Patient Protection and Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

SFY 2014 to SFY 2019

As of June 30, 2011

Prepared for:
Ohio Department of Job and Family Services

Prepared by: **Jeremy D. Palmer, FSA, MAAA** Principal and Consulting Actuary

Milliman, Inc.

Chase Center/Circle 111 Monument Circle Suite 601 Indianapolis, IN 46204-5128 USA

Tel +1 317 639 1000 Fax +1 317 639 1001

milliman.com

SUMMARY OF RESULTS

Milliman, Inc. (Milliman) has been retained by the State of Ohio, Department of Job and Family Services (ODJFS) to estimate the enrollment and expenditures associated with the Medicaid expansion and other related provisions of the Patient Protection and Affordable Care Act (ACA). The ACA impacts all health insurance markets in significant ways, not the least of those which is the sections pertaining to Medicaid and the Children's Health Insurance Program (CHIP).

The most significant impact to Medicaid is the expansion of eligibility to all United States citizens and qualified legal aliens under age 65 with household income up to 138% of the Federal Poverty Level (FPL) (133% plus 5% income disregard) beginning on January 1, 2014. We anticipate this to have two primary effects: (1) it introduces a new population that has not been eligible for Medicaid in the past, and (2) it induces enrollment from the population that is currently eligible for Medicaid but not currently enrolled. This induced enrollment is sometimes informally referred to as the "woodwork effect".

Currently Medicaid covers pregnant women and children to 200% of the Federal Poverty Level (FPL) through Medicaid, CHIP, and CHIP expansion programs. Additionally, Medicaid covers parents to 90% FPL and aged, blind, or disabled (ABD) individuals to 64% FPL. Individuals with higher gross incomes may be eligible for Medicaid as a result of various income disregards, by payment of a spenddown, or by meeting long-term care eligibility standards. As such, the newly eligible populations are primarily parents and ABD individuals from their current respective limits to 138% FPL and non-parents from 0% to 138% FPL.

This report provides a range of estimates for the enrollment and expenditures related to the expansion of Medicaid eligibility under the ACA. This report has assumed that the expansion populations will be enrolled into the mandatory managed care program. This report did not include any of the specific budget initiatives expected for the upcoming biennium budget. Specifically, the hospital reimbursement, managed care administrative expenses, and the pharmacy benefit inclusion in managed care were not included in this analysis. Table 1 summarizes the estimated average monthly enrollment and total annual expenditures for ODJFS for the period of State Fiscal Years (SFY) 2014 to 2019 for the newly eligible for Medicaid and for the currently eligible but not enrolled in Medicaid populations. The expenditures for State and Federal and State-Only exclude the impact of taxes. The State Tax Revenues are illustrated on a net basis in the rightmost column.

Table 1

Ohio Department of Job and Family Services Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid SFY 2014 to 2019 Estimated Medicaid Expansion Enrollment and Expenditures

STATE FISCAL YEAR	BEST ESTIMATE AVG MONTHLY ENROLLMENT	EXPENDITURES STATE AND FEDERAL	EXPENDITURES STATE ONLY	NET STATE TAX REVENUES
2014 ¹	848,000	\$ 2,357,000,000	\$ 183,000,000	(\$ 111,700,000)
2015	985,000	\$ 4,466,400,000	\$ 367,000,000	(\$ 203,200,000)
2016	1,126,000	\$ 5,030,000,000	\$ 384,000,000	(\$ 225,600,000)
2017	1,138,000	\$ 5,336,600,000	\$ 483,100,000	(\$ 234,700,000)
2018	1,149,000	\$ 5,657,300,000	\$ 639,000,000	(\$ 241,200,000)
2019	1,160,000	\$ 6,000,500,000	\$ 721,800,000	(\$ 253,200,000)
Best Estimate 2014 - 2019		\$ 28,847,800,000	\$ 2,777,900,000	(\$ 1,269,600,000)
Low Estimate 2014 - 2019		\$ 21,080,800,000	\$ 2,008,800,000	(\$ 931,500,000)
High Estimate 2014 - 2019		\$ 39,976,900,000	\$ 4,213,600,000	(\$ 1,732,800,000)

^{1.} SFY 2014 expenditure values reflect an exposure adjustment to account for the delay in enrollment in the first year. Newly eligible adults are assumed to enroll beginning on January 1, 2014 and currently eligible but not enrolled individuals are assumed to begin enrolling on July 1, 2013 with a linear ramp-up for 6 months to the annual take-up rates assumed in this report.

Note: The additional Medicaid expenditures above are assumed to be partially offset by the collection of State Sales and Use taxes and the Health Insuring Corporation (HIC) tax (also above). The availability of these taxes is not certain and ODJFS should consider the potential for this tax revenue being eliminated. To the extent that CMS discontinues the allowance of these financing mechanisms, the tax revenues would not be available to offset a portion of the increased Medicaid expenditures.

The values presented in Table 1 represent the new enrollment and cost estimated for the Medicaid program. This is in addition to the currently enrolled in Medicaid population. Adding the current and new enrollment and expenditures together produces the estimates for total Medicaid as shown in Table 2.

Table 2

Ohio Department of Job and Family Services Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid SFY 2014 to 2019 Estimated <u>Total Medicaid</u> Enrollment and Expenditures

STATE FISCAL YEAR	BEST ESTIMATE AVG MONTHLY ENROLLMENT	MEDICAID EXPENDITURES STATE AND FEDERAL	MEDICAID EXPENDITURES STATE ONLY
2014 ¹	3,122,000	\$ 21,256,400,000	\$ 6,908,700,000
2015	3,287,000	\$ 24,558,600,000	\$ 7,517,400,000
2016	3,457,000	\$ 26,390,700,000	\$ 7,985,800,000
2017	3,498,000	\$ 28,045,500,000	\$ 8,564,700,000
2018	3,539,000	\$ 29,799,700,000	\$ 9,230,900,000
2019	3,579,000	\$ 31,667,000,000	\$ 9,856,000,000
Best Estimate 2014 - 2019		\$ 161,717,900,000	\$ 50,063,500,000
Low Estimate 2014 - 2019		\$ 153,950,900,000	\$ 49,294,400,000
High Estimate 2014 - 2019		\$ 172,847,000,000	\$ 51,499,200,000

SFY 2014 expenditure values reflect an exposure adjustment to account for the delay in enrollment in the
first year. Newly eligible adults are assumed to enroll beginning on January 1, 2014 and currently eligible
but not enrolled individuals are assumed to begin enrolling on July 1, 2013 with a linear ramp-up for 6
months to the annual take-up rates assumed in this report.

Primary Observations and Considerations of the Fiscal Analysis

The changes to Medicaid summarized in this report are significant. The new populations contain different demographic characteristics and associated cost profiles. The expected number of new Medicaid enrollment will put additional strain on the current provider network that already struggles to provide adequate access to care for the currently enrolled population. The items below describe the primary observations resulting from the fiscal analysis contained in this report. These items are intended to frame the discussion of what the ACA changes to Medicaid mean to the State of Ohio.

- Ohio Medicaid is expected to provide health insurance to approximately 28% of the Ohio population by 2019 (up from 18% today). This means that between 1-in-4 and 1-in-3 Ohioans will be enrolled in Medicaid. This estimate assumes that there will be approximately 12.6 million people in Ohio in 2019 with approximately 3.6 million enrolled in Medicaid.
- The majority of the increase in Medicaid enrollment (approximately 40%) will come from previously uninsured adults who are newly eligible for Medicaid because of the change in the income requirements up to 138% FPL. The next largest component of the increase in Medicaid enrollment (approximately 25%) will come from the adults that are currently insured and newly eligible for Medicaid coverage. The remaining 35% are estimated to come from various categories of adults and children who are currently eligible for Medicaid but not enrolled. The majority of this remaining 35% are currently insured individuals.
- While the increase in enrollment is expected to largely be those newly eligible for Medicaid (65%), the stateshare cost for these individuals only makes up approximately 20% of the state costs for the total new populations. This is due to the increased Federal Medicaid Assistance Percentage (FMAP) that is applicable

to the newly eligible for Medicaid population (100% in 2014-2016, 95% in 2017, 94% in 2018, 93% in 2019, and 90% thereafter). It is important to note that the population currently eligible but not enrolled that is estimated to enter Medicaid will receive the standard Ohio FMAP (64.18%) which is significantly lower than the percentage available for the newly eligible population.

- The Medicaid demographic profile is changing as a result of the ACA changes to eligibility. Details regarding the change in the demographic profile are depicted in the Milliman issue brief "Changing Face of Medicaid". Some of the key observations from the issue brief regarding the new Medicaid population (newly eligible and eligible but not currently enrolled) include:
 - ❖ More adults in the 45 to 64 year-old age range, more males in the 19 to 34 year-old age range, and more children in the 14-18 year-old age range than Current Medicaid.
 - Gender composition closer to Current Commercial and more Males than Current Medicaid.
 - Healthier than Current Medicaid enrollees but much less healthy than the Current Commercial population.
 - Education levels consistent with the Current Medicaid population.
 - More adults without dependent children than Current Medicaid.
 - ❖ Geographic distribution similar to Current Medicaid population and more metropolitan than Current Commercial population.
- The increases in Medicaid enrollment are assumed to be significant beginning in SFY 2014; however, we have assumed that full enrollment will not occur for a period of three years.
- The increases in Medicaid will require increases in provider participation to handle the increased demand.
 Access to care issues will be elevated to the extent that providers are not willing to participate in greater
 numbers because of issues surrounding Medicaid payment rates. This report did not include additional
 reimbursement beyond the ACA required preventive services provided by primary care physicians in calendar
 year (CY) 2013 and 2014.
- The new Medicaid population is assumed to receive the Medicaid state plan benefits for purposes of this
 report. The ACA allows the states some flexibility with respect to the benefits covered and member costsharing imposed on the new populations. These issues are addressed in more detail in the Milliman issue
 brief, "Medicaid Expansion Benefit Plan Design".

The specific assumptions related to the fiscal analysis presented in this report are summarized in the "Assumptions and Methodology" section.

In addition to the eligibility changes and the associated impact of enrolling individuals currently eligible but not enrolled, we have identified other considerations of the ACA that will affect Medicaid, but were omitted from the financial analysis presented in this report. The "Other Considerations" section near the end of this report includes summary-level information regarding the specifically omitted items.

The enclosures to this report provide more detail with respect to the fiscal impact to the Medicaid program as a result of the ACA. The enclosures include a best estimate participation scenario, a low estimate participation scenario, and a high estimate participation scenario. Table 3 defines the enclosures provided in this report.

