

# 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.

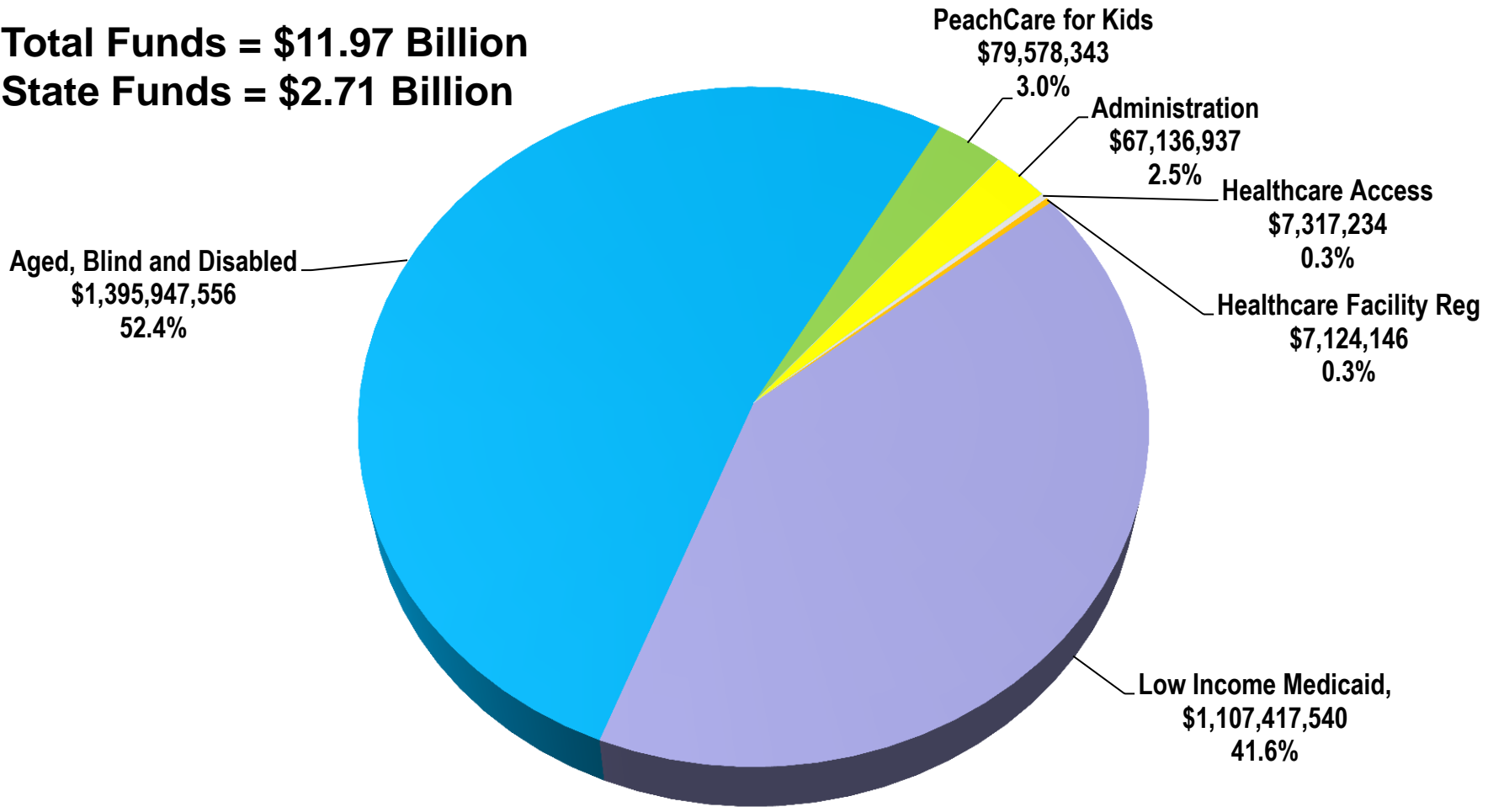
*We are dedicated to a healthy Georgia.*

