



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

MEMORANDUM

TO: Distribution List

FROM: Jeff Reynolds, DHH Undersecretary

DATE: May 5, 2017

RE: SFY 2016/17 Medicaid Monthly Financial Report – April 2017

Enclosed is a copy of our SFY 2016/17 Medicaid Financial Report for the month of April 2017.

The attached report shows the Louisiana Department of Health and the Medicaid program continue to project a surplus for the fiscal year. As of March 31, 2017, the anticipated **surplus is \$25.74 million in State General Funds**. This is up from the projected State General Fund surplus of \$22.4 million that LDH reported a month ago. (See Page 3, Table 3, *Grand Total*.)

Other key points in this March Report include:

- LDH's total spending (both federal and state funding) is expected to be \$464.8 million more than budgeted. (See Page 1, Table 2, *Total Program*)
- This increase is all additional federal funds that support the expanded Medicaid program that today covers more than 420,000 newly eligible adults.

Expansion Population

- The current month forecast includes \$383.6 million more in payments to our managed care organizations for the expansion population than originally estimated. (See Page 2, Table 3, *Managed Care – Expansion*)
- Almost all, 97 percent, of this shortfall will be funded with federal dollars, and LDH must get the necessary spending authority from the Legislature.
- Based on current enrollment trends, the agency now estimates total expansion enrollment of more than 444,800 in FY17. This estimated projection remains the same as what we reported last month. (See Table 6)

Medicaid Expansion At-A-Glance

LDH updates the following statistics at least every two weeks, and can be found online at <http://ldh.la.gov/healthyladashboard/>.

- As of April 24, 2017 **420,890** newly eligible adults have enrolled in Medicaid Expansion.
- More than **82,200** of these new members have received preventive care visits with a provider.
- More than **6,300** women have completed a breast cancer screening such as a mammogram, MRI or ultrasound.
- More than **8,100** adults have had a colonoscopy; and more than **2,330** patients had precancerous polyps removed.
- Treatment has begun for almost **2,000** adults newly diagnosed with diabetes.
- Almost **5,000** patients have been newly diagnosed with hypertension.
- More than **24,400** adults are now receiving mental health care.
- Almost **6,700** adults are getting treatment for substance abuse.

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

**FORECAST REPORT
STATE FISCAL YEAR 2016/17**

April 2017



LOUISIANA MEDICAID PROGRAM
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Table-1: Revenue Forecast - Means of Finance - SFY 2016/17

See "Notes" Page 6

Financing Category	Budget Appropriation (1.1)	Forecast Revenue Collections	Over / (Under)	Percent Difference
	A	B	C = A - B	D = (C/A)*100
State General Fund	2,109,238,041	2,109,238,041	0	0.0
Interagency Transfers	35,573,960	30,573,960	(5,000,000)	(14.1)
Self Generated Revenue	332,224,531	332,224,531	0	0.0
Statutory Dedications	776,594,020	776,594,020	0	0.0
State Total	3,253,630,552	3,248,630,552	(5,000,000)	(0.2)
Federal	7,140,713,613	7,140,713,613	0	0.0
Total Means of Finance	10,394,344,165	10,389,344,165	(5,000,000)	(0.0)
Contingency State General Fund	17,000,000	0	(17,000,000)	(100.0)
Revised Means of Finance	10,411,344,165	10,389,344,165	(22,000,000)	(0.2)

Table-2: Expenditure Forecast by Budget Program - SFY 2016/17

Program	Budget Appropriation (1.1)	Current Forecast (2)	(Over) / Under	Percent Difference
	A	B	C = A - B	D = (C/A)*100
Private Providers	8,749,228,826	9,073,007,336	(323,778,510)	(3.7)
Public Providers	215,495,865	191,970,902	23,524,963	10.9
Buy-Ins & Supplements	471,154,777	461,450,194	9,704,583	2.1
Uncompensated Care	958,464,697	1,132,700,559	(174,235,862)	(18.2)
Total Program	\$10,394,344,165	\$10,859,128,992	(\$464,784,827)	(4.5)
Contingency Private Providers	17,000,000	0	17,000,000	100.0
Revised Total Program	\$10,411,344,165	\$10,859,128,992	(\$447,784,827)	(4.3)

