



**SFY-2018 BUDGET UPDATE
FOR MO HEALTHNET
OVERSIGHT COMMITTEE**

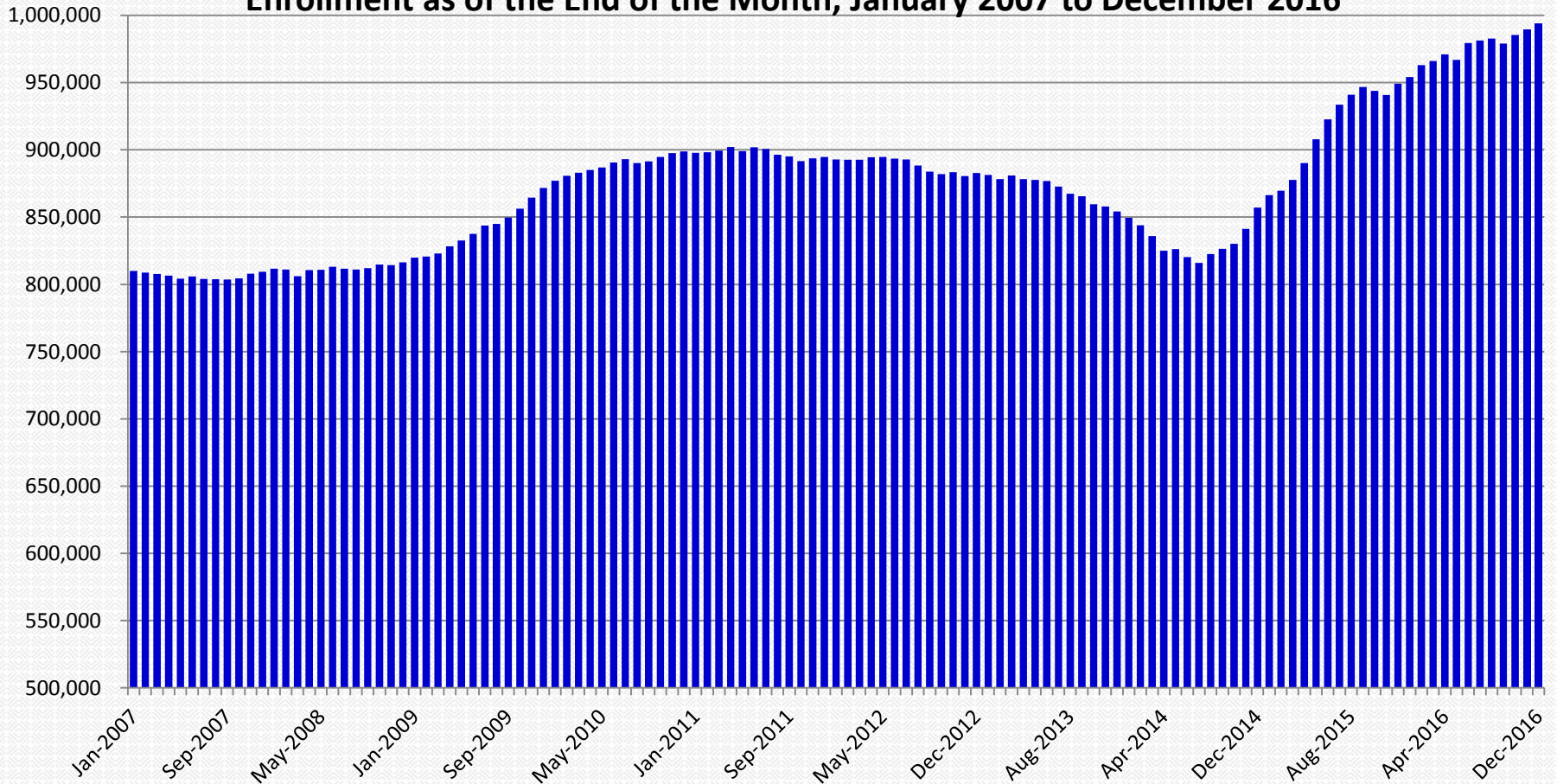
Presented by Valerie Huhn
Acting Deputy Finance Director
March 6, 2017

