




State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

MEMORANDUM

To: Distribution List

From: Ruth Johnson
Undersecretary 

Date: November 9, 2020

Subject: SFY 2020/21 Medicaid Monthly Forecast Report – October 2020

Attached, please find the Medicaid Forecast Report for October 2020. The report utilizes actual revenue and expenditures through October 31, 2020 and trends expenditures forward through June 30, 2021.

The October report reflects the enduring impacts of COVID-19 and the additional expenditures as a result of the pandemic and the extension of the Public Health Emergency (PHE). While the extension of the PHE does offer the state an additional Federal Medical Assistance Percentage (FMAP) of 6.2% on qualifying expenditures, that additional federal funding requires the state to maintain eligibility for members who were enrolled in Medicaid at the initial PHE declaration through the last day of the month in which the emergency declaration is rescinded or expires (with very limited exceptions). The SFY 21 budget assumed the PHE would expire in July 2020 and therefore did not account for the extension through January 2021 and the additional costs of testing and treatment of COVID and the Maintenance of Effort costs which have a significant impact on our managed care expenditures. Given the unknowns around the full impact of COVID, the October forecast reflects a conservative estimate of those additional expenses resulting from the pandemic.

Per the forecast report, the net effect of these expenditures results in a need for additional federal budget authority of \$876.4M. Due to the enhanced FMAP available to the state as previously noted, the report reflects excess State General Fund (SGF) authority of approximately \$205.7M. Please note that this forecast does ***not*** consider the impact of HB 39 from the 2020 Second Extraordinary Session as the BA-7 for the required Medicaid adjustments has not yet been finalized. With the required adjustments from HB39 and the costs that need to be covered by LDH, the SGF balance available for unanticipated CMS requirements is approximately \$65M. LDH has not received the final guidance for unwinding the Families First Coronavirus Relief Act and its maintenance of effort eligibility requirements and believes that these funds should be prudently held against costs associated with the unwinding that cannot be identified by LDH without the final CMS guidance.

Included in the report is the recipient enrollment numbers which can also be accessed via the department's web site at <http://ldh.la.gov/index.cfm/page/1275>. The department continues to monitor enrollment data and will update the associated assumptions and trends in our budget model in future monthly reports.

If you have any questions, please contact me at 225-342-6726 or via e-mail at ruth.johnson3@la.gov. Thanks.

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

**FORECAST REPORT
STATE FISCAL YEAR 2020/21**

October 2020



LOUISIANA MEDICAID PROGRAM
Table of Contents

Contents	Table	Page
Table-1: Means of Finance	1	1
Table-2: Budget and Forecast by Program	2	1
Table-3: Current Forecast by Sub-Program	3	2 & 3
Table-4: Public Private Partnership Payments	4	4
Table-5 Enrollment for State Fiscal Year 2020/21	5	5
Notes		6

LOUISIANA MEDICAID PROGRAM

Table-1: Revenue Forecast - Means of Finance - SFY 2020/21

See "Notes" Page 6

Financing Category	Budget Appropriation (1.1) A	Forecast Revenue Collections B	Over / (Under) C = B - A	Percent Difference D = (C/A)*100
State General Fund	2,055,884,073	1,850,228,323	(205,655,750)	(10.0)
Interagency Transfers	223,203,018	219,821,509	(3,381,509)	(1.5)
Self Generated Revenue	514,463,455	495,094,348	(19,369,107)	(3.8)
Statutory Dedications	1,198,299,400	1,198,299,400	0	0.0
Federal	11,906,386,871	12,782,830,332	876,443,461	7.4
Total Means of Finance	\$15,898,236,817	\$16,546,273,912	\$648,037,095	4.1

