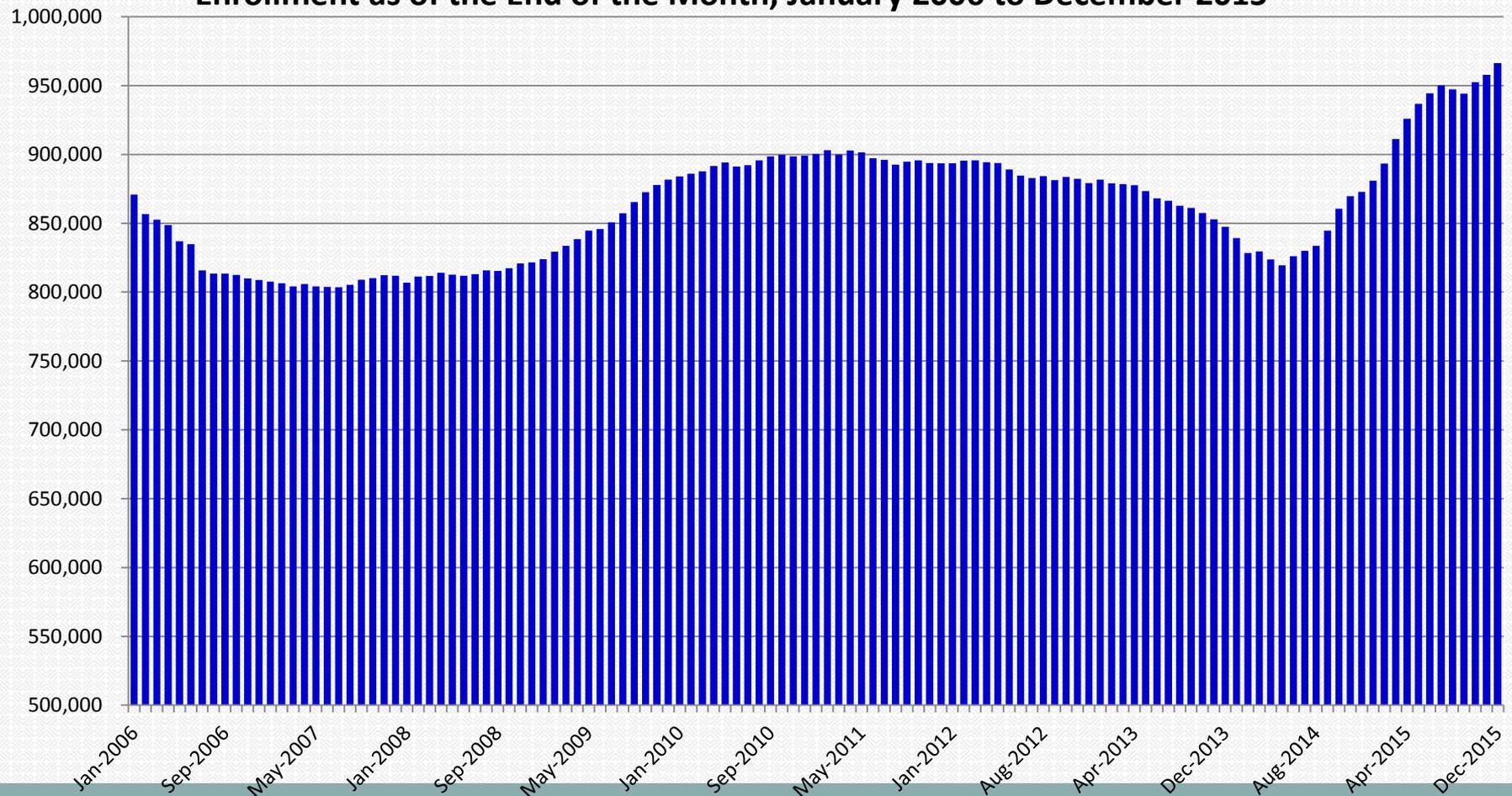
## MHN Monthly Enrollment - Last 10 Years



