

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

**FORECAST REPORT
STATE FISCAL YEAR 2017/18**

March 2018



LOUISIANA MEDICAID PROGRAM
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Table-1: Revenue Forecast - Means of Finance - SFY 2017/18

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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	1,935,282,553	1,935,282,553	0	0.0
Interagency Transfers	24,603,787	24,603,787	0	0.0
Self Generated Revenue	430,505,205	430,505,205	0	0.0
Statutory Dedications	821,238,138	821,238,138	0	0.0
State Total	3,211,629,683	3,211,629,683	0	0.0
Federal	8,739,568,913	8,739,568,913	0	0.0
Total Means of Finance	11,951,198,596	11,951,198,596	0	0.0

Table-2: Expenditure Forecast by Budget Program - SFY 2017/18

Program	Budget Appropriation (1.1) A	Current Forecast (2) B	(Over) / Under C = A - B	Percent Difference D = (C/A)*100
Private Providers	10,294,415,784	9,539,157,339	755,258,445	7.3
Public Providers	220,123,243	184,929,304	35,193,939	16.0
Buy-Ins & Supplements	522,424,563	506,035,615	16,388,948	3.1
Uncompensated Care *	914,235,006	1,032,353,101	(118,118,095)	(12.9)
Total Program	\$11,951,198,596	\$11,262,475,359	\$688,723,237	5.8

* Budget Adjustments: A BA-7 will be proposed to reverse a hospital base rate payment adjustment associated with changes to hospital payment methods intended for implementation in SFY18 but deferred pending the outcome of a hospital payment study in progress.

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Table-3: Expenditure Forecast by Budget Category of Service - SFY 2017/18

		Initials (1.2)	Current Forecast (2)	Difference
A: Private Providers Sub-Programs		A	B	C = A - B
Ambulatory Surgical Clinics	A_01	2,143,341	2,032,744	110,597
Applied Behavioral Analysis (3)	A_02	28,043,436	27,008,101	1,035,335
Case Management Services	A_03	7,126,518	7,276,467	(149,949)
Durable Medical Equipment	A_04	12,096,199	11,560,585	535,614
EPSDT (Screening and Early Diagnosis)	A_05	23,803,035	22,156,836	1,646,199
Early Steps	A_06	9,568,562	10,131,713	(563,151)
Family Planning	A_07	528,278	658,341	(130,063)
Federally Qualified Health Centers	A_08	2,026,010	1,896,624	129,386
Hemodialysis Services	A_09	19,707,005	19,514,561	192,444
Home Health Services	A_10	19,406,735	17,642,218	1,764,517
Hospice Services	A_11	65,646,448	61,866,407	3,780,041
Hospital - Inpatient Services	A_12	164,361,640	134,425,341	29,936,299
Hospital - Outpatient Services	A_13	51,236,483	45,747,290	5,489,193
ICF-DD Community Homes	A_14	254,652,900	245,072,289	9,580,611
Laboratory and X - Ray Services	A_15	6,862,804	6,570,606	292,198
Long Term Personal Care Services (LT - PCS)	A_16	158,917,012	156,304,822	2,612,190
Mental Health - Inpatient Services	A_17	7,989,209	7,188,051	801,158
Nursing Homes	A_18	1,032,575,671	1,031,504,990	1,070,681
Program for All Inclusive Care for the Elderly (PACE)	A_19	19,123,790	15,738,735	3,385,055
Pediatric Day Health Care (PDHC)	A_20	2,950,392	3,049,657	(99,265)
Pharmacy Payments	A_21	99,866,230	92,292,530	7,573,700
Physician Services	A_22	38,742,707	34,180,116	4,562,591
Rural Health Clinics	A_23	4,325,276	4,276,794	48,482
Transportation: Emergency-Ambulance	A_24	6,245,870	5,586,822	659,048
Transportation: Non-Emergency-Ambulance	A_25	1,340,611	1,100,873	239,738
Waiver: Adult Day Health	A_26	8,946,888	7,542,647	1,404,241
Waiver: Children's Choice	A_27	13,852,466	11,467,122	2,385,344
Waiver: Community Choices	A_28	111,052,502	106,948,785	4,103,717
Waiver: New Opportunities (NOW)	A_29	450,043,854	454,586,062	(4,542,208)
Waiver: Residential Options (ROW)	A_30	6,717,377	1,952,381	4,764,996
Waiver: Supports	A_31	15,079,129	12,834,068	2,245,061
Other Private Providers	A_32	3,519,024	847,074	2,671,950
Supplemental	A_33	141,164,346	141,164,346	0
Sub-Total Traditional Private Providers		2,789,661,748	2,702,125,997	87,535,751
Managed Care Organizations				
Managed Care - Regular	A_34	4,355,113,754	4,296,393,163	58,720,591
Managed Care - Expansion	A_35	3,449,992,211	2,870,389,684	579,602,527
Dental Benefit Program - Regular	A_36	156,940,481	152,820,163	4,120,318
Dental Benefit Program - Expansion	A_37	14,021,404	13,722,545	298,859
Behavioral Health Partnership	A_38	25,043,284	15,456,987	9,586,297
Sub-Total MCOs		8,001,111,134	7,348,782,541	652,328,593
Pharmacy Rebates - Regular	A_39	(369,798,447)	(336,739,490)	(33,058,957)
Pharmacy Rebates - Expansion	A_40	(126,558,651)	(175,011,709)	48,453,058
Sub-Total Rebates: YTD (\$299,466,666)		(496,357,098)	(511,751,199)	15,394,101
Total Private Providers		10,294,415,784	9,539,157,339	755,258,445

