Department of Social Services MO HealthNet Division Book 1 of 2

Fiscal Year 2017 Budget Request

Brian Kinkade, Director

Printed with Governor's Recommendation

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Core	461		
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Core	475		
00.0	713		

DEPARTMENT OF SOCIAL SERVICES SUMMARY:

H.B.			201	7 Department Re	quest				2017 Gov	ernor's Recomm	endation]
Sec. Ra	n Decision Item Name	FTE	GR	FF	OF	Total		FTE	GR	FF	OF	Total
11.400	MO HealthNet Administratio	n										
•	l Core	234.11	3,314,623	8,729,678	2,403,499	14,447,800		234.11	3,314,623	8,729,678	2,403,499	14,447,800
	NDI - Pay Plan								52,417	107,906	35,931	196,254
	NDI-Statewide Mgd Care Trai	15.00	850,986	850,986	0	1,701,972		0.00	0	0	0_	0
	Total	249.11	4,165,609	9,580,664	2,403,499	16,149,772		234.11	3,367,040	8,837,584	2,439,430	14,644,054
11.405	Clinical Services Program N	fanagemen										
	Core	0.00	461,917	12,214,032	2,485,506	15,161,455		0.00	461,917	12,214,032	2,485,506	15,161,455
	Total	0.00	461,917	12,214,032	2,485,506	15,161,455		0.00	461,917	12,214,032	2,485,506	15,161,455
	•											
11.410	Women & Minority Health C	are Outreach										
1	l Core	0.00	529,796	568,625	0	1,098,421		0.00	529,796	568,625	0	1,098,421
	Total	0.00	529,796	568,625	0	1,098,421	L	0.00	529,796	568,625	0	1,098,421
	TDI 0 . 4 . 4											
11.415	TPL Contracts	2.22			0.000.000	0.000.000		0.00		2 222 222		
7	Core	0.00	0_	3,000,000	3,000,000	6,000,000	_	0.00	0	3,000,000	3,000,000	6,000,000
	Total	0.00	0	3,000,000	3,000,000	6,000,000	L	0.00	0	3,000,000	3,000,000	6,000,000
11.420	Information Systems											
1	Core	0.00	7,386,283	55,400,350	2,021,687	64,808,320		0.00	7,386,283	55,400,350	2,021,687	64,808,320
	NDI-Sustaining MMIS Infrastn	0.00	4,250,000	12,750,000	0	17,000,000		0.00	4,250,000	12,750,000	0	17,000,000
	Total	0.00	11,636,283	68,150,350	2,021,687	81,808,320		0.00	11,636,283	68,150,350	2,021,687	81,808,320
11.425	Electronic Health Records II	ncentives										
	Core	0.00	0	60,000,000	0	60,000,000		0.00	0	50,000,000	0	50,000,000
•	Total	0.00	oT	60,000,000	0	60,000,000	Γ	0.00	0	50,000,000	0	50,000,000
	,	-l					<u> </u>		<u>. f.</u>		····	
11.430	Money Follows the Person											
	Core	0.00	0	532,549	0	532,549		0.00	0	532,549	0	532,549
	Total	0.00	0	532,549	0	532,549	<u>L</u>	0.00	0	532,549	0	532,549
11.430	Adult Medicaid Grant											
	Core	0.00	0	0	0	0		0.00	0	0	0	0
	Total	0.00	0	0	0	0		0.00	0	0	ol	0
	•									<u> </u>		