Table-2: Expenditure Forecast by Budget Program - SFY 2020/21

Program	Budget Appropriation (1.1) A	Current Forecast (2) B	(Over) / Under C = A - B	Percent Difference D = (C/A)*100
Private Providers	14,668,463,768	15,334,373,944	(665,910,176)	(4.5)
Public Providers	232,505,004	236,371,275	(3,866,271)	(1.7)
Buy-Ins & Supplements	570,267,490	548,528,138	21,739,352	3.8
Uncompensated Care	427,000,555	427,000,555	0	0.0
Total Program	\$15,898,236,817	\$16,546,273,912	(\$648,037,095)	(4.1)

LOUISIANA MEDICAID PROGRAM

Table-3: Expenditure Forecast by Budget Category of Service - SFY 2020/21

		Initials (1.2)	Current Forecast (2)	Difference
A: Private Providers Sub-Programs		A	B	C = A - B
Ambulatory Surgical Clinics	A_01	2,239,855	1,945,656	294,199
Case Management Services	A_02	8,231,763	8,209,265	22,498
Durable Medical Equipment	A_03	10,923,663	11,588,453	(664,790)
EPSDT (Screening and Early Diagnosis)	A_04	23,300,000	19,163,987	4,136,013
Early Steps	A_05	12,699,522	11,907,810	791,712
Family Planning	A_06	491,838	482,410	9,428
Federally Qualified Health Centers	A_07	2,456,924	2,452,456	4,468
Hemodialysis Services	A_08	27,329,136	24,709,642	2,619,494
Home Health Services	A_09	14,545,640	16,058,207	(1,512,567)
Hospice Services	A_10	74,022,511	73,985,587	36,924
Hospital - Inpatient Services	A_11	165,304,139	183,718,736	(18,414,597)
Hospital - Outpatient Services	A_12	52,807,947	43,564,058	9,243,889
ICF-DD Community Homes	A_13	287,827,428	290,162,129	(2,334,701)
Laboratory and X - Ray Services	A_14	31,231,162	37,255,201	(6,024,039)
Long Term Personal Care Services (LT - PCS)	A_15	169,670,576	163,331,873	6,338,703
Mental Health - Inpatient Services	A_16	8,702,784	6,789,131	1,913,653
Nursing Homes	A_17	1,200,407,166	1,253,288,962	(52,881,796)
Program for All Inclusive Care for the Elderly (PACE)	A_18	17,520,233	16,105,988	1,414,245
Pediatric Day Health Care (PDHC)	A_19	2,694,673	2,194,379	500,294
Pharmacy Payments	A_20	86,169,294	77,053,513	9,115,781
Physician Services	A_21	34,635,850	47,178,811	(12,542,961)
Rural Health Clinics	A_22	5,314,068	4,554,956	759,112
Transportation: Emergency-Ambulance	A_23	5,246,526	4,528,312	718,214
Transportation: Non-Emergency-Ambulance	A_24	988,163	978,169	9,994
Waiver: Adult Day Health	A_25	7,874,497	9,120,833	(1,246,336)
Waiver: Community Choices	A_26	140,690,918	140,690,918	0
Waiver: Most Appropriate (MAW)	A_27	585,040,340	585,040,340	0
Waiver: Act 421/TEFRA	A_28	13,600,000	13,600,000	0
Other Private Providers	A_29	567,596	283,842	283,754
Supplemental	A_30	124,234,337	124,234,337	0
Sub-Total Traditional Private Providers		3,116,768,549	3,174,177,960	(57,409,411)
Managed Care Organizations				
Managed Care - Regular	A_31	6,752,775,519	7,011,397,552	(258,622,033)
Managed Care - Expansion	A_32	5,313,173,605	5,580,188,751	(267,015,146)
Dental Benefit Program - Regular	A_33	204,435,278	276,854,783	(72,419,505)
Dental Benefit Program - Expansion	A_34	16,994,690	27,438,771	(10,444,081)
Behavioral Health Partnership/CSOC	A_35	74,853,670	74,853,670	0
Sub-Total MCOs		12,362,232,762	12,970,733,527	(608,500,765)
Pharmacy Rebates - Regular	A_36	(445,096,175)	(445,096,175)	(0)
Pharmacy Rebates - Expansion	A_37	(365,441,368)	(365,441,368)	(0)
Sub-Total Rebates - (YTD - \$388,379,373)		(810,537,543)	(810,537,543)	(0)
Total Private Providers		\$14,668,463,768	\$15,334,373,944	(\$665,910,176)