LOUISIANA MEDICAID PROGRAM

Table-3: Expenditure Forecast by Budget Category of Service - SFY 2016/17

		Initials (1.2)	Current Forecast (2)	Difference	State Match (3)
A: Private Providers Sub-programs		A	B	C = A - B	D
Ambulatory Surgical Clinics	A_01	1,877,613	1,894,045	(16,432)	(6,202)
Applied Behavioral Analysis (4)	A_02	24,512,388	27,900,554	(3,388,166)	(1,278,694)
Case Management Services	A_03	7,178,445	6,912,189	266,256	100,485
Durable Medical Equipment	A_04	10,276,481	10,886,519	(610,038)	(230,229)
EPSDT (Screening and Early Diagnosis)	A_05	23,430,182	21,681,844	1,748,338	659,823
Early Steps	A_06	9,142,384	8,849,317	293,067	110,604
Family Planning	A_07	1,077,154	435,249	641,905	64,191
Federally Qualified Health Centers	A_08	2,150,484	1,772,898	377,586	142,501
Hemodialysis Services	A_09	17,913,116	19,738,009	(1,824,893)	(688,715)
Home Health Services	A_10	21,156,393	18,972,973	2,183,420	824,023
Hospice Services	A_11	60,210,427	60,354,940	(144,513)	(54,539)
Hospital - Inpatient Services	A_12	156,485,281	167,860,782	(11,375,501)	(4,293,114)
Hospital - Outpatient Services	A_13	47,252,522	49,599,645	(2,347,123)	(885,804)
ICF-DD Community Homes	A_14	266,256,347	250,035,897	16,220,450	6,121,598
Laboratory and X - Ray Services	A_15	6,956,904	6,426,332	530,572	200,238
Long Term Personal Care Services (LT - PCS)	A_16	153,712,748	156,774,365	(3,061,617)	(1,155,454)
Mental Health - Inpatient Services	A_17	6,976,435	7,113,325	(136,889)	(51,662)
Nursing Homes	A_18	1,025,252,214	1,014,098,944	11,153,270	4,209,244
Program for All Inclusive Care for the Elderly (PACE)	A_19	16,974,365	14,395,393	2,578,972	973,304
Pediatric Day Health Care (PDHC)	A_20	3,352,863	3,066,606	286,257	108,033
Pharmacy Payments	A_21	93,306,433	76,182,682	17,123,751	6,462,504
Physician Services	A_22	31,837,654	32,805,153	(967,499)	(365,134)
Rural Health Clinics	A_23	4,049,838	4,298,272	(248,434)	(93,759)
Transportation: Emergency-Ambulance	A_24	6,336,518	5,803,263	533,255	201,250
Transportation: Non-Emergency-Ambulance	A_25	1,079,904	1,007,544	72,360	27,309
Waiver: Adult Day Health	A_26	8,946,888	8,173,635	773,253	291,826
Waiver: Children's Choice	A_27	13,047,011	11,633,377	1,413,634	533,505
Waiver: Community Choices	A_28	110,149,222	107,931,174	2,218,048	837,091
Waiver: New Opportunities (NOW)	A_29	448,175,964	447,748,846	427,118	161,194
Waiver: Residential Options (ROW)	A_30	2,982,380	626,521	2,355,859	889,101
Waiver: Supports	A_31	13,287,511	12,858,196	429,315	162,024
Other Private Providers	A_32	3,514,396	206,041	3,308,355	1,248,573
Supplemental	A_33	171,434,281	165,434,282	5,999,999	2,264,400
Sub-Total Traditional Private Providers		2,770,292,746	2,723,478,812	46,813,934	17,489,514
Managed Care Organizations					
Managed Care - Regular *	A_34	4,514,670,323	4,483,184,677	31,485,646	(5,117,317)
Managed Care - Expansion	A_35	1,679,793,158	2,073,390,553	(393,597,395)	(13,775,909)
Dental Benefit Program - Regular	A_36	158,114,632	146,593,400	11,521,232	4,348,113
Dental Benefit Program - Expansion	A_37	9,910,376	10,157,332	(246,956)	(8,643)
Behavioral Health Partnership	A_38	42,530,591	48,268,836	(5,738,245)	(4,434,187)
Sub-Total MCOs		6,405,019,080	6,761,594,798	(356,575,718)	(18,987,943)
Pharmacy Rebates: YTD (\$264,576,314)		(426,083,000)	(412,066,274)	(14,016,726)	13,369,308
Total Private Providers		8,749,228,826	9,073,007,336	(323,778,510)	11,870,879