11.435	Pharmacy										
	1 Core	0.00	87,343,166	744,734,952	347,134,002	1,179,212,120	0.00	84,696,104	744,734,952	311,092,968	1,140,524,024
	NDI-MHD FY17 Cost to Conti	0.00	60,461,570	75,643,117	0	136,104,687	0.00	36,830,857	77,286,433	6,895,680	121,012,970
	NDI-Pharmacy PMPM-Specia	0.00	49,408,468	85,303,935	0	134,712,403	0.00	49,536,445	85,175,958	0	134,712,403
	NDI-Pharmacy PMPM-Non-Si	0,00	11,742,036	20,272,677	0	32,014,713	0.00	11,772,450	20,242,263	0	32,014,713
	NDI-ABLE Accounts	0.00	1,095,174	2,864,884	564,181	4,524,239	0.00	1,099,472	2,860,586	564,181	4,524,239
	NDI - Tobacco GR Pickup						0.00	36,041,034	0	0	36,041,034
	NDI - FMAP adjustment						0.00	0	2,147,062	0	2,147,062
	Total	0.00	210,050,414	928,819,565	347,698,183	1,486,568,162	0.00	219,976,362	932,447,254	318,552,829	1,470,976,445
11.435	Pharmacy - Medicare Part D		477 000 040	_		477 000 040	2.22	477.000.040	•		477 000 040
	1 Core	0.00	177,600,212	0	0	177,600,212	0.00	177,600,212	0	0	177,600,212
	NDI-MHD FY17 Cost to Conti		15,557,082	0	0	15,557,082	0.00	15,345,257	0	0	15,345,257
	NDI-Clawback Increase	0.00	18,073,510	0	0 0 l	18,073,510	0.00	18,073,510 211,018,979	<u>0</u>	0 0	18,073,510
	Total	0.00	211,230,804			211,230,804	0.00	211,018,979	uj	U	211,018,979
11.435	Missouri Rx Plan										
•	1 Core	0.00	17,003,822	0	4,655,326	21,659,148	0.00	17,003,822	0	4,655,326	21,659,148
	NDI-MO Rx GR Pickup	0.00	2,327,099	0	0	2,327,099	0,00	2,327,099	0	0	2,327,099
	Total	0.00	19,330,921	0	4,655,326	23,986,247	0.00	19,330,921	0	4,655,326	23,986,247
	·							•	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	
11.440	Pharmacy FRA										
	1 Core	0.00	0	0	108,308,926	108,308,926	0.00	0	0	108,308,926	108,308,926
	Total	0.00	0	0	108,308,926	108,308,926	0.00	0	0	108,308,926	108,308,926
						_					_
11.445	GR Pharmacy FRA Transfer										
	Core	0.00	38,737,111	0	0	38,737,111	0.00	38,737,111	0	0	38,737,111
	Total	0.00	38,737,111	0	0	38,737,111	0.00	38,737,111	o	0	38,737,111
11.450	Pharmacy FRA Transfer										
	Core	0.00	. 0	0	38,737,111	38,737,111	0.00	0	0	38,737,111	38,737,111
	Total	0.00	0	0	38,737,111	38,737,111	0.00	0	0	38,737,111	38,737,111
11.455	Physician Related										
	1 Core	0.00	86,468,613	253,845,261	18,747,307	359,061,181	0.00	80,030,175	243,926,840	13,262,958	337,219,973
	NDI - Tax a mnesty fund	0.00	00,400,010	200,040,201	10,747,007	000,001,101	0.00	7,911,412	13,632,944	0	21,544,356
	NDI-MHD FY17 Cost to Conti	0.00	27,850,288	7,797,249	0	35,647,537	0.00	51,761,092	868,020	0	52,629,112
	NDI-ABA for Children with Au		4,426,654	7,642,638	0	12,069,292	0.00	4,438,120	7,631,172	0	12,069,292
	NDI - FMAP adjustment	0,00	1, 120,004	.,0 .2,000	ŭ	. 2, 202, 202	0.00	0	3,276,222	0	3,276,222
	NDI-ABLE Accounts	0.00	630,729	1,649,933	324,922	2,605,584	0.00	633,203	1,647,459	324,922	2,605,584
	Total	0.00	119,376,284	270,935,081	19,072,229	409,383,594	0.00	144,774,002	270,982,657	13,587,880	429,344,539
							·	· · · · · · · · · · · · · · · · · · ·			

