

MAINTENANCE LEVEL 1

M1-93 Mandatory Caseload Adjustment

PLACEHOLDER

RECOMMENDATION SUMMARY TEXT

The Health Care Authority (HCA) requests an increase of \$606,949,000, (\$29,671,000 GF-State) in the 2016 Supplemental to align funding with projected costs based on caseload changes identified in the Fall 2015 Forecast. Current program funding is based on the February 2015 Medical Assistance Forecast.

PACKAGE DESCRIPTION

Projected costs are based on calculations of the incremental change in the monthly numbers of eligible persons between the February 2015 Caseload Forecast and the draft Fall 2015 Caseload Forecast. Changes in the forecasted count of eligible persons were multiplied by the applicable February 2015 forecast monthly per capita costs for fiscal years 2016 and 2017 to provide an estimate of net change in spending related to these caseload changes.

This methodology isolates the additional costs attributable only to the changes in forecasted client caseloads and thus reflects changes in funding needed based on current program policies.

Kate LaBelle, Financial Services: 360-725-1846 or kate.labelle@hca.wa.gov

Gwen Grams, Forecast and Analytics: 360-725-1319 or gwen.grams@hca.wa.gov

FISCAL DETAILS/OBJECTS OF EXPENDITURE

	FY 2016	FY 2017	Total
1. Operating Expenditures:			
Fund 001-1 GF-State	\$ 9,994,000	\$ 19,677,000	\$ 29,671,000
Fund 001-2 GF-Federal	\$ (1,612,000)	\$ (1,570,000)	\$ (3,182,000)
Fund 001-7 GF-Private/Local	\$ 161,000	\$ 322,000	\$ 483,000
Fund 001-C GF-Federal Medicaid Title XIX	\$ 284,307,000	\$ 295,670,000	\$ 579,977,000
Total	\$ 292,850,000	\$ 314,099,000	\$ 606,949,000

	FY 2016	FY 2017	Total
2. Staffing:			
Total FTEs	-	-	-

	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
3. Objects of Expenditure:			
A - Salaries And Wages	\$ -	\$ -	\$ -
B - Employee Benefits	\$ -	\$ -	\$ -
C - Personal Service Contracts	\$ -	\$ -	\$ -
E - Goods And Services	\$ -	\$ -	\$ -
G - Travel	\$ -	\$ -	\$ -
J - Capital Outlays	\$ -	\$ -	\$ -
N - Grants, Benefits & Client Services	\$ 292,850,000	\$ 314,099,000	\$ 606,949,000
Other (specify) -	\$ -	\$ -	\$ -
Total	\$ 292,850,000	\$ 314,099,000	\$ 606,949,000
	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
4. Revenue:			
Fund 001-2 GF-Federal	\$ (1,612,000)	\$ (1,570,000)	\$ (3,182,000)
Fund 001-7 GF-Private/Local	\$ 161,000	\$ 322,000	\$ 483,000
Fund 001-C GF-Federal Medicaid Title XIX	\$ 284,307,000	\$ 295,670,000	\$ 579,977,000
Total	\$ 282,856,000	\$ 294,422,000	\$ 577,278,000

NARRATIVE JUSTIFICATION

WHAT SPECIFIC PERFORMANCE OUTCOMES DOES THE AGENCY EXPECT?

The HCA expects to continue to provide access to quality health care to approximately 1.9 million low-income individuals in the State of Washington.

PERFORMANCE MEASURE DETAIL

Activity Inventory

- H005 National Health Reform
- H007 Take Charge and Family Planning Extension
- H008 HCA Children's Health Program Clients
- H009 HCA State Program Clients
- H010 HCA Health Options
- H011 HCA All Other Clients – Fee for Service – Mandatory Services
- H012 HCA All Other Clients – Fee for Service – Optional Services

IS THIS DECISION PACKAGE ESSENTIAL TO IMPLEMENT A STRATEGY IDENTIFIED IN THE AGENCY'S STRATEGIC PLAN?

The mission of the HCA is to provide high quality health care through innovative health policies and purchasing strategies. This step supports this mission by ensuring that the existing policies for Medicaid, Children's Health Insurance Program (CHIP), and state-only programs are adequately funded.

DOES THIS DECISION PACKAGE PROVIDE ESSENTIAL SUPPORT TO ONE OR MORE OF THE GOVERNOR'S RESULTS WASHINGTON PRIORITIES?

This package supports Governor Inslee's Results Washington Goal 4: Healthy and Safe Communities - "Provide access to good medical care to improve people's lives."