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Table 3

Ohio Department of Job and Family Services

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Definitions of Report Enclosures

ENCLOSURE	SCENARIO	DESCRIPTION
1a	Best Estimate	Annual Expenditure Summary – State and Federal Basis
1b	Best Estimate	Annual Expenditure Summary – State-Only Basis
1c	Best Estimate	Annual Enrollment Summary
2a	Low Estimate	Annual Expenditure Summary – State and Federal Basis
2b	Low Estimate	Annual Expenditure Summary – State-Only Basis
2c	Low Estimate	Annual Enrollment Summary
	High Estimate	Annual Expenditure Summary – State and Federal Basis
3b	High Estimate	Annual Expenditure Summary – State-Only Basis
3c	High Estimate	Annual Enrollment Summary

ASSUMPTIONS AND METHODOLOGY

The primary assumptions and methodology employed in this analysis are discussed below. The Department of Health and Human Services (DHHS) and the Centers for Medicare and Medicaid Services (CMS) have yet to publish final regulations which may impact the assumptions used in this report.

Current Medicaid Population and Expenditures

The current Medicaid population and expenditures were summarized from data and information provided by ODJFS. The specific source of the data was the detailed budget databases supporting the SFY 2012 and 2013 biennium budget provided to Milliman on April 14, 2011.

Table 4 illustrates the budget values that form the basis of the current Medicaid population and expenditures. The budget values depicted do not reflect any of the specific budget initiatives expected for the upcoming biennium. Specifically, the hospital reimbursement, the managed care administrative expenses, and the pharmacy benefit inclusion in managed care were not included in this table and likewise not included in the fiscal analysis presented in the remainder of this report.

The purpose of including the baseline budget in the report is to allow for a point of reference in drawing conclusions regarding the estimates made for the future Medicaid program. These values are not appropriate for any other purpose.

Table 4

Ohio Department of Job and Family Services

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Baseline Medicaid Enrollment and Expenditures – SFY 2013

CATEGORY	AVG MONTHLY ENROLLMENT	MEDICAID EXPENDITURES STATE AND FEDERAL
ABD (MC)	132,000	\$ 2,362,500,000
CFC (MC)	1,394,000	4,725,300,000
ABD (FFS)	296,000	6,777,400,000
CFC (FFS)	138,000	522,100,000
CHIP	170,000	383,000,000
Other (FFS)	133,000	175,100,000
Total JFS	2,263,000	\$ 14,945,400,000
Non-JFS		\$ 2,795,300,000
Total SFY 2013	2,263,000	\$ 17,740,700,000

Newly Eligible and Currently Eligible But Not Enrolled Medicaid Population Estimates

The newly eligible and currently eligible but not enrolled population estimates reflect the number of individuals (on an average monthly enrollment basis) that are estimated to enroll in Medicaid because of the changes enacted by the ACA. The primary components of this estimate include the number of individuals eligible and the proportion at which these individuals will actually enroll (i.e. "take-up rate").

The eligible population was estimated using the 2010 Ohio Family Health Survey results. The total population (excluding individuals currently enrolled in Medicaid) was segmented by Medicaid current eligibility ("woodwork") versus Medicaid newly eligible but not enrolled and source of current coverage. This segmentation was selected as each of these segments were assumed to take-up Medicaid at differing rates due to the expected behavior and influence of individuals resulting from the provisions of the ACA. Additionally, take-up rates were assumed to increase for the first three years and then remain level for the remainder of the projection period.

The rationale for the various take-up rate assumptions is briefly described below. It should be noted that these assumptions contain a considerable amount of actuarial judgment based on our assessment of future individual behavior.

• Medicaid currently eligible but not enrolled ("woodwork") versus Medicaid newly eligible. This report assumes that the population newly eligible for Medicaid will enter Medicaid at a greater rate than those who are currently eligible but not enrolled in Medicaid. This assumption reflects that individuals in the newly eligible population have not already had a chance to enroll while those who are currently eligible have had the ability to enroll but have not done so up to this point. This report assumes that even though the opportunity has been there for individuals currently eligible but not enrolled, these individuals will begin enrollment with the national emphasis on health-care coverage and the mandates imposed by the ACA. The overall magnitude of the take-

up rates reflects that even with the new mandates and the enhanced focus on coverage, there will still remain a significant portion of the population that does not enroll even if they are eligible.

- Source of current coverage. We have varied the take-up rate for Medicaid assumptions based on the current source of coverage. The current sources of coverage include: Medicare (without Medicaid), employer sponsored, individual, uninsured, and other.
 - Medicare (without Medicaid) individuals were assumed to take-up Medicaid at the lowest rate of all the coverage sources. The eligible individuals in this segment would be those who are dual-eligible (meaning they are eligible for both Medicare and Medicaid). It was assumed that there is a small cohort of these individuals who are currently eligible and may enroll in Medicaid, but not at the levels assumed for the other coverage sources. Further, this segment excludes adults newly eligible for Medicaid as the ACA expansion to 138% FPL excludes current Medicare individuals.
 - Employer sponsored insurance is the cohort of individuals who get their insurance from their employer (or their spouse's employer). This coverage source generally has a portion of the cost covered by the employer and the individuals do not have to pay the full cost of coverage. Additionally, employers are incentivized to maintain coverage that is creditable and affordable for their employees and dependents. For these reasons, the employer sponsored source of coverage was assumed to have a lower Medicaid take-up rate than the individual and uninsured cohorts.
 - Individual insurance is the cohort of individuals who directly purchase their insurance from the Commercial marketplace. By definition, these policies are fully self-paid by the insured individuals. This population was assumed to take-up Medicaid at the highest rate of all the coverage sources because they value insurance enough to purchase it on their own and Medicaid would represent an almost free option to replace their current coverage.
 - The individuals within the uninsured population were assumed to take-up Medicaid at a very high rate, second only to the individual population above. The rationale for assuming a lower Medicaid take-up from uninsured compared to the individual cohort is that they are not currently paying out of pocket for insurance premiums today.
 - The individuals within the other population cohort include those that have unknown and "other" sources of current coverage. The "other" sources of coverage are the minority of this category and include products such as: military, student, dental only, cancer, and long term care. While some of these may exhibit take-up rate behavior similar to uninsured (since many of these are not full comprehensive medical coverage), the majority of this category is unknown. For this reason, we assumed a take -up rate for this population consistent with the ESI cohort as it is the largest segment and has the lowest assumed take-up rates.

Table 5 summarizes the assumptions for take-up rates for each of the cohorts discussed above. In addition to the best estimate assumptions selected for this report, this report assumes a low estimate and a high estimate of the take-up rates. The table illustrates these low and high estimates for each cohort as an adjustment to the best estimate rates.

Table 5

Ohio Department of Job and Family Services

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

SFY 2014 to 2019 Take-Up Rate Into Medicaid Assumptions

			EST ESTIMA ARTICIPATIO		ADJUSTMENT TO BEST ESTIMATE FOR RANGE (SFY 14-19)		
POPULATION COHORT	CURRENT SOURCE OF COVERAGE	SFY 14	SFY 15	SFY 16-19	LOW ESTIMATE	HIGH ESTIMATE	
Children	Medicare only	10%	15%	20%	(5%)	+10%	
 All currently eligible but not enrolled 	Employer sponsored	20%	25%	30%	(10%)	+20%	
0%-200% FPL0-18 years old	Individual	50%	55%	60%	(10%)	+20%	
• 0-10 years old	Uninsured	40%	45%	50%	(10%)	+20%	
	Other	10%	15%	20%	(5%)	+10%	
Adults	Medicare only	10%	15%	20%	(5%)	+10%	
 Currently eligible but not enrolled 	Employer sponsored	20%	25%	30%	(10%)	+20%	
0%-100% FPL Parents 10.64 years old	Individual	50%	55%	60%	(10%)	+20%	
• 19-64 years old	Uninsured	40%	45%	50%	(10%)	+20%	
	Other	10%	15%	20%	(5%)	+10%	
Adults	Medicare only	0%	0%	0%	0%	0%	
Newly eligible>100% FPL Parents	Employer sponsored	30%	35%	40%	(10%)	+20%	
0%-138% FPL Non- Parents	Individual	70%	75%	80%	(20%)	+10%	
19-64 years old	Uninsured	60%	65%	70%	(20%)	+20%	
	Other	30%	35%	40%	(10%)	+20%	
Aged	Medicare only	10%	15%	20%	(5%)	+10%	

- All currently eligible
- Currently Medicare enrolled
 - Full dual <64% FPL
 - SLMB 65%-100% FPL
 - QMB 101%-120% FPL
- >64 years old

The take-up rates in Table 5 are applied to the eligible population estimates obtained from the 2010 Ohio Family Health Survey. The resulting estimated average monthly enrollment for the new Medicaid population resulting from the application of take-up rates to the eligible population estimates is provided in Table 6 for the best estimate scenario.

Table 6

Ohio Department of Job and Family Services

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Newly Eligible and Currently Eligible But Not Enrolled - SFY 2014 to 2019 Average Monthly Enrollment

	OUDDENT COUDOE	BEST ESTIMATE PARTICIPATION						
POPULATION COHORT	CURRENT SOURCE OF COVERAGE	SFY 14	SFY 15	SFY 16	SFY 17	SFY 18	SFY 19	
Children	Medicare only	1,000	2,000	2,000	2,000	2,000	2,000	
 All currently eligible but not enrolled 	Employer sponsored	70,000	89,000	106,000	108,000	109,000	109,000	
0%-200% FPL0-18 years old	Individual	14,000	15,000	17,000	17,000	17,000	17,000	
	Uninsured	48,000	55,000	62,000	62,000	63,000	63,000	
	Other	15,000	22,000	30,000	30,000	30,000	31,000	
Adults	Medicare only	13,000	19,000	26,000	26,000	26,000	26,000	
 Currently eligible but not enrolled 	Employer sponsored	24,000	30,000	36,000	37,000	37,000	37,000	
0%-100% FPL Parents19-64 years old	Individual	3,000	3,000	4,000	4,000	4,000	4,000	
• 19-04 years old	Uninsured	60,000	68,000	77,000	78,000	79,000	80,000	
	Other	4,000	5,000	7,000	7,000	7,000	7,000	
Adults	Medicare only	0	0	0	0	0	0	
Newly eligible>100% FPL Parents	Employer sponsored	109,000	128,000	148,000	150,000	151,000	153,000	
0%-138% FPL Non-Parents19-64 years old	Individual	53,000	58,000	62,000	63,000	64,000	65,000	
• 19-64 years old	Uninsured	365,000	399,000	434,000	438,000	442,000	447,000	
	Other	38,000	45,000	52,000	52,000	53,000	53,000	
Aged • All currently eligible	Medicare only	31,000	47,000	63,000	64,000	65,000	66,000	
Currently Medicare enrolled Full dual <64% FPL SLMB 65%-100% FPL QMB 101%-120% FPL >64 years old								
Fotal all populations	All sources of coverage	848,000	985,000	1,126,000	1,138,000	1,149,000	1,160,000	

The estimated average monthly enrollment values are developed by population cohort and current source of coverage because of the application of take-up rates at this level of detail. They are then summarized into the categories shown in the enclosures based on the categories requested by ODJFS. Specifically, the populations are categorized into: adults versus children, currently eligible but not enrolled in Medicaid versus newly eligible for Medicaid, and previously insured versus previously uninsured.

