

OFPR Expenditure Review FINAL for SFY 2022

MaineCare Expenditure Detail FINAL for SFY 2022

MaineCare Expenditure Table 1 uses expenditure data from the State’s financial warehouse (MFASIS) through 12 months of FY 2022 to compare MaineCare expenditures by expenditure category for the last three fiscal years. MaineCare “All Funds” spending through 12 months of FY 2022 increased by \$439.1 million from FY 2021 to FY 2022. As detailed in MaineCare Table 1, FY 2022 spending through 12 months increased in the hospital services, residential care, HCBS waivers, pharmacy and related, laboratory, rehabilitation services and case management expenditure categories; and decreased in the other professionals, dentistry and school-based services expenditure categories. These increases were expected due to two items: 1) Medicaid expansion expenses increased by over \$108 million, 2) Federal funds increased by 371.9 million in SFY 2022 due to the Section 9817 of the federal American Rescue Plan Act (Public Law No: 117-2), which allowed for a 10% additional federal match for certain home and community-based services (HCBS) to be reinvested in those HCBS services. See Exhibit A and D for a detailed breakdown of the Medicaid Expansion expenditures and for the Section 9817 of the federal American Rescue Plan Act increased federal funding.

FY 2022 MaineCare “All Funds” spending through 12 months increased by 12.3% over last year’s spending. MaineCare Expenditure Table 1 also shows that aggregate General Fund expenditures through 12 months of FY 2022 increased by 6.8% compared to FY 2021. This increase was expected due to two items: 1) Medicaid expansion expenses increased by over \$10.5 million, 2) Rate increases and program changes to multiple services during the 130th legislature effective July 1, 2021. See Exhibit B for a more detailed breakdown of these expected changes. The current General Fund spending is in-line with the legislatively approved amount for FY 2022.

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 12 Months All Funds - Through 12 Months

Expenditure Categories	FY 2020	FY 2021	FY 2022	Chgs. FY 2021 to FY 2022	
	12 Months	12 Months	12 Months	\$	%
1 Hospital Services	\$783,049,179	\$871,154,901	\$978,355,116	\$107,200,215	12.3%
2 Residential Care	\$741,088,962	\$734,162,343	\$844,879,569	\$110,717,225	15.1%
3 HCBS Waivers	\$537,502,108	\$560,874,988	\$686,178,712	\$125,303,723	22.3%
4 Pharmacy and Related	\$180,051,608	\$194,559,757	\$218,682,280	\$24,122,523	12.4%
5 Devices and Supplies	\$30,670,455	\$34,187,934	\$35,900,280	\$1,712,347	5.0%
6 Medical Professionals	\$158,998,232	\$186,395,844	\$193,444,548	\$7,048,704	3.8%
7 Other Professionals	\$7,747,871	\$18,281,982	\$16,981,857	(\$1,300,125)	-7.1%
8 Dentistry	\$18,807,850	\$22,802,597	\$21,314,219	(\$1,488,378)	-6.5%
9 Medicare Deductible and Co-insurance	\$87,918,393	\$89,140,974	\$91,175,339	\$2,034,364	2.3%
10 Medicare A, B, D Premiums	\$203,705,448	\$204,396,921	\$228,244,879	\$23,847,958	11.7%
11 Laboratory	\$10,866,452	\$16,028,748	\$18,602,411	\$2,573,663	16.1%
12 Health Homes	\$75,412,283	\$86,591,691	\$87,034,110	\$442,419	0.5%
13 Behavioral Health Services	\$192,226,753	\$207,843,880	\$209,676,119	\$1,832,238	0.9%
14 Clinic Services	\$63,160,137	\$77,480,962	\$81,923,894	\$4,442,932	5.7%
15 Home Health	\$11,261,885	\$13,198,052	\$13,692,824	\$494,771	3.7%
16 Rehabilitation Services	\$62,848,435	\$65,156,364	\$88,027,413	\$22,871,048	35.1%
17 Case Management	\$37,583,041	\$39,222,429	\$49,576,725	\$10,354,296	26.4%
18 School-Based Services	\$53,982,873	\$61,110,968	\$58,550,964	(\$2,560,004)	-4.2%
19 Transportation Services	\$60,397,081	\$66,723,209	\$70,971,184	\$4,247,976	6.4%
20 Other Expenditure Codes	\$35,264,250	\$30,832,660	\$31,734,221	\$901,561	2.9%
21 Accounting Adjustments	(\$8,827,573)	\$3,452,535	\$887,757	(\$2,564,778)	-74.3%
22 Other Adjustments	(\$20,364,159)	(\$26,653,060)	(\$29,761,101)	(\$3,108,041)	11.7%
All Funds Total	\$3,323,351,565	\$3,556,946,683	\$3,996,073,320	\$439,126,637	12.3%
Minus Accounting and Other Adjustments ¹	\$29,191,732	\$23,200,525	\$28,873,343	\$5,672,819	24.5%
All Funds Adjusted Total	\$3,352,543,297	\$3,580,147,207	\$4,024,946,664	\$444,799,456	12.4%
General Fund Totals	\$870,421,015	\$762,443,383	\$814,334,503	\$51,891,120	6.8%
Minus Accounting and Other Adjustments ¹	\$15,882,300	\$4,563,057	\$8,010,049	\$3,446,991	75.5%
General Fund Adjusted Totals	\$886,303,315	\$767,006,441	\$822,344,552	\$55,338,112	7.2%