* The SGF projected deficit for the Managed Care Non-Expansion line results from the absence of \$17 million in state general fund that is contingent revenue as identified in Act 17 of the 2016 regular legislative session.

LOUISIANA MEDICAID PROGRAM

Table-3: Expenditure Forecast by Budget Category of Service - SFY 2016/17.. Continued

		Initials (1.2)	Current Forecast (2)	Difference	State Match (3)
		A	B	C = A - B	D
B: Public Providers Sub-Programs					
LSU - Facilities	B_01	3,294,291	4,547,341	(1,253,050)	(472,901)
LSU - Physicians	B_02	14,889,037	9,252,739	5,636,298	2,127,139
DHH - State Developmental Facilities	B_03	104,244,899	112,002,221	(7,757,322)	(2,927,613)
LDH - Villa Feliciana Nursing Home	B_04	18,057,109	17,251,652	805,457	303,979
LDH - Office of Public Health	B_05	9,610,204	301,946	9,308,258	3,512,937
LDH - Office of Behavioral Health	B_06	3,429,479	3,266,842	162,637	61,379
LDH - Human Services Districts	B_07	549,175	444,872	104,303	39,364
State - Education	B_08	18,668,912	16,176,943	2,491,969	940,469
Local Education Agencies	B_09	42,752,759	28,726,346	14,026,413	0
Total Public Providers		\$215,495,865	\$191,970,902	\$23,524,963	\$3,584,753
C: Buy-Ins & Supplements Sub-Programs					
Medicare Premiums & Supplements	C_01	329,866,939	344,065,854	(14,198,915)	(5,358,671)
Part-D Clawback (5)	C_02	141,287,838	117,384,340	23,903,498	23,903,498
Total Buy-Ins		\$471,154,777	\$461,450,194	\$9,704,583	\$18,544,828
D: Uncompensated Care Sub-Programs					
LSU - Facilities	D_01	17,072,737	17,072,737	0	0
DHH - Office of Behavioral Health	D_02	74,841,407	74,841,407	0	0
Private Hospitals	D_03	863,461,441	1,037,697,303	(174,235,862)	(8,255,567)
GNOCHC - 1115 Waiver	D_04	3,089,112	3,089,112	0	0
Total Uncompensated Care		\$958,464,697	\$1,132,700,559	(\$174,235,862)	(\$8,255,567)
Grand Total Medical Vendor Program		\$10,394,344,165	\$10,859,128,992	(\$464,784,827)	\$25,744,893

Note: The total projected state match savings of \$25,744,893 has been used to meet the mid-year reduction in accordance with ACT 1 of the 1st 2017 Extraordinary Session.