Newly Eligible and Currently Eligible Expenditure Estimates

The newly eligible and currently eligible but not enrolled population expenditure estimates were developed to apply to the estimated population in the previous section. The population estimates only tell part of the story. We estimated the cost for the newly eligible and currently eligible but not enrolled population using the calendar year (CY) 2011 Covered Families and Children (CFC) managed care capitation rates for all but the current Medicare population. The capitation rates currently follow a rate cell approach whereby the rates are segmented into different age and gender categories. The purpose of using the CFC capitation rates as the starting point is that this report assumes the new Medicaid enrollment will be enrolled in the mandatory managed care program and most closely resembles the currently enrolled CFC population. The CFC capitation rates required several adjustments to reflect the estimated cost of the new Medicaid enrollees, including:

- Base capitation rates and add-ons to reflect that the current managed care program does not include all state plan services.
- Adjustments for differences in health status for new Medicaid enrollment compared to the current CFC managed care population.
- Adjustments to reflect benefit plan design.
- Adjustments for first year adverse selection estimates.

Base Capitation Rates and Add-ons

The base capitation rates were segmented by rate cell and adjusted to reflect the services that are not included in the CFC capitation rates. Behavioral health services (BH), which are provided by the Ohio Department of Mental Health (ODMH) and the Ohio Department of Alcohol & Drug Addiction Services (ODADAS), and Pharmacy (Rx) costs, which have been provided on a fee-for-service basis, were added to the base capitation using estimates developed from data provided by ODJFS. The BH costs were only available at the child versus adult categories and, as such, they were applied evenly for all children and all adults.

The base capitation rates were also adjusted to reflect a reduction for maternity amounts included in the capitation rates. The current eligibility for Medicaid includes pregnant women to 200% FPL. This report assumes there will not be a significant number of pregnant women enrolling in Medicaid as a result of the ACA. The reduction reflects only the reduction for the base capitation rates. There is a separate Delivery payment rate cell in the current CFC program which is not included in the base capitation rates below. As such, the maternity reduction only reflects the partial amount that is implicit in the monthly capitation rates.

The capitation rates, including the adjustments, reflect the total state and federal costs for each rating category. The capitation rates were reduced by the Sales and Use taxes as well as the Health Insuring Corporation taxes. The purpose of removing the taxes is that they are handled separately on a net basis in another section of this report.

Table 7 summarizes the CY 2011 CFC base cost per member per month (PMPM) for each rating category, including the add-on amounts and the maternity adjustments. The average monthly enrollment for each of SFY 2014 and 2019 is included to illustrate the relative volume for each category.

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Table 7

Ohio Department of Job and Family Services

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Newly Eligible and Currently Eligible But Not Enrolled PMPM Base Costs – CY 2011

	AVG MONTHLY ENROLLMENT			2011 BASE COST PER MEMBER PER MONTH				
RATING CATEGORY	SFY 2014	SFY 2019	CY 2011 CAP RATE ¹	RX ADD-ON ²	BH ADD-ON ³	MATERNITY REDUCTION ⁴	TOTAL CY 2011 BASE RATE	
HF/HST <1 M+F	5,000	7,000	\$ 612.26	\$ 15.07	\$ 14.18	\$ 0.00	\$ 641.51	
HF/HST 1 M+F	11,000	15,000	\$ 136.35	\$ 14.95	\$ 14.18	\$ 0.00	\$ 165.48	
HF/HST 2-13 M+F	76,000	117,000	\$ 82.43	\$ 22.53	\$ 14.18	\$ 0.00	\$ 119.14	
HF/HST 14-18 M	34,000	50,000	\$ 101.03	\$ 31.93	\$ 14.18	\$ 0.00	\$ 147.14	
HF/HST 14-18 F	22,000	33,000	\$ 147.91	\$ 29.66	\$ 14.18	(\$ 0.74)	\$ 191.01	
HF 19-44 M	201,000	258,000	\$ 208.47	\$ 45.64	\$ 15.05	\$ 0.00	\$ 269.16	
HF 19-44 F	173,000	224,000	\$ 297.54	\$ 60.88	\$ 15.05	(\$5.95)	\$ 367.52	
HF 45+ M+F	282,000	364,000	\$ 431.16	\$ 125.12	\$ 15.05	\$ 0.00	\$ 571.33	
Full Dual ⁵	15,000	32,000	\$ 2,256.65	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,256.65	
QMB ⁵	9,000	19,000	\$ 115.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 115.00	
SLMB ⁵	20,000	41,000	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	

Notes:

- The CY 2011 capitation rates were developed from the CY 2011 CFC Managed Care data books. Tax was removed at 7.82% but admin was included as part of the base cost.
- The Rx (pharmacy) add-on was developed from the estimated pharmacy PMPM for carve-out and is consistent with values provided by Milliman for use in JFS-specific expansion analyses.
- 3. The BH (behavioral health) add-on represents the ODMH and ODADAS Medicaid costs from the ODJFS budget summaries.
- 4. The maternity reduction reflects that the newly enrolling population is not expected to include significant pregnant women. Also, the separate Delivery payment in CFC managed care is not included in the capitation rates utilized.
- Full duals, QMB, and SLMB eligible PMPMs were estimated using the ODJFS budget summaries for these populations. Note that the Medicare premium payments for QMB and SLMB were not included in this analysis.

Health Status Cost Adjustments

The base rates illustrated in Table 7 reflect the cost of the current CFC population (and dual eligibles). This report has used an estimated health status cost adjustment to reflect that the newly enrolling population may have a different cost profile than the current CFC managed care population (and thus require a different managed care capitation rate. To estimate the health status cost adjustment, the population from the 2010 Ohio Family Health Survey was segmented by health status for the current CFC-enrolled population and the newly enrolling populations. Each health status was assigned a relative cost factor. For each rate cell, the current CFC population composite health status was compared to the newly enrolling population's health status to develop a relative cost. The relative cost adjustment was applied to the base costs in Table 7 to estimate the cost for the newly enrolling population.

Table 8 illustrates the relative cost adjustment applied to the newly enrolling Medicaid population by health status category. The relative cost values are in relation to the average (1.00) for the Medicaid adult non-dual population (ages 19 to 64) and the Medicaid children population (we have assumed a separate set of cost relativities for adults versus children). That is, we set the cost relativity scale such that it composites to a 1.00 for the Medicaid adult non-dual population and separately for the Medicaid children population. The intent of the method was to have an efficient comparison to a defined benchmark. The factors were developed based on review of the cost distributions contained in the Milliman Health Cost Guidelines and our actuarial judgment. The best estimate average monthly enrollment for SFY 2019 for the newly enrolling adults and children is included in the table as a reference point. The composite health status values represent a weighted average of the SFY 2019 estimated expenditures prior to the application of health status adjustment.

Table 8

Ohio Department of Job and Family Services

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Estimated Relative Cost Factors for Each Health Status Compared to Current Medicaid (Non-dual)

	NEWLY ENRO	LLING ADULTS	NEWLY ENROL	LING CHILDREN
HEALTH STATUS	SFY 2019 BEST ESTIMATE AVG MONTHLY ENROLLMENT	ADULT RELATIVE COST	SFY 2019 BEST ESTIMATE AVG MONTHLY ENROLLMENT	CHILD RELATIVE COST
Excellent	111,000	0.40	89,000	0.60
Very Good	193,000	0.60	55,000	0.80
Good	204,000	0.75	27,000	0.90
Fair/Poor	142,000	1.10	2,000	1.15
Disabled Proxy	196,000	1.50	20,000	2.50
Unknown	0	1.00	29,000	1.00
Composite	846,000	0.92	222,000	0.90

Notes:

- The composite relative cost values are weighted based on total expenditures. This means that the composite values cannot be calculated using only the enrollment illustrated above. The enrollment is intended for reference purposes only.
- The newly enrolling adults above exclude current Medicare adults as their costs are not based on CFC capitation rates see Table 7 for reference.

The values in Table 8 represent the relative cost estimate for each health status as compared to the current Medicaid population. For example, an adult with "good" health status (as reported on the 2010 Ohio Family Health Survey) is assumed to have costs of approximately 75% of the average Medicaid adult member (or 25% less than the average Medicaid adult member).

It should be emphasized that the health status information in the 2010 Ohio Family Health Survey is self-reported data and has uncertain credibility, which is due to the reliance on individual perceptions of health. However, for purposes of this analysis, it was assumed that in aggregate the results fairly represented the health status of the population.

The categories for health status include: Excellent, Very Good, Good, Fair/Poor, and Disabled Proxy. The Disabled Proxy indicator was imputed from survey data for: people who indicated greater long-term need for assistance or

medical care; people who indicated they are in fair or poor health and have daily or domestic assistance needs; people who have a mental health condition that they indicated has limited their normal activity for at least 20 of 30 days; and people under the age of 65 who are currently covered by Medicare, Medicaid ABD, Bureau for Children with Mental Handicaps (BCMH), or a Medicaid Home and Community-Based Services Waiver program.

Benefit Plan Design

The PMPM costs estimated in this report assume that the newly enrolling individuals will receive the current Medicaid state plan benefits, with the exception of the partial benefit for dual eligibles who were assumed to have the same benefits as current dual eligibles. As such, no benefit plan design adjustments were applied to the cost estimates in this report.

The costs assumed in this report will change to the extent that a different benefit plan is developed for certain currently eligible but not enrolled and newly eligible populations. Benefit plan design variations are discussed in a separate Milliman issue brief, "Medicaid Expansion Benefit Plan Design".

First Year Adverse Selection

This report assumes that the take-up rate into Medicaid for the newly eligible population and the currently eligible but not enrolled population will increase over time. Further, it was assumed that the initial enrollees will be slightly higher cost than later enrollees because of adverse selection and pent-up demand. Adverse selection is a term indicating that when an individual is given a choice, the rational behavior of that individual is to select the option that best fits their needs. In the context of this analysis, this indicates that in the early period of the expansion, the first individuals who are likely to enroll are those who need (and would benefit from) insurance coverage the most. Pent-up demand is a term indicating that individuals will have a build-up of unmet healthcare needs if they have lacked sufficient coverage leading up to their enrollment into Medicaid.

