

OFPR Expenditure Review through 3rd Quarter SFY 2021

MaineCare Expenditure Detail through 3rd Quarter of SFY 2021

MaineCare Expenditure Table 1 uses expenditure data from the State’s financial warehouse (MFASIS) through 9 months of FY 2021 to compare MaineCare expenditures by expenditure category for the last three fiscal years. MaineCare “All Funds” spending through 9 months of FY 2021 increased by \$143.1 million from FY 2020 to FY 2021. As detailed in MaineCare Table 1, FY 2021 spending through 9 months increased in the hospital services, residential care, devices and supplies, medical professionals, other professionals, laboratory and health homes expenditure categories; and decreased in the school-based services and medicare deductible and co-insurance expenditure categories. These increases were expected due to Medicaid expansion expenses increasing by \$175 million. See Exhibit A for a detailed breakdown.

FY 2021 MaineCare “All Funds” spending through 9 months increased by 5.6% over last year’s spending. MaineCare Expenditure Table 1 also shows that aggregate General Fund expenditures through 9 months of FY 2021 decreased by 23.3% compared to FY 2020. This decrease was expected due to two large items: 1) In the 1st Quarter of SFY 2020 multiple journal entries, totaling \$58.5 million, were completed to transfer funds from the federal MaineCare account into a General Fund MaineCare account, causing an increase in General Fund expenditures in SFY 2020. This transfer was made due to multiple disallowances of Riverview Psychiatric Center Disproportionate Share funding and 2) Due to the COVID pandemic there is a temporary increase to the FMAP during the crisis of 6.2%. The current General Fund spending is in-line with the legislatively approved amount for FY 2021. See Exhibit B for a detailed breakdown.

Exhibit C, at the end of this document, outlines all Medicaid Expansion spending since inception.

MaineCare Expenditure Table 1.

MaineCare and Related Expenditures Detail Through 9 Months

All Funds - Through 9 Months

Expenditure Categories	FY 2019	FY 2020	FY 2021	Chgs. FY 2020 to FY 2021	
	9 Months	9 Months	9 Months	\$	%
1 Hospital Services	\$438,997,414	\$578,714,524	\$642,846,545	\$64,132,022	11.1%
2 Residential Care	\$488,565,732	\$529,513,613	\$553,131,043	\$23,617,430	4.5%
3 HCBS Waivers	\$381,974,561	\$411,053,890	\$412,712,358	\$1,658,467	0.4%
4 Pharmacy and Related	\$102,750,989	\$134,566,808	\$137,518,876	\$2,952,068	2.2%
5 Devices and Supplies	\$18,693,413	\$22,319,766	\$25,423,459	\$3,103,693	13.9%
6 Medical Professionals	\$100,236,816	\$123,210,719	\$138,372,268	\$15,161,549	12.3%
7 Other Professionals	\$14,784,566	\$6,288,875	\$16,203,929	\$9,915,054	157.7%
8 Dentistry	\$18,029,567	\$17,003,938	\$16,909,115	(\$94,823)	-0.6%
9 Medicare Deductible and Co-insurance	\$70,244,243	\$68,719,841	\$65,902,438	(\$2,817,403)	-4.1%
10 Medicare A, B, D Premiums	\$141,399,521	\$150,499,855	\$150,660,166	\$160,311	0.1%
11 Laboratory	\$7,341,442	\$9,016,073	\$11,605,806	\$2,589,733	28.7%
12 Health Homes	\$50,251,062	\$55,661,965	\$64,189,723	\$8,527,758	15.3%
13 Behavioral Health Services	\$129,091,277	\$145,849,317	\$155,019,098	\$9,169,781	6.3%
14 Clinic Services	\$39,848,224	\$50,186,154	\$56,303,272	\$6,117,118	12.2%
15 Home Health	\$11,687,507	\$8,359,818	\$9,207,851	\$848,033	10.1%
16 Rehabilitation Services	\$51,933,899	\$51,227,588	\$49,758,724	(\$1,468,864)	-2.9%
17 Case Management	\$28,572,075	\$28,470,684	\$29,118,193	\$647,509	2.3%
18 School-Based Services	\$43,917,132	\$47,765,394	\$42,954,118	(\$4,811,277)	-10.1%
19 Transportation Services	\$34,049,827	\$44,296,600	\$48,935,794	\$4,639,195	10.5%
20 Other Expenditure Codes	\$34,689,046	\$28,862,393	\$24,267,195	(\$4,595,198)	-15.9%
21 Accounting Adjustments	(\$1,628,463)	(\$5,012,707)	\$2,565,424	\$7,578,131	-151.2%
22 Other Adjustments	(\$16,453,495)	(\$16,178,555)	(\$20,066,191)	(\$3,887,636)	24.0%
All Funds Total	\$2,188,976,357	\$2,490,396,553	\$2,633,539,205	\$143,142,652	5.7%
Minus Accounting and Other Adjustments ¹	\$18,081,958	\$21,191,261	\$17,500,766	(\$3,690,495)	-17.4%
All Funds Adjusted Total	\$2,207,058,315	\$2,511,587,814	\$2,651,039,971	\$139,452,157	5.6%
General Fund Totals	\$651,678,600	\$769,244,992	\$595,004,710	(\$174,240,282)	-22.7%
Minus Accounting and Other Adjustments ¹	\$7,493,875	\$10,836,411	\$3,466,875	(\$7,369,537)	-68.0%
General Fund Adjusted Totals	\$659,172,475	\$780,081,403	\$598,471,585	(\$181,609,819)	-23.3%

