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Department of
Health and Welfare

Funding Idaho Medicaid SFYs 2011 and 2012

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ARRA Funding Impacts

SFY	Quarter	FMAP Rate
2009	Jul - Sep	69.87%
2009	Oct - Dec	78.78%
2009	Jan - Mar	78.78%
2009	Apr - Jun	79.18%
2010	Jul - Sep	79.18%
2010	Oct - Dec	79.18%
2010	Jan - Mar	79.18%
2010	Apr - Jun	79.18%
2011	Jul - Sep	79.18%
2011	Oct - Dec	79.18%
2011	Jan - Mar	76.35%
2011	Apr - Jun	74.47%
2012	Jul - Sep	68.85%
2012	Oct - Dec	70.23%
2012	Jan - Mar	70.23%
2012	Apr - Jun	70.23%

Enhanced FMAP funding began in Oct. 2008.

All of SFY 2010 and half of SFY 2011 are at enhanced rate. ARRA funds were set to expire on Dec. 31, 2010.

Congress extends ARRA, but at reduced rate to July 2011. Idaho needs \$31 million in Millennium funds to make up difference.

Enhanced FMAP funding expires July 1, 2011. Idaho's ongoing FMAP rate is projected at 70.23% beginning Oct. 1, 2011.

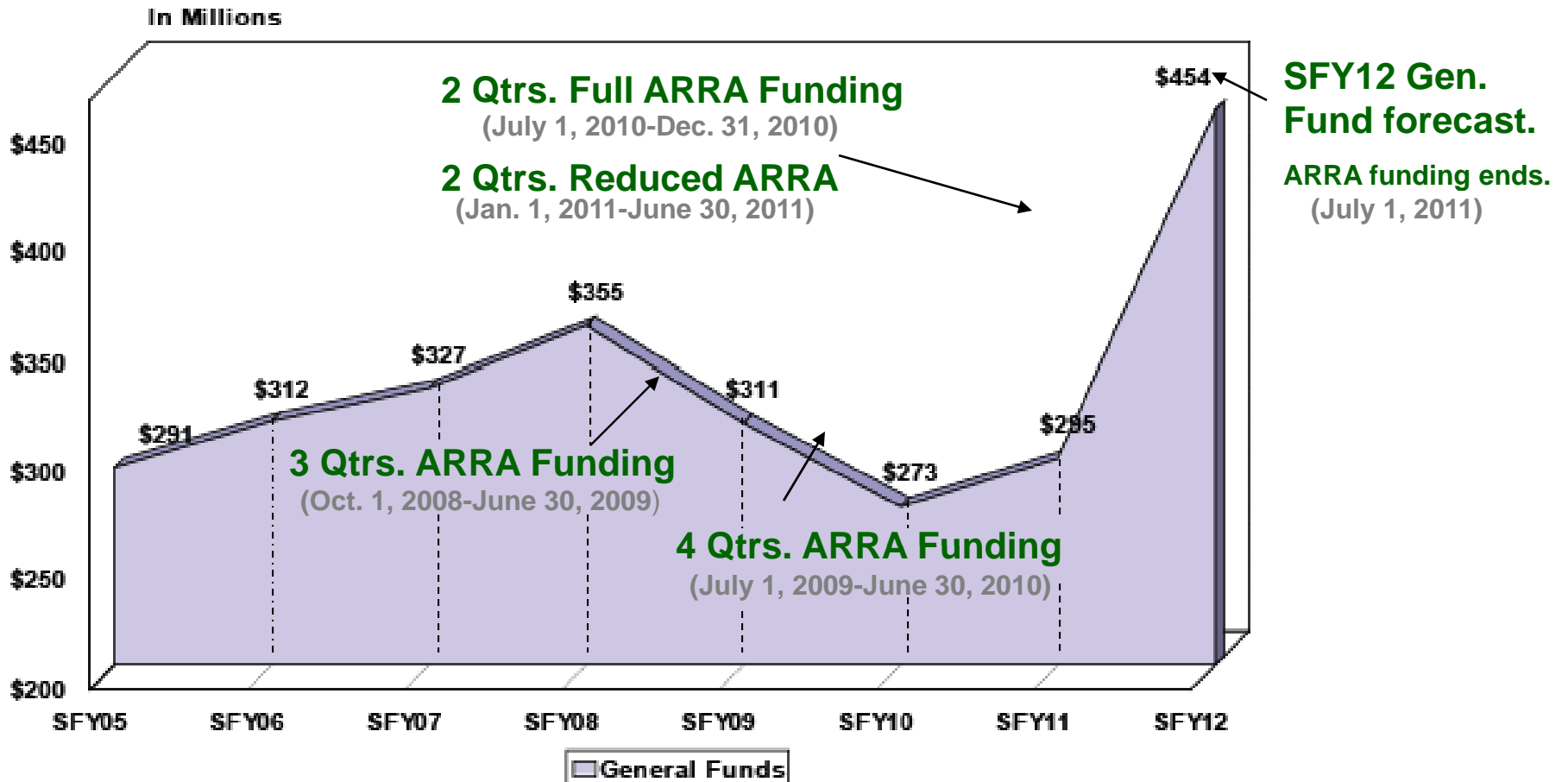




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Medicaid T&B State General Funds





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ARRA FMAP Rate Increase Frees Up General Funds

