MO HEALTHNET OVERSIGHT COMMITTEE
FEBRUARY 3, 2009
MEETING HANDOUTS

This packet contains the following information:

1. 2009 Meeting Schedule

2. Biography of Brenda Campbell, Director, Division of Senior and Disability Services, Department of Health and Senior Services

3. MO HealthNet Oversight Committee Current Terms

4. Enrollment by Eligibility Category

5. Biography of Dr. Bill Elder, guest speaker

6. CCIP Validation Study - Presentation by Dr. Bill Elder, University of Missouri, Office of Social and Economic Data Analysis

7. Managed Care Overview – Presentation by Bob Finuf, Children's Mercy Family Health Partners, and Donna Checkett, Missouri Care

8. Legislative Budget Report – Presentation by Dan Kowalski, Director, Legislative Budget Office

MO HEALTHNET COMMITTEE
2009 TENTATIVE MEETING SCHEDULE

February 3, 2009 12:00 to 4:00 p.m.

April 21, 2009 12:00 to 4:00 p.m.

August 4, 2009 12:00 to 4:00 p.m.

November 10, 2009 12:00 to 4:00 p.m.

205 Jefferson, 10th Floor, Conference Room B
Jefferson City, MO

CALL 573-751-6961 FOR ADDITIONAL INFORMATION

Biography

Brenda F. Campbell, Director
Division of Senior and Disability Services
Department of Health and Senior Services

Brenda Campbell was appointed Director of the Division of Senior and Disability Services on March 1, 2006 after having served as Interim Director since the creation of the Division in August 2005. Ms. Campbell is responsible for the administration of programs that help ensure the health and safety of older adults (age 60 and above) and adults with disabilities (ages 18-59) in need of long-term care. Staff within the Division are responsible for elder abuse investigations and authorization of state funded home and community services that provide support for older persons and adults with disabilities to live in their homes.

Ms. Campbell began her Division career as a Social Service Worker in Springfield Missouri where she worked for four years. Ms. Campbell also served as a Policy Writer for two years, an Assistant Deputy Division Director for seven years, and a Deputy Administrator for the Section for Senior Services for one year. Ms. Campbell's rich historical knowledge of the division gives her a unique perspective that will assist her throughout the coming years.

Ms. Campbell received a Bachelor's Degree in Criminal Justice and Sociology from College of the Ozarks and completed studies for a Masters Degree in Public Administration from the former Southwest Missouri State University in Springfield, MO (MSU). Ms. Campbell is a Licensed Clinical Social Worker and has been a member of the National Adult Protective Service Administration (NAPSA) since 1992, served as NAPSA Regional Representative for Midwest Region from 2005-2006, headed the Departmental Transition Team from 2001-2002, received the Governor's Award for Quality and Productivity for the Community Outreach Initiative in 1998, and is currently serves as Regional Representative for the National Association of State Units on Aging. Ms. Campbell rewrote the Missouri Division of Aging Case Management Manual, and was instrumental in developing the first Adult Protective Services Manual in the state of Missouri. Ms. Campbell recently guided the development of the 2007-2011 Missouri State Plan on Aging; a blueprint for state and local planners to use to reform long-term services and supports to adequately prepare for the impact that the aging of the baby boomers will have in the decade ahead.

MO HealthNet Oversight Committee - 18 Members

Position	Member	Term Expires
2 members of the House of Representatives		
	Rep. Rob Schaaf	
	Rep. Mike Talboy	resigned 10/2008
	Rep. Rebecca McClanahan	appointed 10/2008
2 members of the Senate		
	Sen. Joan Bray	
	Sen. Charlie Shields	
1 Consumer Representative		
	Gwen Crimm	10/30/2009
2 primary care physicians		
	Frederick DeFeo, MD	**10/30/2008**
	Heidi B. Miller, MD	10/30/2009
2 physicians, not primary care physicians		
	Shawn Griffin	**resigned 11/2008**
	Debra McCaul	**10/30/2008**
1 representative of the state hospital assn		
	Steve Lipstein	10/30/2009
1 nonphysician health care professional recommended by DIFP		
	Joe Pierle	10/30/2009
1 dentist		
	William Thousand, DDS	**10/30/2008**
2 patient advocates		
	Laura Neal	10/30/2009
	Steve Bradford	10/30/2009
1 public member		
	Craig Frazier	10/30/2009
DSS, DMH, DHSS directors or their designees - ex officio members		
DSS	Ron Levy	
DMH	Joe Parks, M.D.	
DHSS	Brenda Campbell	

Application link:
http://governor.mo.gov/boards/pdf/BOARDS_AND_COMMISSIONS_APPLICATION.pdf.

Participation

	Participants as of March 2008	Participants as of December 2008	Change Since March 2008	Percentage of December 2008 Participants	Income Eligibility Maximums (Shown as a Percentage of Federal Poverty Level)
Children	484,750	491,681	+6,931	58.5%	300%
Persons with Disabilities	147,208	151,457	+4,249	18.0%	85%
Custodial Parents	94,392	92,544	(1,848)	11.0%	TANF level[(1)] (approximately 21%)
Seniors	76,808	76,742	(66)	9.2%	85%
Pregnant Women	28,301	27,664	(637)	3.3%	185%
Total	831,459	840,088	+8,629		

[(1)]Includes women eligible for Women's Health Services up to 185% of the Federal Poverty Level (FPL)

Source: Missouri Department of Social Services, Family Support Division/MO HealthNet Division, Monthly Management Report

Biography

Bill Elder, Ph.D.

Bill is Director of the Office of Social and Economic Data Analysis (OSEDA) at the University of Missouri-Columbia. Bill's doctorate is in Rural Sociology from MU and his areas of interest are social change, communities and public policy, particularly public education. He is a former National Library of Medicine Fellow in Health Informatics. At OSEDA Bill is responsible for program leadership and works projects concerning demographics, public school improvement, community information systems and program evaluation. He has authored dozens of articles and reports, many available on the OSEDA webpage. He is fortunate to be married to Susan Elder and has two sons, Brian and Sean, and one daughter-in-law, Bobbye.

MOHealthNet Selected Effectiveness Indicators

CCIP and Non-CCIP

Fee-for-Service Populations

Dr. Bill Elder, PhD. OSEDA
Dr. John Hagar, PhD. OSEDA
Billy Earney, OSEDA

University of Missouri

Office of Social and Economic Data Analysis (OSEDA)

February 3, 2009

Comparison of CCIP and Non-CCIP Effectiveness Measures

To help assess the overall reliability of effectiveness measures reported by APS regarding the CCIP program we ran an analyses for Asthma and Diabetes effectiveness measures (HEDIS, 2008) for the CCIP program versus non-CCIP Fee-for-Service populations – *all SFY08 Fee-for-Service participants*.

One Asthma and four Diabetes HEDIS measures were compared. These measures were available quickly because of their development as part of another report.

HEDIS Analysis Parameters

- Based on HEDIS “administrative methods” (claims)
- MoHealthNet fee-for-service participants
- Diabetes Diagnosis based on SFY07
- Asthma Diagnosis includes SFY08 services
- Indicators based on Services for SFY08
  “Measurement Year”
- Participants (***both*** CCIP and Non-CCIP) with SFY08 “continuous enrollment”

  (No more than one eligibility gap of greater than 45 days)

Overall Results

For each of the five measures assessed the results show higher effectiveness measures for the CCIP program population compared to the non-CCIP participant population.

The conclusions could be strengthen using a matched sample to control for case mix.

Population Comparisons

The attached population tables show that the CCIP and non-CCIP participants are generally similar.

For Asthma: the CCIP participants are more female and somewhat older than the non-CCIP participants.

For Diabetes: the CCIP participants are more female, somewhat more middle aged and somewhat more African American than the non-CCIP participants.

Regional differences are difficult to assess because of limited number of cases in some regions.

Table 1: Summary of CCIP and Non-CCIP Effectiveness Indicators, SFY08

Percent receiving recommended treatment and number of participants in each population by condition (Asthma and Diabetes).

Indicators	CCIP	Non-CCIP
Asthma Medication	63.0	59.5
Number of Participants	10,201	3,914
Diabetes micro albumin	16.0	7.3
Diabetes lipids	29.5	19.2
Diabetes HbA1c	25.5	17.4
Diabetes DRE	20.9	10.6
Number of Participants	19,470	8,836

Asthma Identification

Participants ***age 5-56*** who met ***at least one*** of the following criteria during both the measurement year and the year prior to the measurement year.

- At least one ED visit with asthma as the principal diagnosis
- At least one acute inpatient discharge with asthma as the principal diagnosis
- At least four outpatient asthma visits with asthma as one of the listed diagnoses and at least two asthma medication dispensing events
- At least four asthma medication dispensing events

Asthma Indicator

Dispensed at least one prescription for a preferred therapy during the measurement year