This report assumes a 5% increase to the first year cost estimates for newly enrolling individuals, which is due to adverse selection and pent-up demand for services. This report does not include an adverse selection adjustment after the first year.

Federal Medicaid Assistance Percentages (FMAP)

The fiscal impacts in this report are illustrated on a State and Federal basis and a State-Only basis. The State and Federal estimates were apportioned between Federal and State shares based on the estimated Federal Medicaid Assistance Percentage (FMAP) for various population cohorts. The ACA contains several provisions affecting the FMAP rates for the different populations. For example, currently eligible children will not receive the enhanced ACA FMAP awarded to newly eligible populations. Table 9 summarizes the FMAPs employed in this report.

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Table 9

Ohio Department of Job and Family Services Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid FMAP Assumptions by Population and Year

STATE FISCAL YEAR ¹	CURRENTLY ELIGIBLE ²	NEWLY ELIGIBLE ³	CHIP ⁴
2014	64.18%	100.00%	74.93%
2015	64.18%	100.00%	74.93%
2016	64.18%	100.00%	92.18%
2017	64.18%	97.50%	97.93%
2018	64.18%	94.50%	97.93%
2019	64.18%	93.50%	97.93%

Notes:

- State Fiscal Year FMAPs reflect the conversion of Calendar Year values to State Fiscal Year values. The FMAP rates vary by population.
- The FMAP rate for the Currently Eligible population is assumed to be the current 64.18% through the end of SFY 2019.
- The FMAP rates for the Newly Eligible population are 100% through CY 2016, then reduce to 95% in CY 2017, 94% in CY 2018, 93% in CY 2019, and 90% thereafter.
- The FMAP rates for the CHIP population are assumed to be the current 74.93% through the end of FFY 2015, after which the state will receive the 23% enhanced match rate of 97.93% through the end of FFY 2019.

Inflation Rates

The results presented in this report represent estimates of future expenditures for Medicaid. The estimates were developed, in part, by trending enrollment and costs into future periods. The assumptions for growth in enrollment and costs are summarized in Table 10 below.

Table 10

Ohio Department of Job and Family Services Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid Annual Inflation Rates for PMPM Cost and Enrollment Growth

	PMPM ANNUAL INFLATION 1		ENROLLMENT AN	INUAL INFLATION 2
POPULATION	CY 2011 TO SFY 2014	SFY 2014 TO SFY 2019	TO SFY 2014 ³	SFY 2014 TO SFY 2019
Children 0-18	6.0%	5.0%	0.0%	1.0%
Adults 19-64	6.0%	5.0%	0.0%	1.0%
Adults 65+	6.0%	5.0%	0.5%	1.5%

Notes:

- 1. PMPM annual inflation was estimated based on a review of the CMS National Healthcare Expenditures report.
- 2. Enrollment annual inflation was estimated based on a review of CBO estimates for Medicaid enrollment projections.
- For the current Medicaid (from the JFS budget estimates), growth applies from SFY 2013. For the newly enrolling (from the 2010 OFHS data) the growth applies from 2010.

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Physician Fee Schedule

The ACA contains a provision for increasing the reimbursement for certain preventive services for primary care physicians (PCPs) to 100% of the Medicare fee schedule in CY 2013 and 2014. The increase in reimbursement will receive 100% FMAP (i.e. 0% state share). The impacts summarized in this report reflect the ODJFS estimated impact of this ACA provision assuming that the implementation of this increase is strictly applied to the 100% FMAP eligible costs. This report assumed that the affected fees would return to their original levels in CY 2015.

ODJFS estimated the impact that's due to the fee schedule change in terms of Federal Fiscal Year (FFY). The values illustrated in this report were based on the ODJFS estimates with adjustment to reflect SFY versus FFY timing.

CHIP Enrollment Shift and FMAP Increase

CHIP enrollment will be uniquely impacted by the expansion of Medicaid eligibility as enacted by the ACA. Ohio currently covers children with countable income (as calculated under Medicaid income rules) to 150% FPL under the Medicaid program. Uninsured children with countable income above 150% FPL but no more than 200% FPL are covered under a CHIP expansion. Some of these children will have Modified Adjusted Gross Incomes (MAGI) below 138% FPL and will switch from the CHIP FMAP to Medicaid FMAP. This report estimates the impact of the CHIP enrollment shift using a combination of ODJFS budget data and allocations for age groups from the 2010 Ohio Family Health Survey.

Additionally, all CHIP children (under the revised CHIP FPL levels) will receive an additional 23% FMAP beginning October 1, 2015 and continuing through September 30, 2019. The net result of changing certain children from CHIP to Medicaid and the enhanced ACA CHIP match rate are summarized in this report.

Provider Taxes

This report assumes that the currently eligible but not enrolled and newly eligible populations enrolling in Medicaid will be covered through the risk-based managed care program. As such, the capitation rates paid by ODJFS will be subject to the Sales and Use taxes and the Health Insuring Corporation taxes. These taxes would not be applicable if these individuals are not enrolled into managed care plans. The taxes have a significant impact on the fiscal analysis which is the purpose for showing them as a separate item in this report. The impact of the state tax revenues is increased because of the higher FMAP percentages and significant growth in the Medicaid population. The following table illustrates the assumed tax percentages. These rates are applied for SFY 2014 through 2019.

Table 11

Ohio Department of Job and Family Services

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Provider Tax Rates

TAX	RATE
State Sales and Use	5.50%
County Sales and Use	1.35%
Health Insuring Corporation (HIC)	1.00%

As illustrated in Table 1, this report assumes the continuation of the current State Sales and Use taxes and the Health Insuring Corporation (HIC) taxes. The availability of these taxes is not certain and ODJFS should consider the potential for this tax revenue being eliminated. To the extent that CMS discontinues the allowance of these financing mechanisms, the tax revenues would not be available to offset a portion of the increased Medicaid expenditures.

The enclosures to this report illustrate the various impacts of the taxes on Medicaid expenditures (increased because of taxes) and State tax revenue (increased because of taxes). The county taxes are not included as a benefit to the state budget because they are collected and owned by the individual counties.

Enclosures 1a, 2a, and 3a contain a section for tax payments that illustrates the additional expenditure that would be applied to the capitation for the expansion population on a state and federal basis, and a section for tax revenues that illustrates the revenue returned to the state generated by the taxes.

Enclosures 1b, 2b, and 3b contain a section for tax payments that illustrates the additional expenditure that would be applied to the capitation for the expansion population on a state-only basis, and a section for tax revenues illustrating that the full amount of the State Sales and Use and HIC taxes will be returned to the state. Because of the high FMAP rate for newly eligible adults, the state will receive a larger return on its tax investment than has historically been observed.

OTHER CONSIDERATIONS

There are several implications of the ACA that were not "scored" in this report. These items are discussed below. While a fiscal impact is likely for many of these items, the magnitude and/or certainty of them suggested their exclusion from this report.

Basic Health Program

Section 1331 of the Patient Protection and Affordable Care Act of 2010 (ACA) gives states the flexibility to offer a basic health program to certain low-income individuals not eligible for Medicaid. Eligibility for the basic health program is generally limited to individuals not eligible for the state's Medicaid program and with household income between 139% and 200% of federal poverty level for their family size.

The funding for the basic health program does not follow the standard FMAP methodology employed for Medicaid expenditures. Rather, the federal government will redirect a portion of the premium tax credits and cost-sharing subsidies that would have otherwise been provided to the enrollees in a state health benefit exchange to the sponsoring state.

This topic is further discussed in another correspondence and would generally not be expected to have an impact on the costs presented in this report. However, the population eligible for a basic health program would be significant and, if considered along with expansion, would increase the population values presented.

Administrative Expenses

In addition to the expenditures associated with providing medical services, ODJFS will incur additional administrative expenditures. The expenditures for the initial modifications to the current administrative systems, as well as integration of Medicaid eligibility with an exchange, are estimated to be significant. The administrative expenses include, but are not limited to, the following items: changes to the Medicaid Management Information System (MMIS), additional staffing, integration with the exchange, upgrades to the eligibility systems, claims and eligibility processing, and contracting. Most expenses would receive a 50% FMAP; however, there are certain administrative expenses that would receive an FMAP of 90%.

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

Former Foster Children to Age 26

Ohio currently provides Medicaid eligibility coverage to Foster Children to age 21. The ACA includes mandatory coverage for Former Foster Children to age 26 beginning on January 1, 2014. The annual cost of this is small relative to the values presented in this report.

Spend-down and SSI Eligible Populations

Currently, Ohio performs the disability eligibility determination. In addition to the disability determination, Ohio provides eligibility on a spend-down basis. It is anticipated that Ohio would consider modifying the eligibility provision for the disabled population and convert to SSI eligibility standards. This would be expected to increase the eligible population and convert individuals currently classified as spend-down to full Medicaid eligibility because of the increase to 138% FPL standard. It was assumed that the increased expenditures would be partially offset because of savings associated with the current spend-down eligibles above 138% FPL.

The primary considerations of this change include:

- The increases in full Medicaid eligibility (increase in state cost) and the decrease in spend down eligibility above 138% FPL (decrease in state cost).
- The availability of subsidized coverage through the Exchange above 138% FPL.
- The administrative burden of state eligibility determination and the processing of spend-down claims.
- The FMAP that will be available for those qualified under current rules but not under the new ACA rules.

Physician Fee Schedule (Beyond ACA Required Services and Timeframe)

This report includes an estimate of the expenditures related to increasing the reimbursement for certain preventive services for only primary care physicians (PCPs) to 100% of the Medicare fee schedule in CY 2013 and 2014. ODJFS will need to consider whether its systems can limit the scope of the reimbursement increase in this manner and whether provider access will necessitate keeping the increased fees beyond 2014.

If the minimum requirements of the ACA cannot be implemented strictly, Ohio will have additional state share payments for any payments above this level. This is because the 100% allowable FMAP only applies to the increase to Medicare for certain codes for primary care physicians.

Breast and Cervical Cancer Program

Ohio currently provides eligibility under the Breast and Cervical Cancer Program. It is not anticipated that this program will be required to be continued with the expansion requirements below 138% FPL and insurance reforms for individuals above 138% FPL. Therefore, we assume that this program may be terminated beginning on January 1, 2014; however, some of these individuals will become eligible under the new Medicaid eligibility requirements. Termination in this context implies that the program will stop and all current enrollees will lose Medicaid eligibility and would need to meet eligibility through another means (such as the income test) or be removed from Medicaid.

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid

LIMITATIONS AND DATA RELIANCE

This report has been prepared solely for the internal use of and is only to be relied upon by the Ohio Department of Job and Family Services. Although Milliman understands that this report may be distributed to third parties, Milliman does not intend to benefit or create a legal duty to any third party recipient of its work.

Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

In developing the projections, we relied on data and other information from the 2010 Ohio Family Health Survey, data provided by ODJFS, and other public sources of information. We have not audited or verified this data and other information. We performed a limited review of the data used directly in our analysis for reasonableness and consistency. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete.

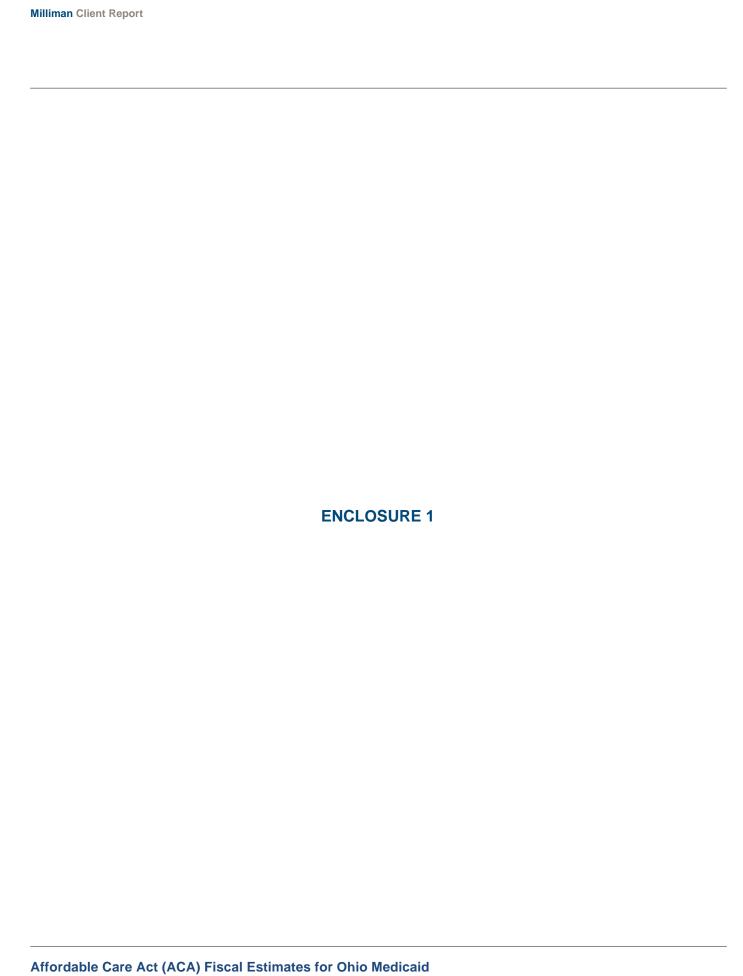
The projections included in this report are based on our understanding of the ACA and its associated regulations issued to date. Forthcoming ACA-related regulations and additional legislation may materially change the impact of ACA, necessitating an update to the projections included in this report. For this reason, this report should be considered time-sensitive material which may change as new information becomes available.

The views expressed in this report are made by the authors of this report and do not represent the opinion of Milliman, Inc.

QUALIFICATIONS

This report was created by Jeremy D. Palmer, FSA, MAAA. Mr. Palmer is a Principal and Consulting Actuary in the Indianapolis office of Milliman. He is a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and meets the qualification standards for performing the analyses contained in this report.

Affordable Care Act (ACA) Fiscal Estimates for Ohio Medicaid



Fiscal Impact Summary (State and Federal) BEST ESTIMATE SCENARIO

EXPENDITURES (STATE & FEDERAL)	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019	6 Year Total
Current Programs							
Medicaid ABD (MC) CFC (MC) ABD (FFS) CFC (FFS) CHIP Other (FFS)	\$ 2,516,800,000 5,033,900,000 7,220,000,000 556,200,000 408,000,000 186,600,000	\$ 2,675,600,000 5,351,600,000 7,675,700,000 591,300,000 433,700,000 198,400,000	\$ 2,844,500,000 5,689,500,000 8,160,300,000 628,700,000 461,100,000 210,900,000	\$ 3,024,100,000 6,048,600,000 8,675,400,000 668,300,000 490,200,000 224,200,000	\$ 3,215,000,000 6,430,400,000 9,223,000,000 710,500,000 521,200,000 238,300,000	\$ 3,417,900,000 6,836,300,000 9,805,200,000 755,400,000 554,100,000 253,400,000	\$ 17,693,900,000 35,390,300,000 50,759,600,000 3,910,400,000 2,868,300,000 1,311,800,000
Total (State and Federal)	\$ 15,921,500,000	\$ 16,926,300,000	\$ 17,995,000,000	\$ 19,130,800,000	\$ 20,338,400,000	\$ 21,622,300,000	\$ 111,934,300,000
Other Agencies ODMH ODADAS Other Total (State and Federal)	\$ 686,800,000 103,400,000 2,187,700,000 \$ 2,977,900,000	\$ 730,200,000 109,900,000 2,325,800,000 \$ 3,165,900,000	\$ 776,300,000 116,800,000 2,472,600,000 \$ 3,365,700,000	\$ 825,300,000 124,200,000 2,628,600,000 \$ 3,578,100,000	\$ 877,400,000 132,000,000 2,794,600,000 \$ 3,804,000,000	\$ 932,800,000 140,400,000 2,971,000,000 \$ 4,044,200,000	\$4,828,800,000 726,700,000 15,380,300,000 \$20,935,800,000
All Programs							
Total (State and Federal)	\$ 18,899,400,000	\$ 20,092,200,000	\$ 21,360,700,000	\$ 22,708,900,000	\$ 24,142,400,000	\$ 25,666,500,000	\$ 132,870,100,000
Health Care Reform							
Adults and Parents - Expansion to 138% FPL Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Newly Eligible - Previously Insured Newly Eligible - Previously Uninsured	\$ 95,400,000 248,900,000 496,500,000 \$ 960,600,000	\$ 257,700,000 394,900,000 1,151,100,000 \$ 2,100,100,000	\$ 345,300,000 469,500,000 1,375,700,000 \$ 2,398,600,000	\$ 368,400,000 499,400,000 1,460,300,000 \$ 2,541,700,000	\$ 387,800,000 531,100,000 1,550,800,000 \$ 2,693,200,000	\$ 408,100,000 564,700,000 1,645,800,000 \$ 2,859,800,000	\$ 1,862,700,000 2,708,500,000 7,680,200,000 \$ 13,554,000,000
Children - Impact due to ACA Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Currently Eligible but Not Enrolled - CHIP	\$ 63,400,000 47,100,000 \$ 45,800,000	\$ 173,700,000 75,500,000 \$ 103,400,000	\$ 222,200,000 89,400,000 \$ 129,300,000	\$ 236,000,000 93,900,000 \$ 136,900,000	\$ 249,300,000 100,100,000 \$ 145,000,000	\$ 263,800,000 105,200,000 \$ 153,100,000	\$ 1,208,400,000 511,200,000 \$ 713,500,000
Physician Fee Schedule Increase Total (State and Federal)	\$ 399,300,000	\$ 210,000,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 609,300,000
CHIP Enrollment Shift and FMAP Increase Total (State and Federal)	\$0	\$0	\$0	\$ 0	\$0	\$0	\$0
Health Care Reform - Fiscal Impact Total (State and Federal)	\$ 2,357,000,000	\$ 4,466,400,000	\$ 5,030,000,000	\$ 5,336,600,000	\$ 5,657,300,000	\$ 6,000,500,000	\$ 28,847,800,000
Tax Payments HIC State Sales/Use County Sales/Use	\$ 19,000,000 104,300,000 \$ 25,600,000	\$ 34,700,000 190,900,000 \$ 46,900,000	\$ 38,200,000 210,300,000 \$ 51,600,000	\$ 40,600,000 223,000,000 \$ 54,700,000	\$ 43,000,000 236,400,000 \$ 58,000,000	\$ 45,600,000 250,700,000 \$ 61,500,000	\$ 221,100,000 1,215,600,000 \$ 298,300,000
Tax Revenues HIC State Sales/Use County Sales/Use	\$ (19,000,000) (104,300,000) \$ 0	\$ (34,700,000) (190,900,000) \$ 0	\$ (38,200,000) (210,300,000) \$ 0	\$ (40,600,000) (223,000,000) \$ 0	\$ (43,000,000) (236,400,000) \$ 0	\$ (45,600,000) (250,700,000) \$ 0	\$ (221,100,000) (1,215,600,000) \$ 0
Net Tax Impact	\$ 25,600,000	\$ 46,900,000	\$ 51,600,000	\$ 54,700,000	\$ 58,000,000	\$ 61,500,000	\$ 298,300,000
All Programs - After Expansion and Tax Impact Total (State and Federal)	\$ 21,282,000,000	\$ 24,605,500,000	\$ 26,442,300,000	\$ 28,100,200,000	\$ 29,857,700,000	\$ 31,728,500,000	\$ 162,016,200,000

