




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

MEMORANDUM

To: Distribution List

From: Ruth Johnson 
Undersecretary

Date: April 23, 2021

Subject: SFY 2020/21 Medicaid Monthly Forecast Report – March 2021

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

The March 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in Medicaid at the initial PHE declaration through the last day of the month in which the emergency declaration is rescinded or expires (with very limited exceptions). In January, the Biden administration expressed it is likely to extend the public health emergency through calendar year 2021; this forecast assumes the PHE expires remains in effect throughout the current fiscal year.

In a change from prior reports, given the Department's decision to withdraw the "Money Follow the Patient" (MFP) preprint from CMS consideration, the forecast has been adjusted to remove the MFP dollars and restore the required DSH funding to the budget; additionally, the forecast was also adjusted to remove dollars projected for ACT 421 given that the program will not be implemented in FY 21. Largely driven by these noted adjustments, the current forecast reports a net reduction in expenditures totaling \$875M when compared to the prior month's forecast. As you will note, the report now represents excess budget authority totaling \$992M. While the movement of DSH authority from the Privates program to the UCC program was adjusted through a BA7 that was approved by the JLCB during its April 2021 meeting, the additional excess authority will be adjusted in the supplemental bill during the 2021 Legislative Session.

Due to the enhanced FMAP available to the state as previously noted, Medicaid is projecting excess State General Fund (SGF) authority of approximately \$369.2M. It's important to note that this projected variance in SGF is an estimate and may vary from actual results. Given this, it's recommended that these dollars be held to hedge against any variances from projections and any additional costs related to COVID 19 under the new federal administration.

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.

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

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

March 2021



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

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| 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 | 1,938,154,935 | 1,568,966,369 | (369,188,566) | (19.0) |
| Interagency Transfers | 223,203,018 | 133,742,414 | (89,460,604) | (40.1) |
| Self Generated Revenue | 514,463,455 | 482,561,177 | (31,902,278) | (6.2) |
| Statutory Dedications | 1,198,299,400 | 1,120,757,529 | (77,541,871) | (6.5) |
| Federal | 11,933,037,311 | 11,509,097,096 | (423,940,215) | (3.6) |
| Total Means of Finance | \$15,807,158,119 | \$14,815,124,584 | (\$992,033,535) | (6.3) |

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 | 14,232,124,088 | 12,850,174,713 | 1,381,949,375 | 9.7 |
| Public Providers | 232,505,004 | 231,202,089 | 1,302,915 | 0.6 |
| Buy-Ins & Supplements | 570,267,490 | 592,203,209 | (21,935,719) | (3.8) |
| Uncompensated Care | 772,261,537 | 1,141,544,573 | (369,283,036) | (47.8) |
| Total Program | \$15,807,158,119 | \$14,815,124,584 | \$992,033,535 | 6.3 |

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

| | | Initials (1.2) | Current Forecast (2) | Difference |
|---|------|-------------------------|-------------------------|------------------------|
| | | A | B | C = A - B |
| A: Private Providers Sub-Programs | | | | |
| Ambulatory Surgical Clinics | A_01 | 2,239,855 | 1,959,637 | 280,218 |
| Case Management Services | A_02 | 8,231,763 | 6,696,649 | 1,535,114 |
| Durable Medical Equipment | A_03 | 10,923,663 | 10,689,556 | 234,107 |
| EPSDT (Screening and Early Diagnosis) | A_04 | 23,300,000 | 15,970,451 | 7,329,549 |
| Early Steps | A_05 | 12,699,522 | 9,670,358 | 3,029,164 |
| Family Planning | A_06 | 491,838 | 371,383 | 120,455 |
| Federally Qualified Health Centers | A_07 | 2,456,924 | 2,402,403 | 54,521 |
| Hemodialysis Services | A_08 | 27,329,136 | 21,693,042 | 5,636,094 |
| Home Health Services | A_09 | 14,545,640 | 12,787,749 | 1,757,891 |
| Hospice Services | A_10 | 74,022,511 | 68,216,772 | 5,805,739 |
| Hospital - Inpatient Services | A_11 | 165,304,139 | 143,037,602 | 22,266,537 |
| Hospital - Outpatient Services | A_12 | 52,807,947 | 46,819,179 | 5,988,768 |
| ICF-DD Community Homes | A_13 | 295,327,428 | 256,520,541 | 38,806,887 |
| Laboratory and X - Ray Services | A_14 | 31,231,162 | 7,725,333 | 23,505,829 |
| Long Term Personal Care Services (LT - PCS) | A_15 | 175,070,576 | 157,243,384 | 17,827,192 |
| Mental Health - Inpatient Services | A_16 | 8,702,784 | 5,646,435 | 3,056,349 |
| Nursing Homes | A_17 | 1,200,407,166 | 1,079,094,367 | 121,312,799 |
| Program for All Inclusive Care for the Elderly (PACE) | A_18 | 17,520,233 | 15,603,514 | 1,916,719 |
| Pediatric Day Health Care (PDHC) | A_19 | 2,694,673 | 1,782,269 | 912,404 |
| Pharmacy Payments | A_20 | 86,169,294 | 77,384,713 | 8,784,581 |
| Physician Services | A_21 | 34,635,850 | 29,791,350 | 4,844,500 |
| Rural Health Clinics | A_22 | 5,314,068 | 4,388,275 | 925,793 |
| Transportation: Emergency-Ambulance | A_23 | 5,246,526 | 3,992,575 | 1,253,951 |
| Transportation: Non-Emergency-Ambulance | A_24 | 988,163 | 981,958 | 6,205 |
| Waiver: Adult Day Health | A_25 | 7,874,497 | 4,877,062 | 2,997,435 |
| Waiver: Community Choices | A_26 | 143,490,918 | 119,525,911 | 23,965,007 |
| Waiver: Most Appropriate (MAW) | A_27 | 605,540,340 | 558,361,784 | 47,178,556 |
| Other Private Providers | A_28 | 567,596 | 396,420 | 171,176 |
| Supplemental | A_29 | 124,234,337 | 186,035,844 | (61,801,507) |
| Sub-Total Traditional Private Providers | | 3,139,368,549 | 2,849,666,516 | 289,702,033 |
| <u>Managed Care Organizations</u> | | | | |
| Managed Care - Regular | A_30 | 6,569,576,759 | 5,847,416,874 | 722,159,885 |
| Managed Care - Expansion | A_31 | 5,164,711,383 | 4,728,268,036 | 436,443,347 |
| Dental Benefit Program - Regular | A_32 | 204,435,278 | 266,853,055 | (62,417,777) |
| Dental Benefit Program - Expansion | A_33 | 16,994,690 | 28,087,205 | (11,092,515) |
| Behavioral Health Partnership/CSOC | A_34 | 74,853,670 | 68,834,576 | 6,019,094 |
| Sub-Total MCOs | | 12,030,571,780 | 10,939,459,746 | 1,091,112,034 |
| Pharmacy Rebates - Regular | A_35 | (514,989,621) | (515,137,473) | 147,852 |
| Pharmacy Rebates - Expansion | A_36 | (422,826,620) | (423,814,076) | 987,456 |
| Sub-Total Rebates - (YTD - \$781,762,517) | | (937,816,241) | (938,951,549) | 1,135,308 |
| Total Private Providers | | \$14,232,124,088 | \$12,850,174,713 | \$1,381,949,375 |

