

STATE FISCAL YEAR

2022 MEDICAID BUDGET OUTLOOK

Presented to the
House Appropriations Subcommittee

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MISSISSIPPI DIVISION OF
MEDICAID

BUDGET HIGHLIGHTS

FY 2021 DIRECT STATE SUPPORT APPROPRIATION

\$899,173,333 million

- > Third consecutive year with no state support deficit appropriation request.
- > No plans to use \$85M in capital expense fund (9.5% of state support).
- > 3.6% increase requested in federal spending authority.

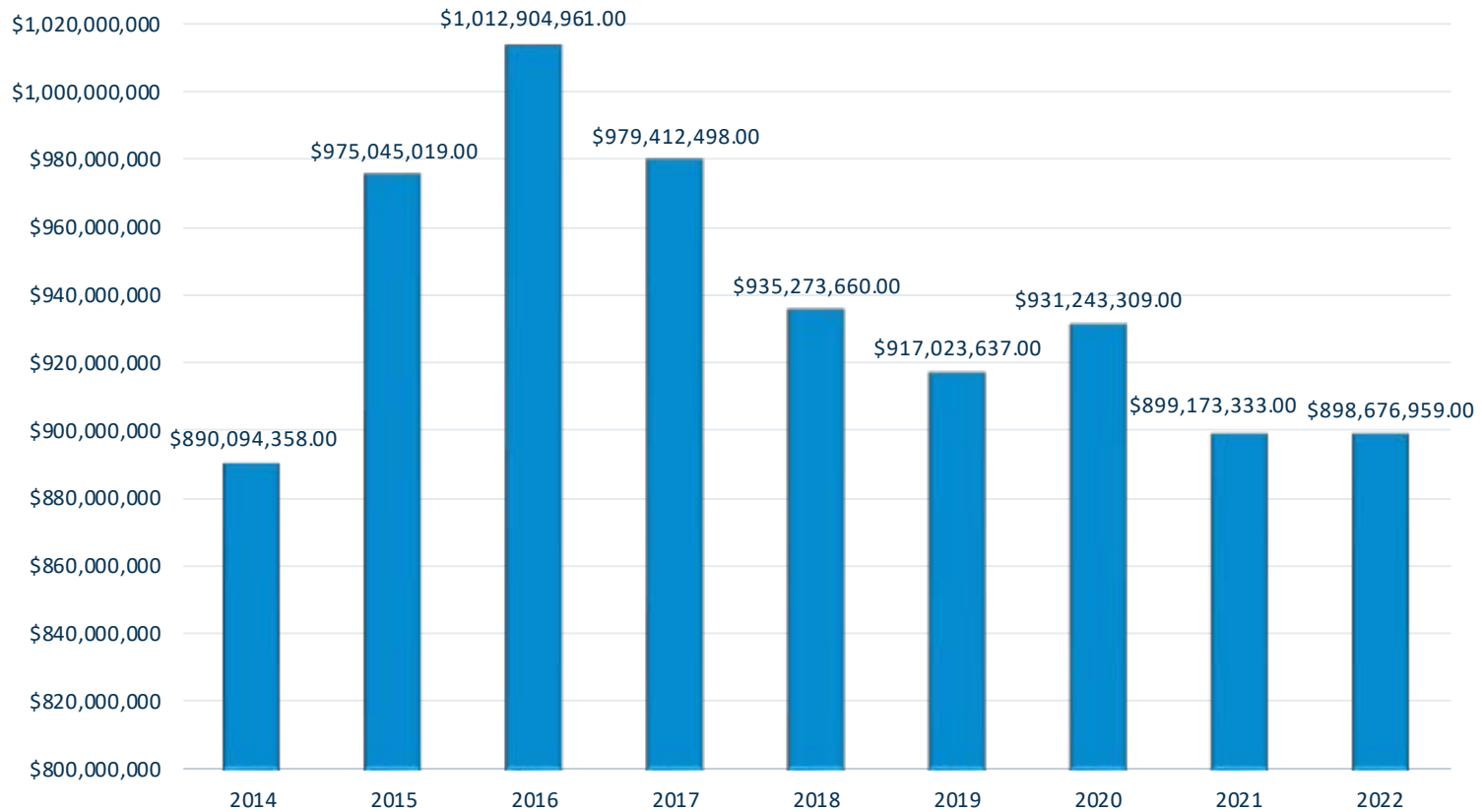
FY 2022 DIRECT STATE SUPPORT INITIAL REQUEST

\$898,676,959 million

- > Lowest initial direct state support request in nine years.
- > Unprecedented unpredictability.