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Table-4: Public Private Partnership - Projected Payments - SFY 2016/17

Hospital	UPL	UCC/DSH	Total Payments
Bogalusa (Wash/St. Tamm)	15,979,476	23,049,069	39,028,545
Houma (LJ Chabert)	58,616,970	83,891,316	142,508,286
Baton Rouge - OLOL	134,290,410	0	134,290,410
Baton Rouge - Woman's	9,418,625	0	9,418,625
New Orleans (ILH)	152,273,062	256,121,160	408,394,222
Lafayette (Univ Med Cntr)	54,305,682	68,931,614	123,237,296
Independence (Lallie Kemp)	6,117,224	17,072,737	23,189,961
Lake Charles (WO Moss)	6,983,757	48,472,886	55,456,643
Monroe (EA Conway)	125,181,831	0	125,181,831
Alexandria (Huey P. Long)	0	49,981,369	49,981,369
Shreveport (LSU-HSC)	0	143,532,935	143,532,935
Total	\$563,167,037	\$691,053,086	\$1,254,220,123

Amounts listed in the chart are based on the current appropriation, including the BA-7 approved on October 28, 2016, by the Joint Legislative Committee on the Budget (JLCB).

LOUISIANA MEDICAID PROGRAM State Fiscal Year 2017 Expansion

Table-5: Assumed Distribution of Members vs. Actual Distribution of Members

Rate Cell	Statewide PMPM Avg	Assumed Distribution	Member Months	= PMPM * MM	Update Statewide PMPM Avg	Actual Distribution	Member Months	= PMPM * MM	Difference (Actual - Assumed)
Female, 19-24	362.20	22%	712,084	\$257,915,593	\$366.80	14%	506,149	185,656,394	(\$72,259,199)
Male, 19-24	315.73	7%	226,690	\$71,572,618	\$318.76	8%	280,309	89,351,119	\$17,778,501
Female, 25-39	478.44	31%	1,001,509	\$479,166,432	\$486.66	27%	968,047	471,108,401	(\$8,058,032)
Male, 25-39	435.05	11%	355,072	\$154,473,415	\$442.22	13%	468,382	207,126,829	\$52,653,414
Female, 40-49	675.30	9%	282,958	\$191,080,512	\$690.80	10%	380,470	262,828,331	\$71,747,819
Male, 40-49	661.30	5%	174,625	\$115,479,118	\$676.32	6%	227,882	154,119,985	\$38,640,867
Female, 50-64	780.49	8%	272,610	\$212,768,458	\$800.01	13%	478,124	382,506,444	\$169,737,986
Male, 50-64	872.80	6%	208,257	\$181,766,075	\$895.97	9%	326,234	292,294,888	\$110,528,812
High Need					\$1,498.26	0%	204	305,373	\$305,373
Kickpayments				\$15,570,936				28,092,789	\$12,521,853
Totals			3,233,804	\$1,679,793,158			3,635,800	2,073,390,553	\$393,597,395

Table-6: Medicaid Expansion Enrollment Projections

July-16	Actuals	279,632
August-16	Actuals	301,026
September-16	Actuals	315,209
October-16	Actuals	332,995
November-16	Actuals	352,463
December-16	Actuals	371,320
January-17	Actuals	391,241
February-17	Actuals	403,290
March-17	Actuals	412,130
April-17	Projection	425,553
May-17	Projection	436,229
June-17	Projection	444,856

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

- 1.1 This column represents the Initial Appropriation (Act 17 of the 2016 Regular Legislative Session and Act 14 of the 2016 Second Extraordinary Session) for the Medicaid Program's four (4) budgeted programs: (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 initial Appropriation for private provider sub-programs, public providers, Medicare Buy-Ins & Supplements, and Uncompensated care payments.
- 2 This column represents SFY 2016/17 expenditures forecast based on the latest available data/information and reflects projected payments through the end of the State Fiscal Year.
- 3 State Match.
- 4 Applied Behavior Analysis (ABA) services for children age 0-20 pursuant to federal court order in pending lawsuit Chisholm v. Kliebert. ABA services must be provided to class members who have a diagnosis of Autism Spectrum Disorder (ASD), for whom services are determined medically necessary.
- 5 Part-D Clawback Expenditures - All State Funds.