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Table-3: Expenditure Forecast by Budget Category of Service - SFY 2017/18.. Continued

		Initials (1.2)	Current Forecast (2)	Difference
		A	B	C = A - B
B: Public Providers Sub-Programs				
LSU - Facilities	B_01	3,294,291	2,453,094	841,197
LSU - Physicians	B_02	14,889,037	8,958,261	5,930,776
LDH - State Developmental Facilities	B_03	114,728,008	108,442,000	6,286,008
LDH - Villa Feliciana Nursing Home	B_04	18,751,841	16,849,032	1,902,809
LDH - Office of Public Health	B_05	4,006,602	66,897	3,939,705
LDH - Office of Behavioral Health	B_06	3,419,479	2,814,745	604,734
LDH - Human Services Districts	B_07	1,466,660	707,247	759,413
State - Education	B_08	16,814,566	18,634,629	(1,820,063)
Local Education Agencies	B_09	42,752,759	26,003,400	16,749,359
Total Public Providers		\$220,123,243	\$184,929,304	\$35,193,939
C: Buy-Ins & Supplements Sub-Programs				
Medicare Premiums & Supplements	C_01	368,887,737	367,834,507	1,053,230
Part-D Clawback (4)	C_02	153,536,826	138,201,108	15,335,718
Total Buy-Ins		\$522,424,563	\$506,035,615	\$16,388,948
D: Uncompensated Care Sub-Programs				
LSU - Facilities	D_01	13,572,737	13,572,737	0
LDH - Office of Behavioral Health	D_02	63,705,633	63,705,633	0
Private Hospitals *	D_03	836,956,636	955,074,731	(118,118,095)
Total Uncompensated Care		\$914,235,006	\$1,032,353,101	(\$118,118,095)
Grand Total Medical Vendor Program				
		\$11,951,198,596	\$11,262,475,359	\$688,723,237

* Budget Adjustments: A BA-7 will be proposed to reverse a hospital base rate payment adjustment associated with changes to hospital payment methods intended for implementation in SFY18 but deferred pending the outcome of a hospital payment study in progress.