# 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.

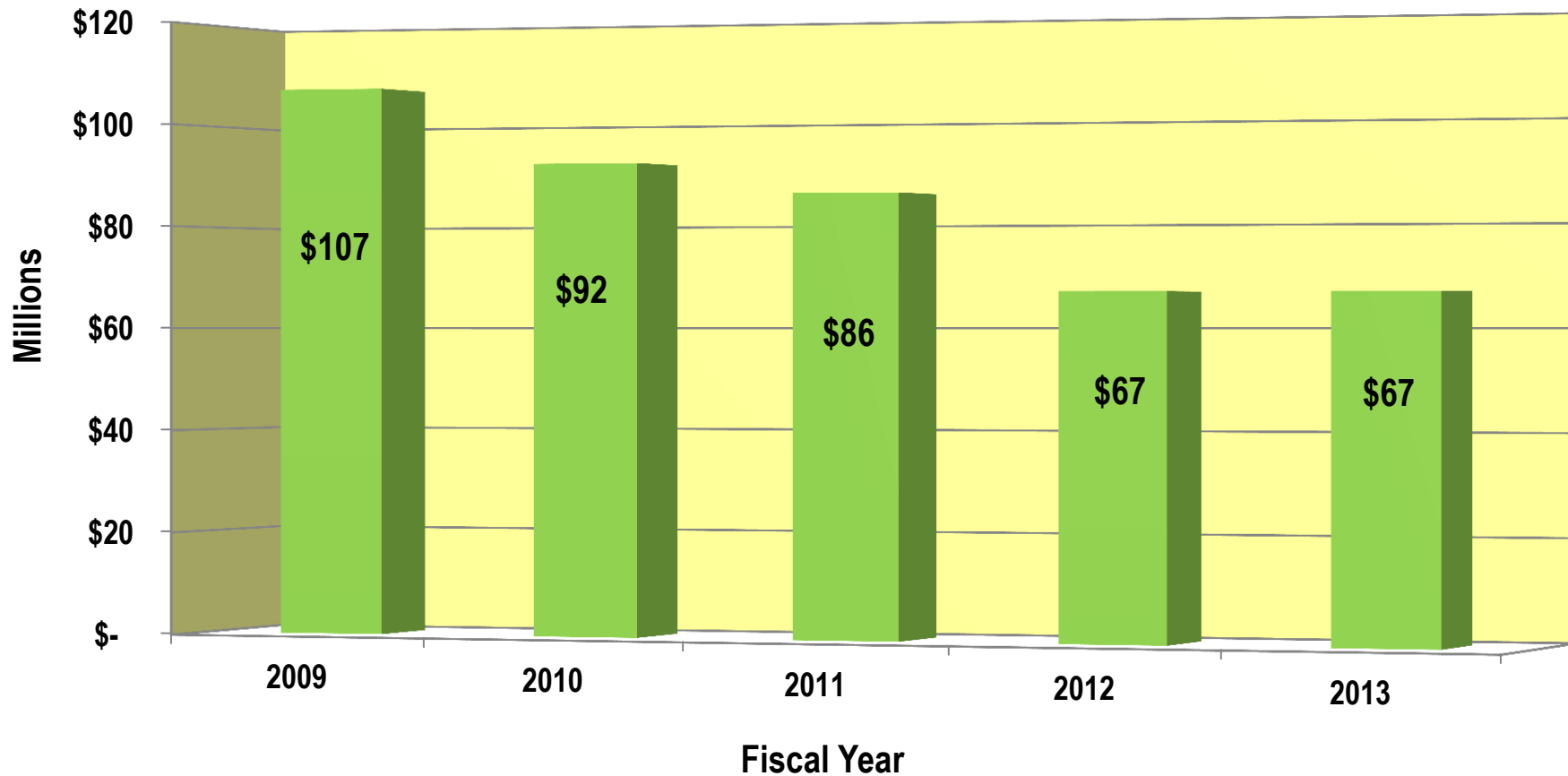
DCH must identify additional cuts to cover any enhancements to the budget.

# DCH Administration, Health Care Access and Healthcare Facility Regulation



# DCH Administration Budget by Fiscal Year

## State Funds



# Calculation of Cut Target

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



# 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)
<b>Total</b>	<b>(\$2,447,349)</b>	<b>(\$2,447,349)</b>
<b>Target</b>	<b>(\$2,447,349)</b>	<b>(\$2,447,349)</b>

