

Amended FY 2013 & FY 2014 Program Budget Request



Presentation to: Board of the Department of Community Health

Presented by: Vince Harris

Mission

The Georgia Department of Community Health

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

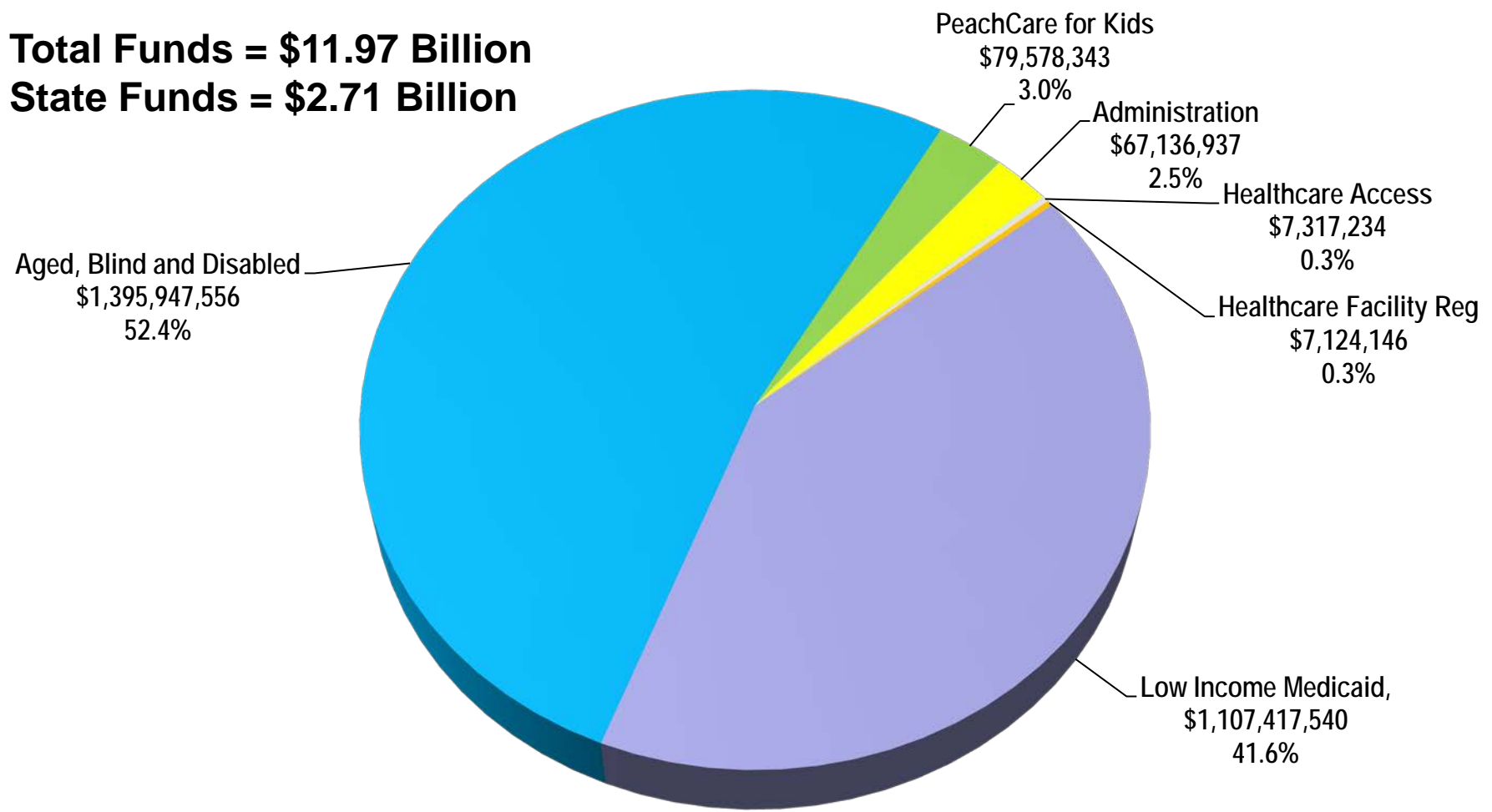
We are dedicated to a healthy Georgia.