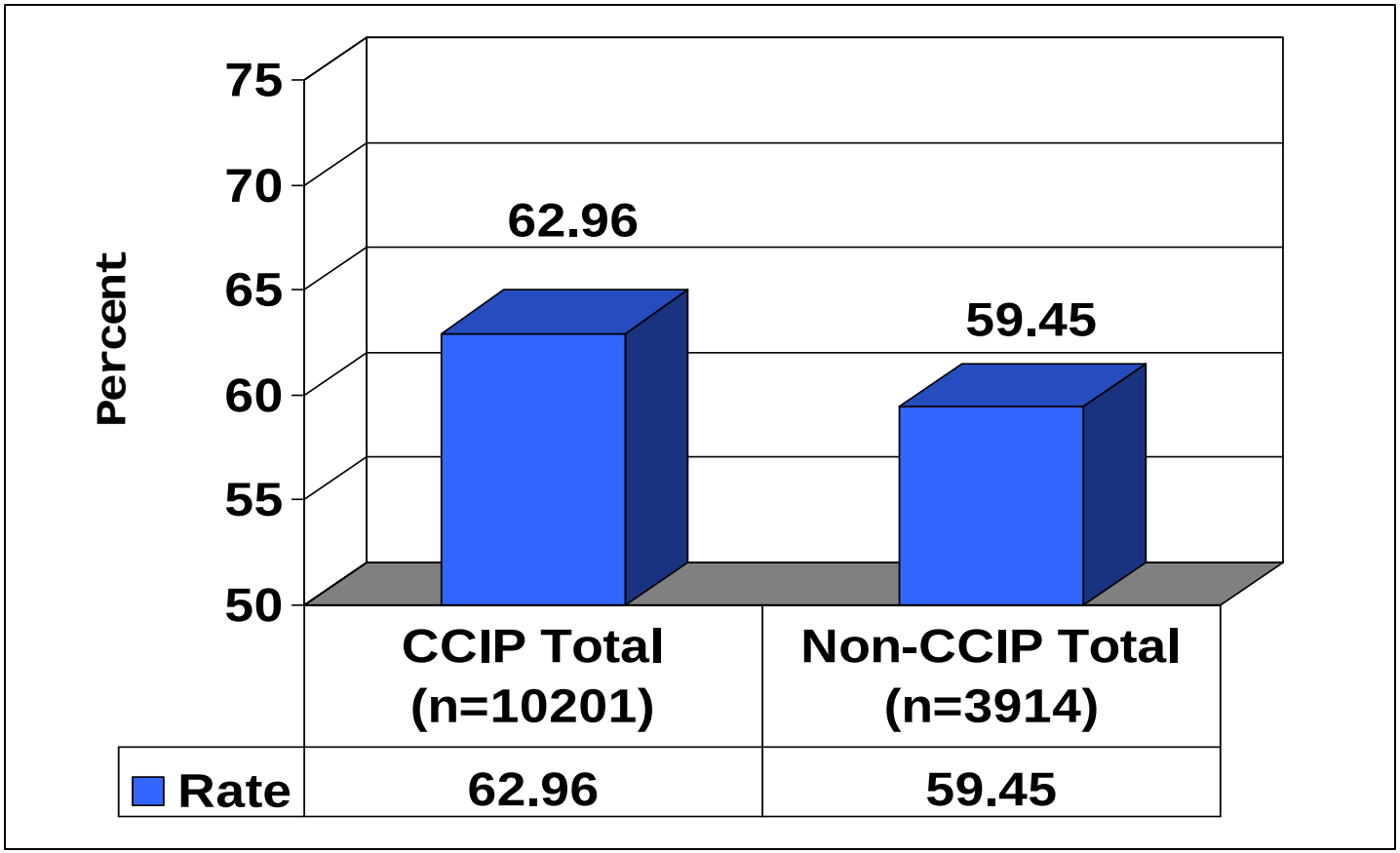
Description of Preferred Therapy

- Anti-asthmatic combinations
- Inhaled steroid combinations
- Inhaled corticosteroids
- Leukotriene modifiers
- Mast cell stabilizers
- Methylxanthines

Source: HEDIS 2008

MoHealthNet CCIP and Non-CCIP Participants

Use of Appropriate Medications for People with Asthma
(Percent receiving at least one Asthma medication during SFY 2008)



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OSEDA
Office of Social and Economic Data Analysis

Definition of Participants with Diabetes

Two methods were used to identify diabetes mellitus participants:

- pharmacy data and
- claim data encounters.

Both were used to identify the eligible population, but a participant only needed to be identified in one to be included in the measure. (HEDIS, 2008)

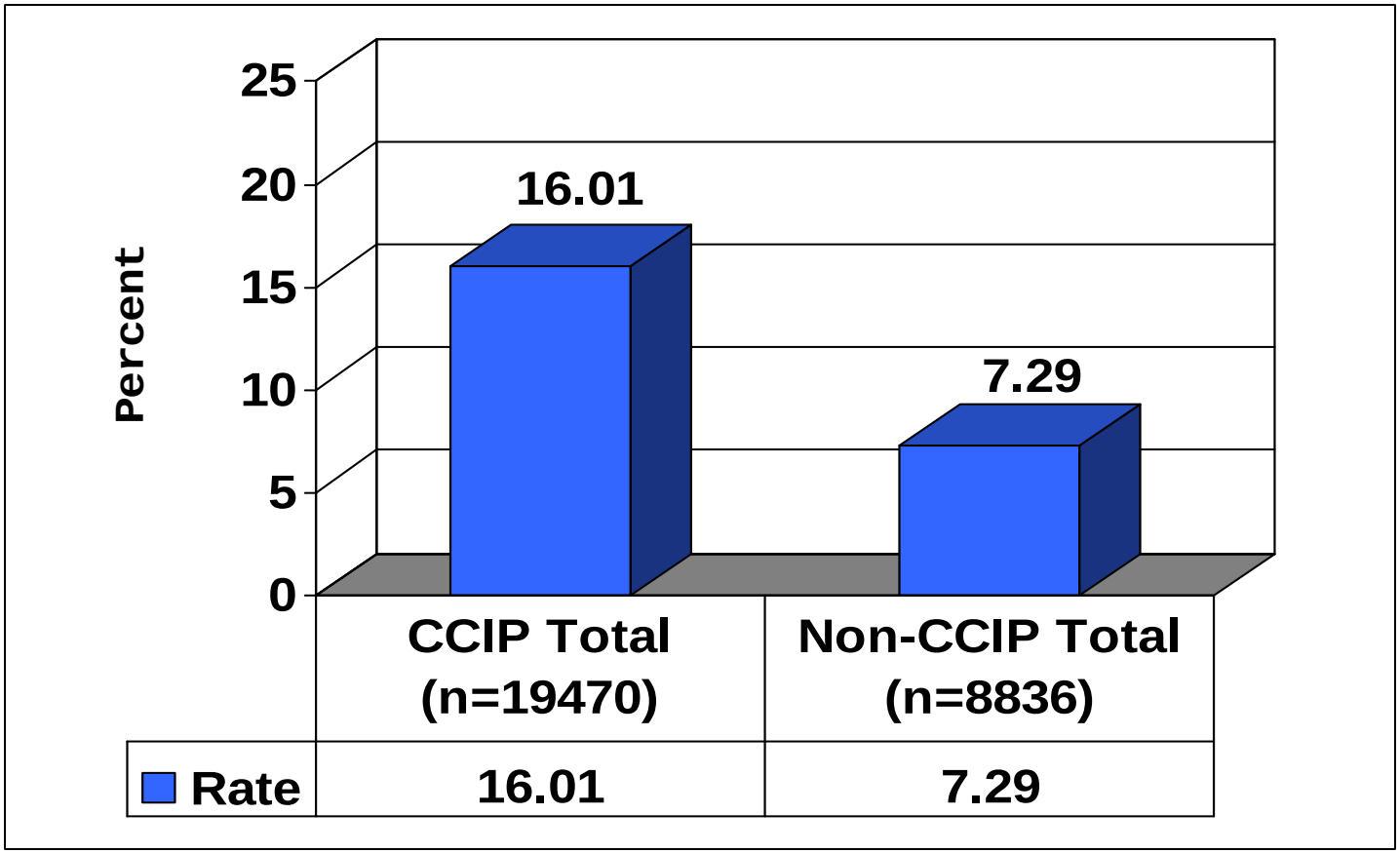
Definition of Participants with Diabetes

- ***Pharmacy data***: Participants who were dispensed insulin or oral hypoglycemics / antihyperglycemics during the measurement year on an ambulatory basis.

- ***Claim data***: Participants who had two face-to-face encounters with a diagnosis of diabetes (ICD9) on different dates of service in an outpatient setting or non-acute inpatient setting, or one face-to-face encounter in an acute inpatient or ED setting during the measurement year.

MoHealthNet CCIP and Non-CCIP Participants

Use of Appropriate Therapy for People with Diabetes
(Percent receiving urinary micro albumin analysis during SFY 2008)