¹ Includes bad debt write-offs and other adjustments (e.g., third party liability collections, audit settlements, etc.) that are not assigned to a specific expenditure category.

OFPR Expenditure Review through 3rd Quarter SFY 2021

Exhibit A

Outline of All Funds Expenditure Increases through 3rd Quarter of SFY 2021

Medicaid Expansion Impact - By Funds

Through the 3rd Quarter of SFY 2021

Expenditure Categories	SFY 2020	SFY 2021	Difference
1 Hospital Services	\$ 98,514,989	\$ 224,120,698	\$ 125,605,709
2 Residential Care	\$ 5,664,823	\$ 9,540,146	\$ 3,875,324
3 HCBS Waivers	\$ 1,577,642	\$ 2,712,824	\$ 1,135,182
4 Pharmacy and Related	\$ 48,670,114	\$ 52,068,007	\$ 3,397,894
5 Devices and Supplies	\$ 2,639,353	\$ 4,479,037	\$ 1,839,684
6 Medical Professionals	\$ 22,768,795	\$ 37,153,589	\$ 14,384,794
7 Other Professionals	\$ 995,097	\$ 1,572,840	\$ 577,743
8 Dentistry	\$ 1,343,383	\$ 2,064,921	\$ 721,538
9 Medicare Deductible and Co-insurance	\$ 118,893	\$ 232,951	\$ 114,058
11 Laboratory	\$ 3,580,424	\$ 4,919,533	\$ 1,339,109
12 Health Homes	\$ 3,947,147	\$ 9,893,667	\$ 5,946,520
13 Behavioral Health Services	\$ 13,575,153	\$ 20,705,758	\$ 7,130,604
14 Clinic Services	\$ 11,812,544	\$ 16,624,454	\$ 4,811,911
15 Home Health	\$ 917,303	\$ 1,269,923	\$ 352,619
16 Rehabilitation Services	\$ 425,094	\$ 1,028,704	\$ 603,610
17 Case Management	\$ 829,817	\$ 1,144,004	\$ 314,186
18 School Based Services	\$ 42,184	\$ 29,713	\$ (12,471)
19 Transportation Services	\$ 10,418,180	\$ 13,791,545	\$ 3,373,365
20 Other Expenditure Codes	\$ 10,888	\$ 12,847	\$ 1,960
Medicaid Expansion Total	\$ 227,851,821	\$ 403,365,160	\$ 175,513,339

Total of all Differences **\$ 175,513,339**

OFPR Expenditure Review through 3rd Quarter SFY 2021

Exhibit B

Outline of General Funds Expenditure Overall Decrease through 3rd Quarter of SFY 2021