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.

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Exhibit A

Medicaid Expansion Impact - ALL Funds

Through the 4th Quarter of SFY 2022

Expenditure Categories	SFY 2021	SFY 2022	Difference
1 Hospital Services	\$ 301,874,446	\$ 381,674,288	\$ 79,799,842
2 Residential Care	\$ 12,545,459	\$ 13,116,731	\$ 571,272
3 HCBS Waivers	\$ 2,814,067	\$ (1,294,188)	\$ (4,108,256)
4 Pharmacy and Related	\$ 73,464,254	\$ 83,154,786	\$ 9,690,532
5 Devices and Supplies	\$ 6,306,138	\$ 7,722,069	\$ 1,415,932
6 Medical Professionals	\$ 51,260,222	\$ 57,599,028	\$ 6,338,805
7 Other Professionals	\$ 2,185,868	\$ 2,517,173	\$ 331,306
8 Dentistry	\$ 2,845,823	\$ 2,557,887	\$ (287,937)
9 Medicare Deductible and Co-insurance	\$ 361,133	\$ 535,034	\$ 173,901
11 Laboratory	\$ 6,811,194	\$ 8,243,529	\$ 1,432,335
12 Health Homes	\$ 13,745,744	\$ 16,107,448	\$ 2,361,704
13 Behavioral Health Services	\$ 28,217,415	\$ 33,411,122	\$ 5,193,707
14 Clinic Services	\$ 23,433,776	\$ 25,873,021	\$ 2,439,244
15 Home Health	\$ 1,840,724	\$ 1,771,566	\$ (69,158)
16 Rehabilitation Services	\$ 1,431,756	\$ 1,373,536	\$ (58,220)
17 Case Management	\$ 1,532,926	\$ 1,762,907	\$ 229,981
18 School Based Services	\$ 51,569	\$ 74,785	\$ 23,216
19 Transportation Services	\$ 19,413,839	\$ 22,657,214	\$ 3,243,375
20 Other Expenditure Codes	\$ 16,949	\$ 14,966	\$ (1,983)
Medicaid Expansion Total	\$ 550,153,302	\$ 658,872,900	\$ 108,719,598