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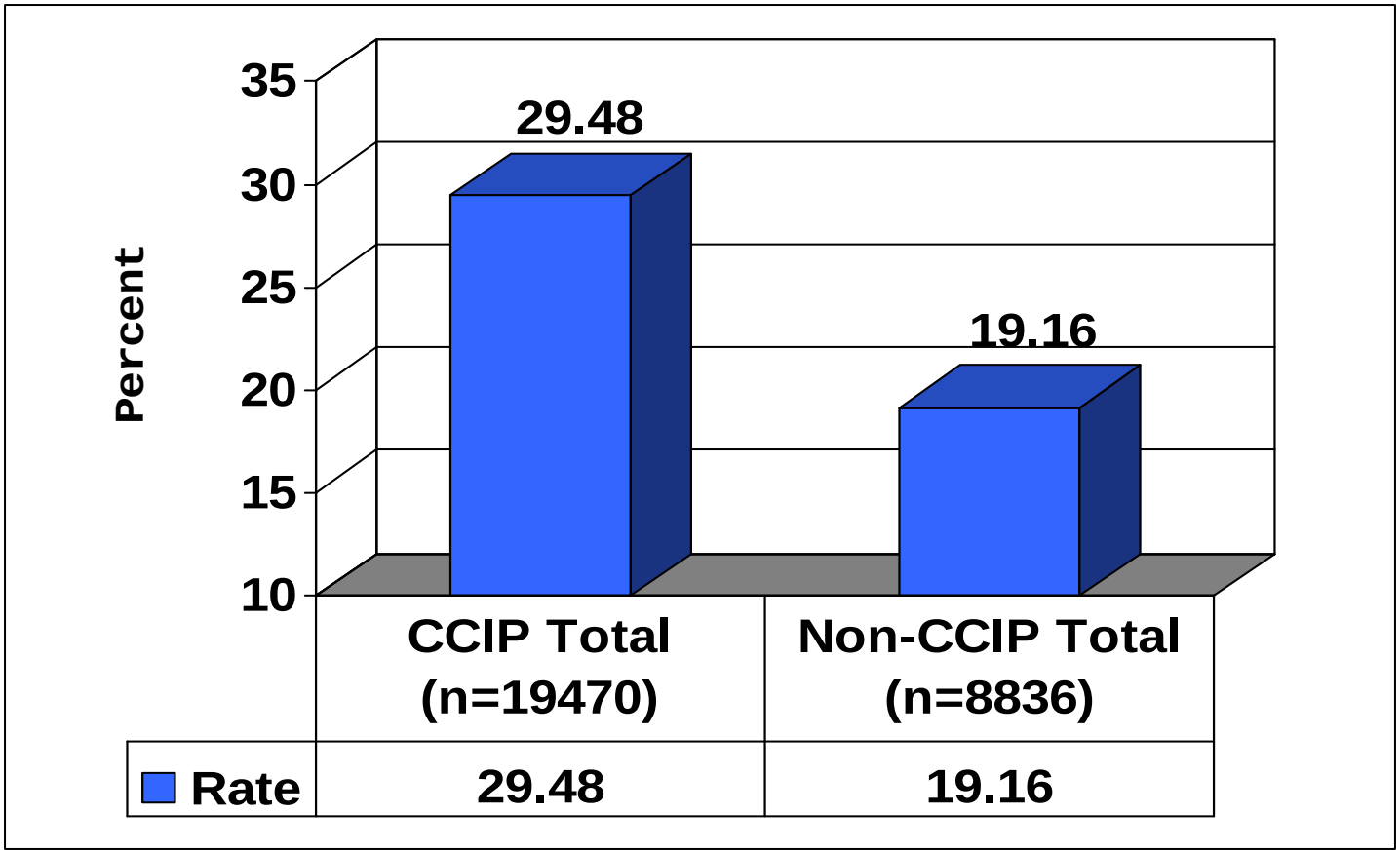
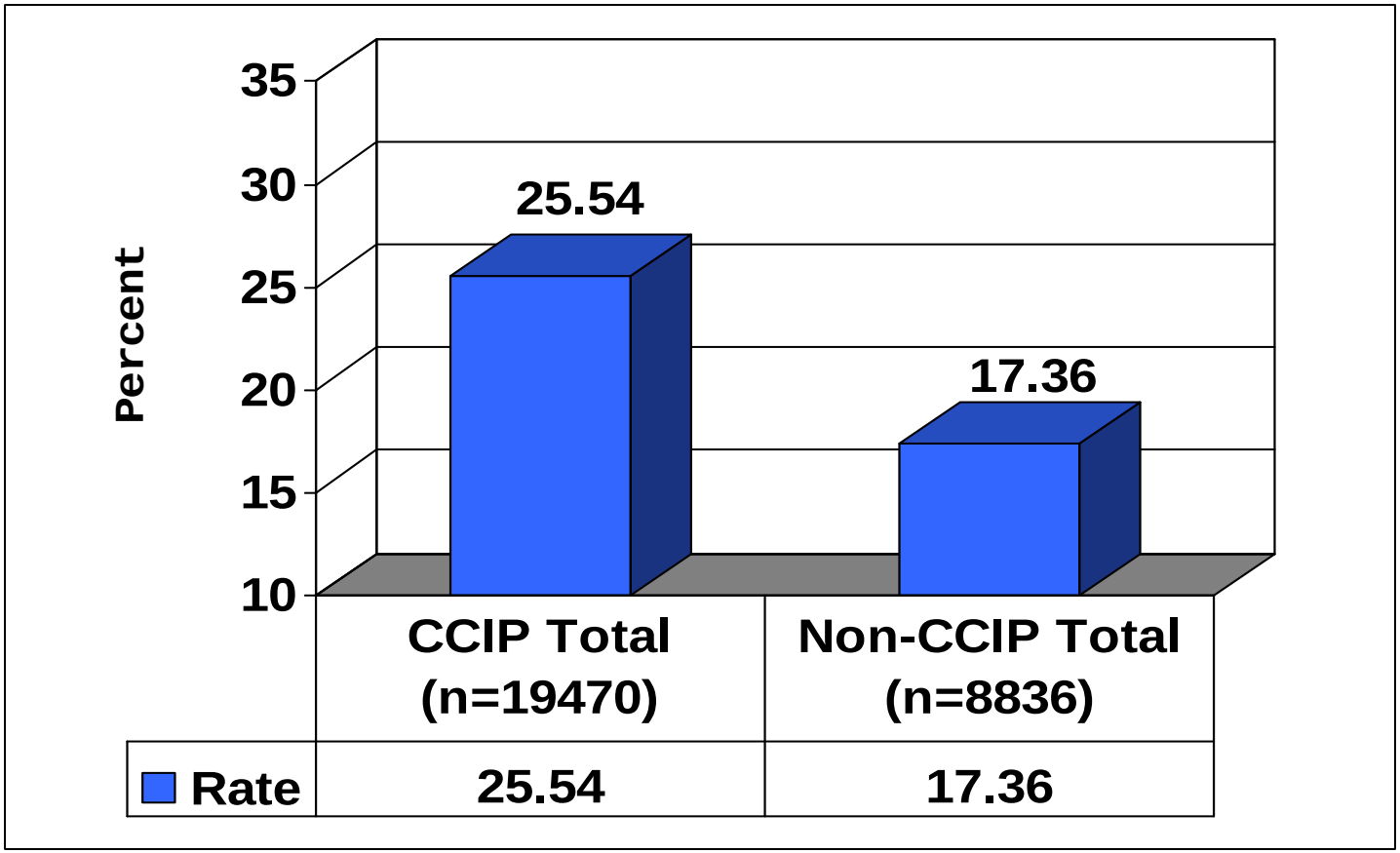
MoHealthNet CCIP and Non-CCIP Participants

Use of Appropriate Therapy for People with Diabetes
(Percent receiving lipid analysis during SFY 2008)



MoHealthNet CCIP and Non-CCIP Participants

Use of Appropriate Therapy for People with Diabetes
(Percent receiving hemoglobin HbA1c analysis during SFY 2008)



MoHealthNet CCIP and Non-CCIP Participants

Use of Appropriate Therapy for People with Diabetes
(Percent receiving DRE analysis during SFY 2008)

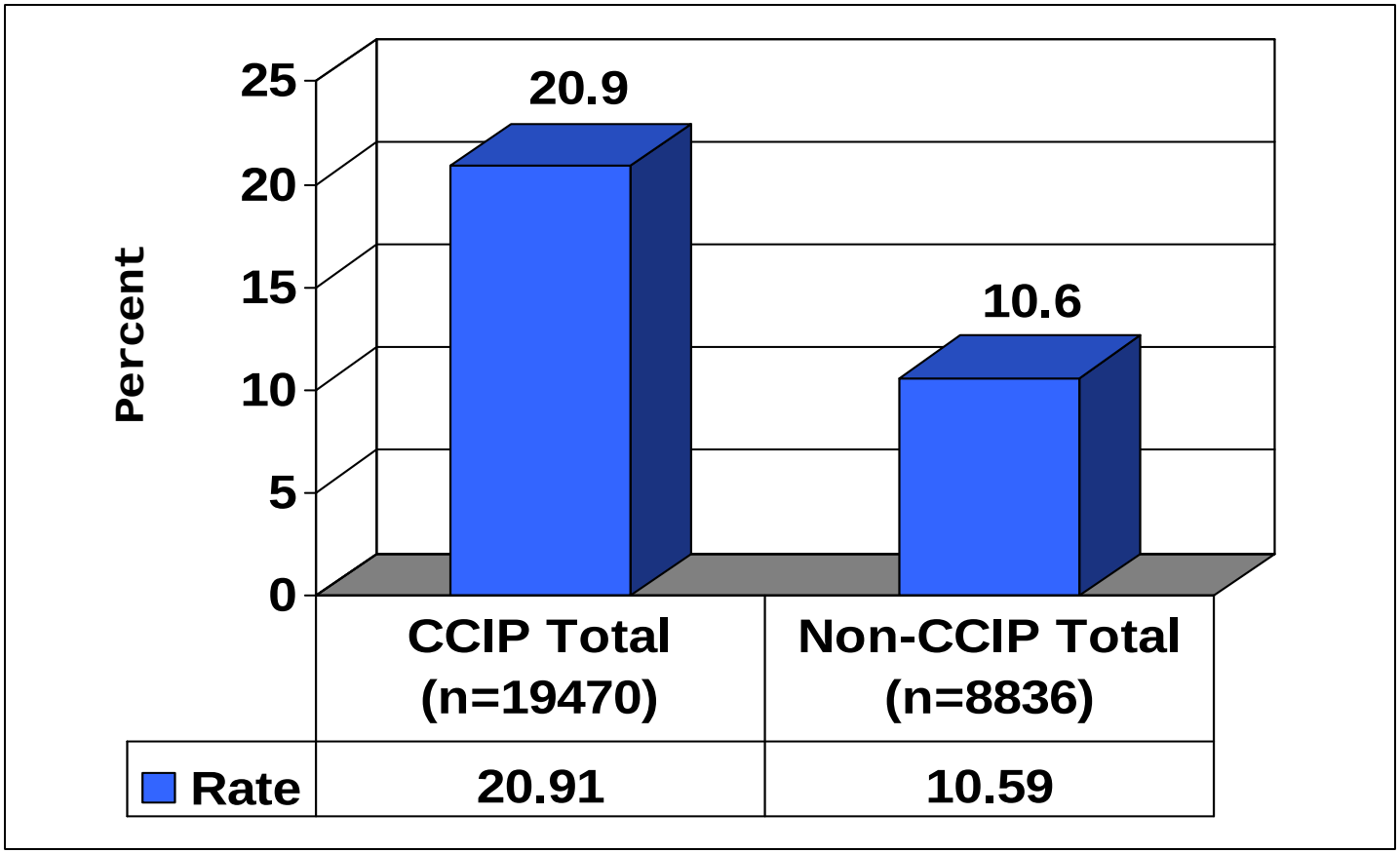


Table 2: Percent of MoHealthNet Fee-for-Service Participants for SFY2008 with Asthma by CCIP Enrollment Status

		With Asthma	
	CCIP Status	CCIP	Non-CCIP
Age			
	5 to 9	13.7	19.4
	21 to 17	15.8	26.9
	18 to 56	70.5	53.8
Gender			
	MALE	36.0	45.5
	FEMALE	64.0	54.5
Race			
	White	83.4	82.7
	African American	14.0	14.5
	Other	2.6	2.8
Region			
	Northwestern Reg.	0.6	15.3
	Northeastern Reg.	4.5	6.0
	Kansas City Metro	7.4	18.5
	Central Reg.	9.1	7.3
	St. Louis Metro	14.6	7.5
	Southwestern Reg.	27.0	15.5
	Southeastern Reg.	24.9	16.8
Number of Participants		10,201	3,914

The CCIP population with Asthma includes relatively fewer children than the non-CCIP population.

Also, the CCIP population with Asthma includes relatively more women than the non-CCIP population.

Regional comparisons are confounded by relatively small numbers in some regions

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Table 3: Percent of MoHealthNet Fee-for-Service Participants for SFY 2008 with Diabetes by CCIP enrollment status

		With Diabetes	
	CCIP Status	CCIP	Non-CCIP
Age			
	18 to 20	0.6	0.6
	21 to 64	78.7	67.6
	65+	20.7	31.7
Gender			
	MALE	33.5	40.4
	FEMALE	66.5	59.6
Race			
	White	72.7	78.1
	African American	22.3	17.6
	Other	5.0	4.3
Region			
	Northwestern Reg.	0.6	11.3
	Northeastern Reg.	4.2	6.7
	Kansas City Metro	10.9	10.4
	Central Reg.	11.0	10.2
	St. Louis Metro	23.6	18.2
	Southwestern Reg.	16.3	14.3
	Southeastern Reg.	22.0	17.1
Number of Participants		19,470	8,836

The CCIP population with Diabetes includes relatively fewer seniors and relatively more mid-aged adults than the non-CCIP population.

Also, there are somewhat more women and African Americans in the CCIP population than the Non-CCIP population

Regional comparisons are confounded by relatively small numbers in some regions.

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MOHealthNet Selected Effectiveness Indicators

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February 3, 2009

January Revision

A December, 2008 version of this analysis incorrectly included some managed care records in the development of the non-CCIP Fee-for-Service comparison population. This revision corrects that error. The size of the non-CCIP fee-for-service populations is smaller than initially reported, especially for participants with Asthma.

