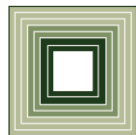


Joint Legislative Oversight Committee on Medicaid and NC Health Choice

Medicaid Dashboards October 2017

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Fiscal Research Division**

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FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Discussion Guide

Dashboards should provide an insight into drivers of spending....*enrollment-mix-price-use*

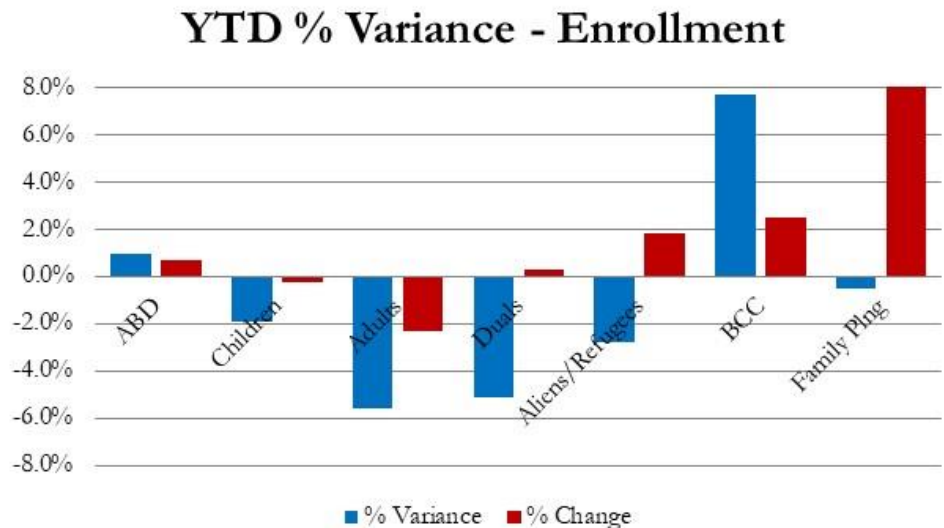
- Overall trends in enrollment compared to budget
- Significant Program Aid Category trends
- Trends in County Medicaid enrollment
- Trends in Medicaid Spending
- Items for discussion or follow up

Objective: not a complete budget summary, but rather context prior to DMA presentation

Enrollment Trends Compared to Budget

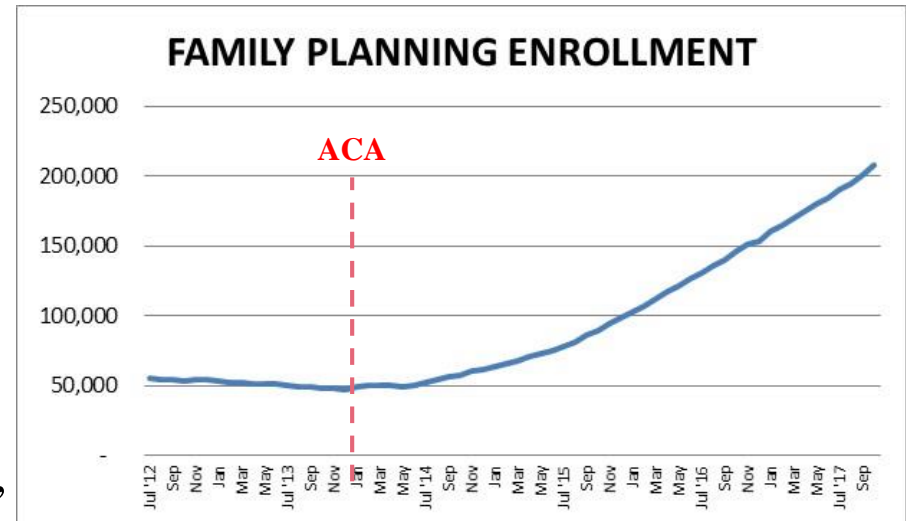
Medicaid enrollment at 10/1/17 was 2,014,249. This is 41,748 less than was budgeted and 18,553 higher than

June 30, 2017. AFDC adults and children in all categories represented the areas with the greatest variance under budget for the number enrolled – *why, will this continue, what does mean?*