Exhibit B

Medicaid Expansion Impact - General Fund

Through the 4th Quarter of SFY 2022

Expenditure Categories	SFY 2021	SFY 2022	Difference
1 Hospital Services	\$ 35,777,022	\$ 42,490,875	\$ 6,713,853
2 Residential Care	\$ 1,297,322	\$ 1,358,677	\$ 61,355
3 HCBS Waivers	\$ 2,837,608	\$ (1,295,214)	\$ (4,132,821)
4 Pharmacy and Related	\$ 16,739,324	\$ 21,410,691	\$ 4,671,367
5 Devices and Supplies	\$ 898,608	\$ 1,191,111	\$ 292,503
6 Medical Professionals	\$ 6,253,438	\$ 7,182,189	\$ 928,750
7 Other Professionals	\$ 277,106	\$ 317,404	\$ 40,298
8 Dentistry	\$ 372,021	\$ 338,472	\$ (33,548)
9 Medicare Deductible and Co-insurance	\$ 49,458	\$ 70,774	\$ 21,316
11 Laboratory	\$ 834,298	\$ 1,017,072	\$ 182,774
12 Health Homes	\$ 1,655,956	\$ 1,990,725	\$ 334,769
13 Behavioral Health Services	\$ 3,357,809	\$ 4,010,558	\$ 652,749
14 Clinic Services	\$ 2,861,887	\$ 3,224,113	\$ 362,227
15 Home Health	\$ 200,437	\$ 195,836	\$ (4,601)
16 Rehabilitation Services	\$ 169,121	\$ 168,584	\$ (537)
17 Case Management	\$ 163,826	\$ 199,519	\$ 35,692
18 School Based Services	\$ 5,156	\$ 7,478	\$ 2,322
19 Transportation Services	\$ 2,519,106	\$ 2,954,332	\$ 435,226
20 Other Expenditure Codes	\$ 1,749	\$ 1,497	\$ (252)
Medicaid Expansion Total	\$ 56,028,721	\$ 63,408,448	\$ 10,563,442

Quarterly Estimated Increase From Rate Changes through the 2nd Quarter SFY 2022. Many of the changes were effective July 1, 2022 and would increase overall spending. These are estimates based on the initial appropriations and allocations provided by the legislature and will not be exact spending.

\$45,758,511.00

Estimated General Fund increase when including program changes and rate increases **\$ 56,321,953**

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Exhibit C

Outline of All Funds Expenditures on Medicaid Expansion Since Inception

Medicaid Expansion Impact - by SFY

Through 06/30/22

Expenditure Categories	SFY 2019	SFY 2020	SFY 2021	SFY 2022	Total
1 Hospital Services	\$ 27,510,310	\$ 128,494,255	\$ 301,874,446	\$ 381,674,288	\$ 839,553,299
2 Residential Care	\$ 1,280,714	\$ 8,246,273	\$ 12,545,459	\$ 13,116,731	\$ 35,189,177
3 HCBS Waivers	\$ 6,563	\$ 1,936,493	\$ 2,814,067	\$ (1,294,188)	\$ 3,462,935
4 Pharmacy and Related	\$ 8,512,542	\$ 66,352,673	\$ 73,464,254	\$ 83,154,786	\$ 231,484,255
5 Devices and Supplies	\$ 508,123	\$ 3,921,730	\$ 6,306,138	\$ 7,722,069	\$ 18,458,059
6 Medical Professionals	\$ 5,673,060	\$ 31,143,933	\$ 51,260,222	\$ 57,599,028	\$ 145,676,243
7 Other Professionals	\$ 242,429	\$ 1,365,098	\$ 2,185,868	\$ 2,517,173	\$ 6,310,568
8 Dentistry	\$ 340,460	\$ 1,590,054	\$ 2,845,823	\$ 2,557,887	\$ 7,334,224
9 Medicare Deductible and Co-insurance	\$ 28,721	\$ 157,816	\$ 361,133	\$ 535,034	\$ 1,082,704
11 Laboratory	\$ 1,131,354	\$ 4,352,925	\$ 6,811,194	\$ 8,243,529	\$ 20,539,001
12 Health Homes	\$ 8,642	\$ 6,551,474	\$ 13,745,744	\$ 16,107,448	\$ 36,413,308
13 Behavioral Health Services	\$ 3,119,624	\$ 19,317,004	\$ 28,217,415	\$ 33,411,122	\$ 84,065,165
14 Clinic Services	\$ 4,250,471	\$ 15,747,370	\$ 23,433,776	\$ 25,873,021	\$ 69,304,638
15 Home Health	\$ 257,244	\$ 1,259,255	\$ 1,840,724	\$ 1,771,566	\$ 5,128,789
16 Rehabilitation Services	\$ 63,255	\$ 555,686	\$ 1,431,756	\$ 1,373,536	\$ 3,424,232
17 Case Management	\$ 211,703	\$ 1,160,948	\$ 1,532,926	\$ 1,762,907	\$ 4,668,485
18 School Based Services	\$ 5,034	\$ 47,675	\$ 51,569	\$ 74,785	\$ 179,063
19 Transportation Services	\$ 1,086,670	\$ 15,129,185	\$ 19,413,839	\$ 22,657,214	\$ 58,286,909
20 Other Expenditure Codes	\$ 1,535	\$ 12,632	\$ 16,949	\$ 14,966	\$ 46,081
Medicaid Expansion Total	\$ 54,238,452	\$ 307,342,480	\$ 550,153,302	\$ 658,872,900	\$ 1,570,607,135