Medicaid Expansion Impact - By Funds

Through the 3rd Quarter of SFY 2021

Expenditure Categories	SFY 2020	SFY 2021	Difference
1 Hospital Services	\$ 10,348,362	\$ 26,390,995	\$ 16,042,633
2 Residential Care	\$ 479,599	\$ 988,713	\$ 509,114
3 HCBS Waivers	\$ 1,577,642	\$ 2,736,364	\$ 1,158,722
4 Pharmacy and Related	\$ 6,251,720	\$ 11,867,546	\$ 5,615,826
5 Devices and Supplies	\$ 328,418	\$ 627,436	\$ 299,018
6 Medical Professionals	\$ 2,566,960	\$ 4,498,041	\$ 1,931,081
7 Other Professionals	\$ 124,829	\$ 198,095	\$ 73,266
8 Dentistry	\$ 161,827	\$ 271,407	\$ 109,579
9 Medicare Deductible and Co-insurance	\$ 13,916	\$ 32,130	\$ 18,214
11 Laboratory	\$ 365,168	\$ 600,436	\$ 235,268
12 Health Homes	\$ 442,746	\$ 1,180,939	\$ 738,193
13 Behavioral Health Services	\$ 1,384,872	\$ 2,450,415	\$ 1,065,543
14 Clinic Services	\$ 1,239,178	\$ 2,020,516	\$ 781,338
15 Home Health	\$ 85,539	\$ 136,687	\$ 51,147
16 Rehabilitation Services	\$ 45,885	\$ 120,400	\$ 74,515
17 Case Management	\$ 76,853	\$ 120,729	\$ 43,877
18 School Based Services	\$ 3,200	\$ 2,971	\$ (229)
19 Transportation Services	\$ 1,184,607	\$ 1,783,606	\$ 598,999
20 Other Expenditure Codes	\$ 896	\$ 1,294	\$ 398
Medicaid Expansion Total	\$ 26,682,217	\$ 56,028,721	\$ 29,346,504

Estimated Expenditure decrease due to COVID FMAP Increase of 6.2%

\$ (122,213,537.66)

One-time DSH Journal in 1st Quarter of SFY 2020.

(\$58,501,189)

Total of all Differences \$ (151,368,223)

OFPR Expenditure Review through 3rd Quarter SFY 2021

Exhibit C

Outline of All Funds Expenditures on Medicaid Expansion Since Inception

Medicaid Expansion Impact - by SFY

Through 03/31/21

Expenditure Categories	SFY 2019	SFY 2020	SFY 2021	Total
1 Hospital Services	\$ 27,510,310	\$ 128,494,255	\$ 224,120,698	\$ 380,125,262
2 Residential Care	\$ 1,280,714	\$ 8,246,273	\$ 9,540,146	\$ 19,067,133
3 HCBS Waivers	\$ 6,563	\$ 1,936,493	\$ 2,712,824	\$ 4,655,880
4 Pharmacy and Related	\$ 8,512,542	\$ 66,352,673	\$ 52,068,007	\$ 126,933,222
5 Devices and Supplies	\$ 508,123	\$ 3,921,730	\$ 4,479,037	\$ 8,908,889
6 Medical Professionals	\$ 5,673,060	\$ 31,143,933	\$ 37,153,589	\$ 73,970,581
7 Other Professionals	\$ 242,429	\$ 1,365,098	\$ 1,572,840	\$ 3,180,367
8 Dentistry	\$ 340,460	\$ 1,590,054	\$ 2,064,921	\$ 3,995,436
9 Medicare Deductible and Co-insurance	\$ 28,721	\$ 157,816	\$ 232,951	\$ 419,488
11 Laboratory	\$ 1,131,354	\$ 4,352,925	\$ 4,919,533	\$ 10,403,811
12 Health Homes	\$ 8,642	\$ 6,551,474	\$ 9,893,667	\$ 16,453,782
13 Behavioral Health Services	\$ 3,119,624	\$ 19,317,004	\$ 20,705,758	\$ 43,142,386
14 Clinic Services	\$ 4,250,471	\$ 15,747,370	\$ 16,624,454	\$ 36,622,296
15 Home Health	\$ 257,244	\$ 1,259,255	\$ 1,269,923	\$ 2,786,422
16 Rehabilitation Services	\$ 63,255	\$ 555,686	\$ 1,028,704	\$ 1,647,644
17 Case Management	\$ 211,703	\$ 1,160,948	\$ 1,144,004	\$ 2,516,655
18 School Based Services	\$ 5,034	\$ 47,675	\$ 29,713	\$ 82,423
19 Transportation Services	\$ 1,086,670	\$ 15,129,185	\$ 13,791,545	\$ 30,007,400
20 Other Expenditure Codes	\$ 1,535	\$ 12,632	\$ 12,847	\$ 27,014
Medicaid Expansion Total	\$ 54,238,452	\$ 307,342,480	\$ 403,365,160	\$ 764,946,092