The effect of the revision is a slight reduction in the effectiveness rates among the non-CCIP population. For example , among the revised non-CCIP population the revised effectiveness percent for lipids tests for those with Diabetes is 7.3 rather than 9.6.

Accordingly, the revised analysis shows a slightly greater relative effectiveness of the CCIP program compared to the non-CCIP population. The table below summarizes the impact of the revision. It is an interesting accidental finding of this correction that reducing managed care participants in the population lowered the effectiveness rates.

Revised Effectiveness Rates and Ns

Indicators	CCIP	Revised Non-CCIP	Original Non-CCIP
Asthma Medication	63.0	59.5	64.6
Number of Participants	10,201	3,914	8,824
Diabetes micro albumin	16.0	7.3	9.6
Diabetes lipids	29.5	19.2	22.4
Diabetes HbA1c	25.5	17.4	19.3
Diabetes DRE	20.9	10.6	11.8
Number of Participants	19,470	8,836	9,762

MO HealthNet Managed Care

***the* right** care

***at the* right** time

***for the* right** cost

Presenting on Behalf of the

Missouri Association of Health Plans:

Bob Finuf, CEO
Children's Mercy Family Health Partners

Donna Checkett
Senior Vice President
Medicaid Business Development
Missouri Care

MO HealthNet Oversight Committee

February 3, 2009

Missouri Association *of* Health Plans

Missouri Association of Health Plan Members

Blue-Advantage Plus of Kansas City, Inc.

An Independent Licensee of the Blue Cross and Blue Shield Association

Children's Mercy FAMILY HEALTH PARTNERS www.fhp.org

HARMONY℠ HEALTH PLAN

Missouri Care™ HEALTH PLAN

MOLINA® HEALTHCARE

Missouri Association *of* Health Plans

HEALTHCARE USA A Coventry Health Care Plan

History of Medicaid Managed Care

- The Missouri General Assembly voted to implement Medicaid Managed Care in 1995 as a viable, long-term solution to contain cost by ensuring recipients receive the right care, at the right time, at the right cost.
- Missouri is one of 47 states across the nation providing Medicaid through Managed Care.
- Currently more than 380,000 Missourians receive their health care through the Medicaid Managed Care Plans.

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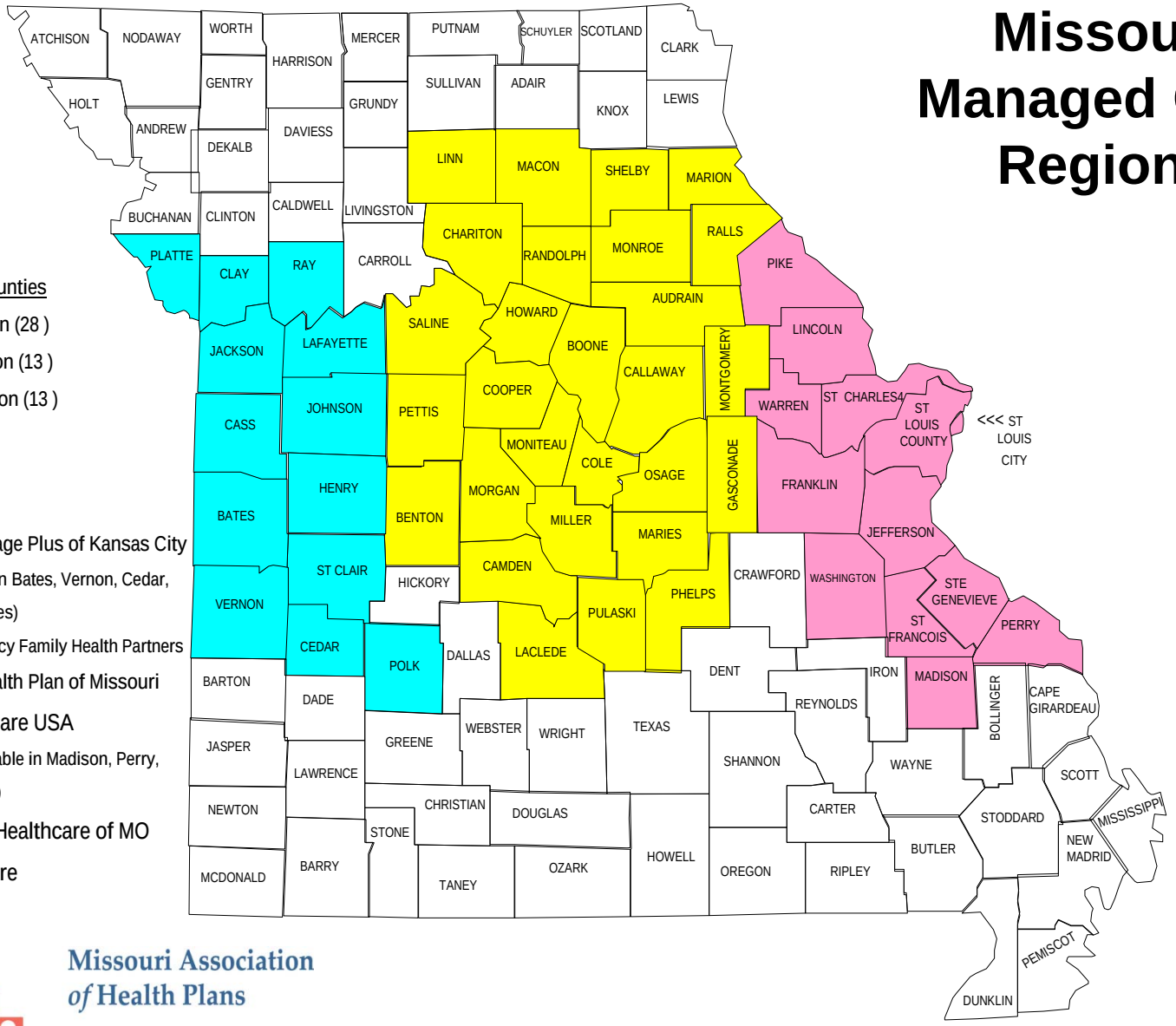
Missouri Managed Care Regions



Number of Counties

- Central Region (28)
- Eastern Region (13)
- Western Region (13)

Health Plans

- Blue-Advantage Plus of Kansas City (not available in Bates, Vernon, Cedar, or Polk Counties)
- Children's Mercy Family Health Partners
- Harmony Health Plan of Missouri
- HealthCare USA (not available in Madison, Perry, Counties)
- Molina Healthcare of MO
- Missouri Care

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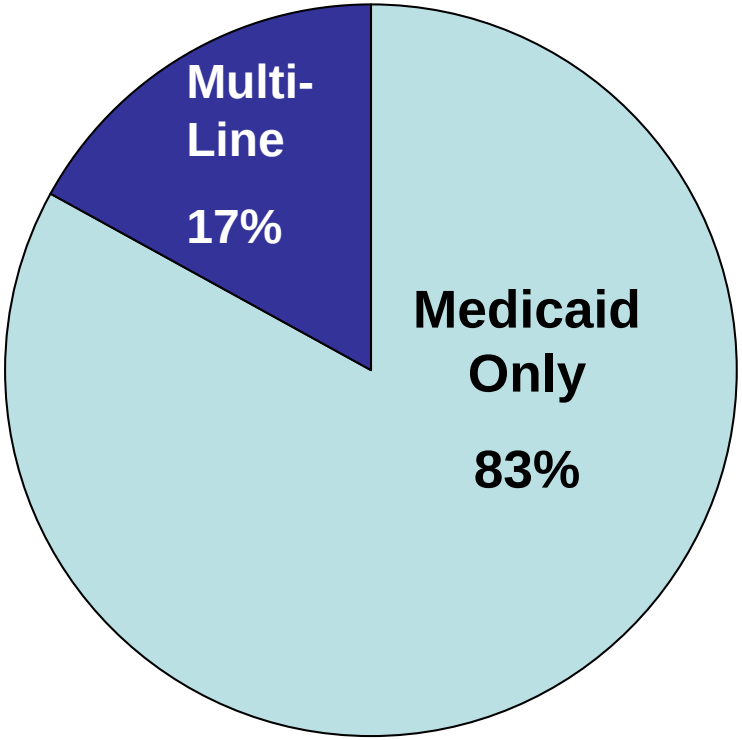
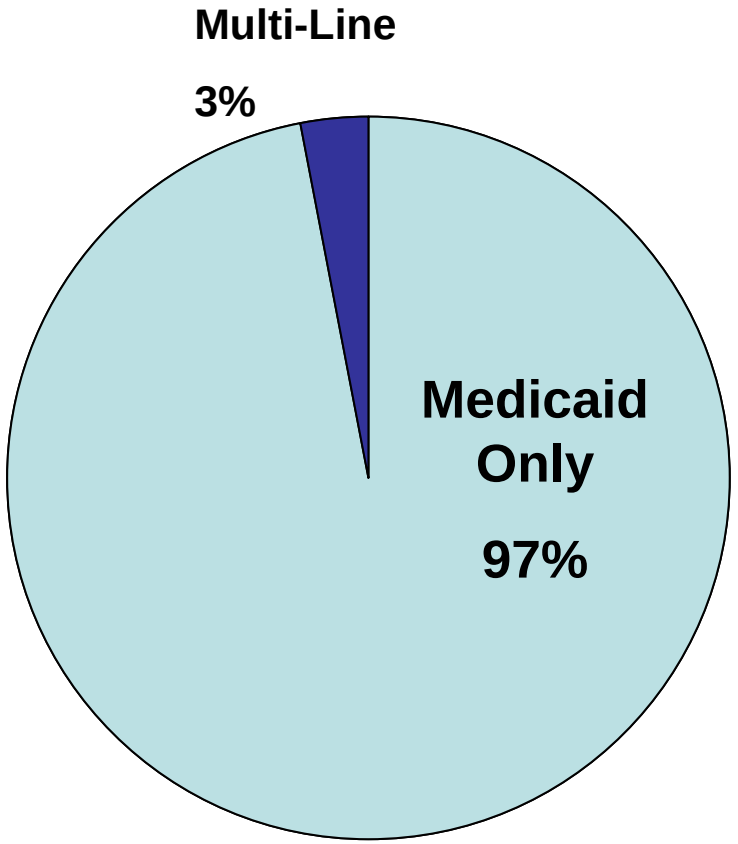
Medicaid Only vs. Multi-Line

Number of Health Plans



Membership Distribution



Goals of Medicaid Managed Care

- Improve **access to care**
- Improve and assure **quality of care**
- Establish and promote the use of a **medical home**
- **Control cost** through the payment of capitated rates, giving the state budget predictability