Agenda

- **Budget Instructions**
- **Administrative items**
- **Medicaid benefits financial status**
- **PeachCare for Kids benefits financial status**
- **State Health Benefit Plan**

DCH FY 2013 State Funds Budget

Total Funds = \$11.97 Billion
State Funds = \$2.71 Billion



*State funds include tobacco funds and provider fees

OPB Budget Instructions

Amended FY 2013 budget requires cuts of 3% to state funds.

FY 2014 budget requires cuts of 3% for all programs except Medicaid and PeachCare. Medicaid and PeachCare require a 5% cut.

Revenues from Tobacco Funds, Hospital Provider Payments and Nursing Home Provider Fees are exempt from cuts.

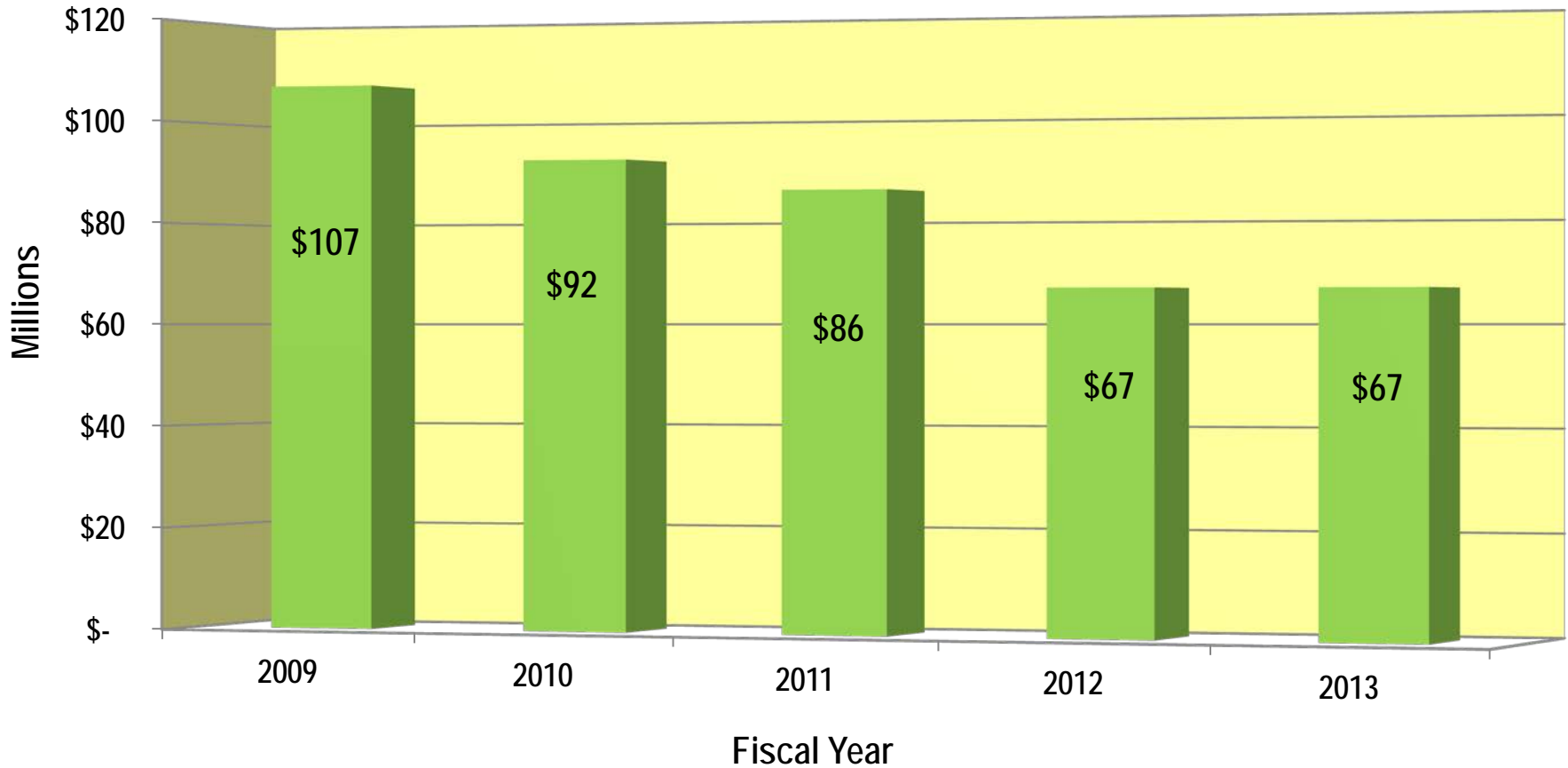
DCH must identify additional cuts to cover any enhancements to the budget.

