



Senate Appropriations Subcommittee on Health and Human Services

February 9, 2021

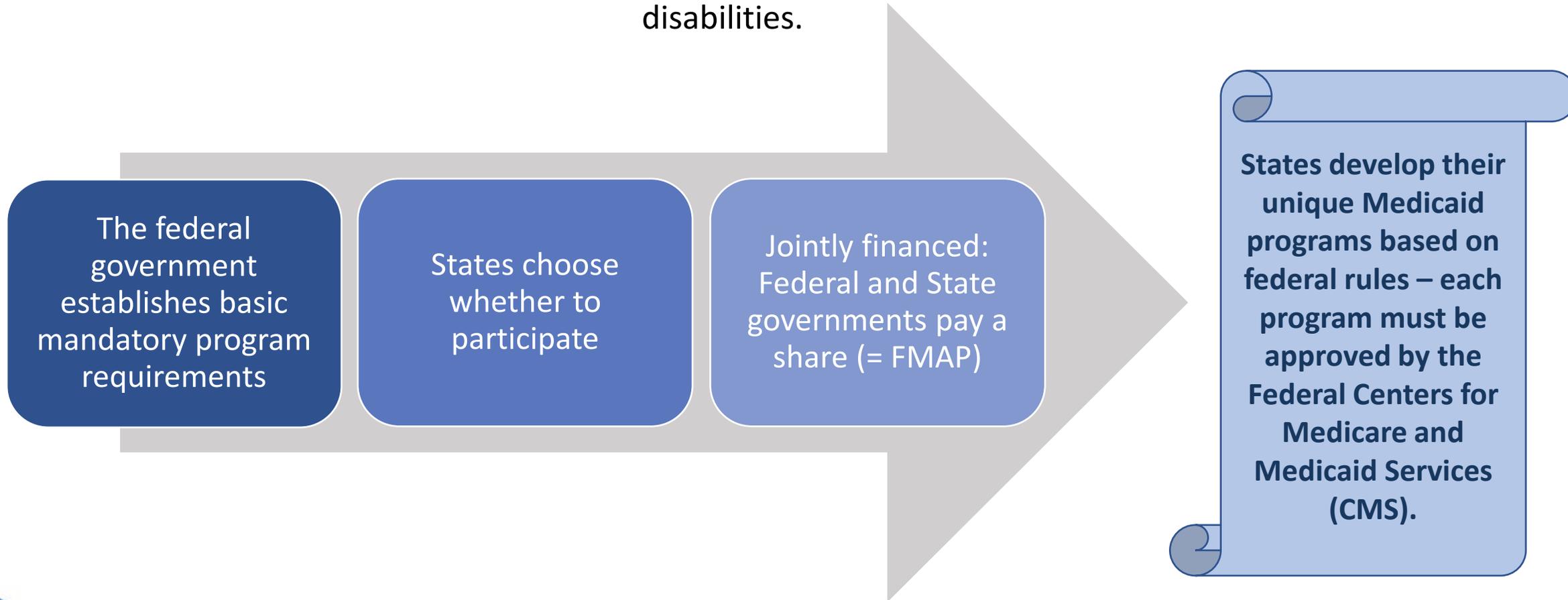
Agency for Health Care Administration

Beth Kidder, Deputy Secretary for Medicaid



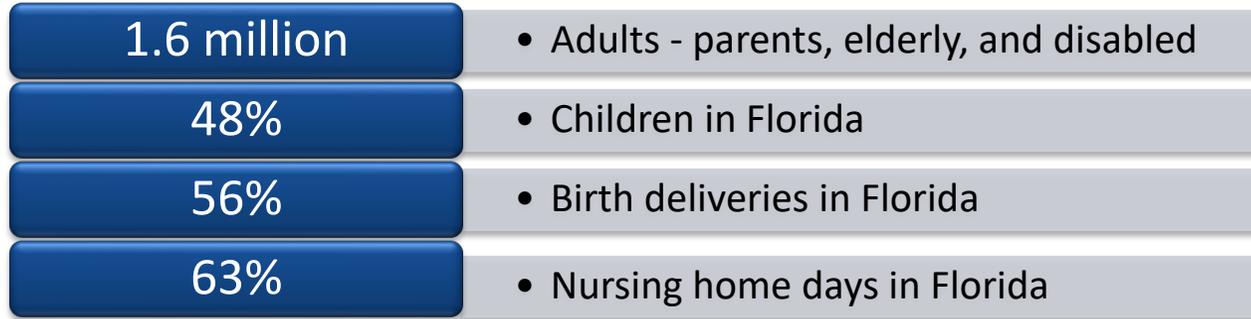
What is Medicaid?