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Managed Care Principles Contain Cost through:

Program	Activities	Expected Financial Impacts
Case Management	Coordination of healthcare resources for high utilizing Members; collaboration with treating physicians; facilitating access to care and preventive care services; supporting patient empowerment & education	Increases adherence to treatment plans & access to PCP/specialty srvcs; Improves outcomes related to chronic illness & high risk OB care; Decreases utilization of IP & unnecessary ER srvcs
Disease Management	Early identification of the at-risk population; Member and Provider education and tools to support self management; Health Coaching to assist members with lifestyle/behavioral changes; Specific clinical metrics to measure outcomes of interventions	Improved clinical outcomes specific to the disease process as a result of better patient education & empowerment (i.e. use of asthma medications; compliance with recommended lab screenings, etc); Improved compliance with recommended treatment protocols; Decreased IP hospitalizations and unnecessary ER services
Member Profiling	Risk Profiling (to identify optimal candidates for case management and disease management programs)	Early identification of high risk members for education, outreach and care coordination, resulting in decreased utilization of healthcare resources and improved member outcomes
Provider Profiling	Providers are profiled on access, quality and outcomes (both clinical and financial) for the members in their care.	Reduced upcoding, identify possible over and under utilization, and encourage preventive services
Concurrent Review	Coordinate inpatient services early to engage members, caregivers, and community resources ensuring smooth transitions to alternative levels of care	Reduce average length of stay and ensure appropriate level of care through proactive discharge planning

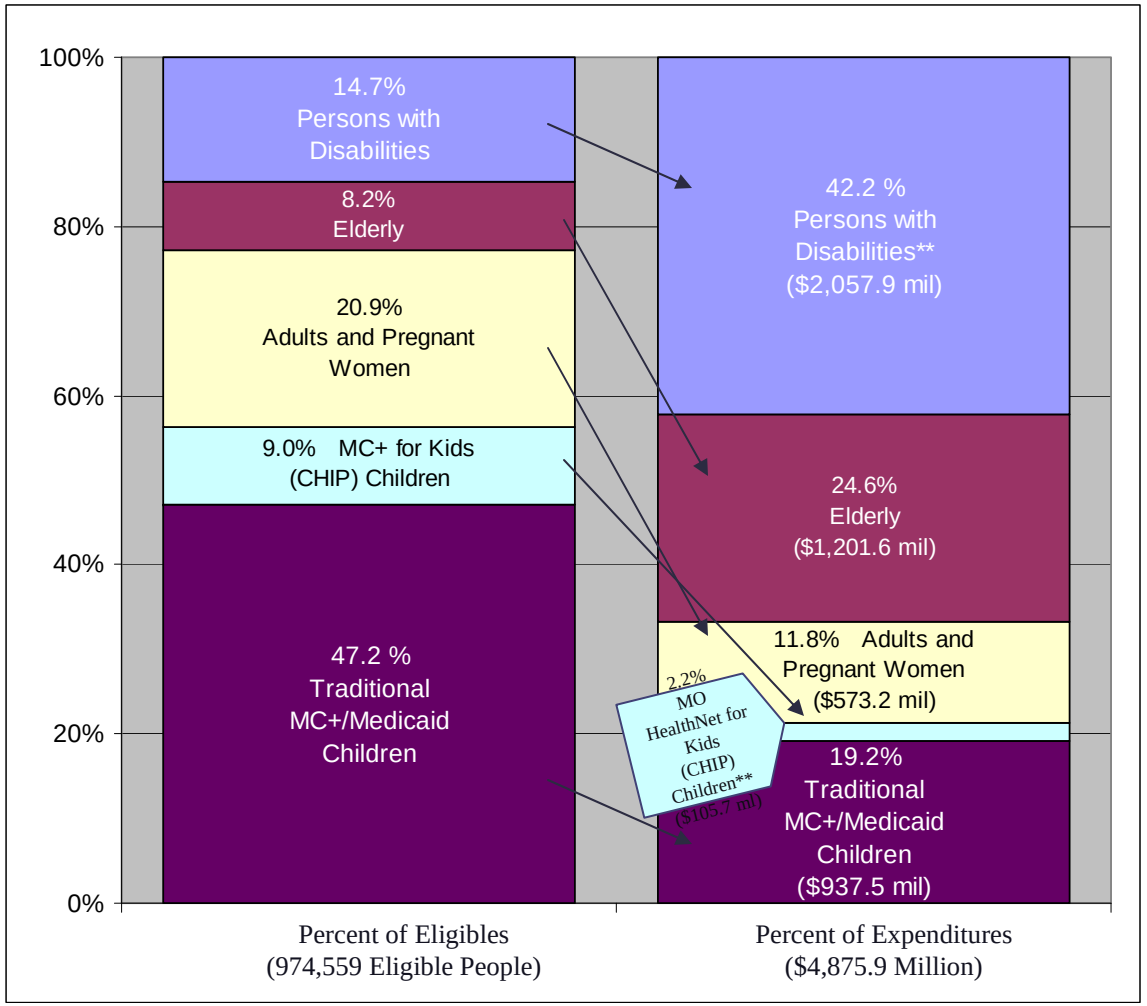
* Not exclusive list

Medicaid Enrollees and Expenditures

Children, Adults and Pregnant women account for ¾ of the Medicaid population but account for only 1/3 of the cost.

Persons with Disabilities	143,797
Elderly	80,149
Adults and Pregnant Women	203,521
MO HealthNet for Kids (CHIP) Children	
Premium	1,373*
Co-Pay	17,054
No Cost	68,853
Traditional MO HealthNet/ Medicaid Children	459,812

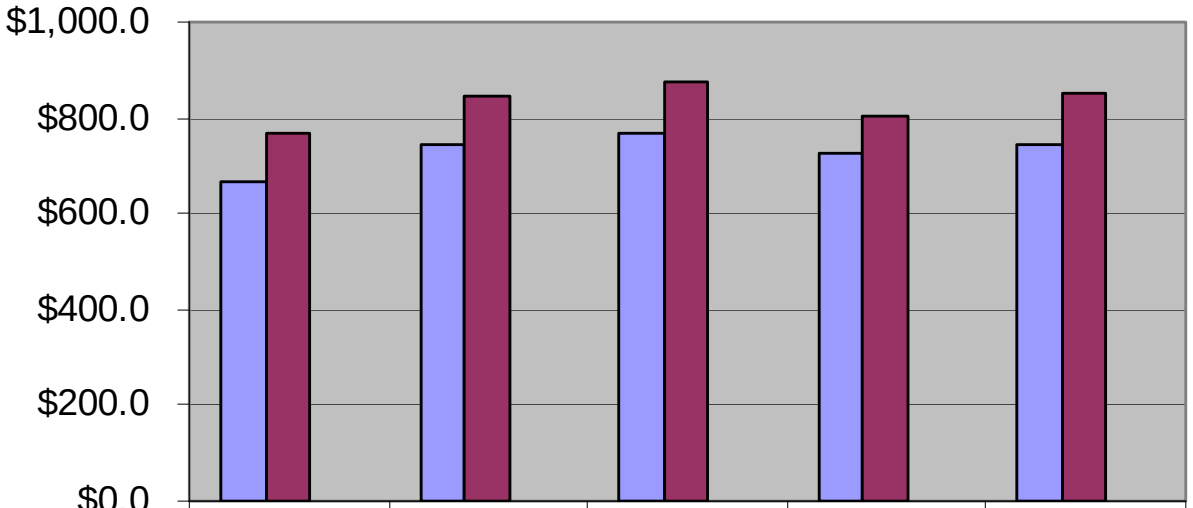
Medicaid/Mo HealthNet SFY-2004**



** Department of Social Services ~ January 12. 2005

Managed Care Premium and Medical Expenses 2003-2007

Aggregate (03-07) Medicaid Benefits Paid as Percent of Premium = **88%**



	2003	2004	2005	2006	2007
Medicaid Medical Benefits Paid	$666.4	$745.9	$770.8	$727.1	$746.9
Medicaid Premium	$769.1	$844.5	$872.2	$806.0	$849.0
Medicaid Medical Benefits Paid as a Percent of Premium	86.6%	88.3%	88.4%	90.2%	88.0%

Source: Data provided by MO HealthNet Health Plans based on Missouri Department of Insurance Statutory Filings, excluding MRA Provider Tax Implications (Years 2005 – 2007)

Medicaid Managed Care
Improves Access to Care

Access Standards

Service Standards
- Provider network, distance to get to a doctor
- Days to get an appointment
- 24 hour telephone availability
- All members have a Medical Home

Performance Standards
- Well-child visits
- Care Management of Difficult Pregnancy and Chronic Disease
- Health Care Effectiveness Measures (i.e. HEDIS)

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Additional benefits offered by Managed Care*

- Circumcisions (non-medically necessary)
- Childbirth and breastfeeding classes
- Smoking cessation classes
- Cell phone program for high risk members
- Adult physical therapy if medically indicated
- Guest pass and waived joining fee at YMCA
- Transportation for all MO HealthNet Members
- Incentives for attending OB Care Appointments
- Home monitoring equipment to check blood pressure, weight, and blood sugar
- Sponsor members to attend comprehensive obesity management programs