DCH Administration, Health Care Access and Healthcare Facility Regulation



DCH Administration Budget by Fiscal Year

State Funds



Calculation of Cut Target

Program	Budgeted State Funds	3%
Administration	\$67,136,937	\$2,014,108
Health Care Access and Improvement	7,317,234	219,517
Healthcare Facility Regulation	7,124,146	213,724
Total	\$81,578,317	\$2,447,349

Proposed Administrative Cuts

Item	AFY 13	FY 14
Personal Services	(\$165,000)	(\$165,000)
Operating expenses and supplies	(276,899)	(243,399)
Contracts and grants	(1,565,450)	(1,708,950)
Other fund sources	(440,000)	(330,000)
Total	(\$2,447,349)	(\$2,447,349)
Target	(\$2,447,349)	(\$2,447,349)

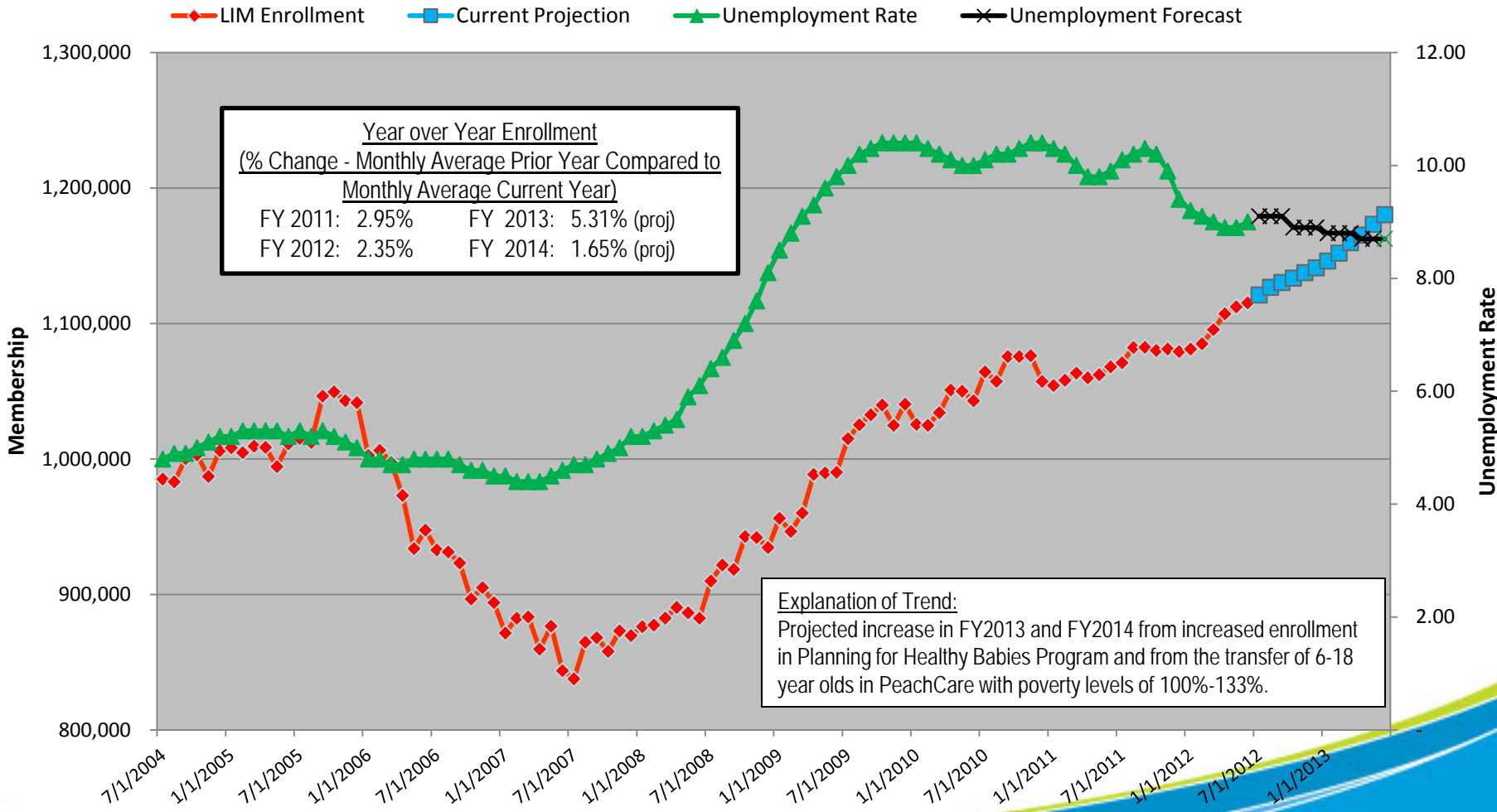
Medicaid Benefits Financial Status



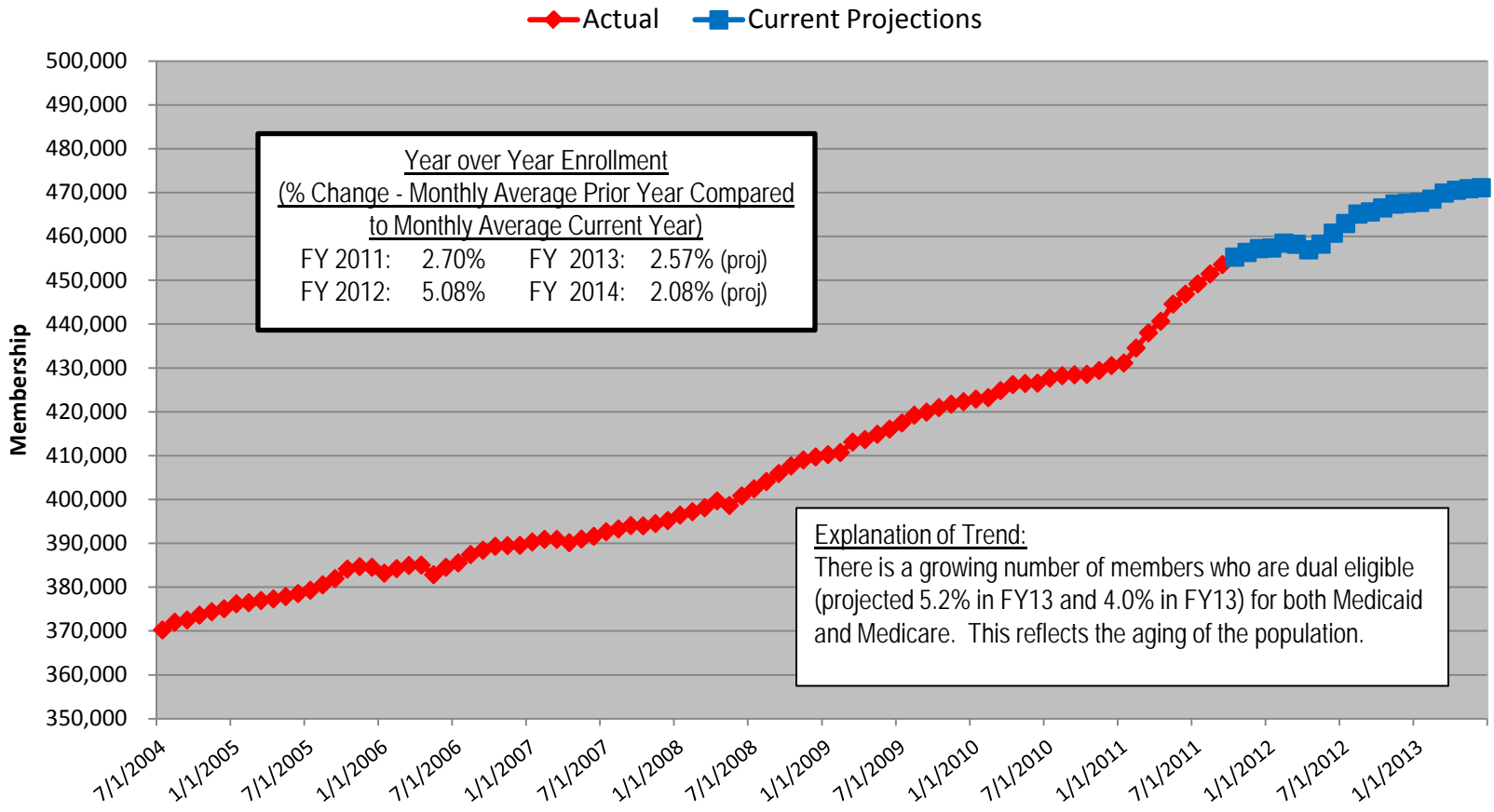
Medicaid



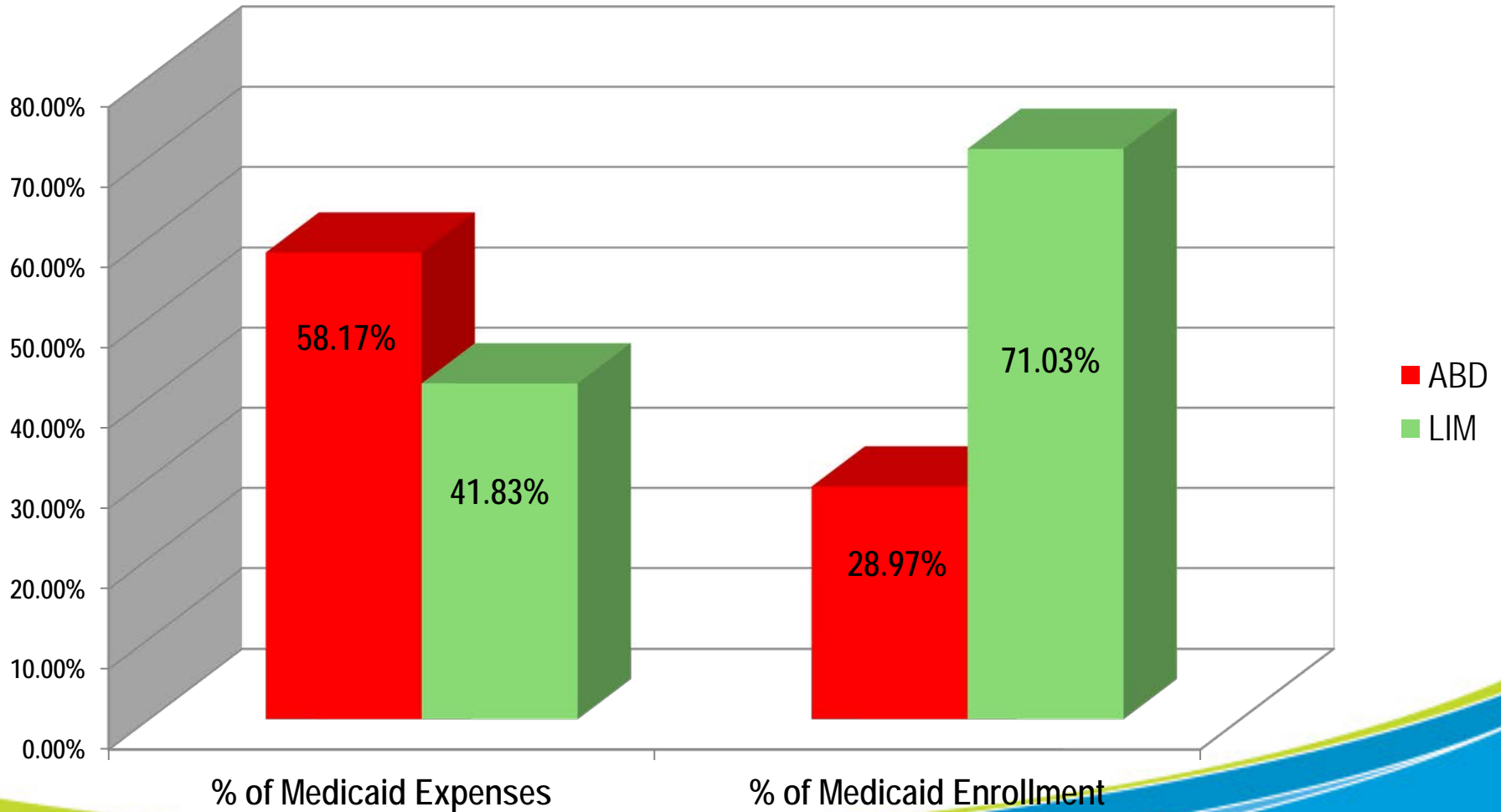
LIM Enrollment: FY 2005 – Projected FY 2013 and 2014



