

Budget Neutrality Form

Section 1115 Medicaid Demonstrations should be budget neutral. This means the Demonstration cannot cost the federal government more than what would have otherwise been spent absent the Demonstration. In this section, the state must provide its explanation of how the Demonstration program will achieve budget neutrality and the data to support its rationale.

I. Without- and With-Waiver Projections for Historical Medicaid Populations

A. Recent Historical Actual or Estimated Data

Explain the sources and methodology used for the actual and/or estimated historical data. If actual data have been provided, explain the source of the data (MMIS data, other state system Medicaid data, other program data, etc.) and the program(s) and source(s) of program funding that the data represent. Indicate if the data represent all Medicaid expenditures for the population. For example, are they inclusive of long-term care expenditures? Were the expenditures reported on the CMS-64? If the data provided are a combination of actual and estimated data, provide the dates pertaining to each type of data. If any of the data are estimated, provide a detailed explanation concerning how the estimated data were developed.

RESPONSE: The number of total MO HealthNet participants that used a family planning service is reported. Adhocs were run from the MMIS system to determine the total number of participants using Family Planning Services:

Adhoc 1– This is to report Managed Care participants using family planning services. It extracts all encounter claim types, excluding voided claims, with a Family Planning Indicator = Y, and provides an unduplicated count of DCNs and ME Code.

Adhoc 2 – This is to report FFS participants using family planning services. It extracts all FFS paid claims, with no adjustment overlays, with a Family Planning Indicator = Y, and provides an unduplicated count of DCNs, Paid Amount, ME Code, Claim Type, DOB, Race, Sex, Units, and TPL Indicator.

No adjustment overlays are included since the budget neutrality is reported on Paid date.

The actual number of unduplicated FFS and Managed Care DCNs are added together to determine the Number of Persons.

The future persons are trended by the average growth rate of Medicaid State Plan enrollees as reported on the Base Year tab. This trend is developed by historical actual trends.

The data represents all Medicaid expenditures for the population and all expenditures are reported on the CMS-64.

B. Bridge Period

Based on the ending date of the most recent year of historic data and the proposed Demonstration implementation date, a bridge period will apply to this proposal. Estimates of Demonstration costs must be trended across this bridge period when calculating the projected first year of PMPM costs without the waiver.

In the blanks below, enter the last day of the most recent historical year, and the last day of the year immediately preceding the first Demonstration Year. The number of months between these dates is the length of the bridge period. Depending on the length of the available historical data series and data quality, each demonstration population could have its own unique bridge period.

Enter the number of months in the bridge period in the “WOW” tab of the Excel Workbook, in the grayed cell under “MONTHS OF AGING.” The spreadsheet is programmed to project Demonstration Year PMPM expenditures and member month totals using historical trend rates and the length of bridge period, and assumes that the same bridge period applies to all calculations. Applicants should feel free to alter these programming features as needed.

Demonstration Bridge Period: 09/30/2013 to 12/31/2014

Please see Budget Neutrality Spreadsheet for the applicable remainder of information requested on this form.

The Budget Neutrality Spreadsheet is included as *Attachment 7*.