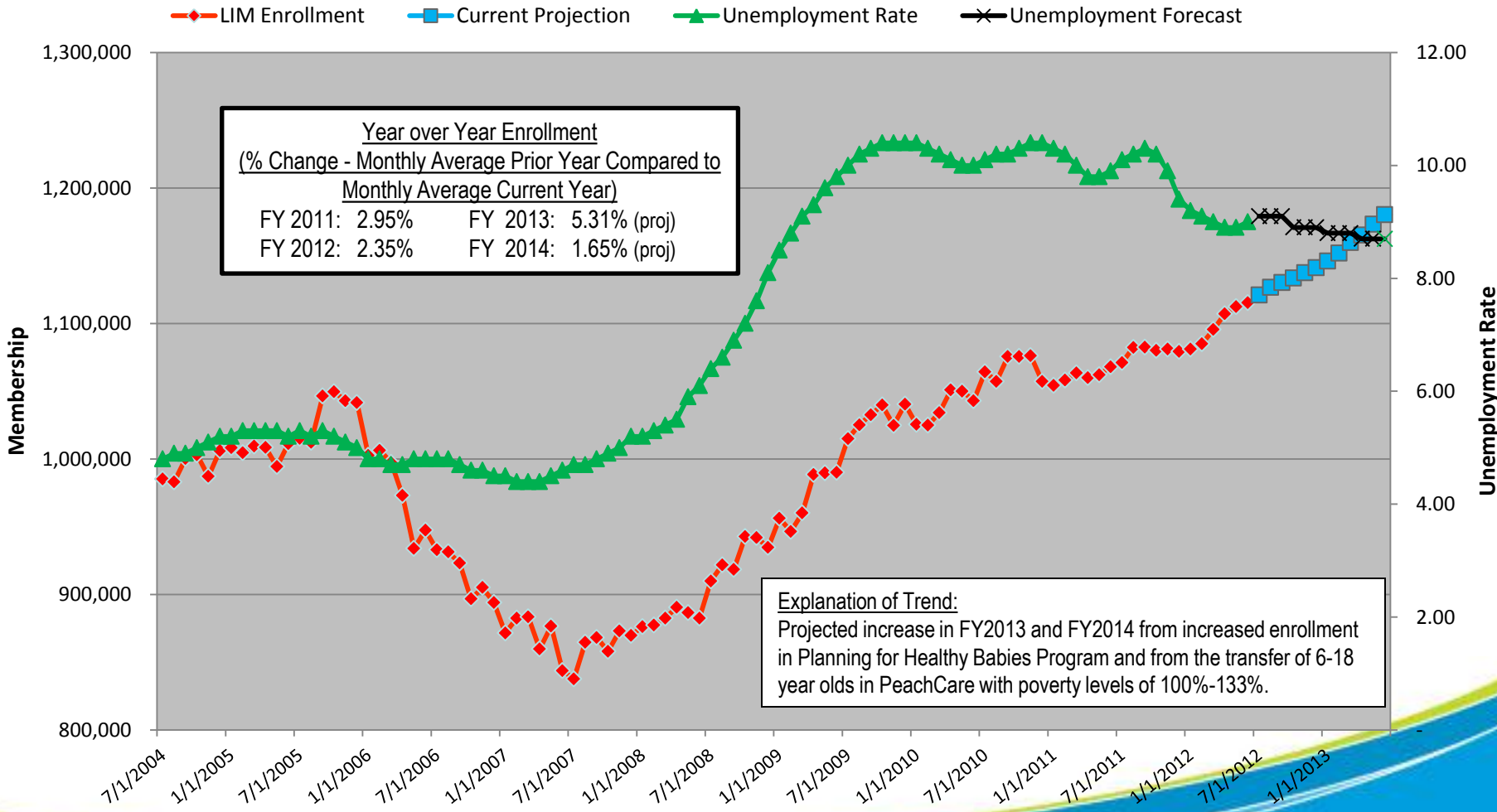
# Medicaid Benefits Financial Status



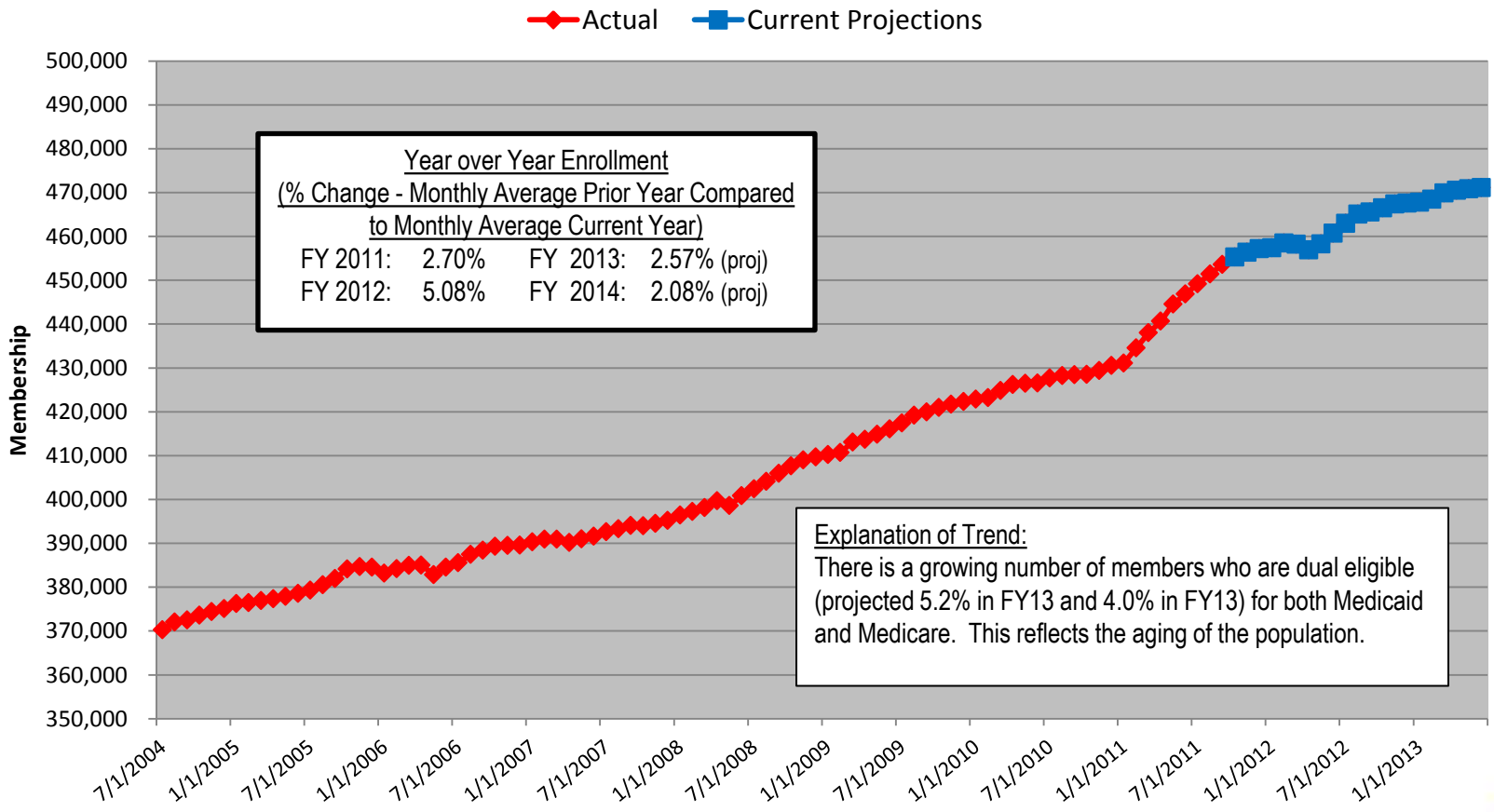
# Medicaid



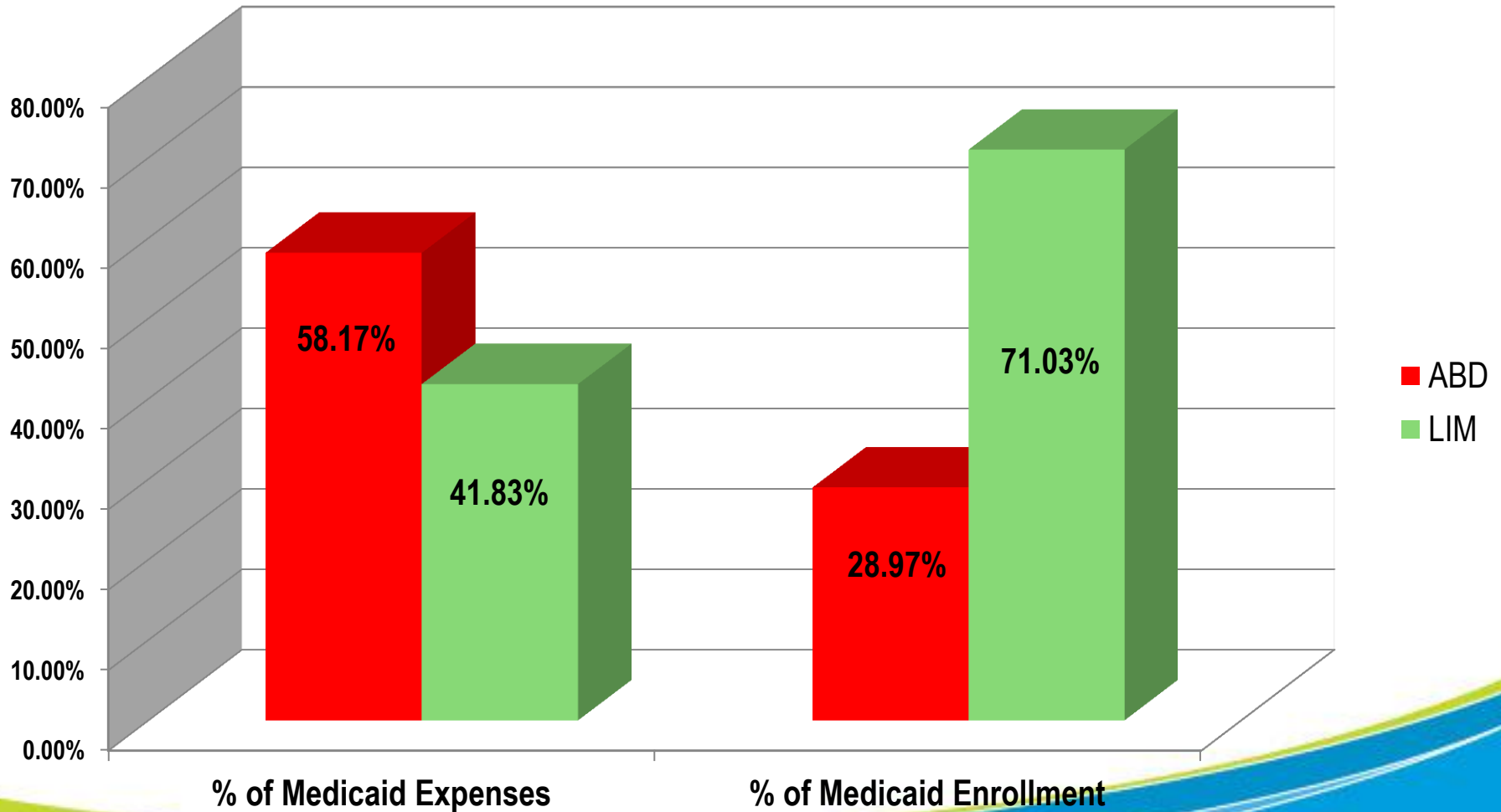
# LIM Enrollment: FY 2005 – Projected FY 2013 and 2014



# 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
<b>State Fund Revenue</b>	<b>FMAP = .6571</b>	<b>FMAP = .6573</b>
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>
<b>Total State Revenues</b>	<b>\$2,505.57</b>	<b>\$2,505.57</b>
<b>State Fund Expense</b>	<b><u>(2,860.91)</u></b>	<b><u>(2,897.82)</u></b>
<b>Surplus/(Deficit)*</b>	<b><u>(\$355.34)</u></b>	<b><u>(\$392.25)</u></b>
<b>Average Monthly Medicaid Membership</b>	<b>1,615,037</b>	<b>1,643,742</b>