Fiscal Impact Summary (State ONLY) BEST ESTIMATE SCENARIO

EXPENDITURES (STATE ONLY)	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019	6 Year Total
Current Programs							
Medicaid ABD (MC) CFC (MC) ABD (FFS) CFC (FFS) CHIP Other (FFS)	\$ 901,500,000 1,803,100,000 2,586,200,000 199,200,000 102,300,000 66,800,000	\$ 958,400,000 1,916,900,000 2,749,400,000 211,800,000 108,700,000 71,100,000	\$ 1,018,900,000 2,038,000,000 2,923,000,000 225,200,000 115,600,000 75,500,000	\$ 1,083,200,000 2,166,600,000 3,107,500,000 239,400,000 122,900,000 80,300,000	\$ 1,151,600,000 2,303,400,000 3,303,700,000 254,500,000 130,700,000 85,400,000	\$ 1,224,300,000 2,448,800,000 3,512,200,000 270,600,000 138,900,000 90,800,000	\$ 6,337,900,000 12,676,800,000 18,182,000,000 1,400,700,000 719,100,000 469,900,000
Total (State ONLY)	\$ 5,659,100,000	\$ 6,016,300,000	\$ 6,396,200,000	\$ 6,799,900,000	\$ 7,229,300,000	\$ 7,685,600,000	\$ 39,786,400,000
Other Agencies ODMH ODADAS Other Total (State ONLY)	\$ 246,000,000 37,000,000 783,600,000 \$ 1,066,600,000	\$ 261,600,000 39,400,000 833,100,000 \$ 1,134,100,000	\$ 278,100,000 41,800,000 885,700,000 \$ 1,205,600,000	\$ 295,600,000 44,500,000 941,600,000 \$ 1,281,700,000	\$ 314,300,000 47,300,000 1,001,000,000 \$ 1,362,600,000	\$ 334,100,000 50,300,000 1,064,200,000 \$ 1,448,600,000	\$ 1,729,700,000 260,300,000 5,509,200,000 \$ 7,499,200,000
All Programs							
Total (State ONLY)	\$ 6,725,700,000	\$ 7,150,400,000	\$ 7,601,800,000	\$ 8,081,600,000	\$ 8,591,900,000	\$ 9,134,200,000	\$ 47,285,600,000
Health Care Reform							
Adults and Parents - Expansion to 138% FPL Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Newly Eligible - Previously Insured Newly Eligible - Previously Uninsured	\$ 34,200,000 89,200,000 - \$ 0	\$ 92,300,000 141,500,000 - \$ 0	\$ 123,700,000 168,200,000 - \$ 0	\$ 132,000,000 178,900,000 36,500,000 \$ 63,500,000	\$ 138,900,000 190,200,000 85,300,000 \$ 148,100,000	\$ 146,200,000 202,300,000 107,000,000 \$ 185,900,000	\$ 667,300,000 970,300,000 228,800,000 \$ 397,500,000
Children - Impact due to ACA Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Currently Eligible but Not Enrolled - CHIP	\$ 22,700,000 16,900,000 \$ 11,500,000	\$ 62,200,000 27,000,000 \$ 25,900,000	\$ 79,600,000 32,000,000 \$ 32,400,000	\$ 84,500,000 33,600,000 \$ 34,300,000	\$ 89,300,000 35,900,000 \$ 36,400,000	\$ 94,500,000 37,700,000 \$ 38,400,000	\$ 432,800,000 183,100,000 \$ 178,900,000
Physician Fee Schedule Increase Total (State ONLY)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHIP Enrollment Shift and FMAP Increase Total (State ONLY)	\$ 8,500,000	\$ 18,100,000	\$ (51,900,000)	\$ (80,200,000)	\$ (85,100,000)	\$ (90,200,000)	\$ (280,800,000)
Health Care Reform - Fiscal Impact Total (State ONLY)	\$ 183,000,000	\$ 367,000,000	\$ 384,000,000	\$ 483,100,000	\$ 639,000,000	\$ 721,800,000	\$ 2,777,900,000
Tax Payments HIC State Sales/Use County Sales/Use	\$ 1,500,000 8,100,000 \$ 2,000,000	\$ 2,900,000 15,700,000 \$ 3,800,000	\$ 2,900,000 16,100,000 \$ 3,900,000	\$ 3,700,000 20,200,000 \$ 5,000,000	\$ 4,900,000 26,700,000 \$ 6,600,000	\$ 5,500,000 30,200,000 \$ 7,400,000	\$ 21,400,000 117,000,000 \$ 28,700,000
Tax Revenues HIC State Sales/Use County Sales/Use	\$ (19,000,000) (104,300,000) \$ 0	\$ (34,700,000) (190,900,000) \$ 0	\$ (38,200,000) (210,300,000) \$ 0	\$ (40,600,000) (223,000,000) \$ 0	\$ (43,000,000) (236,400,000) \$ 0	\$ (45,600,000) (250,700,000) \$ 0	\$ (221,100,000) (1,215,600,000) \$ 0
Net Tax Impact	\$ (111,700,000)	\$ (203,200,000)	\$ (225,600,000)	\$ (234,700,000)	\$ (241,200,000)	\$ (253,200,000)	\$ (1,269,600,000)
All Programs - After Expansion and Tax Impact Total (State ONLY)	\$ 6,797,000,000	\$ 7,314,200,000	\$ 7,760,200,000	\$ 8,330,000,000	\$ 8,989,700,000	\$ 9,602,800,000	\$ 48,793,900,000

Projected Average Monthly Enrollment Summary BEST ESTIMATE SCENARIO

AVERAGE MONTHLY ENROLLMENT	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019
Current Programs						
Medicaid						
ABD (MC)	132,000	134,000	136,000	137,000	139,000	141,000
CFC (MC)	1,401,000	1,419,000	1,436,000	1,454,000	1,473,000	1,491,000
ABD (FFS)	297,000	301,000	305,000	308,000	312,000	316,000
CFC (FFS)	139,000	140,000	142,000	144,000	146,000	147,000
CHIP	171,000	173,000	175,000	177,000	179,000	182,000
Other (FFS)	134,000	136,000	137,000	139,000	141,000	143,000
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Other Agencies						
ODMH	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
ODADAS	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Other	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
All Programs						
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Health Care Reform						
Adults and Parents - Expansion to 138% FPL						
Currently Eligible but Not Enrolled - Previously Insured	75,000	104,000	136,000	138,000	139,000	140,000
Currently Eligible but Not Enrolled - Previously Uninsured	60,000	68,000	77,000	78,000	79,000	80,000
Newly Eligible - Previously Insured	200,000	231,000	262,000	265,000	268,000	271,000
Newly Eligible - Previously Uninsured	365,000	399,000	434,000	438,000	442,000	447,000
Children - Impact due to ACA						
Currently Eligible but Not Enrolled - Previously Insured	62,000	80,000	97,000	98,000	98,000	99,000
Currently Eligible but Not Enrolled - Previously Uninsured	30,000	34,000	38,000	38,000	39,000	39,000
Currently Eligible but Not Enrolled - CHIP	56,000	69,000	82,000	83,000	84,000	84,000
All Programs - ACA Impact						
Total	848,000	985,000	1,126,000	1,138,000	1,149,000	1,160,000
All Programs - After Expansion						
Total	3,122,000	3,287,000	3,457,000	3,498,000	3,539,000	3,579,000

Milliman Client Report

ENCLOSURE 2

Fiscal Impact Summary (State and Federal) LOW ESTIMATE SCENARIO

EXPENDITURES (STATE & FEDERAL)	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019	6 Year Total
Current Programs							
Medicaid ABD (MC) CFC (MC) ABD (FFS) CFC (FFS) CHIP Other (FFS)	\$ 2,516,800,000 5,033,900,000 7,220,000,000 556,200,000 408,000,000 186,600,000	\$ 2,675,600,000 5,351,600,000 7,675,700,000 591,300,000 433,700,000 198,400,000	\$ 2,844,500,000 5,689,500,000 8,160,300,000 628,700,000 461,100,000 210,900,000	\$ 3,024,100,000 6,048,600,000 8,675,400,000 668,300,000 490,200,000 224,200,000	\$ 3,215,000,000 6,430,400,000 9,223,000,000 710,500,000 521,200,000 238,300,000	\$ 3,417,900,000 6,836,300,000 9,805,200,000 755,400,000 554,100,000 253,400,000	\$ 17,693,900,000 35,390,300,000 50,759,600,000 3,910,400,000 2,868,300,000 1,311,800,000
Total (State and Federal)	\$ 15,921,500,000	\$ 16,926,300,000	\$ 17,995,000,000	\$ 19,130,800,000	\$ 20,338,400,000	\$ 21,622,300,000	\$ 111,934,300,000
Other Agencies ODMH ODADAS Other Total (State and Federal)	\$ 686,800,000 103,400,000 2,187,700,000 \$ 2,977,900,000	\$ 730,200,000 109,900,000 2,325,800,000 \$ 3,165,900,000	\$ 776,300,000 116,800,000 2,472,600,000 \$ 3,365,700,000	\$ 825,300,000 124,200,000 2,628,600,000 \$ 3,578,100,000	\$ 877,400,000 132,000,000 2,794,600,000 \$ 3,804,000,000	\$ 932,800,000 140,400,000 2,971,000,000 \$ 4,044,200,000	\$ 4,828,800,000 726,700,000 15,380,300,000 \$ 20,935,800,000
All Programs	\$ 2,777,700,000	\$ 5,105,700,000	\$ 5,505,700,000	\$ 3,570,100,000	\$ 5,00 1,000,000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	\$ 20,755,000,000
Total (State and Federal)	\$ 18,899,400,000	\$ 20,092,200,000	\$ 21,360,700,000	\$ 22,708,900,000	\$ 24,142,400,000	\$ 25,666,500,000	\$ 132,870,100,000
Health Care Reform							
Adults and Parents - Expansion to 138% FPL Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Newly Eligible - Previously Insured Newly Eligible - Previously Uninsured	\$ 47,800,000 186,700,000 339,200,000 \$ 639,500,000	\$ 175,700,000 307,800,000 826,700,000 \$ 1,452,700,000	\$ 241,500,000 378,000,000 1,033,900,000 \$ 1,713,300,000	\$ 254,500,000 397,000,000 1,096,900,000 \$ 1,816,300,000	\$ 275,300,000 423,500,000 1,163,200,000 \$ 1,925,400,000	\$ 290,000,000 451,800,000 1,238,900,000 \$ 2,040,900,000	\$ 1,284,800,000 2,144,800,000 5,698,800,000 \$ 9,588,100,000
Children - Impact due to ACA Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Currently Eligible but Not Enrolled - CHIP	\$ 33,900,000 35,300,000 \$ 28,700,000	\$ 110,500,000 59,000,000 \$ 70,400,000	\$ 157,500,000 70,600,000 \$ 94,600,000	\$ 168,700,000 75,700,000 \$ 101,400,000	\$ 178,600,000 79,400,000 \$ 107,100,000	\$ 187,600,000 83,500,000 \$ 112,500,000	\$ 836,800,000 403,500,000 \$ 514,700,000
Physician Fee Schedule Increase Total (State and Federal)	\$ 399,300,000	\$ 210,000,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 609,300,000
CHIP Enrollment Shift and FMAP Increase Total (State and Federal)	\$ 0	\$0	\$0	\$ 0	\$0	\$0	\$0
Health Care Reform - Fiscal Impact Total (State and Federal)	\$ 1,710,400,000	\$ 3,212,800,000	\$ 3,689,400,000	\$ 3,910,500,000	\$ 4,152,500,000	\$ 4,405,200,000	\$ 21,080,800,000
Tax Payments HIC State Sales/Use County Sales/Use	\$ 14,000,000 77,200,000 \$ 19,000,000	\$ 25,200,000 138,500,000 \$ 34,000,000	\$ 28,000,000 154,100,000 \$ 37,800,000	\$ 29,700,000 163,400,000 \$ 40,100,000	\$ 31,500,000 173,400,000 \$ 42,600,000	\$ 33,400,000 183,900,000 \$ 45,100,000	\$ 161,800,000 890,500,000 \$ 218,600,000
Tax Revenues HIC State Sales/Use County Sales/Use	\$ (14,000,000) (77,200,000) \$ 0	\$ (25,200,000) (138,500,000) \$ 0	\$ (28,000,000) (154,100,000) \$ 0	\$ (29,700,000) (163,400,000) \$ 0	\$ (31,500,000) (173,400,000) \$ 0	\$ (33,400,000) (183,900,000) \$ 0	\$ (161,800,000) (890,500,000) \$ 0
Net Tax Impact	\$ 19,000,000	\$ 34,000,000	\$ 37,800,000	\$ 40,100,000	\$ 42,600,000	\$ 45,100,000	\$ 218,600,000
All Programs - After Expansion and Tax Impact Total (State and Federal)	\$ 20,628,800,000	\$ 23,339,000,000	\$ 25,087,900,000	\$ 26,659,500,000	\$ 28,337,500,000	\$ 30,116,800,000	\$ 154,169,500,000