MO HealthNet Monthly Enrollment - Last 10 Years

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MO HealthNet Enrollment

Enrollment as of the End of the Month, January 2007 to December 2016



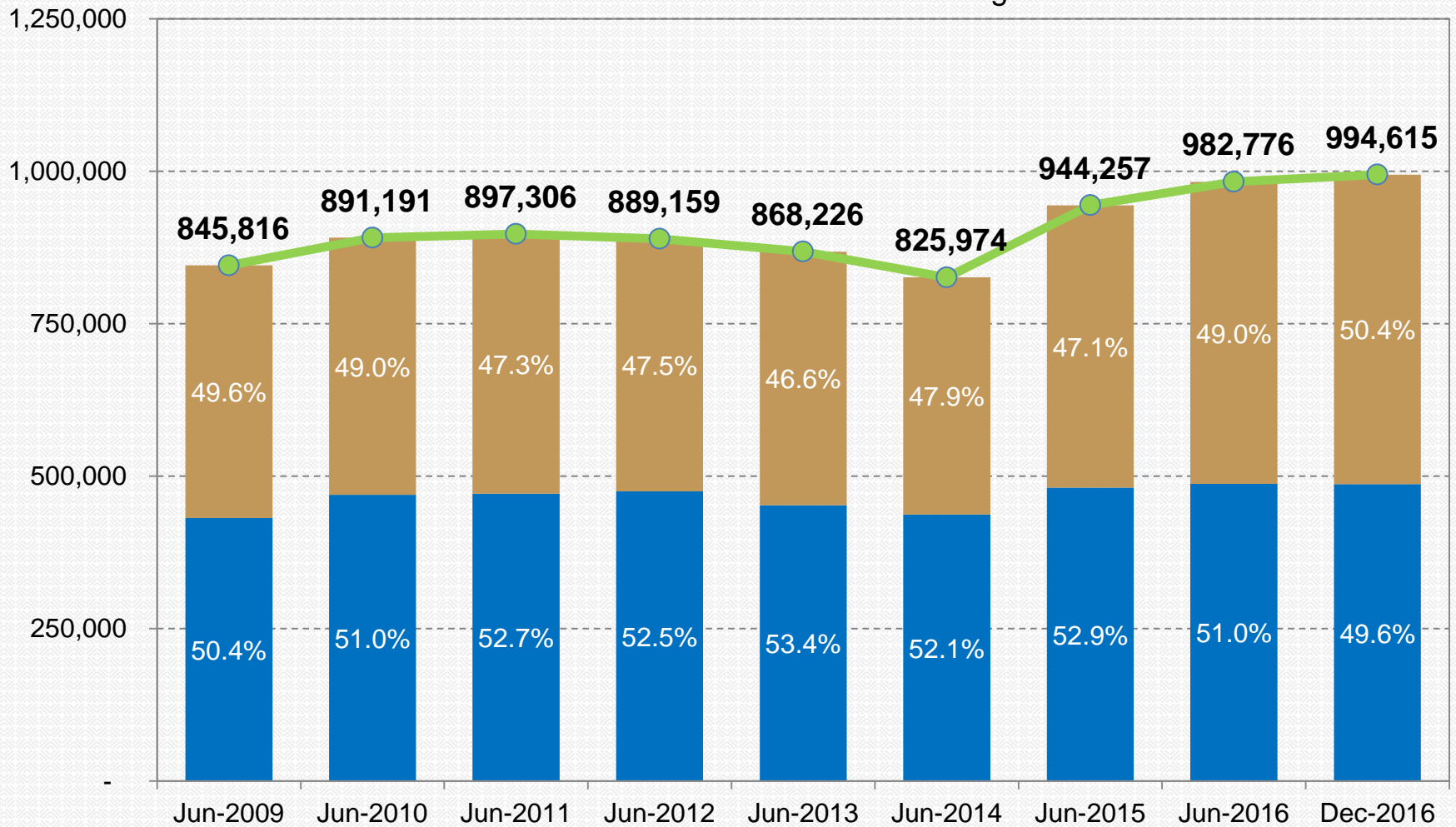
Does not include women enrolled the Women's Health Services category