Medicaid is a federal program through which states partner with the federal government to provide health care coverage to low-income children, families, elders, and people with disabilities.



The Florida Medicaid Program

Medicaid serves about 4.5 million of the most vulnerable Floridians:



A majority of Florida's Medicaid population receives Medicaid services through a managed care delivery system.

Statewide Medicaid Managed Care (SMMC) Program

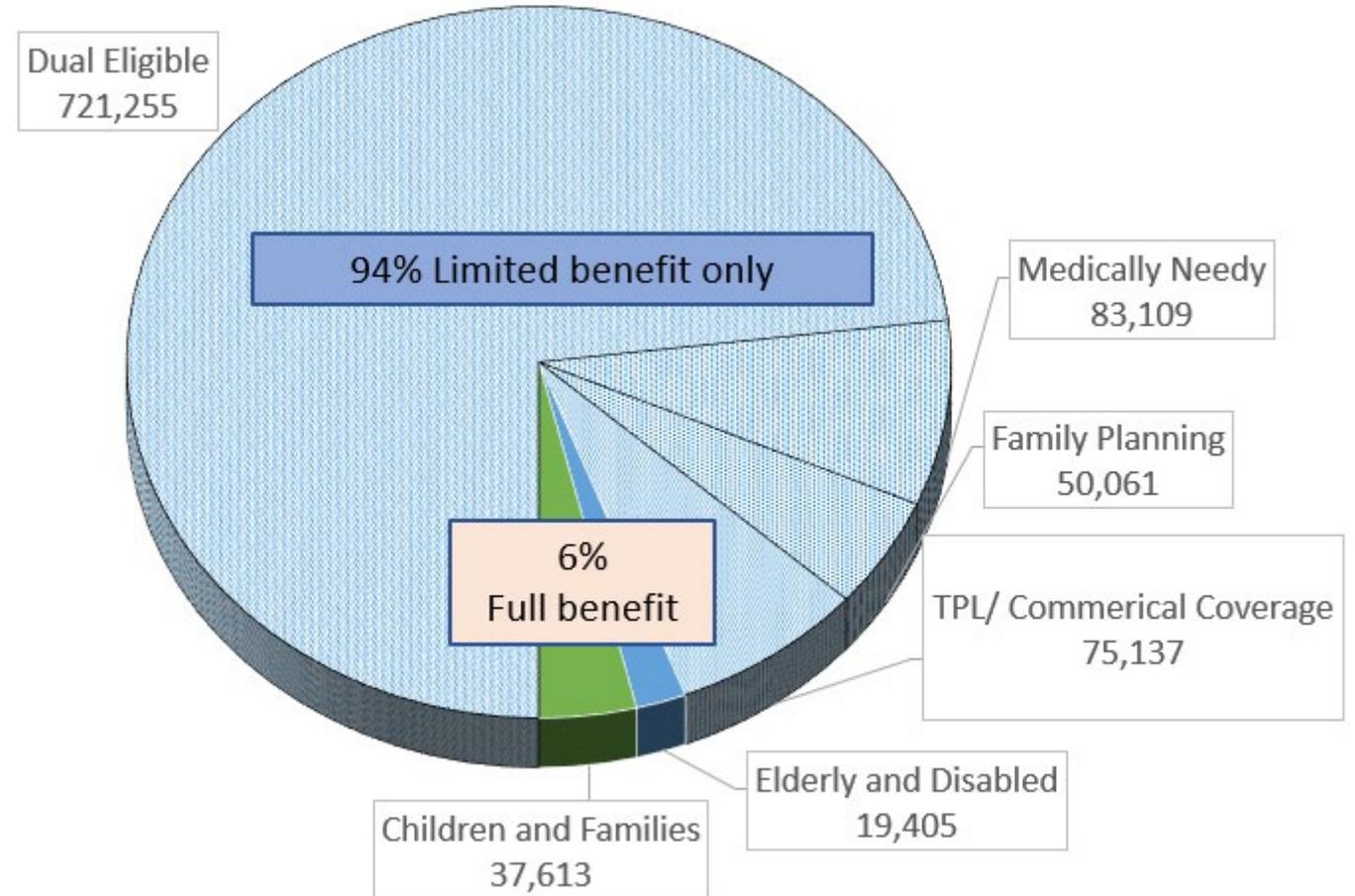
• Implemented in 2013-2014



Who is the Medicaid Fee-For-Service Population?

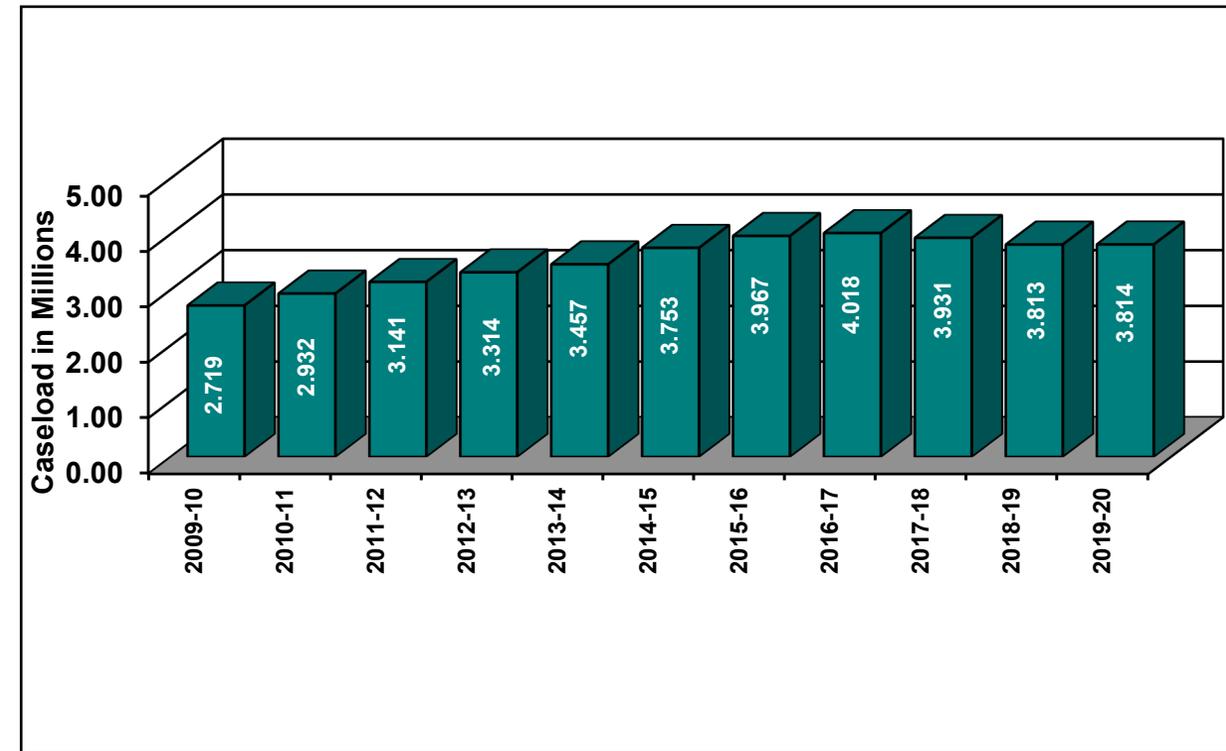
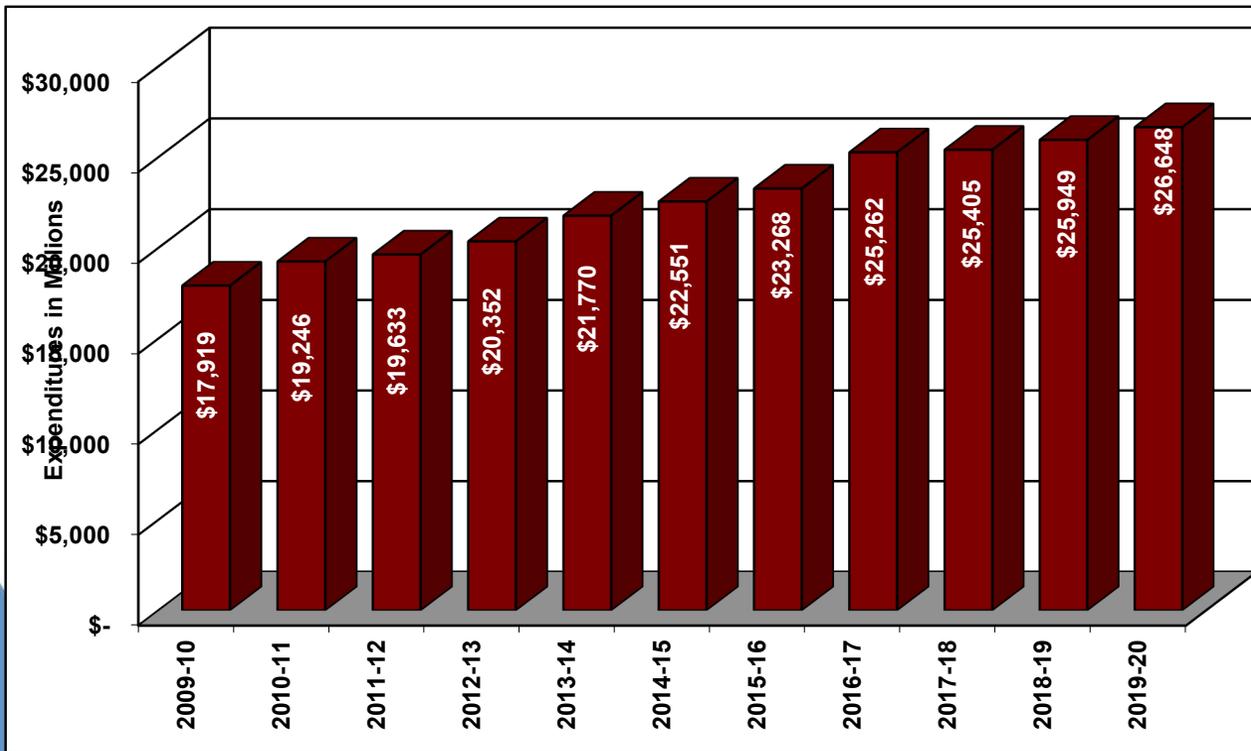
The vast majority are those who have a limited benefit package, either with limited services; time-limited; or with Medicare as their primary coverage