LOUISIANA MEDICAID PROGRAM

Table-3: Expenditure Forecast by Budget Category of Service - SFY 2020/21... Continued

		Initials (1.2)	Current Forecast (2)	Difference
		A	B	C = A - B
B: Public Providers Sub-Programs				
LSU - Facilities	B_01	1,116,496	1,116,496	0
LSU - Physicians	B_02	14,889,037	14,889,037	0
LDH - State Developmental Facilities	B_03	147,465,066	154,125,258	(6,660,192)
LDH - Villa Feliciana Nursing Home	B_04	20,334,640	18,750,000	1,584,640
LDH - Office of Public Health	B_05	1,654,827	55,000	1,599,827
LDH - Office of Behavioral Health	B_06	3,429,879	3,822,663	(392,784)
LDH - Human Services Districts	B_07	302,238	300,000	2,238
State - Education (3)	B_08	1,277,321	1,277,321	0
Local Education Agencies (3)	B_09	42,035,500	42,035,500	0
			0	
Total Public Providers		\$232,505,004	\$236,371,275	(\$3,866,271)
C: Buy-Ins & Supplements Sub-Programs				
Medicare Premiums & Supplements	C_01	412,146,332	403,078,789	9,067,543
Part-D Claw back (4)	C_02	158,121,158	145,449,349	12,671,809
Total Buy-Ins		\$570,267,490	\$548,528,138	\$21,739,352
D: Uncompensated Care Sub-Programs				
LSU - Facilities	D_01	13,647,057	13,647,057	0
LDH - Office of Behavioral Health	D_02	84,781,034	84,781,034	0
Private Hospitals	D_03	328,572,464	328,572,464	0
Total Uncompensated Care		\$427,000,555	\$427,000,555	\$0
Grand Total Medical Vendor Program		\$15,898,236,817	\$16,546,273,914	(\$648,037,095)

LOUISIANA MEDICAID PROGRAM
Public Private Partnership - SFY 2020/21

NOTE: Payments to the Public Private Partners will be finalized pending CMS's disposition on the hospital directed payment proposal (Money Follows the Patient - "MFP") currently under their review and the subsequent Cooperative Endeavor Agreements to be executed with the funded entities.

LOUISIANA MEDICAID PROGRAM

Table-5: Enrollment for State Fiscal Year 2020/21 (5)

Month	Expansion	Non-Expansion	Total
Jul '20	538,114	1,183,375	1,721,489
Aug	550,576	1,192,114	1,742,690
Sep	562,374	1,200,080	1,762,454
Oct	572,485	1,206,218	1,778,703
Jun'21 (Projected)	573,490	1,209,907	1,783,397

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

- 1.1 This column represents the Appropriation (Act 1 of the 2020 First Extraordinary Session) and approved BA-7s for Means of Finance and for the Medicaid Program's four (4) budget expenditure categories: (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 the initial spread of Appropriation (Act 1 of the 2020 First Extraordinary Session) and approved BA-7s for the Medical Vendor Payments for private provider sub-programs, public providers, Medicare Buy-Ins & Supplements, and Uncompensated care payments.
- 2 This column represents the SFY 2020/21 expenditures forecast. It is based on the latest available data/information and reflects projected payments through the end of the State Fiscal Year.
- 3 From FY 21 and onwards, Thrive Academy (149430) is included in B_08 and removed from B_09
- 4 Claw back Expenditures are financed with 100% state funds to pay Part-D premiums.
- 5 Medicaid enrollment information can be found at <http://dh.la.gov/index.cfm/page/1275>
Numbers reported for July 20 through the current period represent actual enrollment while the June 21 numbers are projected. Enrollment is calculated by counting anyone enrolled at any point in the month.