2

### MO HealthNet Enrollment

Enrollment as of the End of the Month, January 2006 to December 2015



Does not include women enrolled the Women's Health Services category

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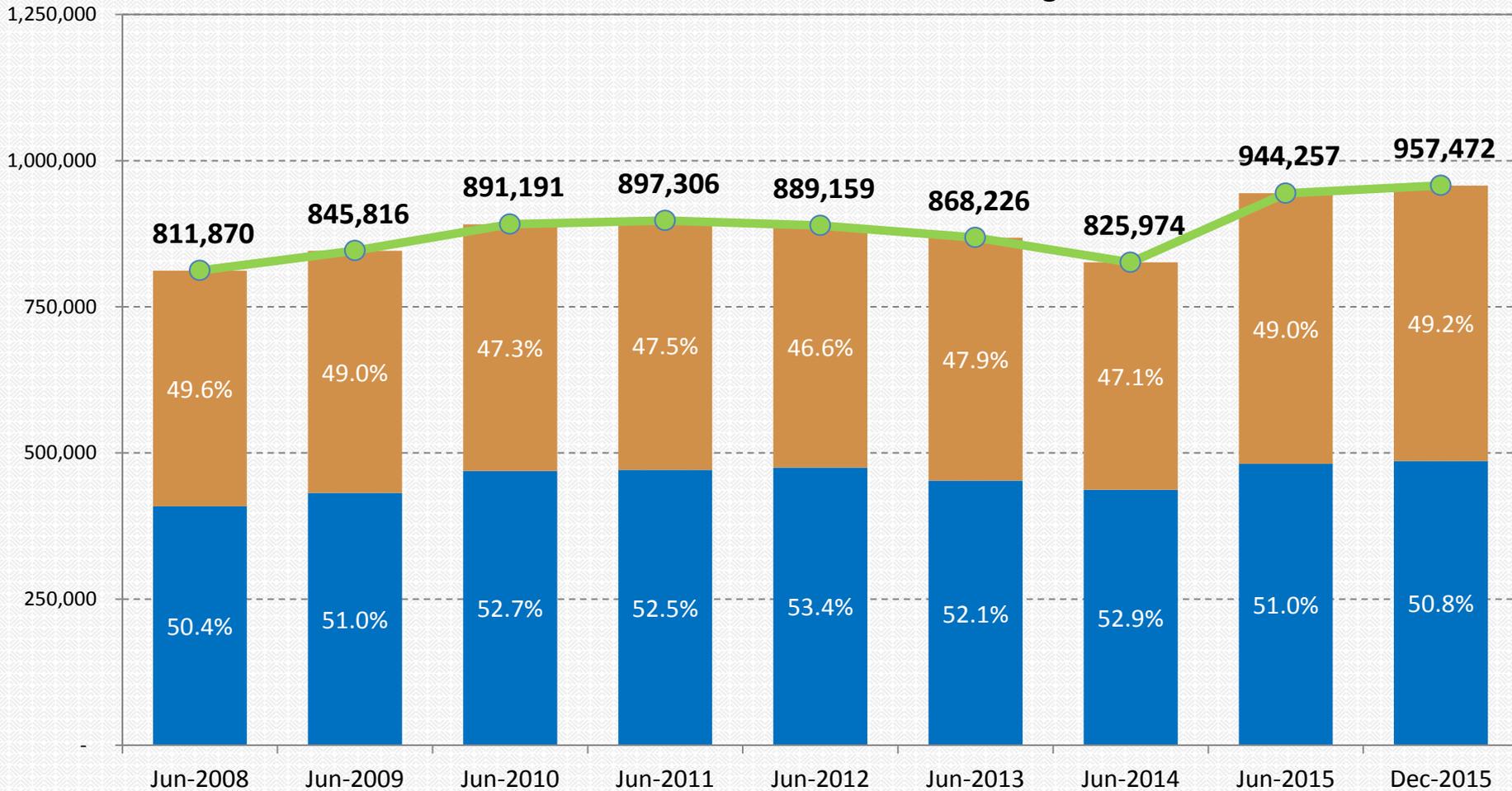
## MHN Enrollment – Managed Care Penetration



3

### MO HealthNet Enrollment

Managed Care Fee-for-Service



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## MHN Enrollees and Expenditures SFY-2015