- Full benefit children, families, elderly and disabled make up just 6% of the total FFS population. (A portion of these also have private coverage or third party liability.)
- Limited benefit eligibles make up 94% of the FFS population.



Historical Enrollment and Expenditures

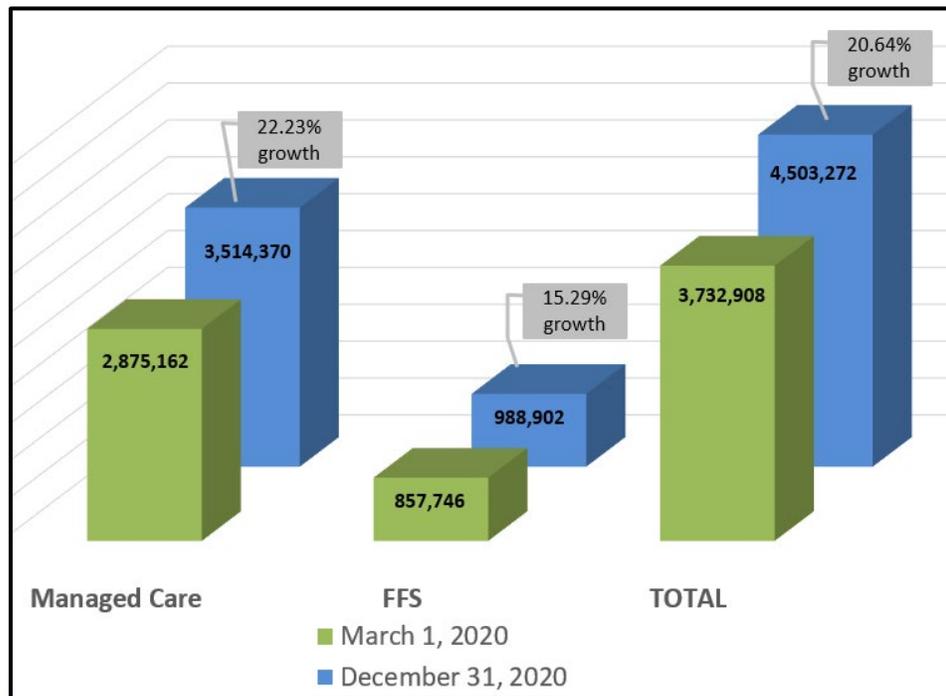
- While overall program enrollment and expenditures have grown over time, growth had slowed prior to the pandemic.