STATE SUPPORT FUNDING

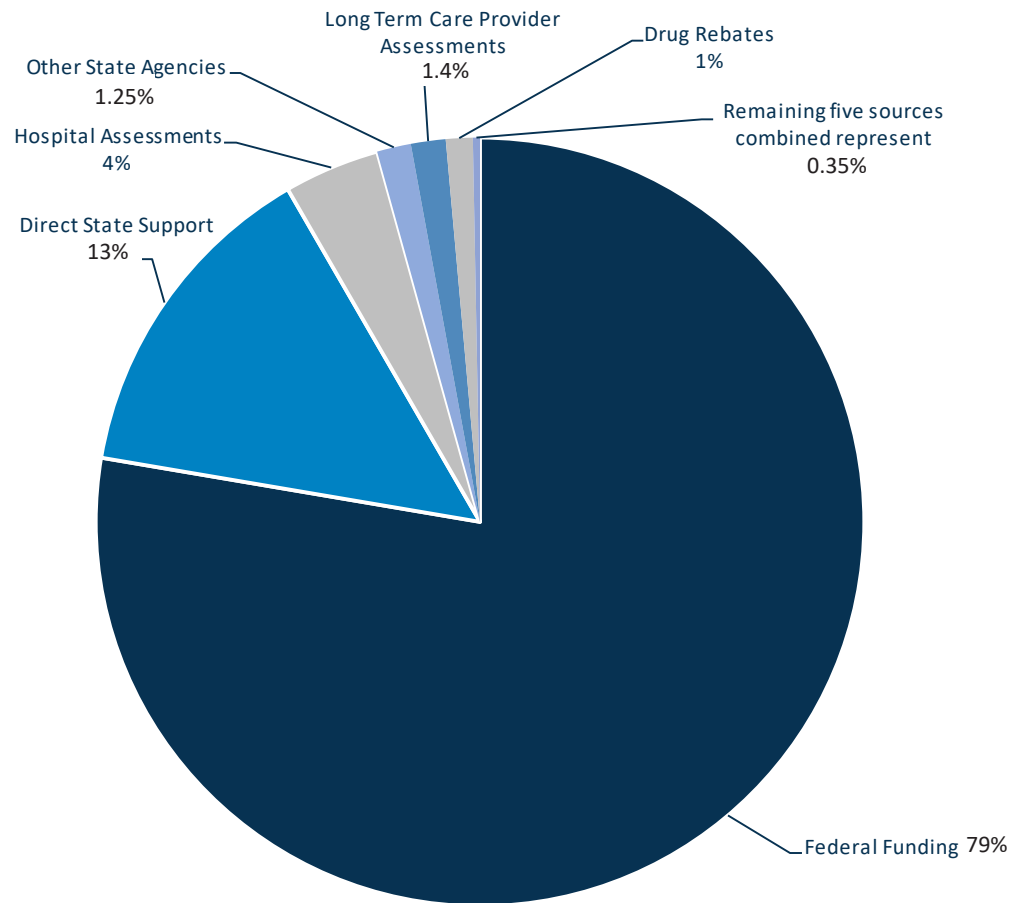
STATE FISCAL YEARS 2014-2022



Total state support funding, including deficit appropriations, by fiscal year over a nine-year period (2022 amount reflects initial budget request).

FUNDING SOURCES

SOURCES OF FY 2022 MEDICAID FUNDING



FY 2022 Funding Sources

> Federal Funding	\$5,260,322,256
> Direct State Support	\$898,676,959
> Hospital Assessments	\$266,575,561
> Other State Agencies - State Portion	\$83,832,533
> Long-Term Care Facility Provider Assessments	\$93,839,450
> Drug Rebates*	\$67,320,000
> MAPS - UMMC	\$8,381,016
> Provider Refund of Overpayment*	\$4,100,400
> Long-Term Care Facility UPL IGTs	\$2,259,121
> Physician UPL IGTs	\$2,500,000
> Interest, Misc. Collections	\$633,200

