



GEORGIA DEPARTMENT
OF COMMUNITY HEALTH

Medicaid Financial Update



Presentation to: DCH Board

June 14, 2012



Mission

The Georgia Department of Community Health

We will provide access to affordable, quality health care to Georgians through effective planning, purchasing and oversight.

We are dedicated to A Healthy Georgia.

Top 10 Categories of Service (in Payments)

Categories of Service	FY 2011
Skilled Care in a Nursing Facility	\$ 1,027,259,364
Inpatient Hospital Services - General	\$ 999,664,131
Pharmacy	\$ 491,595,456
Outpatient Hospital Services	\$ 314,889,805
COMP	\$ 302,000,343
Physicians Services	\$ 281,009,454
SOURCE Program	\$ 206,851,054
Community Mental Health Services	\$ 154,687,660
Community Care Services	\$ 114,082,724
Hospice	\$ 94,791,999

Categories of Service	FY 2012
Inpatient Hospital Services - General	\$ 1,076,262,214
Skilled Care in a Nursing Facility	\$ 1,036,572,154
Pharmacy	\$ 535,359,213
Outpatient Hospital Services	\$ 344,599,768
COMP	\$ 340,626,863
Physicians Services	\$ 303,365,628
SOURCE Program	\$ 232,944,363
Community Mental Health Services	\$ 209,606,053
Community Care Services	\$ 117,121,753
Hospice	\$ 96,384,155

Includes Medicaid and PeachCare
 Fee-For-Service Only
 Does not include Crossover claims

Total Number of Claims Paid

	FY 2010	FY 2011	FY 2012 YTD
Fee-For-Service	26,423,577	25,643,156	14,725,759
Managed Care (CMO)	23,748,355	24,266,411	13,727,476

Includes Medicaid and PeachCare

Dates of Service 07/10 - 01/12; Dates of Payment 07/10 - 04/12



Top 10 Fee-For-Service Hospital Payments

	FY2011	FY 2012 YTD
Childrens Healthcare of Atlanta	\$ 125,462,697	\$ 119,001,649
Grady Memorial	\$ 105,091,976	\$ 126,003,976
Emory University Hospital	\$ 65,201,790	\$ 69,381,919
Medical Center of Central GA	\$ 53,791,322	\$ 54,474,728
Medical College of GA	\$ 50,183,426	\$ 44,758,232
Atlanta Medical Center	\$ 36,405,775	\$ 32,356,305
Memorial Health University	\$ 31,922,020	\$ 36,351,768
Northeast GA Medical Center	\$ 30,529,554	\$ 32,105,362
Phoebe Putney Memorial	\$ 30,312,771	\$ 28,898,982
Kennestone Hospital	\$ 27,411,732	\$ 32,395,388

Dates of Service 07/10 - 01/12; Dates of Payment 07/10 - 04/12

**Grady Memorial does not include Hughes Spalding*



Care Management Organization Payments

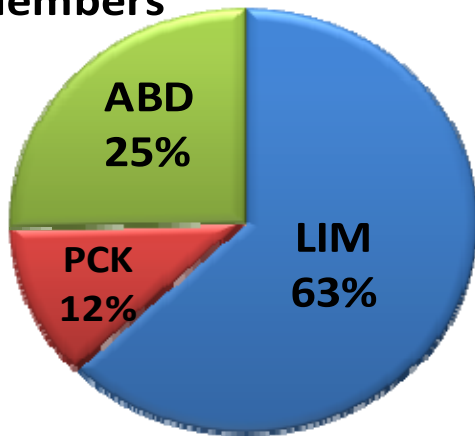
	FY 2011	FY 2012 YTD
Wellcare	\$1,454,268,761	\$1,125,879,966
Amerigroup	\$747,098,505	\$557,902,089
PeachState	\$773,058,374	\$630,476,346
Total	\$2,974,425,640	\$2,314,258,401



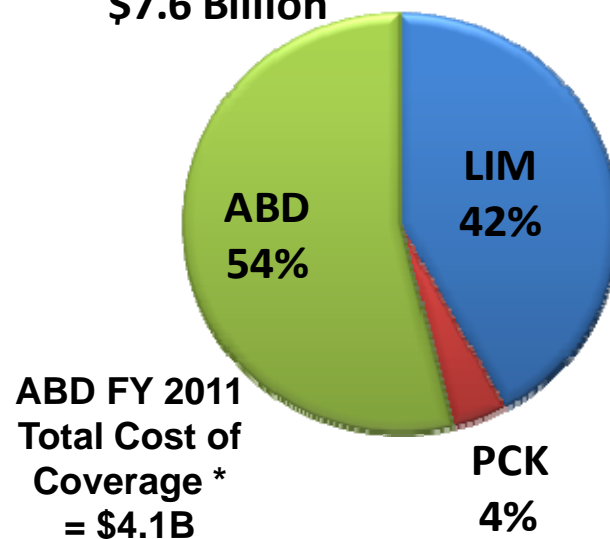
Georgia Medicaid in SFY 2011

The ABD Population accounts for 25% of Medicaid enrollment, but 54% of Medicaid spending in FY 2011.