ARRA Budget Impacts	In Millions
✓ SFY 2009 GF Savings due to enhanced FMAP	\$ (74.2)
✓ SFY 2009 Caseload growth	\$ 21.9
SFY 2009 Gen. Fund Rescission	\$ (52.3)
✓ SFY 2009 Reverted to State GF	\$ (52.3)
✓ SFY 2010 GF Savings due to enhanced FMAP	\$ (59.7)
✓ SFY 2010 Caseload Growth	\$ 38.5
SFY 2010 Gen. Fund Rescission	\$ (73.5)



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SFY 2011 Medicaid Budget Summary

Medicaid Trustee & Benefits	In Millions
✓ SFY 2011 Original State Fund Appropriation	\$ 285.2
✓ SFY 2011 Projected State Fund Need on 9/29/10	\$ 326.1
SFY 2011 Projected State Fund Shortfall	\$ (40.9)



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SFY 2011 Medicaid Budget Summary

Breakdown of Projected State Fund Shortfall	In Millions
<i>Needs for Maintaining Program</i>	
✓ Projected Shortfall – (one time/ carryover bills from SFY 2010)	\$ (18.5)
✓ Projected Shortfall – on-going (utilization & caseload growth)	\$ (28.1)
✓ Mid-Year FMAP Rate Change	\$ (31.1)
Total Needs for Maintaining Program	\$ (77.7)
<i>Cost Savings</i>	
✓ One-time provider savings	\$ 4.3
✓ Hospital Provider Assessment (one-time)	\$ 25.0
✓ Nursing Facility Provider Assessment (one-time)	\$ 7.5
Total Cost Savings	\$ 36.8
Projected SFY 2011 State Fund Shortfall	\$ (40.9)



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SFY 2011 Medicaid Budget Summary

Current Supplemental Request for SFY 2011	In Millions
✓ Millennium Funds	\$ 31.1
✓ General Fund Supplemental Request (net)	\$ 9.8
Total Supplemental Request for SFY 2011	\$ 40.9



SFY 2012 Medicaid Budget Summary

Medicaid Trustee & Benefits	In Millions
✓ SFY 2011 Original State Fund Appropriation	\$ 285.2
✓ SFY 2012 Projected State Fund Need as of 9/29/2010	\$ 454.0
SFY 2012 Projected State Fund Shortfall	\$ (168.8)



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SFY 2012 Medicaid Budget Summary

Breakdown of Projected State Fund Shortfall	In Millions
<i>Needs for Maintaining Program</i>	
✓ SFY 2011 On-going shortfall (utilization & caseload growth)	\$ (28.1)
✓ SFY 2012 Caseload Increase	\$ (16.0)
✓ SFY 2012 Utilization Increase	\$ (13.8)
✓ SFY 2012 Mandatory Pricing Increase	\$ (0.2)
✓ FMAP Rate Change	\$(145.7)
Total Needs for Maintaining Program	\$ (203.8)
<i>Cost Savings</i>	
✓ Hospital Provider Assessment (one-time)	\$ 25.0
✓ Nursing Facility Provider Assessment (one-time)	\$ 10.0
Total Cost Savings	\$ 35.0
Projected SFY 2011 and 2012 State Fund Shortfall	\$ (168.8)



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SFY 2012 Medicaid Budget Summary

Current Request for SFY 2012	In Millions
✓ General Fund Request	\$ 133.7
✓ Additional General Fund Request if SFY11 utilization & caseload growth funded one-time	\$ 28.1
✓ One-time provider savings, if temporary rules extended	\$ 7.0
Total Request for SFY 2012	\$ 168.8

Note: A \$168.8 million shortfall in general funds would result in a required cost savings of approximately \$542 million or about 30% of Medicaid's projected Trustee and Benefit expenditures for SFY 2012.



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Provider Share of Shortfall – SFY 2011

Type of Service	Projected 2011 Spending	% of General Fund Spending	General Fund Reductions Target	General Funds Reductions Projected as of 9/29/2010	Over / (Under) General Fund Target
Nursing Facility	\$165,603,680	13.89%	(\$6,371,000)	\$7,500,000	\$1,129,000
ICF/MR Care	\$41,361,417	2.78%	(\$1,591,000)	\$27,066	(\$1,563,934)
Hospitals	\$382,243,536	22.11%	(\$12,674,000)	\$25,000,000	\$12,326,000
Mental Health	\$107,371,393	7.21%	(\$4,130,000)	\$1,624,564	(\$2,505,436)
Developmental Disabilities	\$155,788,213	10.46%	(\$5,993,000)	\$187,519	(\$5,805,481)
Pharmacy	\$150,864,525	10.12%	(\$5,804,000)	\$971,600	(\$4,832,400)
Durable Medical Equipment & Supplies	\$23,543,731	1.58%	(\$906,000)	\$14,768	(\$891,232)
Home and Community Based Services	\$153,446,766	9.30%	(\$5,903,000)	\$593,628	(\$5,309,372)
Medicare, Prepaid & Indian Health Services	\$2,069,898	0.14%	(\$80,000)	\$15,542	(\$64,458)
Primary Care/Physician	\$182,073,821	12.22%	(\$7,004,000)	\$618,219	(\$6,385,781)
Dental	\$48,049,005	3.10%	(\$1,776,000)	\$11,711	(\$1,764,289)
Therapies	\$32,380,391	2.09%	(\$1,197,000)	\$0	(\$1,197,000)
Other Services	\$107,921,543	6.79%	(\$3,893,000)	\$192,400	(\$3,700,598)
Totals	\$1,511,356,502	100%	(\$57,322,000)	\$36,757,019	(\$20,564,981)



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