Total **\$6,688,440,496**

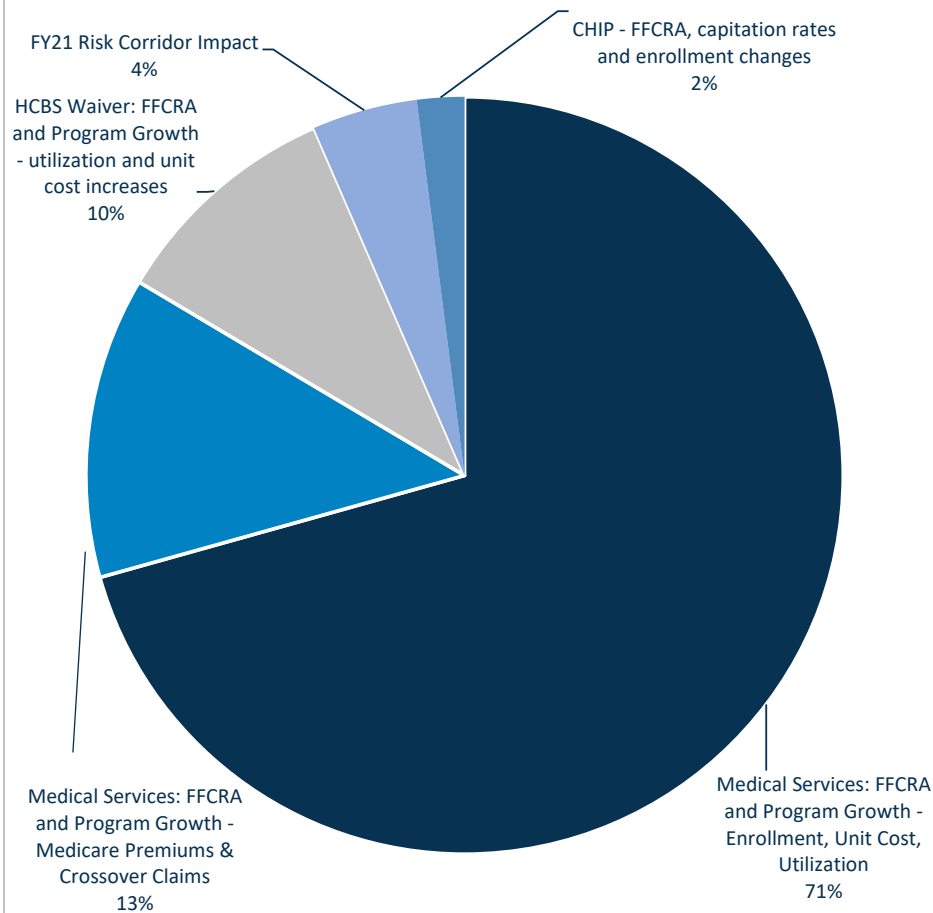
* Reported as reduction in medical expenditures instead of revenue.

> Federal	\$5,331,742,656
> State Share	\$1,356,697,840
> Total Spending	\$6,688,440,496

> Direct State Support	\$898,676,964
> Other State Support	\$92,213,549
> Provider Assessments	\$365,807,327
	\$1,356,697,840

COST FACTORS

KEY IMPACTS ON FY 2022 REQUEST



FY 2021 Appropriation:

> General Funds	\$750,895,203
> Capital Expense Funds	\$85,048,127
> Health Care Expendable Funds	\$63,230,003
FY 2021 Direct State Appropriated Funds	\$899,173,333

FY 2022 Impacts on State Funds Request:

> Difference in state funding including impact of carry forward from FY20 and FY21 to FY22	(\$267,518,842)
> Medical Services: FFCRA and Program Growth - Enrollment, Unit Cost, Utilization	\$201,555,682
> FY21 Risk Corridor Impact	\$12,799,920
> Medical Services: FFCRA and Program Growth - Medicare Premiums & Crossover Claims	\$36,724,751
> Health Insurer Fee - MSCAN and CHIP	(\$9,209,920)
> Delivery kick payment methodology change	(\$4,234,560)
> 100% State Funded Grant - no funding requested in FY2022	(\$4,161,095)
> HCBS Waiver: FFCRA and Program Growth - utilization and unit cost increases	\$28,396,767
> CHIP - FFCRA, capitation rates and enrollment changes	\$5,764,576
> Admin Services - reduction in IT infrastructure spending	(\$613,648)

Additional Direct State Funds Requested (\$496,369)