ABD Enrollment: FY 2005 – Projected FY 2013 and 2014



ABD to LIM Comparison



Medicaid: FY 2013 and FY 2014 State Fund Status

\$s in millions	FY 2013 Projected	FY 2014 Projected
State Fund Revenue	FMAP = .6571	FMAP = .6573
State General Funds	\$2,002.05	\$2,002.05
Hospital Provider Fee	233.67	233.67
Nursing Home Provider Fees	157.44	157.44
Tobacco Funds	110.19	110.19
Ambulance Fees	<u>2.20</u>	<u>2.20</u>
Total State Revenues	\$2,505.57	\$2,505.57
State Fund Expense	<u>(2,860.91)</u>	<u>(2,897.82)</u>
Surplus/(Deficit)*	<u>(\$355.34)</u>	<u>(\$392.25)</u>
Average Monthly Medicaid Membership	1,615,037	1,643,742

* - does not include requested budget reductions

Medicaid AFY 2013 and FY 2014

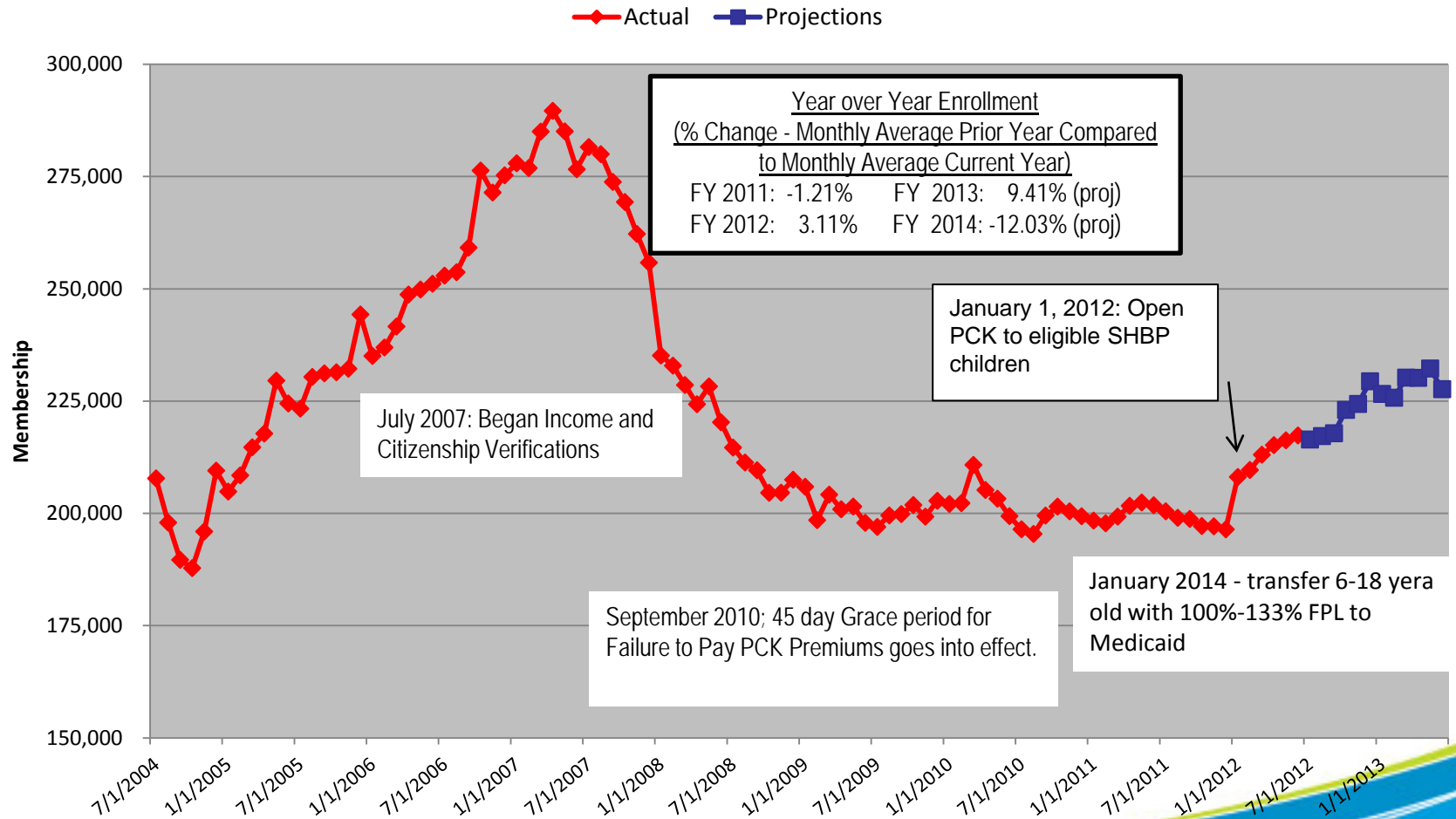
Reasons for Deficit

Budget Deficits		AFY 2013	FY 2014
1.	Reflects the underfunding of Medicaid	\$96,339,195	-
2.	Additional one month's CMO Capitation Payment	76,070,259	-
3.	Incurred but not reported deliveries and NICU claims	35,567,465	-
4.	Medicaid program growth	143,067,094	309,423,012
5.	100%-133% FPL transfer Medicaid from PeachCare	-	13,356,832
6.	CMO Member Merge Settlement	5,829,300	-
7.	Transfer from ICTF	(1,533,069)	-
8.	Affordable Care Act – Woodwork, Federal Premium Tax, 12 month reviews, Primary Care Increase	-	70,900,000
9.	Change in federal match rate (FMAP)	-	<u>(1,427,273)</u>
Sub-Total		\$355,340,244	\$392,252,572
3% Budget Cut FY13; 5% Budget Cut FY14		<u>60,061,563</u>	<u>100,102,605</u>
Total		\$415,401,807	\$492,355,177