MHN Enrollment – Managed Care Penetration

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MO HealthNet Enrollment

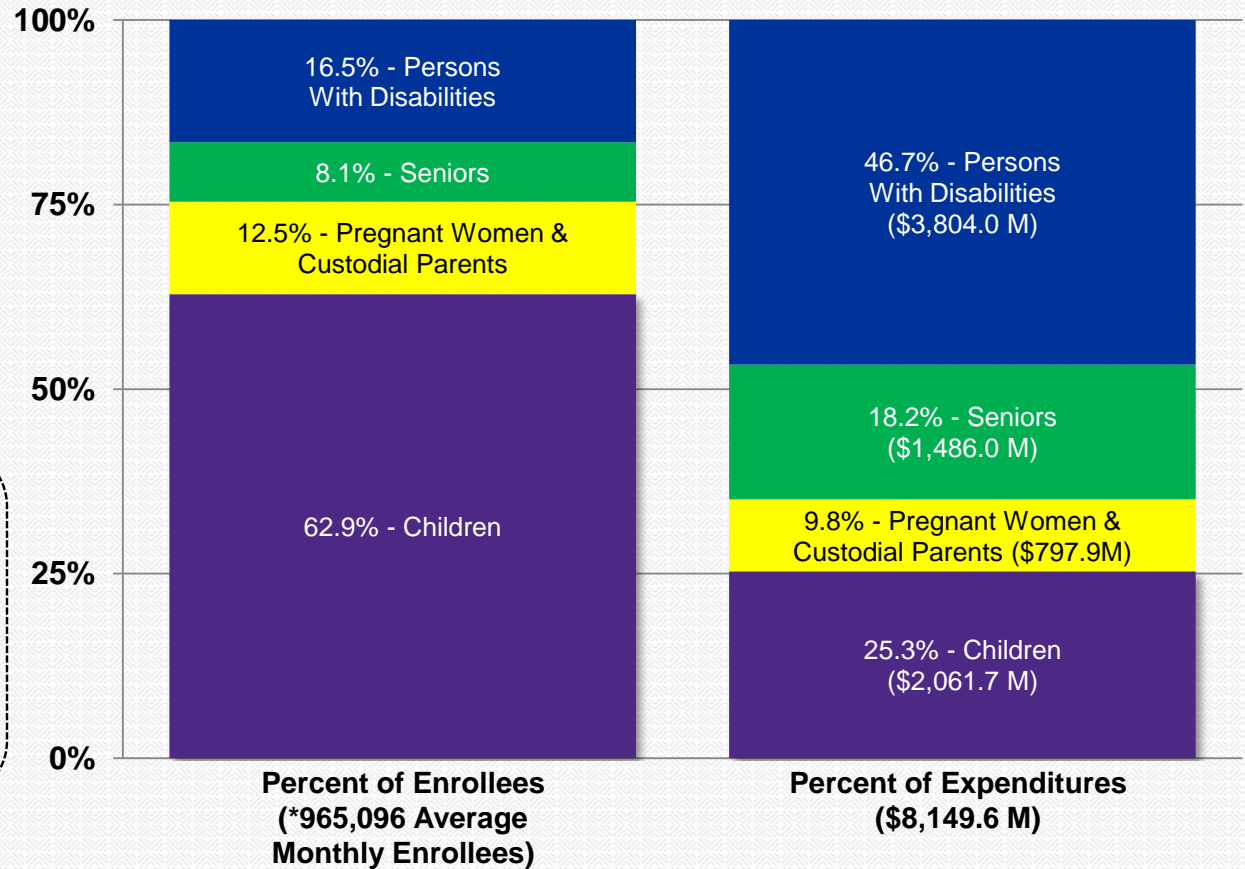
Managed Care Fee-for-Service



MHN Enrollees and Expenditures SFY-2016

MO HealthNet SFY-2016

In SFY-2016, seniors and persons with disabilities comprised 25% of enrollees; however, they accounted for 65% of MO HealthNet expenditures.



Number of People SFY-2016

(Average Monthly)

Persons With Disabilities	159,453
Seniors	78,121
Pregnant Women & Custodial Parents	120,729
Children	606,793
Total	965,096

*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; Voluntary Placements; and Show-Me Healthy Babies.

SFY-2018 Governor’s Recommendation

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	(in millions)	Governor’s Rec	
		Total	GR
SFY-2017 Supplemental Total		\$150.5	\$0.0
<i>MHD Program Supplemental:</i>			
<i>Pharmacy</i>		\$27.1	\$0.0
<i>Pharmacy – MO Rx</i>		\$1.0	\$0.0
<i>FQHC</i>		\$0.06	\$0.0
<i>Nursing Facilities</i>		\$3.5	\$0.0
<i>Nursing Facilities FRA</i>		\$3.7	\$0.0
<i>Show-Me Healthy Babies</i>		\$8.3	\$0.0
<i>Blind Medical</i>		\$0.9	\$0.0
<i>Physician</i>		\$32.7	\$0.0
<i>Dental</i>		\$1.5	\$0.0
<i>Rehab & Specialty Services</i>		\$4.7	\$0.0
<i>Hospital</i>		\$50.1	\$0.0
<i>Total MHD Program Supplemental</i>		\$133.6	\$0.0
<i>MHD DMH IGT Authority Supplemental</i>		\$16.9	\$0.0

SFY-2018 Governor's Recommendation

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	(in millions)	Governor's Rec	
		Total	GR
SFY-2018 Governor's Amended Core Budget		\$7,711.3	\$1,209.0
SFY-2018 Major Budget Items			
Medicaid Cost to Continue		\$282.5	\$63.5
Cost to Continue based on SFY-2018 ongoing need as reflected in SFY-2017 supplemental. Pharmacy, Clawback, MORx, Physician, Dental, Nursing Facilities, NFFRA, Rehab & Specialty, Services, NEMT, Hospital Care, FQHC, Show-Me Healthy Babies and Blind Medical Benefits Appropriations			
		\$113.0	\$113.0
GR Pickups:			
To replace one time funding from DYS retroactive claiming and increased federal CHIP earnings: Pharmacy, Clawback, MORx, Physician, Premium Payments, Rehab & Specialty Services, Managed Care, Hospital Care, and Blind Pension Medical Benefits Appropriations.			