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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 | 149,262,312 | (1,797,246) |
| LDH - Villa Feliciana Nursing Home | B_04 | 20,334,640 | 18,300,000 | 2,034,640 |
| LDH - Office of Public Health | B_05 | 1,654,827 | 560,000 | 1,094,827 |
| LDH - Office of Behavioral Health | B_06 | 3,429,879 | 3,497,794 | (67,915) |
| LDH - Human Services Districts | B_07 | 302,238 | 263,629 | 38,609 |
| 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 |
| Total Public Providers | | \$232,505,004 | \$231,202,089 | \$1,302,915 |
| C: Buy-Ins & Supplements Sub-Programs | | | | |
| Medicare Premiums & Supplements | C_01 | 412,146,332 | 452,177,439 | (40,031,107) |
| Part-D Claw back (4) | C_02 | 158,121,158 | 140,025,770 | 18,095,388 |
| Total Buy-Ins | | \$570,267,490 | \$592,203,209 | (\$21,935,719) |
| 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 | 673,833,446 | 1,043,116,482 | (369,283,036) |
| Total Uncompensated Care | | \$772,261,537 | \$1,141,544,573 | (\$369,283,036) |
| Grand Total Medical Vendor Program | | \$15,807,158,119 | \$14,815,124,584 | \$992,033,535 |

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Table-5: Public Private Partnership - Allocated - SFY 2020/21¹

| Hospital | UPL/FMP | UCC/DSH | Total Allocation |
|----------------------------|----------------------|----------------------|------------------------|
| Bogalusa (Wash/St. Tamm) | 15,979,476 | 18,883,228 | 34,862,704 |
| Houma (LJ Chabert) | 58,616,970 | 75,891,316 | 134,508,286 |
| Baton Rouge - OLOL | 75,500,000 | 0 | 75,500,000 |
| Baton Rouge - Woman's | 9,894,611 | 0 | 9,894,611 |
| New Orleans (ILH) | 123,247,827 | 240,672,891 | 363,920,718 |
| Lafayette (Univ Med Cntr) | 62,006,681 | 56,225,260 | 118,231,941 |
| Independence (Lallie Kemp) | 6,117,224 | 13,647,057 | 19,764,281 |
| Lake Charles (WO Moss) | 3,500,000 | 38,082,958 | 41,582,958 |
| Monroe (EA Conway) | 160,099,066 | 0 | 160,099,066 |
| Alexandria (Huey P. Long) | 0 | 46,078,961 | 46,078,961 |
| Shreveport (LSU-HSC) | 0 | 134,070,590 | 134,070,590 |
| Total | \$514,961,855 | \$623,552,261 | \$1,138,514,116 |

¹ Amounts above represent estimates based upon current year allocations; actual payments may vary from allocated amounts.

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Table - 5: Enrollment for State Fiscal Year 2020/21 (6)

| 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 |
| Nov | 586,031 | 1,211,162 | 1,797,193 |
| Dec | 599,463 | 1,218,067 | 1,817,530 |
| Jan'21 | 607,757 | 1,222,829 | 1,830,586 |
| Feb | 617,709 | 1,223,804 | 1,841,513 |
| Mar | 626,415 | 1,228,299 | 1,854,714 |
| Jun'21 (Projected) | 676,799 | 1,243,090 | 1,919,889 |

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(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.