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Table-4: Public Private Partnership - Projected Payments - SFY 2017/18

Hospital	UPL	UCC/DSH	Total Payments
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	103,500,000	0	103,500,000
Baton Rouge - Woman's	10,203,122	0	10,203,122
New Orleans (ILH)	144,247,827	243,672,891	387,920,718
Lafayette (Univ Med Cntr)	62,006,681	56,225,260	118,231,941
Independence (Lallie Kemp)	6,117,224	13,572,737	19,689,961
Lake Charles (WO Moss)	3,500,000	38,082,958	41,582,958
Monroe (EA Conway)	117,099,066	0	117,099,066
Alexandria (Huey P. Long)	0	46,078,961	46,078,961
Shreveport (LSU-HSC)	0	134,070,590	134,070,590
Total	\$521,270,366	\$626,477,941	\$1,147,748,307

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Table-5: Original Distribution of Members and Member Months vs. Actual Distribution of Members and Member Months

Rate Cell	Statewide PMPM Avg	Original Distribution Assumed	Original Member Months	= PMPM * MM	Updated Statewide PMPM Avg	Updated Distribution	Updated Member Months	= PMPM * MM	Difference ¹ (Actual - Original)
Female, 19-24	335.62	13.3%	753,869	\$253,013,614	\$316.56	13.2%	717,138	227,018,123	(\$25,995,491)
Male, 19-24	291.35	7.7%	437,704	\$127,523,648	\$267.19	7.9%	429,485	114,755,900	(\$12,767,748)
Female, 25-39	446.34	25.7%	1,460,105	\$651,699,641	\$429.89	25.7%	1,390,882	597,919,833	(\$53,779,809)
Male, 25-39	404.95	13.4%	761,619	\$308,419,816	\$403.80	13.9%	753,743	304,364,859	(\$4,054,956)
Female, 40-49	633.10	10.4%	591,916	\$374,741,979	\$631.39	10.3%	559,241	353,098,059	(\$21,643,919)
Male, 40-49	619.59	6.4%	365,142	\$226,238,939	\$617.00	6.6%	357,677	220,686,556	(\$5,552,383)
Female, 50-64	732.96	13.6%	772,253	\$566,033,713	\$747.36	13.0%	705,581	527,321,641	(\$38,712,071)
Male, 50-64	821.27	9.3%	529,881	\$435,177,091	\$822.29	9.2%	497,040	408,711,266	(\$26,465,824)
High Need	1,475.83	0.2%	10,046	\$14,825,979	\$1,146.06	0.0%	2,206	2,528,642	(\$12,297,336)
Kickpayments				\$298,345,769				\$113,984,804	(\$184,360,965)
Budget Adjustments ²				\$193,972,023				\$0	(\$193,972,023)
Total			5,682,535	\$3,449,992,211			5,412,994	\$2,870,389,684	(\$579,602,527)

¹Difference is due to several factors:

- Reduction in PMPMs by an average of -10% effective with the 2/1/18 rate certification.
- Reduction in member months due to slowed enrollment growth.
- Kickpayment adjustment to reflect slowed shift of pregnant women into the New Adult Group.

²Budget Adjustments: To reverse a hospital "base rate" payment adjustment associated with changes to hospital payment methods intended for implementation in SFY18 but deferred pending the outcome of a hospital payment study in progress.

Table-6: Medicaid Expansion Enrollment Projections

July-17	Actuals	432,463
August-17	Actuals	435,195
September-17	Actuals	438,594
October-17	Actuals	444,137
November-17	Actuals	453,815
December-17	Actuals	459,783
January-18	Actuals	463,599
February-18	Actuals	467,451
March-18	Projection	471,973
April-18	Projection	477,035
May-18	Projection	494,396
June-18	Projection	498,642

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(Numbered Notes to the Monthly Financial Report)

- 1.1 This column represents the Appropriation (Act 3) for the Medicaid Program's four (4) budget categories: (A) Payments to Private Providers, (B) Payments to Public Providers, (C) Medicare Buy-Ins, Part-D, and Supplements, and (D) Uncompensated Care Costs.
- 1.2 This column represents initial spread of Act 3 Medical Vendor Appropriation for private provider sub-programs, public providers, Medicare Buy-Ins & Supplements, and Uncompensated care payments.
- 2 This column represents SFY 2017/18 expenditures forecast based on the latest available data/information and reflects projected payments through the end of the State Fiscal Year.
- 3 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.
- 4 Part-D Clawback Expenditures - All State Funds.