Fiscal Impact Summary (State ONLY) LOW ESTIMATE SCENARIO

EXPENDITURES (STATE ONLY)	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019	6 Year Total
Current Programs							
Medicaid ABD (MC) CFC (MC) ABD (FFS) CFC (FFS) CHIP Other (FFS)	\$ 901,500,000 1,803,100,000 2,586,200,000 199,200,000 102,300,000 66,800,000	\$ 958,400,000 1,916,900,000 2,749,400,000 211,800,000 108,700,000 71,100,000	\$ 1,018,900,000 2,038,000,000 2,923,000,000 225,200,000 115,600,000 75,500,000	\$ 1,083,200,000 2,166,600,000 3,107,500,000 239,400,000 122,900,000 80,300,000	\$ 1,151,600,000 2,303,400,000 3,303,700,000 254,500,000 130,700,000 85,400,000	\$ 1,224,300,000 2,448,800,000 3,512,200,000 270,600,000 138,900,000 90,800,000	\$ 6,337,900,000 12,676,800,000 18,182,000,000 1,400,700,000 719,100,000 469,900,000
Total (State ONLY)	\$ 5,659,100,000	\$ 6,016,300,000	\$ 6,396,200,000	\$ 6,799,900,000	\$ 7,229,300,000	\$ 7,685,600,000	\$ 39,786,400,000
Other Agencies ODMH ODADAS Other Total (State ONLY)	\$ 246,000,000 37,000,000 783,600,000 \$ 1,066,600,000	\$ 261,600,000 39,400,000 833,100,000 \$ 1,134,100,000	\$ 278,100,000 41,800,000 885,700,000 \$ 1,205,600,000	\$ 295,600,000 44,500,000 941,600,000 \$ 1,281,700,000	\$ 314,300,000 47,300,000 1,001,000,000 \$ 1,362,600,000	\$ 334,100,000 50,300,000 1,064,200,000 \$ 1,448,600,000	\$ 1,729,700,000 260,300,000 5,509,200,000 \$ 7,499,200,000
All Programs	¢ c 725 700 000	¢ 7 150 400 000	¢ 7 co1 900 000	¢ 9 091 c00 000	¢ 9 501 000 000	¢ 0 124 200 000	£ 47 295 c00 000
Total (State ONLY)	\$ 6,725,700,000	\$ 7,150,400,000	\$ 7,601,800,000	\$ 8,081,600,000	\$ 8,591,900,000	\$ 9,134,200,000	\$ 47,285,600,000
Health Care Reform Adults and Parents - Expansion to 138% FPL Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Newly Eligible - Previously Insured Newly Eligible - Previously Uninsured	\$ 17,100,000 66,900,000 - \$ 0	\$ 62,900,000 110,300,000 - \$ 0	\$ 86,500,000 135,400,000 - \$ 0	\$ 91,200,000 142,200,000 27,400,000 \$ 45,400,000	\$ 98,600,000 151,700,000 64,000,000 \$ 105,900,000	\$ 103,900,000 161,800,000 80,500,000 \$ 132,700,000	\$ 460,200,000 768,300,000 171,900,000 \$ 284,000,000
Children - Impact due to ACA Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Currently Eligible but Not Enrolled - CHIP	\$ 12,100,000 12,600,000 \$ 7,200,000	\$ 39,600,000 21,100,000 \$ 17,600,000	\$ 56,400,000 25,300,000 \$ 23,700,000	\$ 60,400,000 27,100,000 \$ 25,400,000	\$ 64,000,000 28,400,000 \$ 26,800,000	\$ 67,200,000 29,900,000 \$ 28,200,000	\$ 299,700,000 144,400,000 \$ 128,900,000
Physician Fee Schedule Increase Total (State ONLY)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$0
CHIP Enrollment Shift and FMAP Increase Total (State ONLY)	\$ 8,500,000	\$ 18,100,000	\$ (45,900,000)	\$ (72,000,000)	\$ (76,400,000)	\$ (80,900,000)	\$ (248,600,000)
Health Care Reform - Fiscal Impact Total (State ONLY)	\$ 124,400,000	\$ 269,600,000	\$ 281,400,000	\$ 347,100,000	\$ 463,000,000	\$ 523,300,000	\$ 2,008,800,000
Tax Payments HIC State Sales/Use County Sales/Use	\$ 1,000,000 5,600,000 \$ 1,400,000	\$ 2,100,000 11,600,000 \$ 2,900,000	\$ 2,100,000 11,800,000 \$ 2,900,000	\$ 2,600,000 14,500,000 \$ 3,600,000	\$ 3,500,000 19,300,000 \$ 4,700,000	\$ 4,000,000 21,800,000 \$ 5,400,000	\$ 15,300,000 84,600,000 \$ 20,900,000
Tax Revenues HIC State Sales/Use County Sales/Use	\$ (14,000,000) (77,200,000) \$ 0	\$ (25,200,000) (138,500,000) \$ 0	\$ (28,000,000) (154,100,000) \$ 0	\$ (29,700,000) (163,400,000) \$ 0	\$ (31,500,000) (173,400,000) \$ 0	\$ (33,400,000) (183,900,000) \$ 0	\$ (161,800,000) (890,500,000) \$ 0
Net Tax Impact	\$ (83,200,000)	\$ (147,100,000)	\$ (165,300,000)	\$ (172,400,000)	\$ (177,400,000)	\$ (186,100,000)	\$ (931,500,000)
All Programs - After Expansion and Tax Impact Total (State ONLY)	\$ 6,766,900,000	\$ 7,272,900,000	\$ 7,717,900,000	\$ 8,256,300,000	\$ 8,877,500,000	\$ 9,471,400,000	\$ 48,362,900,000

Projected Average Monthly Enrollment Summary LOW ESTIMATE SCENARIO

AVERAGE MONTHLY ENROLLMENT	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019
Current Programs						
Medicaid						
ABD (MC)	132,000	134,000	136,000	137,000	139,000	141,000
CFC (MC)	1,401,000	1,419,000	1,436,000	1,454,000	1,473,000	1,491,000
ABD (FFS)	297,000	301,000	305,000	308,000	312,000	316,000
CFC (FFS)	139,000	140,000	142,000	144,000	146,000	147,000
CHIP	171,000	173,000	175,000	177,000	179,000	182,000
Other (FFS)	134,000	136,000	137,000	139,000	141,000	143,000
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Other Agencies						
ODMH	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
ODADAS	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Other	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
All Programs						
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Health Care Reform						
Adults and Parents - Expansion to 138% FPL						
Currently Eligible but Not Enrolled - Previously Insured	37,000	70,000	98,000	99,000	102,000	103,000
Currently Eligible but Not Enrolled - Previously Uninsured	45,000	53,000	62,000	62,000	63,000	64,000
Newly Eligible - Previously Insured	137,000	166,000	197,000	199,000	201,000	204,000
Newly Eligible - Previously Uninsured	243,000	276,000	310,000	313,000	316,000	319,000
Children - Impact due to ACA						
Currently Eligible but Not Enrolled - Previously Insured	34,000	51,000	68,000	69,000	70,000	70,000
Currently Eligible but Not Enrolled - Previously Uninsured	22,000	27,000	30,000	31,000	31,000	31,000
Currently Eligible but Not Enrolled - CHIP	34,000	47,000	60,000	61,000	61,000	61,000
All Programs - ACA Impact						
Total	552,000	690,000	825,000	834,000	844,000	852,000
All Programs - After Expansion	_					
Total	2,826,000	2,992,000	3,156,000	3,194,000	3,234,000	3,271,000