WHAT ARE THE OTHER IMPORTANT CONNECTIONS OR IMPACTS RELATED TO THIS PROPOSAL?

The Medicaid and Children's Health Insurance programs are subject to the maintenance of eligibility (MOE) requirements mandated under National Health Care Reform. Washington State must maintain existing eligibility standards and benefits coverage to 2019 for children.

WHAT ALTERNATIVES WERE EXPLORED BY THE AGENCY, AND WHY WAS THIS ALTERNATIVE CHOSEN?

Alternatives include the following, all of which violate the MOE provision of National Health Care Reform:

- Reduce eligibility criteria to 133 percent of the federal poverty level (FPL);
- Reduce or eliminate state-only funded caseloads; and/or
- Reduce or eliminate optional service to clients.

WHAT ARE THE CONSEQUENCES OF NOT ADOPTING THIS PACKAGE?

The HCA will be able to maintain services and caseload for low-income population in the State of Washington. The HCA will also be meeting the MOE requirements under the National Health Care Reform for the Medicaid and Children's Health Insurance programs.

WHAT IS THE RELATIONSHIP, IF ANY, TO THE STATE CAPITAL BUDGET?

None

WHAT CHANGES WOULD BE REQUIRED TO EXISTING STATUTES, RULES, OR CONTRACTS TO IMPLEMENT THE CHANGE?

None

EXPENDITURE AND REVENUE CALCULATIONS AND ASSUMPTIONS

REVENUE CALCULATIONS AND ASSUMPTIONS:

See Table 1 below.

EXPENDITURE CALCULATIONS AND ASSUMPTIONS:

See Table 1 below.

DISTINCTION BETWEEN ONE-TIME AND ONGOING COSTS:

All costs are ongoing and will impact future biennia.

BUDGET IMPACTS IN FUTURE BIENNIA:

All costs are ongoing and will impact future biennia.

Table 1: Mandatory Caseload Adjustment Calculation

Monthly Average Enrollment	Fiscal Year 2016									
	Monthly Average Enrollment			Monthly Average Percapita Costs February 2015 Forecast			Caseload Impact by Fund Source			
	15-Feb	15-Oct	Difference	Federal	Local	State	Federal	Local	State	TOTAL
(1720) Refugee Medical - All	1	1	0	(\$213)	\$0	\$1	\$0	\$0	\$0	\$0
(1470) Other Pregnant Women	5,514	5,514	0	\$728	\$5	\$548	\$0	\$0	\$0	\$0
(1480) Alien Emergency Medical - All	752	752	0	\$2,018	\$81	\$2,253	\$0	\$0	\$0	\$0
(1620) Disability Lifeline Bridge Waiver	1	0	(1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(1640) ADATSA Bridge Waiver	1	1	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(1675) Family Planning Take Charge Waiver	4,102	4,102	0	\$19	\$0	\$2	\$0	\$0	\$0	\$0
(1676) Family Planning Only	7,228	7,213	(15)	\$7	\$0	\$1	(\$1,372)	(\$0)	(\$163)	(\$1,535)
(1677) Family Planning Only Non-citizen	3,868	3,884	15	\$0	\$0	\$3	\$0	\$0	\$473	\$473
(1210) CN TANF	157,864	154,397	(3,467)	\$178	\$3	\$171	(\$7,386,345)	(\$139,652)	(\$7,101,308)	(\$14,627,305)
(1220) ACA EXPANSION	515,079	564,163	49,084	\$465	\$0	\$3	\$274,126,814	\$14,001	\$1,695,661	\$275,836,477
(1230) CN Aged	70,183	70,183	0	\$65	\$0	\$180	\$0	\$0	\$0	\$0
(1250) CN Blind/Disabled	148,426	146,015	(2,411)	\$318	\$6	\$339	(\$9,189,342)	(\$181,408)	(\$9,804,225)	(\$19,174,974)
(1260) CN Other Children	733,244	762,468	29,224	\$75	\$1	\$66	\$26,431,788	\$473,280	\$23,246,806	\$50,151,874
(1270) CN Pregnant Women	15,575	15,575	0	\$415	\$5	\$402	\$0	\$0	\$0	\$0
(1280) Breast & Cervical Cancer	351	342	(9)	\$758	\$14	\$610	(\$81,908)	(\$1,516)	(\$65,880)	(\$149,304)
(1290) Medicaid Buy-In - HWD	1,451	1,451	0	\$107	\$3	\$87	\$0	\$0	\$0	\$0
(1330) MN Aged	4,022	4,212	191	\$67	\$1	\$230	\$152,715	\$1,327	\$526,368	\$680,409
(1350) MN Blind/Disabled	3,517	3,571	54	\$213	\$7	\$317	\$138,273	\$4,307	\$205,138	\$347,718
(1495) MSP QMB Only-Partial Dual	31,095	30,463	(631)	\$19	\$0	\$19	(\$145,326)	\$0	(\$145,343)	(\$290,669)
(1860) SCHIP	37,219	35,541	(1,678)	\$80	\$0	\$43	(\$1,612,459)	(\$9,030)	(\$860,156)	(\$2,481,645)
(1910) MCS Alien Medical	1,791	1,840	49	\$69	\$0	\$478	\$40,305	\$0	\$279,084	\$319,389
(1960) Childrens Health Program	18,596	20,061	1,464	\$13	\$0	\$115	\$221,680	\$0	\$2,017,361	\$2,239,041
Total	1,759,880	1,831,749	71,869				\$282,694,824	\$161,308	\$9,993,815	\$292,849,948

