



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Director
AMY CARLSON

DATE: November 30, 2014
TO: Legislative Finance Committee
FROM: Barbara Smith, Operations Manager
RE: Medicaid Monitoring Report – Fiscal Year 2015

MEDICAID MONITORING

The Legislative Finance Committee (LFC) adopted as part of its interim work plan monitoring the Medicaid program administered by the Department of Public Health and Human Services (DPHHS). This report is the sixth and last in a series that will complete the work plan. This report reviews fiscal year 2015 projections based on information provided from DPHHS. Additional discussions regarding Medicaid expenditures and projections will be included in the budget analysis and as part of the Health and Human Services Subcommittee during the up-coming legislative session.

SUMMARY

This report provides a comparison between the appropriations and the department's projection for FY 2015. The early Medicaid projections anticipate a \$23.1 million deficit of which \$10.1 is general fund.

The table on the following page summarizes the information by program, by fund source and it indicates:

- Two divisions are contributing to the shortfall:
 - Health Resources Division (\$41.9 all funds; \$11.1 general fund)
 - Addictive and Mental Disorders (\$5.6 all funds; \$400,000 general fund)
- The shortfall is offset by surplus authority of:
 - Senior and Long Term Care (\$11.6 all funds; \$660,000 general fund)
 - Developmental Services Division (\$12.8 all funds; \$700,000 general fund)

These are early projections and should be updated for the subcommittee early in the legislative session.

FY 2015 Appropriations Compared to Projected Expenditures Medicaid Monitoring Project				
Division/Fund/Grand Total	FY 2015 Legislative Appropriation HB 2	Sept. 15 BSR Projection	Estimated Expenditures (Over) Under Appropriation	Percent of Legis. Approp.
<u>Health Resources</u>				
General Fund	\$129,155,462	\$140,226,722	(\$11,071,260)	-8.6%
State Special	46,110,794	54,435,605	(\$8,324,811)	-18.1%
Federal	<u>381,294,497</u>	<u>403,809,175</u>	<u>(\$22,514,678)</u>	<u>-5.9%</u>
Subtotal	556,560,753	598,471,502	(41,910,749)	-7.5%
<u>Senior and Long Term Care</u>				
General Fund	60,165,031	59,501,496	663,535	1.1%
State Special	30,530,540	28,276,473	2,254,067	7.4%
Federal	<u>190,486,742</u>	<u>181,766,658</u>	<u>8,720,084</u>	<u>4.6%</u>
Subtotal	281,182,313	269,544,627	11,637,686	4.1%
<u>Developmental Services</u>				
General Fund	62,844,736	62,120,681	724,055	1.2%
State Special	6,040,146	6,040,146	0	0.0%
Federal	<u>183,982,334</u>	<u>171,834,778</u>	<u>12,147,556</u>	<u>6.6%</u>
Subtotal	252,867,216	239,995,605	12,871,611	5.1%
<u>Addictive and Mental Disorders</u>				
General Fund	11,300,385	11,684,440	(384,055)	-3.4%
State Special	8,956,844	10,312,480	(1,355,636)	-15.1%
Federal	<u>42,032,024</u>	<u>45,953,254</u>	<u>(3,921,230)</u>	<u>-9.3%</u>
Subtotal	62,289,253	67,950,174	(5,660,921)	-9.1%
<u>Grand Total All Medicaid Services</u>				
General Fund	263,465,614	273,533,339	(10,067,725)	-3.8%
State Special	91,638,324	99,064,704	(7,426,380)	-8.1%
Federal	<u>797,795,597</u>	<u>803,363,865</u>	<u>(5,568,268)</u>	<u>-0.7%</u>
Grand Total All Funds	<u>\$1,152,899,535</u>	<u>\$1,175,961,908</u>	<u>(\$23,062,373)</u>	<u>-2.0%</u>
Summary of DPHHS Medicaid Reconciliation				