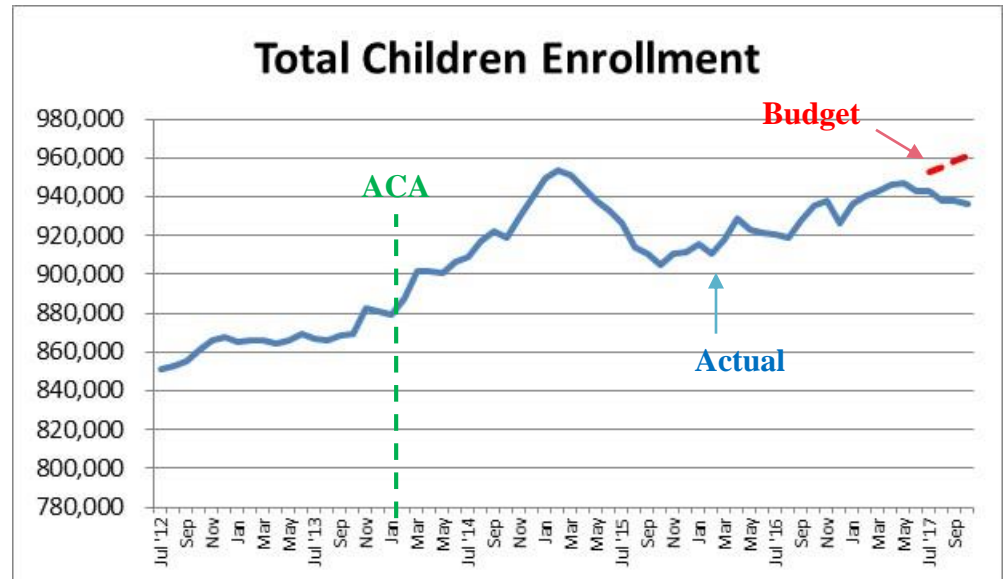
Program Aid Category Enrollment Trends

- Family Planning has reflected a significant increase in enrollment since the Affordable Care Act (ACA) began.
- Overall, Family Planning has increased 339.6% since December 2013, compared to the overall enrollment without Family Planning that has grown by 14.5%.
- Family Planning spending is less than \$6 per person per month.
- There were process changes with the implementation of the ACA. The question is whether there is a point where family planning trends will return to similar patterns experienced before the ACA? Impact on births?



Trends in Child Enrollment

- Enrollment of children has been less than budget Year to Date through October 1st of 2017.
- Children cost per person per month is approximately half that of an average Medicaid enrollee.
- In 2018 children have declined .8% since June 2017, in the prior year children rose by 1.5% over the same period in the prior year – *can we identify the reasons? The value of variance analysis is once we know “why”, then what should/could we do to alter the trends.*

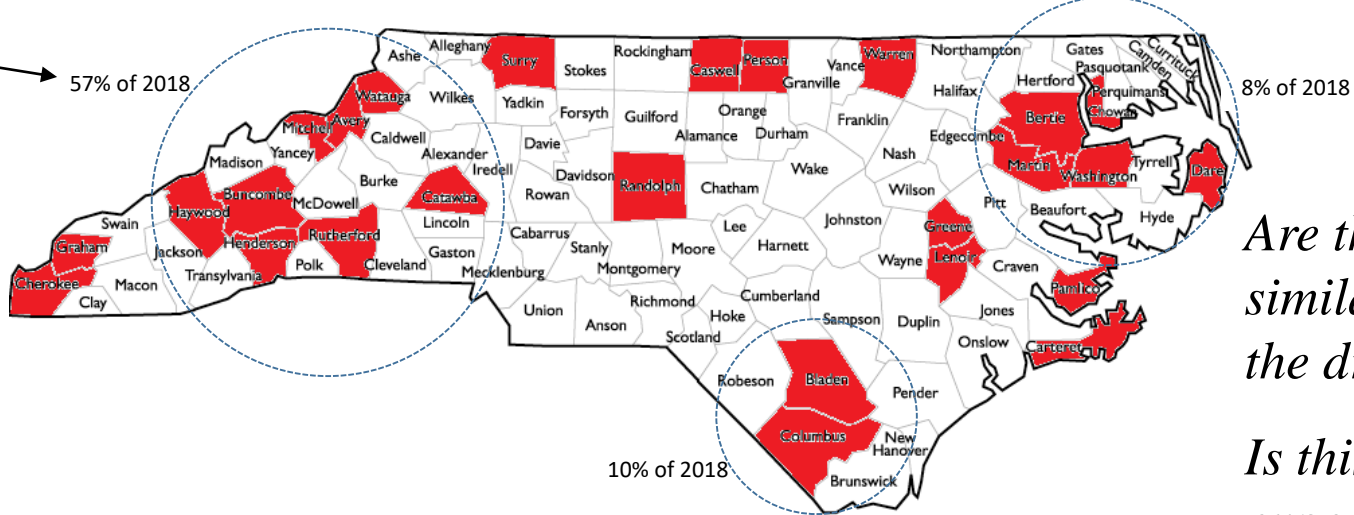


Changes in County Enrollment

There are 26 counties that experienced a decrease in non-Family Planning enrollment in SFY 2016-17 and continue YTD in SFY 2017-18

COUNTIES with a DECLINE in ENROLLMENT in 2017 and YTD in 2018

% of total reduction in the 26 counties



Are there similarities in the drivers?

