

Medicaid Program Budget Considerations: FY2009A & FY2010

Priorities: Listed in order of most important items to preserve & fund.

1. People in need	<ul style="list-style-type: none"> • Mandatory Populations • Mandatory Benefits/Services 	
	<ul style="list-style-type: none"> • Optional Populations • Optional Benefits/Services 	Examples: KB, Medically Needy Rx drugs and Dental for adults
2. Provider payment for care	<ul style="list-style-type: none"> • Medicaid reimbursement rates as of FY2008 • Proposed FY2009 Provider Rate Increases • Physicians, Hospitals, Dentists, Home Care Providers, Nursing Homes, Ambulances, etc 	Option to delay or limit.
3. CMO health plan rates	<ul style="list-style-type: none"> • Current FY2008 rate continues into FY2009 • New FY 2010 CMO rate increase scheduled for 3.6% inflation 	Option to delay or limit the CMO rate adjustment Rate must be actuarially sound
4. Medicaid Financial Integrity & Recovery	<ul style="list-style-type: none"> • Current Program Integrity and TPL efforts • Add: TPL Recovery via PARIS initiative • Added: Fraud Prevention & Recovery <ul style="list-style-type: none"> ○ Focus on DME (Durable Medical Equipment) ○ Focus on Injectable Drugs 	Savings dependent on identification and recovery of funds
5. Capital Expenditures Paid by the State for Providers	<ul style="list-style-type: none"> • Nursing Homes FY2009 ‘Fair Rental Value’ 	Option to delay state funding of “bricks & mortar”.