4

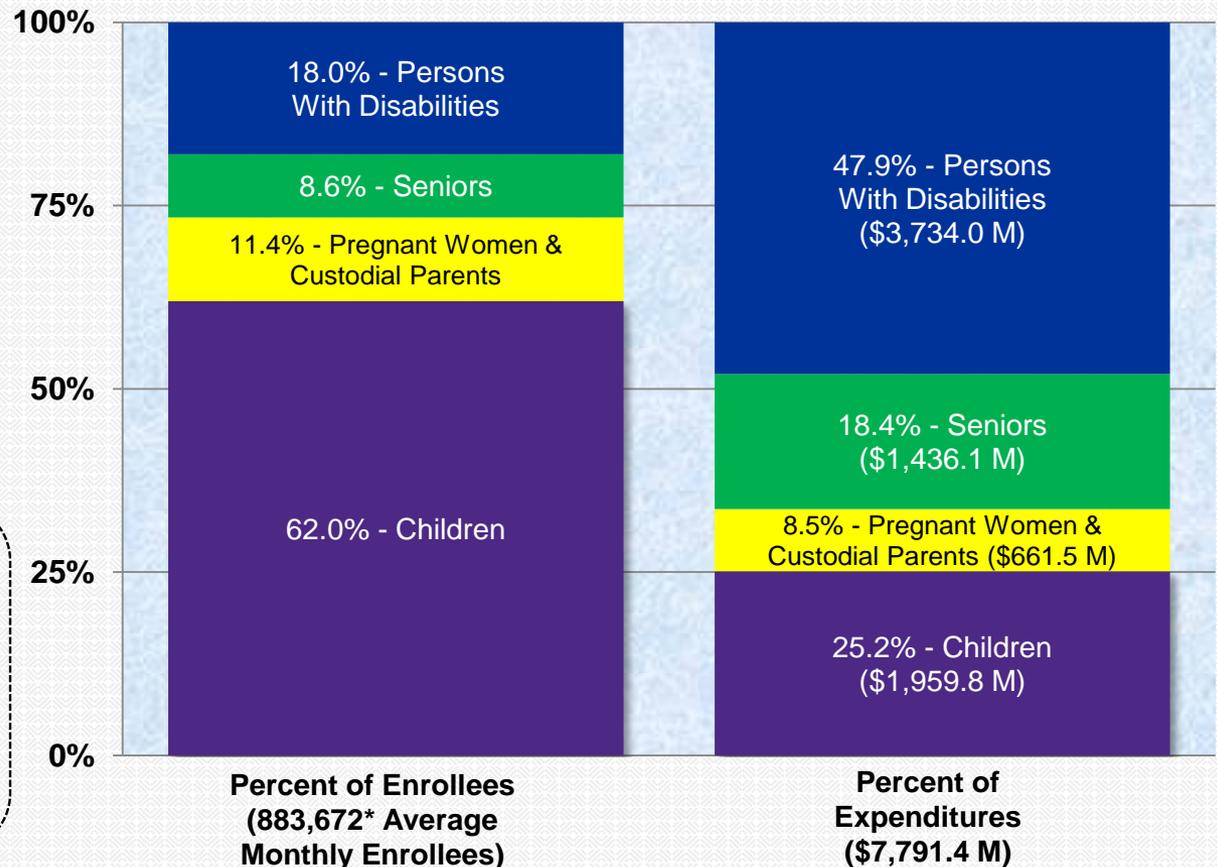
In SFY-2015, seniors and persons with disabilities comprised nearly 27% of enrollees, however, they accounted for more than 66% of MO HealthNet expenditures.