Source: Mo HealthNet Division

* Not all plans offer all of these additional benefits

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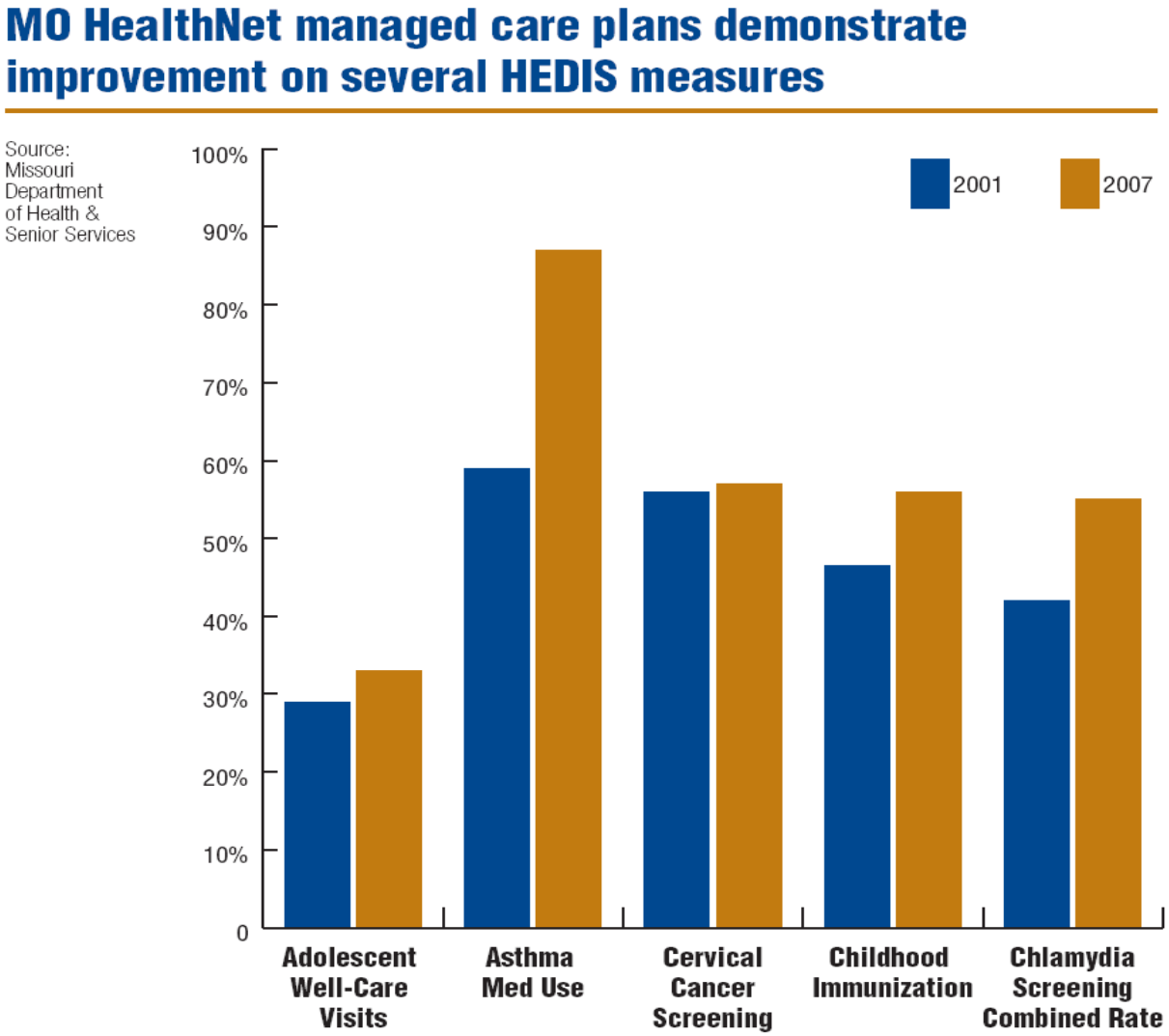
Medicaid Managed Care

*Improves and assures **quality of care***



Member Satisfaction

- Member Satisfaction Surveys are done annually
- During the past three years, member satisfaction has reached as high as 91%
- Scores were similar to those enrolled in Medicare Plans or Commercial Insurance Plans

Source: Mo HealthNet Division

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Missouri's Medicaid Health Plans Are Accountable

- Missouri Medicaid Health Plans are subject to significant statutory, regulatory and contractual requirements by various entities including:
  - Centers for Medicare and Medicaid (CMS)
  - Office of the Inspector General (OIG)
  - Missouri Department of Health and Senior Services (DHSS)
  - Missouri Department of Insurance (MDOI)
  - Missouri MO HealthNet (MHN)

- Our Contract with MHN includes over 500 "must" or "shall" statements regarding our performance under the contract.

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Missouri's Medicaid Health Plans Are Accountable

- Medicaid Managed Care Plans are required to comply with Missouri's prompt pay statutes (Section 376.383 – 384) as monitored by MHN and MDOI.

- Medicaid Managed Care Plans are subject to the member service performance standards established in our contract, with oversight provided by MHN.

- Medicaid Managed Care Plans must utilize a third party vendor to conduct an annual Member Satisfaction Survey, the results of which are reported to DHSS & MHN.

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Missouri's Medicaid Health Plans Are Accountable

- Medicaid Health Plans must comply with network adequacy requirements as stipulated in 20-CSR 400-7.095 and must submit annual reports to the MDOI regarding adequacy. Examples of network adequacy include but are not limited to:
  - PCPs and Pharmacies: Must be at least one within 10 – 30 miles depending upon urban, basic, or rural county classification.
  - OBGYNs: Must be at least one within 10 – 60 miles depending upon urban, basic, or rural county classification
  - Hospital: Must be one within 30 miles

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Missouri's Medicaid Health Plans Are Accountable

- Medicaid Health Plans are subject to MDOI solvency standards, tri-annual financial examinations, periodic market conduct exams, and must submit reports including but not limited to quarterly financial statements and annual audited financial statements

- Medicaid Health Plans must submit various reports to MHN to substantiate medical expenses. These reports include but are not limited to a semi-annual aggregate medical cost report and monthly "encounter" reports to substantiate all individual medical claims paid to MHN

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Missouri's Medicaid Health Plans Are Accountable

- Medicaid Health Plans must submit detailed monthly reports to MHN and/or DHSS regarding blood lead level screening and intervention results, and children's special health care needs case management activities

- Medicaid Health Plans must submit detailed quarterly reports to MHN regarding member complaints, grievances, and appeals

- Medicaid Health Plans are subject to an annual external audit by a state-contracted External Quality Review Organization (EQRO) and are required to submit audited quality performance indicators following the Healthcare Effectiveness Data & Information Set (HEDIS) specifications set forth by the National Committee for Quality Assurance (NCQA)

- Medicaid Health Plans must have an active Fraud and Abuse Program and report any suspected activity to MHN on a quarterly basis

Missouri Association *of* Health Plans

Managed Care: *the* right **care** *at the* right **time** *for the* right **cost**

Criteria	Managed Care
Quality of Care	
Establish health care home	✓
Continuum of care over episodic care	✓
Preventive health education	✓
Care Coordination	✓
Case Management	✓
Provider credentialing	✓
Utilization management	✓
Meet HEDIS quality benchmarks	✓
Conduct member satisfaction surveys	✓
Member education	✓
Access to Care	
Provider network requirements	✓
Member access requirements	✓
Appointment standards	✓
Accountability	
Report to regulatory agencies (HEDIS, EQRO)	✓
Accountable to DOI	✓
Cost Savings and Avoidance	
Financial risk/predictability	✓
State cost avoidance	✓
Efficiency	✓

Missouri Association of Health Plans

PO Box 104838

Jefferson City, MO 65110

573-619-6185

www.mahpdata.org

Missouri Association *of* Health Plans

MO HealthNet Expenditure Projections Fiscal Years 2010 - 2014

Legislative Budget Office

Joint Committee on Legislative Research

February 3, 2009

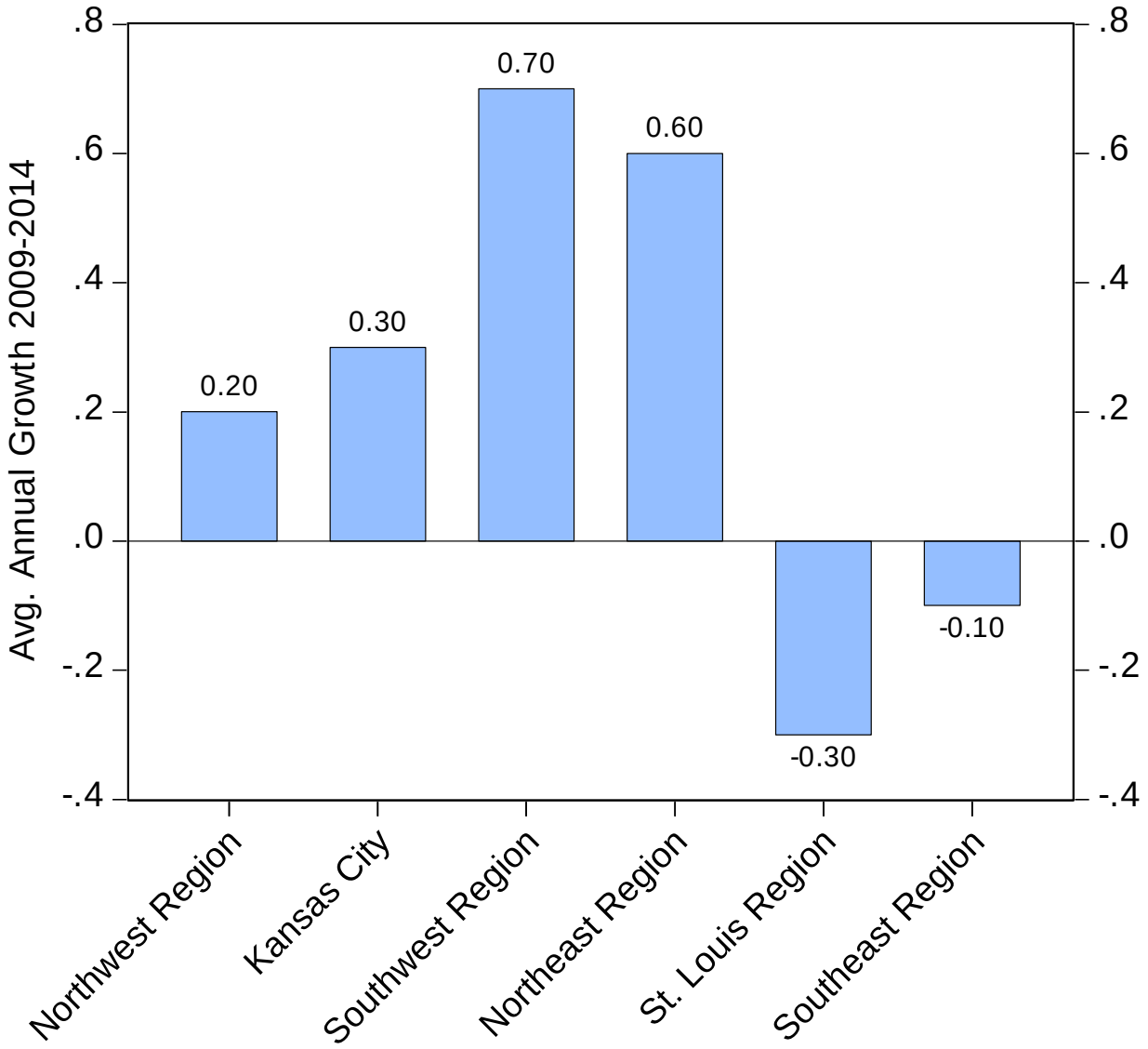
MO HealthNet Enrollment

- Average monthly enrollment was 830,341 in SFY 2008.
- About 1 in 7 Missouri residents (14% of population) were enrolled in MO HealthNet in 2008.
  - 1 in 8 in St. Louis, Kansas City, Northeast and Northwest regions.
  - 1 in 6 in Southwest region.
  - 1 in 5 in Southeast region.
- September 30, 2008, actual enrollment of 836,129 is used as jump off point for projections.