Is this expected?

Decrease in SFY 2016-17	(5,158)	Overall Change	33,501
YTD Decrease in SFY 2017-18	(2,640)	Overall Change	(4,948)

Other counties with significant decreases in 2018 –Cabarrus (224), Craven (254), Gaston (694), Harnett (513), Nash (568), New Hanover (263), Robeson (313), Rockingham (213), Union (337), Wake (1,555)

SFY 2017-18 Enrollment Trend Summary

- Family Planning continues to reflect a significant rate of growth in 2018 compared to all other categories – what has happened to birth rates.
- Child enrollment is 2.6% less than budget at 10/1/17 – is the mix or composition of the Medicaid eligible changing? Why?
- Aged and Disabled enrollment, two of the most costly categories, are .8% collectively over budget at 10/1/17.
- Based on the mix of enrollment and historical spending, year to date total spending would be expected to be \$18 million under budget. Actual spending through 10/31/17 is \$13 million over budget based on the DMA weekly checkwrite report.

Together these make up an effective \$31 million claims spend above expected through 10/31/17.

SFY 2017-18 Claims Spending Trends

Overall Medicaid claims spending year to date through 10/31/17 was \$4.033 billion compared to a budget of \$4.020 billion. The primary areas with spending variances over budget are:

<i>Hospital Services</i>	<i>\$26.0 million</i>
<i>Physician Services</i>	<i>\$ 3.6 million</i>
<i>Dental</i>	<i>\$ 8.0 million</i>
<i>Home Health/DME</i>	<i>\$46.2 million</i>

These variances were offset with lower spending for PCS (\$28 million), CAP programs (\$18.9 million) and Drugs (\$14.6 million).

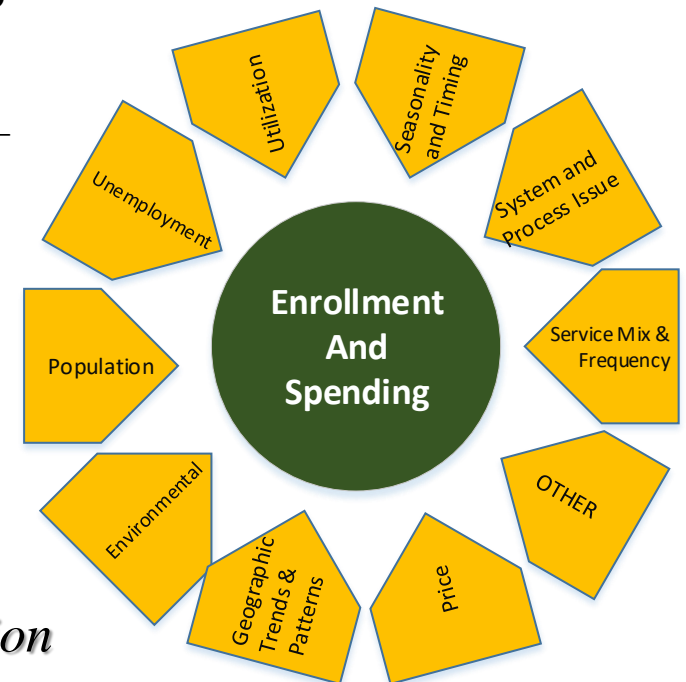
SFY 2017-18 Claims Spending Trends

Another area of variance under budget was the spending for behavioral health services and other prepaid services which were \$5.2 million less than budget through 10/31/17 for claims.

The combination of the mix of enrollment, the lower than expected overall enrollment and the budgeted capitation rate increases for the LME/MCOs contributed to this variance.

Key Considerations

- **THE WHY'S** *areas where we need more information*
 - Why are children and non-aged/disabled Adults less than budget
 - Why do family planning growth trends continue
 - Why have there been enrollment declines in 26 counties that have extended from June 2016
 - Why is there a \$31 million spending variance – what are the drivers of hospital, physician, dental and home health/DME claims
- **THE WHAT'S TO CONSIDER**
categories of explanation
- **WHAT DOES IT MEAN**
what should/could we do now or in session



QUESTIONS

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