Fiscal Year 2019

BUDGET PRESENTATION

September 22, 2017

MISSISSIPPI DIVISION OF MEDICAID
Mississippi Division of Medicaid

The Mississippi Division of Medicaid (DOM) is charged with administering multiple Medicaid health benefit programs to those who qualify.

* * *

**Mission:** The Mississippi Division of Medicaid responsibly provides access to quality health coverage for vulnerable Mississippians.

**Values:** We are committed to accomplishing our mission by conducting operations with...

* Accountability  * Consistency  * Respect
What does Medicaid Cover?

Federal law requires states to cover certain “mandatory services” for Medicaid beneficiaries. States then have the flexibility to choose other additional services that federal law designates as “optional.”

For individuals who qualify for **full** Mississippi Medicaid health benefits, the following covered services are included:

- Office Visits
- OB/GYN services
- Inpatient Hospital Care
- Outpatient Hospital Care
- Prescription Drugs
- Mental Health Services
- Long Term Care Services
- Home Health Services

*(This is not a comprehensive list of all Medicaid health benefits.)*
Who is Eligible in Mississippi?

Each state has authority to choose eligibility requirements within federal guidelines. In Mississippi, Medicaid eligibility is based on factors including family size, income, and the Federal Poverty Level (FPL).

<table>
<thead>
<tr>
<th>Categories of Eligibility</th>
<th>Percent of Federal Poverty Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infants from birth to age 1</td>
<td>194%</td>
</tr>
<tr>
<td>Children age 1 up to 6</td>
<td>143%</td>
</tr>
<tr>
<td>Children age 6 up to 19</td>
<td>133%</td>
</tr>
<tr>
<td>Pregnant women</td>
<td>194%</td>
</tr>
<tr>
<td>CHIP children up to age 19</td>
<td>209%</td>
</tr>
</tbody>
</table>

Eligibility for people who receive Supplemental Security Income (SSI) and the aged, blind, or disabled are based on additional requirements such as income and resource limits.
# Medicaid Facts

- Eligibility determined by income and SSI status
- Based on the Federal Poverty Level (FPL)

## 2017 Federal Poverty Level Guidelines

<table>
<thead>
<tr>
<th>Family Size</th>
<th>100%</th>
<th>133%</th>
<th>138%</th>
<th>143%</th>
<th>194%</th>
<th>209%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12,060</td>
<td>16,040</td>
<td>16,643</td>
<td>17,246</td>
<td>23,396</td>
<td>25,205</td>
</tr>
<tr>
<td>2</td>
<td>16,240</td>
<td>21,599</td>
<td>22,411</td>
<td>23,223</td>
<td>31,506</td>
<td>33,942</td>
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<tr>
<td>3</td>
<td>20,420</td>
<td>27,159</td>
<td>28,180</td>
<td>29,201</td>
<td>39,615</td>
<td>42,678</td>
</tr>
<tr>
<td>4</td>
<td>24,600</td>
<td>32,718</td>
<td>33,948</td>
<td>35,178</td>
<td>47,724</td>
<td>51,414</td>
</tr>
</tbody>
</table>
Enrollment

The percentage of the populations we serve are listed from highest to lowest:

- 56% Children
- 22% Disabled - including Supplemental Security Income (SSI)
- 9% Aged with Medicare
- 8% Low Income Parents/Caretakers
- 3% Family Planning
- 2% Pregnant Women

709,894 Medicaid beneficiaries
48,410 CHIP beneficiaries
758,304 Total enrollment

As of August 31, 2017
Why are all these facts important?

Medicaid is an essential program and provides health coverage for nearly 1 in 4 Mississippians.

- Of the entire Medicaid budget, 95% goes to reimburse providers for health services.
- Medicaid covers approximately 65% of all births in the state of Mississippi, and children up to age one.
- 3 people can be served through a Home and Community Based Waiver for the cost of 1 person in a long term care facility.
What is FMAP?

Federal Medical Assistance Percentage

- Used to calculate federal matching funds for state medical services expenditures
- Set annually by formula comparing state’s average per capita income level with national income
- By law, between 50% and 83%
- FFY17 = 74.63%
- FFY18 = 75.65%
- FFY19 = 76.20% (projected)

MS has highest federal matching rate at 74.63%.
## Fiscal Year Funding Summary

<table>
<thead>
<tr>
<th></th>
<th>SFY2016</th>
<th>SFY2017</th>
<th>SFY2018</th>
<th>SFY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Requested Amount</td>
<td>$1,017,072,580</td>
<td>$1,008,332,080</td>
<td>$1,030,595,331</td>
<td>$983,976,793</td>
</tr>
<tr>
<td>Appropriated w/ Budget Cuts</td>
<td>$961,270,595</td>
<td>$919,428,337</td>
<td>$918,773,660</td>
<td></td>
</tr>
<tr>
<td>Deficit Request</td>
<td>$51,634,366</td>
<td>$88,903,743</td>
<td>$47,278,738</td>
<td></td>
</tr>
<tr>
<td>Deficit Appropriated</td>
<td>$51,634,366</td>
<td>$59,984,161</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actual Deficit Expenditure</td>
<td>$47,459,026</td>
<td>$59,983,508</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Appropriated /Request</td>
<td>$1,012,904,961</td>
<td>$979,412,498</td>
<td>$966,052,398</td>
<td>$983,976,793</td>
</tr>
</tbody>
</table>
# Fiscal Year 2018 & 2019 Forecast History

<table>
<thead>
<tr>
<th>Reason</th>
<th>FY2018</th>
<th>FY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requested to LBO September 2016</td>
<td>$1,038,961,399</td>
<td></td>
</tr>
<tr>
<td>Revised projections</td>
<td>($8,366,068)</td>
<td></td>
</tr>
<tr>
<td>Request updated January 2017</td>
<td>$1,030,595,331</td>
<td></td>
</tr>
<tr>
<td>FMAP increase (prior year projection 74.63% to actual 75.65%)</td>
<td>($35,475,742)</td>
<td></td>
</tr>
<tr>
<td>Revised medical svcs. and admin. projections</td>
<td>($24,831,940)</td>
<td></td>
</tr>
<tr>
<td>Balancing Incentive Program federal grant funds availability increase</td>
<td>($4,235,251)</td>
<td></td>
</tr>
<tr>
<td><strong>Current request</strong></td>
<td>$966,052,398</td>
<td>$983,976,793</td>
</tr>
</tbody>
</table>
Fiscal Year 2018
Appropriation and Deficit

State & Federal Expenditure, $6,116,640,000

State & Federal Shortfall, $194,163,195

Appropriated, $918,773,660 95%

Deficit, $47,278,738 5%
MississippiCAN Financial Impact

• Total estimated financial benefit to Mississippi: $285 million
  – $97 million direct program savings
  – $188 million premium tax revenue
  – Reviewed and certified by independent actuaries

• Estimated SFY 2017 financial benefit: $75 million
Cost Savings Measures

- Program integrity, audits, and third party recovery
  - $8.6 million
- Contract reductions on applicable contracts
  - $123,488 in state funds
- Travel ban
- Restricted personnel actions