MO HealthNet Enrollment

- Average monthly enrollment of 836,402 projected for SFY 2009 (0.7% growth rate).
  - Actual enrollment in first quarter averaged 835,355.
- Statewide, average annual growth of 0.2% projected for years after SFY 2009.
  - Reflects projected state population growth.
- Enrollment reaches an average of 844,130 per month in SFY 2014.
- Aged population goes up by an average of 1.8% per year, while children goes down -0.3%.
- Regional growth varies due to migration.

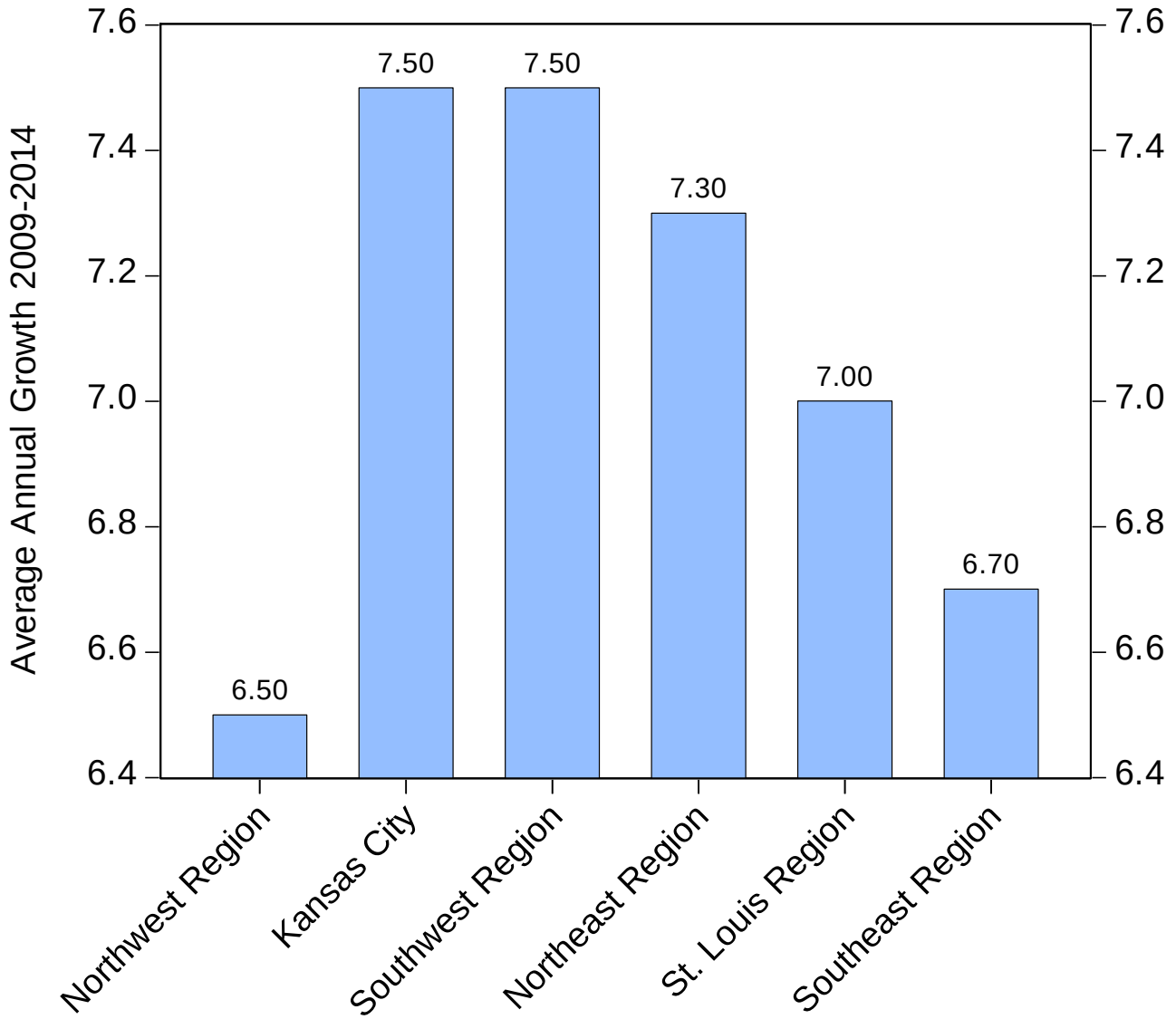
Average Monthly MO HealthNet Enrollment
Average Annual Percentage Change by Region



MO HealthNet Expenditures

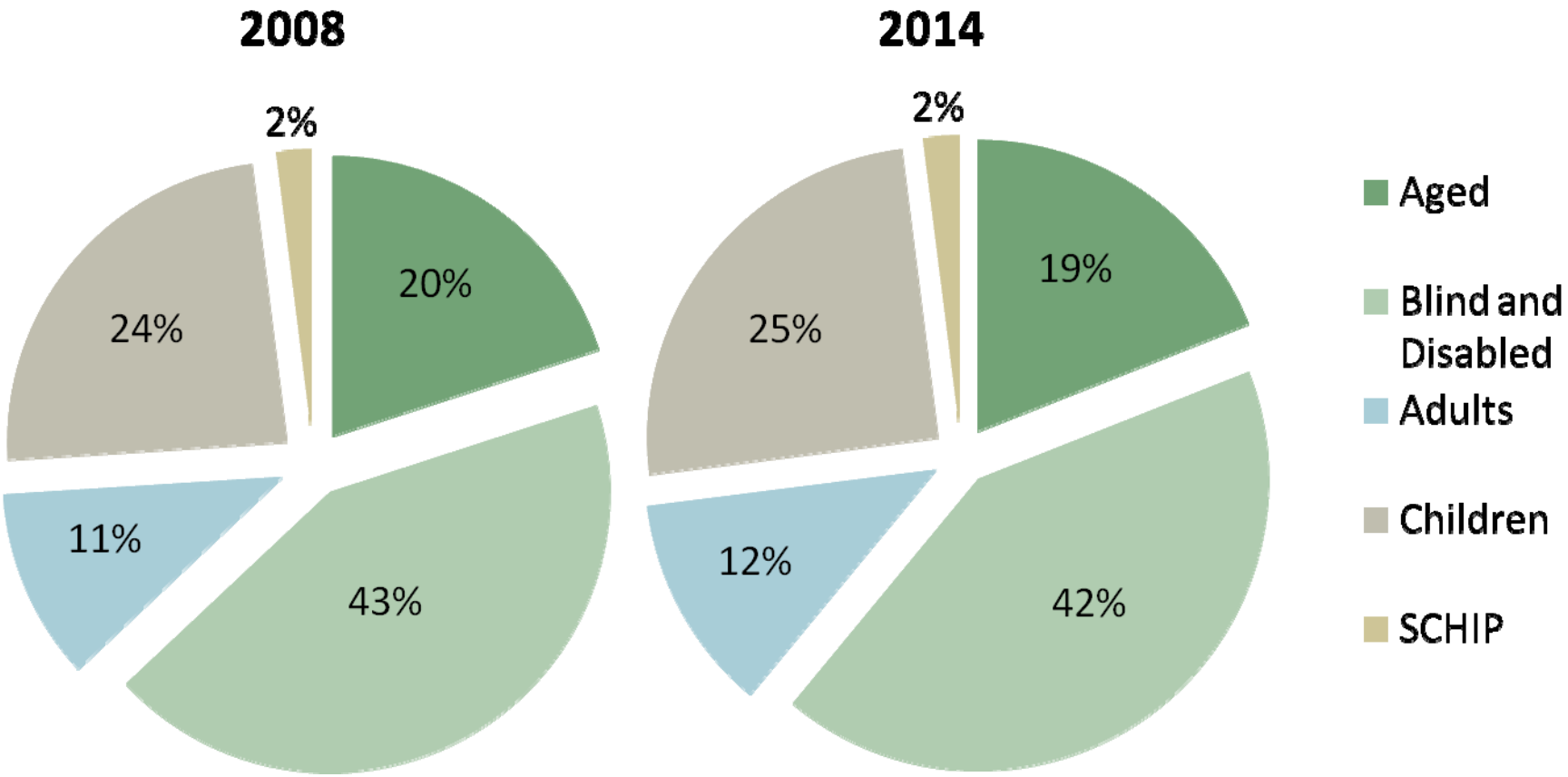
- Total expenditures of $6.067 billion in SFY 2008 ($1.375 billion general revenue).
  - Growth of 8.1 percent; first increase since SFY 2005.
- Total expenditures of $6.433 billion in SFY 2009.
  - Growth rate moderates to 6.0 percent
  - Average annual cost per enrollee increases at a 5.3 percent rate (from $7,307 per enrollee in 2008 to $7,691 in 2009).
- Baseline expenditures for SFY 2010 reach $6.874 billion (6.9 percent growth).
- Over period 2009 – 2014, average annual growth rate for total expenditures is 6.6 percent.
  - Slightly lower than last year's 6.8 percent projection.