FY 2011 Enrollment
1.6 Million Average
Members



FY 2011 Total Cost of
Coverage*
\$7.6 Billion



*Total Cost of Coverage includes Net Payment, Capitation Amount and Administrative Fees

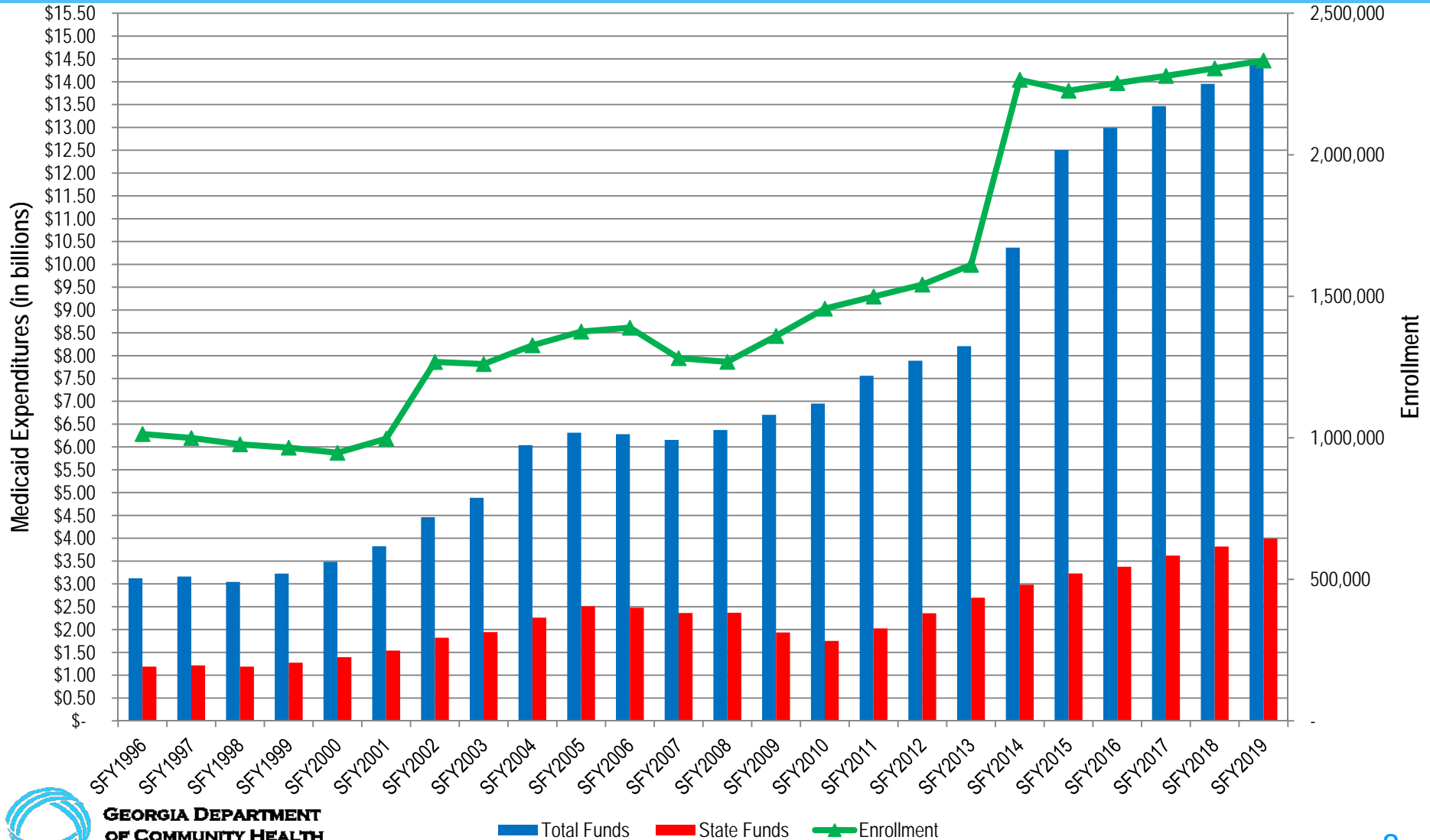


Budget and Projected Expenditures by Program FY12

	ABD	LIM	Medicaid Total	PeachCare	Total
State Appropriations	\$ 1,393,278,855	\$ 1,023,380,549	\$ 2,416,659,404	\$ 69,492,432	\$ 2,486,151,836
Projected Expenditures*	<u>\$ (1,428,516,698)</u>	<u>\$ (1,069,829,760)</u>	<u>\$ (2,498,346,458)</u>	<u>\$ (78,368,353)</u>	<u>\$ (2,576,714,811)</u>
Surplus/(Deficit)	<u>\$ (35,237,843)</u>	<u>\$ (46,449,211)</u>	<u>\$ (81,687,054)</u>	<u>\$ (8,875,921)</u>	<u>\$ (90,562,975)</u>

* - includes recognition of the 12th capitation payment to the CMOs

Medicaid Expenditures & Enrollment FY1996 – FY2019 (ACA included)



Preliminary Budget Request Amended FY2013

	ABD	LIM	Medicaid Total	PeachCare	Total
Funding for 12th CMO Payment	\$ -	\$ (76,070,259)	\$ (76,070,259)	\$ (6,576,280)	\$(82,646,539)
Growth	\$ (108,242,092)	\$ (38,790,651)	\$ (147,032,743)	\$ (6,512,291)	\$(153,545,034)
CMO Cash Shortfall FY12*	\$ -	\$ (50,000,000)	\$ (50,000,000)	\$ -	\$(50,000,000)
CMO Settlements (from member merge in FY11)	\$ -	\$ (22,000,000)	\$ (22,000,000)	\$ -	\$(22,000,000)
Total	<u>\$ (108,242,092)</u>	<u>\$ (186,860,910)</u>	<u>\$ (295,103,002)</u>	<u>\$(13,088,571)</u>	<u>\$(308,191,573)</u>

Incurred But Not Reported (IBNR)

The chart below represents the amount of IBNR as well as the projected percentage of the amount paid by month.

	ABD	LIM	Medicaid Total
FY2012 Projected IBNR	\$ (195,580,192)	\$ (49,696,606)	\$ (245,276,798)
# Months Following End of FY			
July-12	40.64%	57.62%	