Exhibit D

All Federal Funds by Unit-Unit Name

With Only the Items impacted by Section 9817- 10% HCBS Reinvestment

UNIT-UNIT NAME	SFY 2021	SFY 2022	Grand Total	Change from 2021 - 2022
1224 - MR WAIVER	\$285,804,751.73	\$13,196,127.13	\$299,000,878.86	(\$272,608,624.60)
3H17 - MEDICAID 10% ARP SEC 9817 SAVINGS		\$5,156,407.93	\$5,156,407.93	\$5,156,407.93
3H90 - BCH 10% ARP SEC 9817 SAVINGS		\$0.00	\$0.00	\$0.00
3HW0 - MEDICAID 10% HCBS SECTION 20		\$3,846,300.69	\$3,846,300.69	\$3,846,300.69
3HW1 - MEDICAID 10% HCBS SECTION 21		\$346,208,275.00	\$346,208,275.00	\$346,208,275.00
3HW2 - MEDICAID 10% HCBS SECTION 19		\$33,085,645.91	\$33,085,645.91	\$33,085,645.91
3HW8 - MEDICAID 10% HCBS SECTION 18		\$15,223,071.19	\$15,223,071.19	\$15,223,071.19
3HW9 - MEDICAID 10% HCBS SECTION 29		\$58,056,887.62	\$58,056,887.62	\$58,056,887.62
3HX0 - CA EXP 10% HCBS SECTION 20		\$807.50	\$807.50	\$807.50
3HX1 - CA EXP 10% HCBS SECTION 21		\$5,116,476.00	\$5,116,476.00	\$5,116,476.00
3HX2 - CA EXP 10% HCBS SECTION 19		\$1,318,303.71	\$1,318,303.71	\$1,318,303.71
3HX8 - CA EXP 10% HCBS SECTION 18		\$9,468.95	\$9,468.95	\$9,468.95
3HX9 - CA EXP 10% HCBS SECTION 29		\$1,000,297.10	\$1,000,297.10	\$1,000,297.10
3HY2 - PC EXP 10% HCBS SECTION 19		\$121,444.09	\$121,444.09	\$121,444.09
3HY8 - PC EXP 10% HCBS SECTION 18		\$5,476.10	\$5,476.10	\$5,476.10
3HY9 - PC EXP 10% HCBS SECTION 29		\$11,580.88	\$11,580.88	\$11,580.88
3NH1 - MEDICAID HCBS SERVICES REINVEST		\$21,621,073.08	\$21,621,073.08	\$21,621,073.08
3NH2 - BCH HCBS SERVICES REINVEST		\$2,591.68	\$2,591.68	\$2,591.68
3RH1 - MEDICAID 10% ARP SEC 9817 REINVEST		\$19,284,535.31	\$19,284,535.31	\$19,284,535.31
3RH2 - BCH 10% ARP SEC 9817 REINVEST		\$972.18	\$972.18	\$972.18
3RW0 - MEDICAID 10% HCBS SECTION 20 REINVEST		\$318,696.30	\$318,696.30	\$318,696.30
3RW1 - MEDICAID 10% HCBS SECTION 21 REINVEST		\$35,527,837.07	\$35,527,837.07	\$35,527,837.07
3RW2 - MEDICAID 10% HCBS SECTION 19 REINVEST		\$4,333,135.43	\$4,333,135.43	\$4,333,135.43
3RW8 - MEDICAID 10% HCBS SECTION 18 REINVEST		\$1,478,704.56	\$1,478,704.56	\$1,478,704.56
3RW9 - MEDICAID 10% HCBS SECTION 29 REINVEST		\$5,147,045.26	\$5,147,045.26	\$5,147,045.26
Grand Total	\$ 2,438,655,473.71	\$ 2,810,649,546.47	\$ 5,249,305,020.18	\$ 371,994,072.76