Total MO HealthNet Expenditures
Average Annual Percentage Change by Region



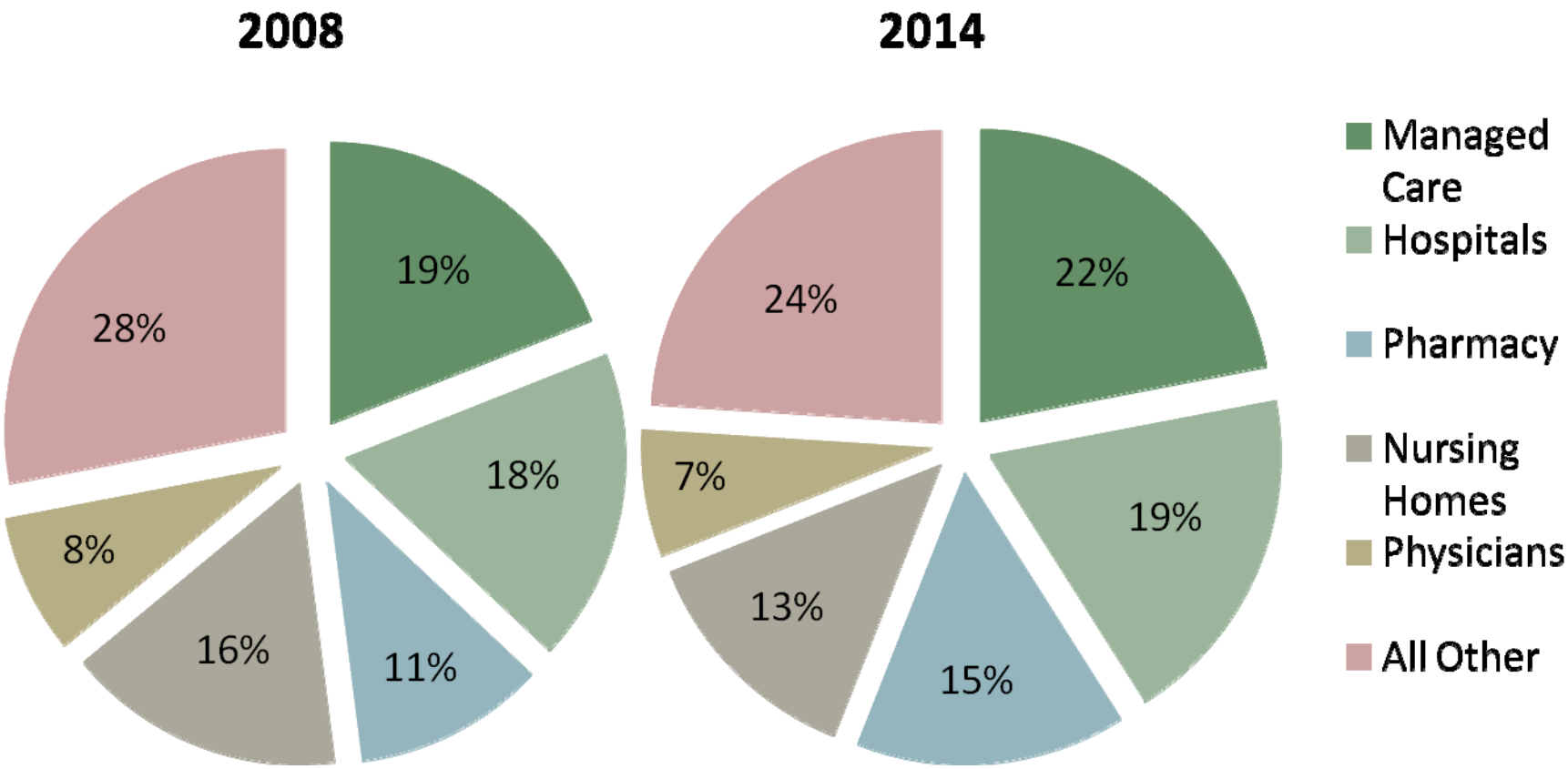
Expenditures by Population

- Share of total grows slightly for Children and Adults; drops slightly for Aged and Disabled.



Expenditures by Service

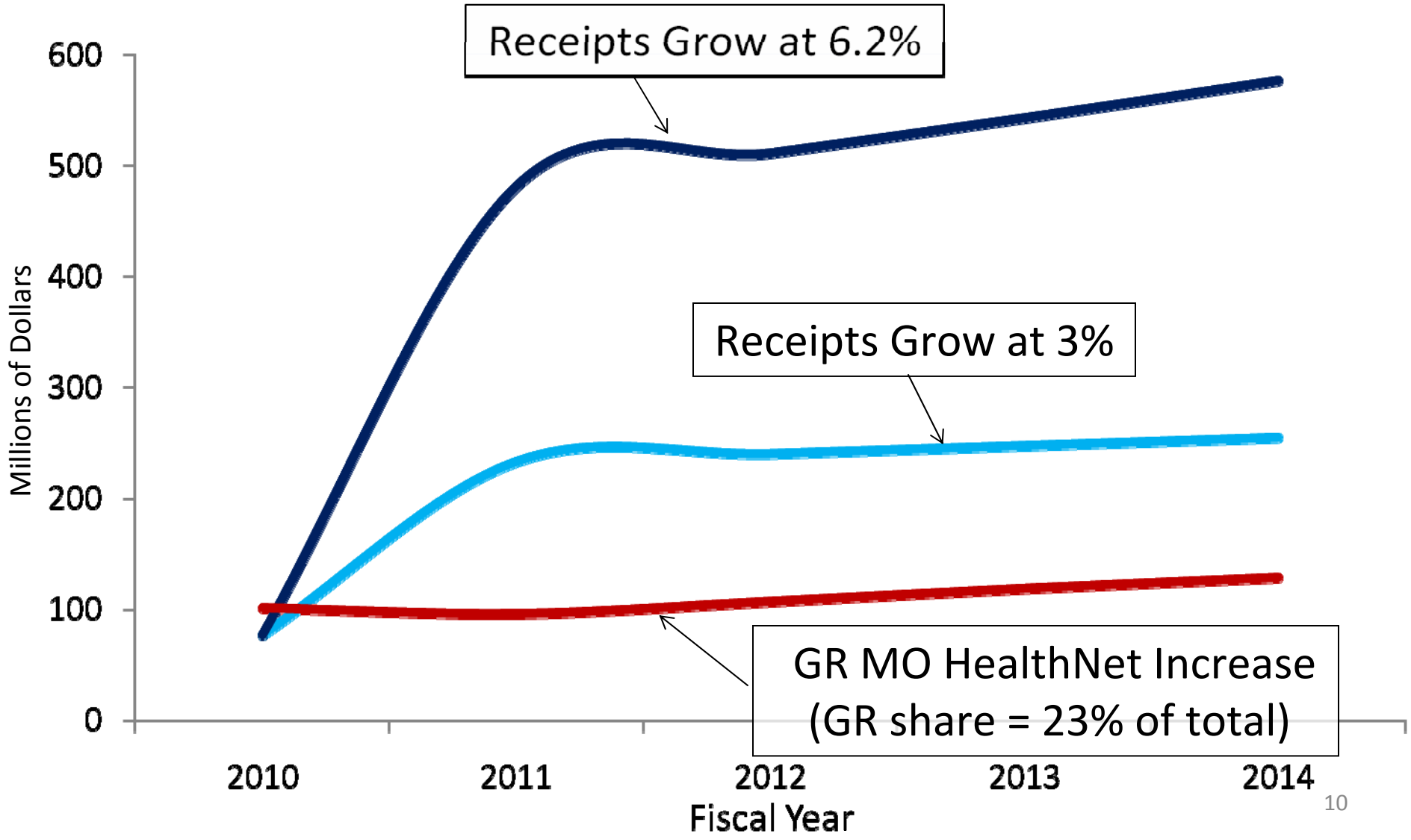
- Share of total grows noticeably for Pharmacy and Managed Care.



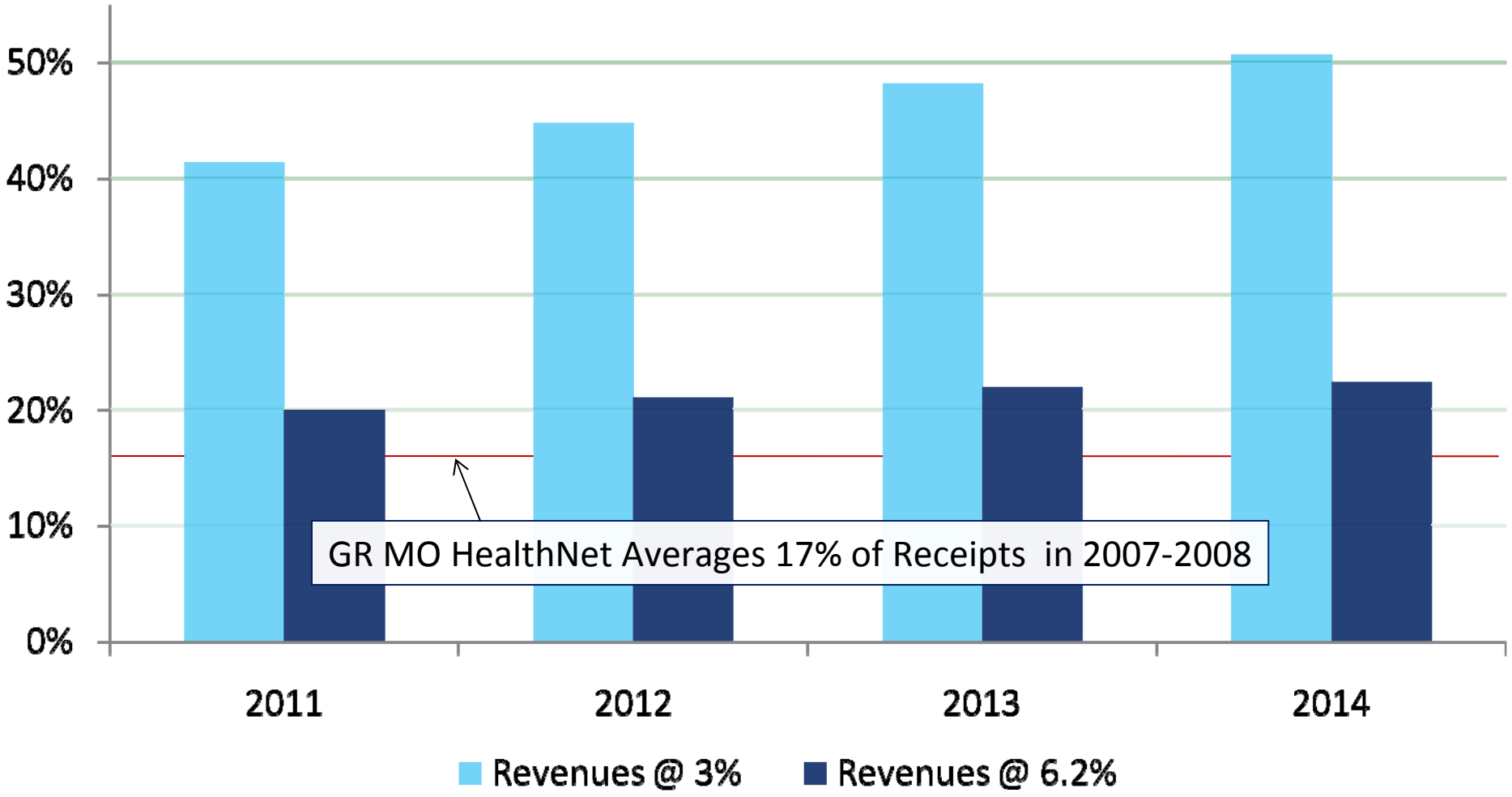
Financial Need Going Forward

- Financial need of MO HealthNet program must be balanced against other spending demands.
- For SFY 2010, projected MO HealthNet general revenue growth – without increased FMAP – exceeds total increase in forecast GR receipts.
- Federal stimulus legislation may make up for slow receipts growth in SFY 2010, but future budgets likely will rely on general revenue funding.
- If MO HealthNet trends continue as projected, a steadily increasing burden would be placed on the state budget.

Annual Increase in MO HealthNet and General Revenue Receipts



Annual Increase in MO HealthNet as a Share of General Revenue Growth



General revenue MO HealthNet estimated at 23% of projected total expenditures.