August-12	55.45%	79.25%	
September-12	63.48%	87.00%	
October-12	69.76%	91.97%	
November-12	73.95%	94.53%	
December-12	77.11%	95.43%	
January-13	79.49%	96.78%	
February-13	81.93%	96.51%	
March-13	84.11%	96.61%	
April-13	86.14%	97.48%	
May-13	87.75%	97.13%	
June-13	89.27%	90.22%	
FY14 and beyond	10.73%	9.78%	

Historical Medicaid State Fund Expenses (\$M)

	State Fund Expenses	ARRA Funding	Growth/ Holes	AFY12 CMO Payment	Total	State Revenue (ex Lottery & Motor Fuel)	Ratio of Medicaid Expenses to State Revenue
2006	\$2,548.9				\$2,548.9	\$16,674.1	15.3%
2007	\$2,591.7				\$2,591.7	\$18,064.9	14.3%
2008	\$2,702.7				\$2,702.7	\$18,639.9	14.5%
2009	\$1,964.0	\$496.3			\$2,460.3	\$16,063.6	15.3%
2010	\$1,918.8	\$718.9			\$2,637.7	\$14,510.5	18.2%
2011	\$2,062.2	\$566.1			\$2,628.3	\$15,766.6	16.7%
	<i><u>Budget</u></i>				<i><u>Projected</u></i>		
2012	\$2,783.2				\$2,783.2	\$16,619.1	16.7%
2013	\$2,938.5		\$99.4	\$82.2	\$3,120.1	\$17,352.8	18.0%
2014	\$2,938.5		\$267.0		\$3,205.5	\$18,311.9	17.5%

Affordable Care Act Impact

	State Fiscal Year				
	2014	2015	2016	2017	2018
Total State Impact	\$79,600,000	\$224,900,000	\$210,100,000	\$324,200,000	\$404,900,000

Revenues to State:

State Insurance Premium Tax - Medicaid/CHIP only	\$34,100,000	\$71,200,000	\$74,400,000	\$75,500,000	\$76,800,000
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	State Fiscal Year					Total
	2019	2020	2021	2022	2023	2014 - 2023
Total State Impact	\$458,500,000	\$655,900,000	\$710,000,000	\$737,000,000	\$764,996,900	\$4,570,096,900

Revenues to State:

State Insurance Premium Tax - Medicaid/CHIP only	\$79,000,000	\$80,300,000	\$82,500,000	\$85,700,000	\$91,200,000	\$750,700,000
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