PeachCare for Kids



PeachCare for Kids: Enrollment



PeachCare: FY 2013 and FY 2014 State Fund Status

\$s in millions	FY 2013 Projected	FY 2014 Projected
State Fund Revenue	FMAP = .7600	FMAP = .7602
State Fund Appropriation	\$77.95	\$77.95
Hospital Provider Fees	1.63	1.63
Total Revenue	\$79.58	\$79.58
State Fund Expense	<u>(98.66)</u>	<u>(85.05)</u>
Surplus/(Deficit)*	<u>(\$19.08)</u>	<u>(\$5.47)</u>
Average Monthly PeachCare Membership	225,083	198,011

* - does not include requested budget reductions

PeachCare AFY 2013 and FY 2014

Reasons for Deficit

Budget Deficits		AFY 2013	FY 2014
1.	Reflects the underfunding of PeachCare	\$8,378,936	-
2.	Additional one month's CMO Capitation Payment	6,576,280	-
3.	PeachCare program growth	4,123,049	18,889,059
4.	100%-133% FPL transfer to Medicaid	-	(13,356,832)
5.	Change in federal match rate (FMAP)	_____ -	(63,943)
Sub-Total		\$19,078,265	\$5,468,284
3% Budget Cut FY13; 5% Budget Cut FY14		<u>\$2,338,533</u>	<u>3,897,555</u>
Total		\$21,416,798	\$9,365,839

Budget Request and Cost Strategies



Medicaid and PeachCare AFY 2013 and FY 2014 Budget Requests and Cost Strategies

Budget	AFY 2013	FY 2014
Projected Budget Deficit	(\$374,418,508)	(\$397,720,856)
3% and 5% Budget Reductions	<u>(62,400,096)</u>	<u>(104,000,160)</u>
Total Deficit	(\$436,818,604)	(\$501,721,015)
Cost Strategies	\$62,400,096	\$104,000,160
DCH Budget Request	<u>374,418,508</u>	<u>397,720,856</u>
Total Cost Strategies	\$436,818,604	\$501,721,015