### Number of People SFY-2015

(Average Monthly)

|                                    |                |
|------------------------------------|----------------|
| Persons With Disabilities          | 158,664        |
| Seniors                            | 76,424         |
| Pregnant Women & Custodial Parents | 100,829        |
| Children                           | 547,755        |
| <b>Total</b>                       | <b>883,672</b> |

### MO HealthNet SFY-2015



\*Data reflects Department of Social Services, Table 23, Medical Statistics excluding Women's Health Services

**Persons with Disabilities** include Permanently and Totally Disabled; Aid to the Blind; Blind Pension; Specified Low-Income Medicare Beneficiary; and, Ticket to Work Health Assurance Program (TWHAP)

**Seniors** include Old Age Assistance; Qualified Medicare Beneficiary (QMB) and, Specified Low-Income Medicare Beneficiaries (SLMB)

**Pregnant Women & Custodial Parents** include MO HealthNet for Families-Adult; Refugee; Women with Breast or Cervical Cancer; Independent Foster Care Children Ages 18-21; MO HealthNet for Pregnant Women (Poverty and Income); and, Presumptive Eligibility (Pregnant Women)

**Children** includes MO HealthNet for Children; SCHIP (including no cost and premium enrollees); MO HealthNet for Families-Child; Foster Care; Child Welfare Services; Title XIX-Homeless, Dependent, Neglected (HDN); DYS-General Revenue; Children in a Vendor Institution; Missouri Children with Developmental Disabilities (MOCDD); Presumptive Eligibility for Children; and, Voluntary Placements

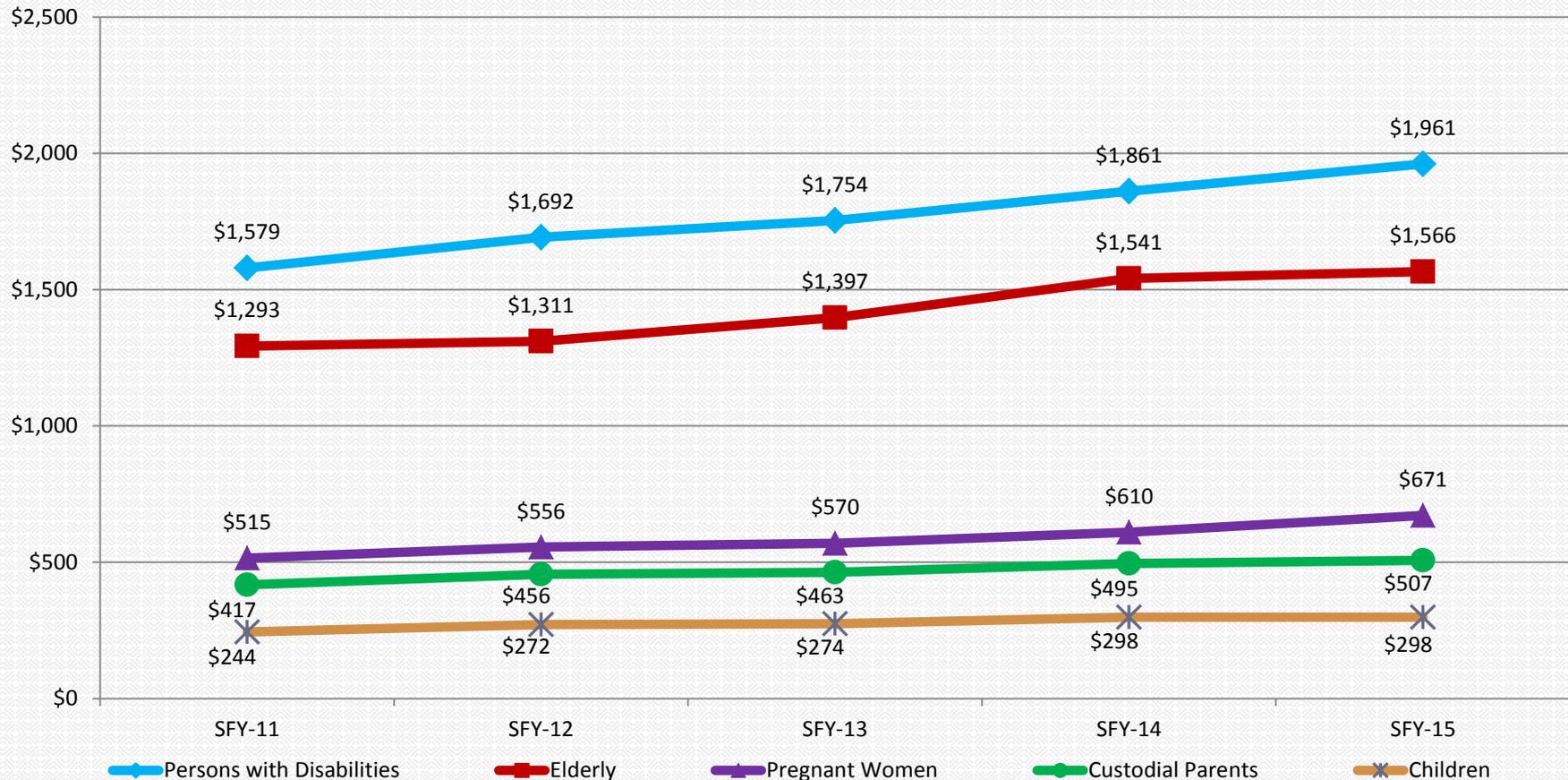
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## Per Member Per Month(PMPM) Paid Claims