ENCLOSURE 3

Fiscal Impact Summary (State and Federal) HIGH ESTIMATE SCENARIO

EXPENDITURES (STATE & FEDERAL)	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019	6 Year Total
Current Programs							
Medicaid ABD (MC) CFC (MC) ABD (FFS) CFC (FFS) CHIP Other (FFS)	\$ 2,516,800,000 5,033,900,000 7,220,000,000 556,200,000 408,000,000 186,600,000	\$ 2,675,600,000 5,351,600,000 7,675,700,000 591,300,000 433,700,000 198,400,000	\$ 2,844,500,000 5,689,500,000 8,160,300,000 628,700,000 461,100,000 210,900,000	\$ 3,024,100,000 6,048,600,000 8,675,400,000 668,300,000 490,200,000 224,200,000	\$ 3,215,000,000 6,430,400,000 9,223,000,000 710,500,000 521,200,000 238,300,000	\$ 3,417,900,000 6,836,300,000 9,805,200,000 755,400,000 554,100,000 253,400,000	\$ 17,693,900,000 35,390,300,000 50,759,600,000 3,910,400,000 2,868,300,000 1,311,800,000
Total (State and Federal)	\$ 15,921,500,000	\$ 16,926,300,000	\$ 17,995,000,000	\$ 19,130,800,000	\$ 20,338,400,000	\$ 21,622,300,000	\$ 111,934,300,000
Other Agencies ODMH ODADAS Other Total (State and Federal)	\$ 686,800,000 103,400,000 2,187,700,000 \$ 2,977,900,000	\$ 730,200,000 109,900,000 2,325,800,000 \$ 3,165,900,000	\$ 776,300,000 116,800,000 2,472,600,000 \$ 3,365,700,000	\$ 825,300,000 124,200,000 2,628,600,000 \$ 3,578,100,000	\$ 877,400,000 132,000,000 2,794,600,000 \$ 3,804,000,000	\$ 932,800,000 140,400,000 2,971,000,000 \$ 4,044,200,000	\$4,828,800,000 726,700,000 15,380,300,000 \$20,935,800,000
All Programs							
Total (State and Federal)	\$ 18,899,400,000	\$ 20,092,200,000	\$ 21,360,700,000	\$ 22,708,900,000	\$ 24,142,400,000	\$ 25,666,500,000	\$ 132,870,100,000
Health Care Reform							
Adults and Parents - Expansion to 138% FPL Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Newly Eligible - Previously Insured Newly Eligible - Previously Uninsured	\$ 182,200,000 373,400,000 777,200,000 \$ 1,279,100,000	\$ 458,700,000 574,900,000 1,708,300,000 \$ 2,747,500,000	\$ 555,900,000 658,500,000 1,970,600,000 \$ 3,083,900,000	\$ 586,300,000 697,900,000 2,091,400,000 \$ 3,267,100,000	\$ 622,600,000 746,200,000 2,218,400,000 \$ 3,467,000,000	\$ 654,700,000 790,600,000 2,353,800,000 \$ 3,672,300,000	\$ 3,060,400,000 3,841,500,000 11,119,700,000 \$ 17,516,900,000
Children - Impact due to ACA Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Currently Eligible but Not Enrolled - CHIP	\$ 122,400,000 71,600,000 \$ 80,500,000	\$ 298,200,000 108,500,000 \$ 168,800,000	\$ 358,900,000 124,000,000 \$ 200,400,000	\$ 378,200,000 131,700,000 \$ 211,600,000	\$ 402,100,000 139,900,000 \$ 224,900,000	\$ 423,700,000 146,900,000 \$ 236,800,000	\$ 1,983,500,000 722,600,000 \$ 1,123,000,000
Physician Fee Schedule Increase Total (State and Federal)	\$ 399,300,000	\$ 210,000,000	\$ 0	\$ 0	\$0	\$ 0	\$ 609,300,000
CHIP Enrollment Shift and FMAP Increase Total (State and Federal)	\$ 0	\$0	\$0	\$ 0	\$0	\$0	\$0
Health Care Reform - Fiscal Impact Total (State and Federal)	\$ 3,285,700,000	\$ 6,274,900,000	\$ 6,952,200,000	\$ 7,364,200,000	\$ 7,821,100,000	\$ 8,278,800,000	\$ 39,976,900,000
Tax Payments HIC State Sales/Use County Sales/Use	\$ 26,100,000 143,400,000 \$ 35,200,000	\$ 48,400,000 266,400,000 \$ 65,400,000	\$ 52,800,000 290,400,000 \$ 71,300,000	\$ 55,900,000 307,500,000 \$ 75,500,000	\$ 59,400,000 326,600,000 \$ 80,200,000	\$ 62,800,000 345,700,000 \$ 84,800,000	\$ 305,400,000 1,680,000,000 \$ 412,400,000
Tax Revenues HIC State Sales/Use County Sales/Use	\$ (26,100,000) (143,400,000) \$ 0	\$ (48,400,000) (266,400,000) \$ 0	\$ (52,800,000) (290,400,000) \$ 0	\$ (55,900,000) (307,500,000) \$ 0	\$ (59,400,000) (326,600,000) \$ 0	\$ (62,800,000) (345,700,000) \$ 0	\$ (305,400,000) (1,680,000,000) \$ 0
Net Tax Impact	\$ 35,200,000	\$ 65,400,000	\$ 71,300,000	\$ 75,500,000	\$ 80,200,000	\$ 84,800,000	\$ 412,400,000
All Programs - After Expansion and Tax Impact Total (State and Federal)	\$ 22,220,300,000	\$ 26,432,500,000	\$ 28,384,200,000	\$ 30,148,600,000	\$ 32,043,700,000	\$ 34,030,100,000	\$ 173,259,400,000

Fiscal Impact Summary (State ONLY) HIGH ESTIMATE SCENARIO

EXPENDITURES (STATE ONLY)	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019	6 Year Total
Current Programs							
Medicaid ABD (MC) CFC (MC) ABD (FFS) CFC (FFS) CHIP Other (FFS)	\$ 901,500,000 1,803,100,000 2,586,200,000 199,200,000 102,300,000 66,800,000	\$ 958,400,000 1,916,900,000 2,749,400,000 211,800,000 108,700,000 71,100,000	\$1,018,900,000 2,038,000,000 2,923,000,000 225,200,000 115,600,000 75,500,000	\$ 1,083,200,000 2,166,600,000 3,107,500,000 239,400,000 122,900,000 80,300,000	\$ 1,151,600,000 2,303,400,000 3,303,700,000 254,500,000 130,700,000 85,400,000	\$ 1,224,300,000 2,448,800,000 3,512,200,000 270,600,000 138,900,000 90,800,000	\$ 6,337,900,000 12,676,800,000 18,182,000,000 1,400,700,000 719,100,000 469,900,000
Total (State ONLY)	\$ 5,659,100,000	\$ 6,016,300,000	\$ 6,396,200,000	\$ 6,799,900,000	\$ 7,229,300,000	\$ 7,685,600,000	\$ 39,786,400,000
Other Agencies ODMH ODADAS Other Total (State ONLY)	\$ 246,000,000 37,000,000 783,600,000 \$ 1,066,600,000	\$ 261,600,000 39,400,000 833,100,000 \$ 1,134,100,000	\$ 278,100,000 41,800,000 885,700,000 \$ 1,205,600,000	\$ 295,600,000 44,500,000 941,600,000 \$ 1,281,700,000	\$ 314,300,000 47,300,000 1,001,000,000 \$ 1,362,600,000	\$ 334,100,000 50,300,000 1,064,200,000 \$ 1,448,600,000	\$ 1,729,700,000 260,300,000 5,509,200,000 \$ 7,499,200,000
All Programs	¢ < 725 700 000	¢ 7 150 400 000	¢ 7 co1 000 000	# 0 001 c00 000	¢ 0 501 000 000	¢ o 124 200 000	£ 47 295 c00 000
Total (State ONLY)	\$ 6,725,700,000	\$ 7,150,400,000	\$ 7,601,800,000	\$ 8,081,600,000	\$ 8,591,900,000	\$ 9,134,200,000	\$ 47,285,600,000
Health Care Reform							
Adults and Parents - Expansion to 138% FPL Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Newly Eligible - Previously Insured Newly Eligible - Previously Uninsured	\$ 65,300,000 133,800,000 - \$ 0	\$ 164,300,000 205,900,000 - \$ 0	\$ 199,100,000 235,900,000 - \$ 0	\$ 210,000,000 250,000,000 52,300,000 \$ 81,700,000	\$ 223,000,000 267,300,000 122,000,000 \$ 190,700,000	\$ 234,500,000 283,200,000 153,000,000 \$ 238,700,000	\$ 1,096,200,000 1,376,100,000 327,300,000 \$ 511,100,000
Children - Impact due to ACA Currently Eligible but Not Enrolled - Previously Insured Currently Eligible but Not Enrolled - Previously Uninsured Currently Eligible but Not Enrolled - CHIP	\$ 43,800,000 25,600,000 \$ 20,200,000	\$ 106,800,000 38,900,000 \$ 42,300,000	\$ 128,600,000 44,400,000 \$ 50,200,000	\$ 135,500,000 47,200,000 \$ 53,000,000	\$ 144,000,000 50,100,000 \$ 56,400,000	\$ 151,800,000 52,600,000 \$ 59,400,000	\$ 710,500,000 258,800,000 \$ 281,500,000
Physician Fee Schedule Increase Total (State ONLY)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$0
CHIP Enrollment Shift and FMAP Increase Total (State ONLY)	\$ 8,500,000	\$ 18,100,000	\$ (64,100,000)	\$ (97,400,000)	\$ (103,500,000)	\$ (109,500,000)	\$ (347,900,000)
Health Care Reform - Fiscal Impact Total (State ONLY)	\$ 297,200,000	\$ 576,300,000	\$ 594,100,000	\$ 732,300,000	\$ 950,000,000	\$ 1,063,700,000	\$ 4,213,600,000
Tax Payments HIC State Sales/Use County Sales/Use	\$ 2,400,000 13,000,000 \$ 3,200,000	\$ 4,400,000 24,500,000 \$ 6,000,000	\$ 4,500,000 24,800,000 \$ 6,100,000	\$ 5,600,000 30,600,000 \$ 7,500,000	\$ 7,200,000 39,700,000 \$ 9,700,000	\$ 8,100,000 44,400,000 \$ 10,900,000	\$ 32,200,000 177,000,000 \$ 43,400,000
Tax Revenues HIC State Sales/Use County Sales/Use	\$ (26,100,000) (143,400,000) \$ 0	\$ (48,400,000) (266,400,000) \$ 0	\$ (52,800,000) (290,400,000) \$ 0	\$ (55,900,000) (307,500,000) \$ 0	\$ (59,400,000) (326,600,000) \$ 0	\$ (62,800,000) (345,700,000) \$ 0	\$ (305,400,000) (1,680,000,000) \$ 0
Net Tax Impact	\$ (150,900,000)	\$ (279,900,000)	\$ (307,800,000)	\$ (319,700,000)	\$ (329,400,000)	\$ (345,100,000)	\$ (1,732,800,000)
All Programs - After Expansion and Tax Impact Total (State ONLY)	\$ 6,872,000,000	\$ 7,446,800,000	\$ 7,888,100,000	\$ 8,494,200,000	\$ 9,212,500,000	\$ 9,852,800,000	\$ 49,766,400,000

Projected Average Monthly Enrollment Summary HIGH ESTIMATE SCENARIO

AVERAGE MONTHLY ENROLLMENT	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019
Current Programs						
Medicaid						
ABD (MC)	132,000	134,000	136,000	137,000	139,000	141,000
CFC (MC)	1,401,000	1,419,000	1,436,000	1,454,000	1,473,000	1,491,000
ABD (FFS)	297,000	301,000	305,000	308,000	312,000	316,000
CFC (FFS)	139,000	140,000	142,000	144,000	146,000	147,000
CHIP	171,000	173,000	175,000	177,000	179,000	182,000
Other (FFS)	134,000	136,000	137,000	139,000	141,000	143,000
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Other Agencies						
ODMH	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
ODADAS	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Other	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
All Programs						
Total	2,274,000	2,302,000	2,331,000	2,360,000	2,390,000	2,419,000
Health Care Reform						
Adults and Parents - Expansion to 138% FPL						
Currently Eligible but Not Enrolled - Previously Insured	145,000	179,000	211,000	213,000	216,000	217,000
Currently Eligible but Not Enrolled - Previously Uninsured	90,000	99,000	108,000	109,000	111,000	112,000
Newly Eligible - Previously Insured	308,000	338,000	371,000	375,000	379,000	383,000
Newly Eligible - Previously Uninsured	486,000	522,000	558,000	563,000	569,000	574,000
Children - Impact due to ACA						
Currently Eligible but Not Enrolled - Previously Insured	120,000	137,000	156,000	156,000	157,000	158,000
Currently Eligible but Not Enrolled - Previously Uninsured	45,000	49,000	53,000	54,000	55,000	55,000
Currently Eligible but Not Enrolled - CHIP	100,000	113,000	127,000	128,000	130,000	130,000
All Programs - ACA Impact						
Total	1,294,000	1,437,000	1,584,000	1,598,000	1,617,000	1,629,000
All Programs - After Expansion						
Total	3,568,000	3,739,000	3,915,000	3,958,000	4,007,000	4,048,000