Monthly Average Enrollment	Fiscal Year 2017									
	Monthly Average Enrollment			Monthly Average Percapita Costs February 2015 Forecast			Caseload Impact by Fund Source			
	15-Feb	15-Oct	Difference	Federal	Local	State	Federal	Local	State	TOTAL
(1720) Refugee Medical - All	1	1	0	(\$1,078)	\$0	\$1	\$0	\$0	\$0	\$0
(1470) Other Pregnant Women	5,514	5,514	0	\$727	\$6	\$549	\$0	\$0	\$0	\$0
(1480) Alien Emergency Medical - All	776	776	0	\$2,016	\$81	\$2,264	\$0	\$0	\$0	\$0
(1620) Disability Lifeline Bridge Waiver	1	0	(1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(1640) ADATSA Bridge Waiver	1	1	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(1675) Family Planning Take Charge Waiver	4,102	4,102	0	\$19	\$0	\$2	\$0	\$0	\$0	\$0
(1676) Family Planning Only	7,316	7,300	(16)	\$8	\$0	\$1	(\$1,452)	(\$0)	(\$172)	(\$1,624)
(1677) Family Planning Only Non-citizen	3,915	3,931	16	\$0	\$0	\$2	\$0	\$0	\$443	\$443
(1210) CN TANF	161,365	157,898	(3,467)	\$178	\$3	\$171	(\$7,415,270)	(\$139,638)	(\$7,131,951)	(\$14,686,859)
(1220) ACA EXPANSION	522,566	573,133	50,568	\$462	\$0	\$12	\$280,485,540	\$93,490	\$7,405,234	\$287,984,263
(1230) CN Aged	71,845	71,845	0	\$64	\$0	\$181	\$0	\$0	\$0	\$0
(1250) CN Blind/Disabled	150,586	146,847	(3,739)	\$319	\$6	\$340	(\$14,334,597)	(\$281,348)	(\$15,257,632)	(\$29,873,578)
(1260) CN Other Children	742,909	783,606	40,697	\$75	\$1	\$66	\$36,598,912	\$654,170	\$32,175,995	\$69,429,077
(1270) CN Pregnant Women	16,057	16,056	(0)	\$416	\$5	\$402	(\$831)	(\$9)	(\$805)	(\$1,645)
(1280) Breast & Cervical Cancer	324	315	(9)	\$781	\$18	\$567	(\$84,328)	(\$1,971)	(\$61,264)	(\$147,564)
(1290) Medicaid Buy-In - HWD	1,451	1,451	0	\$97	\$3	\$74	\$0	\$0	\$0	\$0
(1330) MN Aged	4,088	4,271	183	\$66	\$1	\$232	\$145,638	\$1,540	\$509,987	\$657,165
(1350) MN Blind/Disabled	3,514	3,568	54	\$207	\$7	\$312	\$134,164	\$4,542	\$202,255	\$340,961
(1495) MSP QMB Only-Partial Dual	33,243	32,450	(793)	\$19	\$0	\$19	(\$180,153)	\$0	(\$180,015)	(\$360,168)
(1860) SCHIP	38,756	37,078	(1,678)	\$78	\$0	\$42	(\$1,570,367)	(\$8,672)	(\$837,387)	(\$2,416,426)
(1910) MCS Alien Medical	1,898	1,933	36	\$68	\$0	\$476	\$29,451	\$0	\$204,579	\$234,030
(1960) Childrens Health Program	18,895	20,788	1,893	\$13	\$0	\$117	\$292,941	\$0	\$2,647,537	\$2,940,479
Total	1,789,119	1,872,863	83,744				\$294,099,648	\$322,102	\$19,676,804	\$314,098,554