



# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

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**Director**  
AMY CARLSON

DATE: June 9, 2016  
TO: Legislative Finance Committee  
FROM: Alice Hecht, Fiscal Analyst  
RE: Medicaid Forecast Highlights

The table below summarizes the initial LFD projection of overall Medicaid costs for the 2019 biennium. These projections are based primarily on Medicaid Management Information System (MMIS) paid claims data through November 2015 and is currently being updated as new data comes in approaching fiscal year end. As with any data model these projections are expected to change as new data is introduced.

Medicaid Benefits and Claims Projections by Division (\$ Millions)				
Division	FY 2016	FY2017	FY2018	FY2019
AMDD	\$74.6	\$50.9	\$52.0	\$53.2
HRD	607.6	639.5	667.6	694.3
DSD	242.3	247.2	244.4	250.0
SLTC	266.1	269.3	271.5	274.7
Total	\$1,190.6	\$1,206.9	\$1,235.6	\$1,272.2

One item of note is that both LFD and the Department of Public Health and Human Services (DPHHS) had removed the paid claims associated with over 8,000 individuals previously enrolled in Medicaid on the Health Insurance Flexibility and Accountability (HIFA) waiver as they were transitioned into the Medicaid expansion, as allowed by the Montana Health and Economic Livelihood Partnership (HELP) Act. As such, they are no longer in this projection. New information from Center for Medicare and Medicaid Services (CMS) has provided guidance to DPHHS requiring them to move some of these individuals back into the traditional Medicaid system. As these numbers are clarified, the model will be adjusted to reflect this reality.

As a comparison point, the LFD projection is \$4.5 million higher than the totals provided by DPHHS in their May 15 budget update. This difference is a combination of lower projections in Health Resources Division (HRD) and Developmental Services Division (DSD) and higher

projections for Addictive and Mental Health Disorders Division (AMDD) and Senior and Long Term Care Division (SLTC). The DPHHS data is based on MMIS paid claims through March 25.

DPHHS Medicaid Projections by Division FY 2016 FY 2016 (\$ Millions)			
Division	LFD	DPHHS	Difference
AMDD	\$74.6	\$70.1	\$4.5
HRD	607.6	607.9	-0.3
DSD	242.3	247.6	-5.3
SLTC	266.1	260.5	5.7
Total	\$1,190.6	\$1,186.1	\$4.5