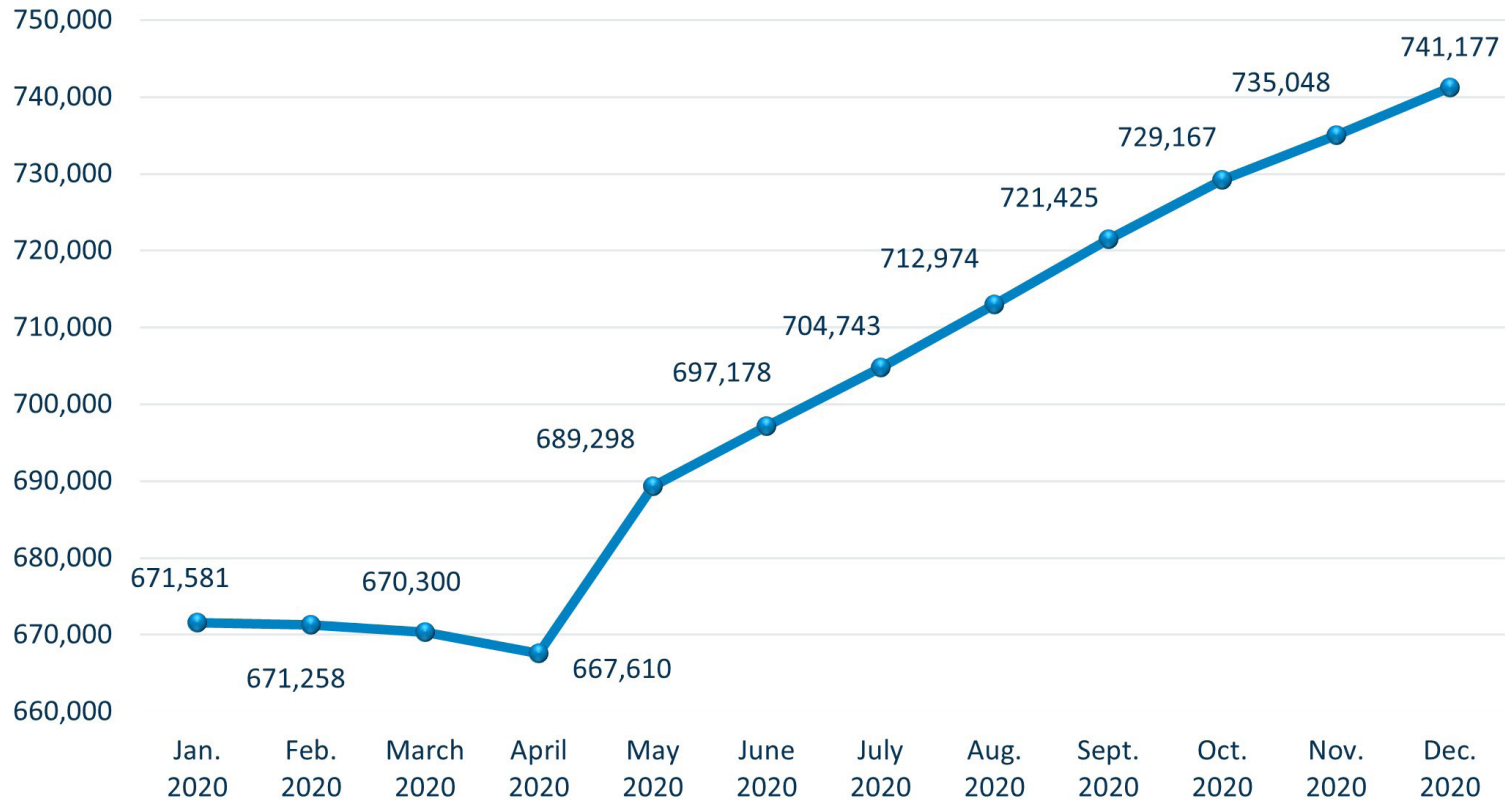
FY 2022 Direct State Funds Request \$898,676,964

OTHER POTENTIAL COST DRIVERS

1. *Enrollment Uncertainty*
2. *Timing of FMAP Reduction*
3. *Vaccine Administration*
4. *Medicaid Tech Bill Changes*
5. *Congress / New Federal Administration*
6. *Pent-Up Demand*

2020 ENROLLMENT

MEDICAID BENEFICIARIES BY MONTH



The figures above reflect the Medicaid enrollment count for each month of calendar year 2020; they do not include Children's Health Insurance Program (CHIP) beneficiaries. In order to receive FFCRA support, states were required to not take any adverse action on those who were eligible for benefits at the beginning of the COVID-19 public health emergency. Adverse actions include termination of eligibility or reduction in benefits. States were only allowed to take adverse action in cases of death, beneficiary moving out of state or the request for closure by the beneficiary.

DIVISION MOVING FORWARD