SFY-2018 Governor's Recommendation

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SFY-2018 Major Budget Items	(in millions)	Governor's Rec	
		Total	GR
<p>Pharmacy PMPM Specialty Increase Funding for the ongoing inflation and utilization of specialty pharmaceuticals.</p>		\$77.7	\$27.8
<p>Pharmacy PMPM Non-Specialty Increase Funding for the ongoing inflation and utilization of non-specialty pharmaceuticals.</p>		\$0	\$0
<p>Pharmacy - Clawback Increase Funding for the increase in Medicare Part D clawback rates and utilization</p>		\$17.4	\$17.4
<p>Premium Payments Increase Funding for the increase in Medicare Part B rates and utilization</p>		\$17.1	\$5.9

SFY-2018 Governor's Recommendation

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SFY-2018 Major Budget Items	(in millions)	Governor's Rec	
		Total	GR
<p>Managed Care Actuarial Increase Funding for Managed Care medical, delivery and Neonatal Intensive Care Unit services to ensure that Managed Care payments are actuarially sound.</p>		\$20.9	\$7.4
<p>NEMT Actuarial Increase Funding for NEMT rates to ensure payments are actuarially sound.</p>		\$2.5	\$0.9
<p>Statewide Managed Care Transition Funding for one month SFY17 capitation payment to be paid in arrears and Fee-For-Service claim run-out from SFY17 which will be paid in SFY18.</p>		\$99.5	\$35.3
<p>Hospice Rate Increase Funding for annual hospice rate increase as established by Medicare. The MO HealthNet hospice rates are calculated based on the annual hospice rates established under Medicare.</p>		\$0.3	\$0.1

SFY-2018 Governor's Recommendation

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MHD DMH IGT Authority Supplemental		\$16.9	\$0.0

SFY-2018 Governor's Recommendation

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	(in millions)	Governor's Rec	
		Total	GR
SFY-2018 Major Budget Items			
HB 1565 Asset Limit Increase		\$72.8	\$15.7
<p>Funding for additional individuals and couples who will become eligible for full Medicaid benefits as a result of HB 1565 (2016). The bill raises the MO HealthNet asset limits for MO HealthNet permanent and totally disabled claimants, MO HealthNet blind claimants, and MO HealthNet aged claimants from \$1,000 to \$2,000 for individuals and \$2,000 to \$4,000 for married couples in 2018.</p>			
Other NDIs:			
Other Fund Offset (Managed Care)		\$17.5	\$0
Tobacco Fund Swap (Managed Care)-Governor's Amendment		\$50.0	\$0
FRA Health Home Authority		\$1.3	\$0
FRA Transfer Authority Increase		\$43.2	\$21.6
MMIS Contract Extensions		\$1.5	\$0.4
IGT DMH Transfer Authority		\$74.6	\$0.0
Total FY 2018 MO HealthNet Governor's Amended Budget		\$8,742.2	\$1,503.6
<i>(without transfers appropriations)</i>			

SFY-2018 Governor's Recommended Core Cuts

	(in millions)	Governor's Rec	
		Total	GR
SFY-2018 Governor's Recommended Core Cuts			
Rollback of Rate Increases Physician, nursing home, dental, home health, rehab and specialty services, complex rehab, and Health Homes.		\$60.6	\$25.1
Nursing home – level of care rollback – replaced with Gov Amendment		\$71.0	\$25.6
Program Reductions and Elimination Reduction in women's health services, monitoring program and pager pilot Program, elimination of regional care coordination, CHAPS, and empty authority.		\$29.6	\$5.9
FMAP		\$73.2	\$68.3

Revenue Update

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- FY 2017 Consensus Revenue Estimate
 - 4.1% Growth - \$9,633.7B
- FY 2017 Revised Consensus Revenue Estimate
 - 3.0% Growth - \$9,053B
 - FY 2016 ended at .89% growth or \$8,786.8B
- FY 2018 Consensus Revenue Estimate
 - 3.8% Growth - \$9,398B
- FY 2017 Actual Revenue Growth - February Collections
 - Increased 4.9% for the year, from \$5.45B to \$5.71B