\* - does not include requested budget reductions

# Medicaid AFY 2013 and FY 2014

## Reasons for Deficit

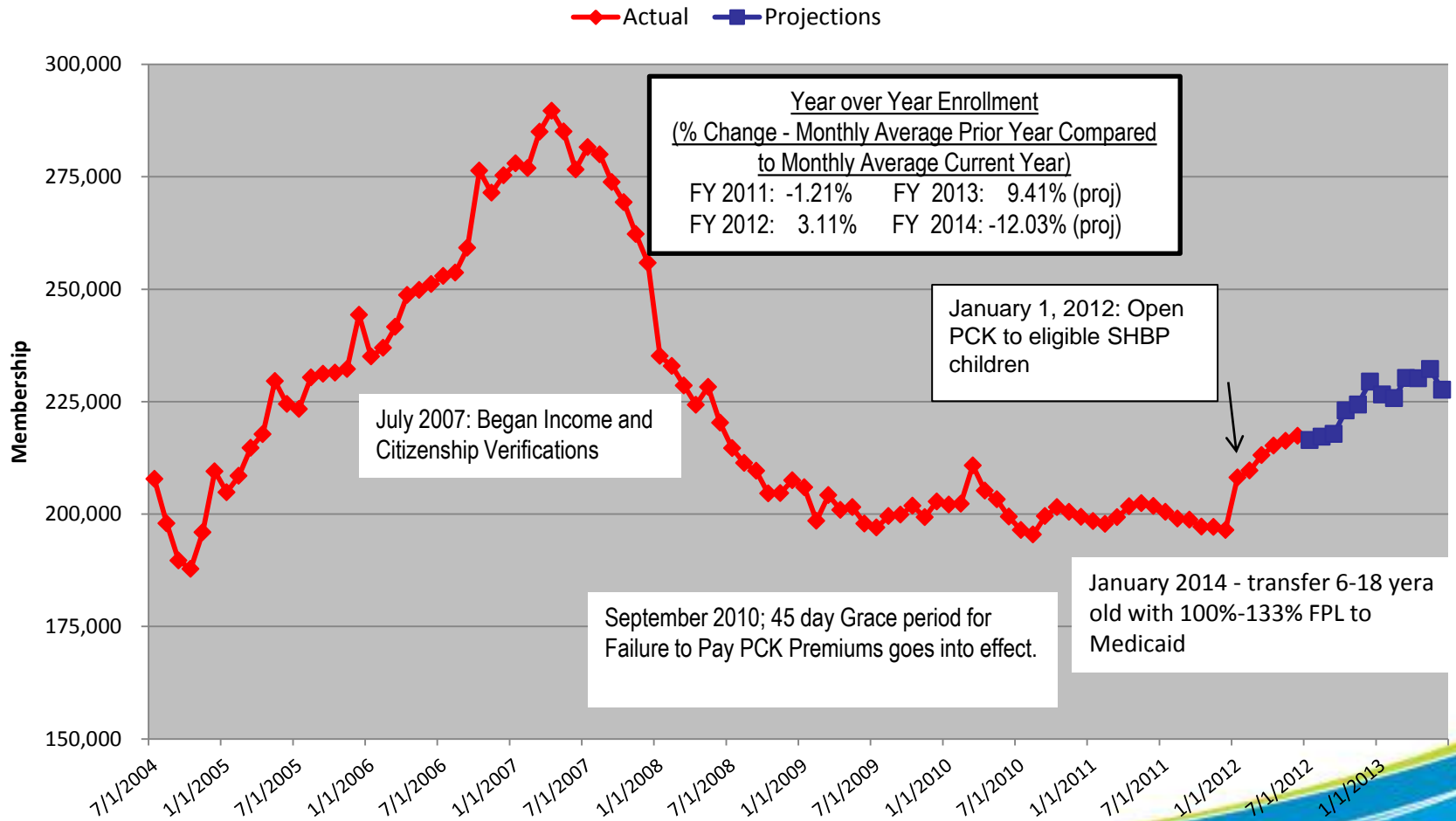
Budget Deficits		AFY 2013	FY 2014
1.	Reflects the underfunding of Medicaid	\$96,339,195	-
2.	Additional one month's CMO Capitation Payment	76,070,259	-
3.	Incurred but not reported deliveries and NICU claims	35,567,465	-
4.	Medicaid program growth	143,067,094	309,423,012
5.	100%-133% FPL transfer Medicaid 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)	-	(1,427,273)
<b>Sub-Total</b>		<b>\$355,340,244</b>	<b>\$392,252,572</b>
3% Budget Cut FY13; 5% Budget Cut FY14		<u>60,061,563</u>	<u>100,102,605</u>
<b>Total</b>		<b>\$415,401,807</b>	<b>\$492,355,177</b>



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

\* - 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)
<b>Sub-Total</b>		<b>\$19,078,265</b>	<b>\$5,468,284</b>
3% Budget Cut FY13; 5% Budget Cut FY14		<u>\$2,338,533</u>	<u>3,897,555</u>
<b>Total</b>		<b>\$21,416,798</b>	<b>\$9,365,839</b>

# 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