Enrollment Has Increased During the Pandemic

Medicaid enrollment has increased by over 826,000 to 4.56 million since March 2020.

(as of January 29, 2021)



- The largest portion of the enrollment increase has been children and families (TANF), and the managed care population has grown more than the fee-for-service population.
- Since statute requires most TANF enrollees to enroll in managed care, most expenditures for the new enrollees fall in the managed care (prepaid) budget line.
 - TANF = 3,097,536 or 68%
 - SSI = 673,003 or 15%

*The above chart reflects the change in enrollment from March 1, 2020 through December 31, 2020

Enrollment Increases

- 50,000 **more** people were enrolled by December **than was projected** at the November Social Services Estimating Conference.
- For each 50,000 new enrollees in SFY 2020-21, the estimated fiscal impact is \$15.7M a month (\$188M annually).

What is FMAP?

- The Federal Medical Assistance Percentage (FMAP) is used to calculate the amount of federal share of state Medicaid program expenditures.
 - Varies from state-to-state
 - Updated annually
- The FMAP formula is based on the ratio of the state per capita income to the national per capita income.
- Uses three most recent calendar years for which satisfactory data are available from the Department of Commerce, Bureau of Economic Analysis.
 - The lower the state's average per capita income, the more FMAP and vice versa.
 - All states receive at least 50% FMAP.

The Public Health Emergency and Enhanced FMAP

- January 31, 2020: Federal Department of Health and Human Services declared a Public Health Emergency (PHE).
- The CARES Act provides a **6.2 percentage point increase** in federal Medicaid matching funds to help states respond to the COVID-19 pandemic.
- Enhanced FMAP is effective January 1, 2020 through the end of the quarter in which the PHE ends.
- State accepting the enhanced FMAP must provide continuous Medicaid eligibility through the end of the month in which the PHE ends.
 - Applies to people enrolled as of March 18, 2020, or who enroll at any time thereafter during the PHE
- States may request to stop receiving the enhanced FMAP at any time without losing what they claimed previously.



Extension of Public Health Emergency

- The public health emergency declaration was recently renewed and will be in effect through April 21, 2021.
- The State is now eligible for the 6.2% enhanced FMAP through June 2021, the quarter in which the PHE expires.
- Federal HHS notified Governors in January 2021 that the PHE will likely remain in place through December 2021.
 - If the PHE is extended through December, the enhanced FMAP will generate roughly \$800M in general revenue savings in 21/22.
 - This estimate does not take into account continued growth in Medicaid enrollment. The upcoming SSEC will adopt a new caseload estimate.



Impact of Increased FMAP on GR Needs

(does not include increased caseload)

Effect of Enhanced FMAP on Medicaid				
Increased FMAP Extension Scenarios	Estimated Expenditures GR only for SFY 2020/21	Surplus/(Deficit) GR Only	Estimated Expenditures GR only for SFY 2021/22	Surplus/(Deficit) GR Only
Increased FMAP through March 2021 (December 2020 Medicaid SSEC)	\$6,791,834,409	\$342,768,960	---	---
Increased FMAP through June 2021 (current end date)	\$6,415,603,522	\$718,999,847	----	---
Increased FMAP through December 2021 (If PHE is extended through Dec.)	---	---	\$7,601,488,493	\$(466,885,124)



Questions