5

### MO HealthNet Paid Claims PMPM, SFY-2011 to SFY-2015



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### SFY-2016 Budget

- Supplemental Funding Request (\$313.5M Total/\$198.3M GR)
  - FY2016 Budget Reductions/Fund Switches (\$50.7M Total/\$50.7M GR)
  - Federally-Required Changes (\$29.7M Total/\$14.3M GR)
    - ✦ Clawback, Medicare, ABA (Autism)
  - FY15 Shortfall Carried over into FY16 (\$100.0M Total/\$41.7M GR)
  - Caseload, Utilization and Inflation (\$249.3M Total/\$129.6M GR)
    - ✦ Top 3: Pharmacy (\$31.2M), Hospital (\$25.4M), Managed Care (\$21.4M)
  - Managed Care Expansion used to Offset Need in Physicians, Managed Care, and Hospital (-\$116.3M Total/- \$38.0M GR)

### SFY-2017 Governor's Recommendation Budget

- Rate / Premium Increases (\$236.5M Total/\$97.0M GR)
  - Pharmacy Specialty PMPM (\$139.8M Total/\$50.8M GR)
  - Pharmacy Non-Specialty PMPM (\$33.2M Total/\$12.0M GR)
  - Clawback (\$18.1M Total/\$18.1M GR)
  - Managed Care Inflation (\$21.7M Total/\$7.9M GR)
  - Medicare Buy-In Premiums (\$20.6M Total/\$7.0M GR)
  - NEMT Actuarial Increase (\$2.8M Total/\$1.0M GR)
  - Hospice Rate Increase (\$.3M Total/\$.1M GR)

### SFY-2017 Governor's Recommendation Budget (Continued)

- Cost to Continue (\$318.9M Total/\$190.5M GR):
  - Pharmacy (\$121.0M Total/\$36.8M GR)
  - Clawback (\$15.3M Total/\$15.3M GR)
  - Physician (\$52.6M Total/\$51.8M GR)
  - Premium Payments (\$27.0M Total/\$9.5M GR)
  - Rehab and Specialty Services (\$6.4M Total/\$6.4M GR)
  - NEMT (\$4.3M Total/\$4.3M GR)
  - Managed Care (\$46.6M Total/\$25.8M GR)
  - Hospital (\$40.6M Total/\$36.8M GR)
  - Other - Dental, Home Health, PACE, Blind Medical (\$5.0M Total/\$3.8 M GR)

### SFY-2017 Governor's Recommendation Budget (Continued)

- GR Pickup (\$121.8M Total/\$77.9M GR)
  - Tobacco Settlement Funds (\$50.0M Total/\$50.0M GR)
  - Tax Amnesty Funds(\$69.5M Total/\$25.5M GR)
  - MO RX GR Pick-up (\$2.3M Total/\$2.3M GR)
- ABLE Accounts - SB 174 (\$11.6M Total/\$2.8M GR)
- MMIS Sustaining MO HealthNet Technology Infrastructure (\$17.0M Total/\$4.3M GR)
- ABA for Children with Autism (\$12.1M Total/\$4.4M GR)
- DSH Redistribution Authority FRA (\$103.0M Total/\$0M GR)
- 2% Pay Plan Increase State Employees (\$196K Total/\$52K GR)