11.460	Dental										
	1 Core	0.00	837,204	8,637,115	4,252,464	13,726,783	0.00	185,189	2,133,512	919,935	3,238,636
	NDI - Tax a mnesty fund		·				0.00	3,570,246	6,138,897	. 0	9,709,143
	NDI-MHD FY17 Cost to Conti	0.00	0	252,718	0	252,718	0.00	591,477	1,080,904	0	1,672,381
	NDI-ABLE Accounts	0.00	2,773	7,253	1,428	11,454	0.00	2,784	7,242	1,428	11,454
	NDI - FMAP adjustment						0.00	0	152,015	0	152,015
	Total [0.00	839,977	8,897,086	4,253,892	13,990,955	0.00	4,349,696	9,512,570	921,363	14,783,629
						_					
11.465	Premium Payments										
	1 Core	0.00	65,720,861	128,087,018	0	193,807,879	0.00	64,859,707	128,087,018	0	192,946,725
	NDI-MHD FY17 Cost to Conti	0.00	6,598,374	13,082,283	0	19,680,657	0.00	9,476,755	17,541,504	0	27,018,259
	NDI-Premium Increase	0.00	3,196,563	6,260,217	0	9,456,780	0.00	6,962,621	13,656,472	0	20,619,093
	NDI - FMAP adjustment							0	861,154	0	861,154
	Total	0.00	75,515,798	147,429,518	0	222,945,316	0.00	81,299,083	160,146,148	0	241,445,231
11.470	Nursing Facilities										
	1 Core	0.00	142,097,015	388,426,892	81,409,072	611,932,979	0.00	142,097,015	375,246,180	74,662,188	592,005,383
	NDI - Tax a mnesty fund							9,259,911	15,922,051	0	25,181,962
	NDI - FMAP adjustment	1						1,533,692	0	0	1,533,692
	Total	0.00	142,097,015	388,426,892	81,409,072	611,932,979	0.00	152,890,618	391,168,231	74,662,188	618,721,037
11.470	Home Health										
	1 Core	0.00	2,445,442	4,550,056	189,979	7,185,477	0.00	2,445,442	4,490,282	159,305	7,095,029
	NDI - Tax Amnesty Fund							64,576	111,036	0	175,612
	NDI - MHD FY17 cost to cont.							35,674	33,184	0	68,858
	NDI-ABLE Accounts	0.00	3,059	8,002	1,576	12,637	0.00	3,071	7,990	1,576	12,637
	NDI - FMAP Adjustment							6,823	0	. 0	6,823
	Total	0.00	2,448,501	4,558,058	191,555	7,198,114	0.00	2,555,586	4,642,492	160,881	7,358,959
11.470	PACE										
	1 Core	0.00	0.070.470	E 407 445	40,445	0 4 47 000	0.00	0.605.300	4 452 050	0	7.050.440
		0.00	2,979,470	5,127,145	40,445	8,147,060	0.00	2,605,392	4,453,050		7,058,442
	NDI - Tax amnesty fund NDI-MHD FY17 Cost to Conti	0.00	50,165	173,156	0	223,321	0.00	81,270 25,165	139,741 83,432	0	221,011 108,597
	NDI - FMAP adjustment	0.00	50,165	173,130	U	223,321	0.00	25,165	24,078	0	24,078
	Total	0.00	3,029,635	5,300,301	40,445	8,370,381	0.00	2,711,827	4,700,301	ol	7,412,128
	L	0.00	3,023,033	3,000,001	40,445 [0,070,001	0.00	2,711,027	4,700,301	<u> </u>	7,412,120
11.475	Long Term Support UPL Tra	nsfer									
	Core	0.00	0	0	10,990,982	10,990,982	0.00	0	0	10,990,982	10,990,982
	Total	0.00	0	0	10,990,982	10,990,982	0.00	ol	0	10,990,982	10,990,982
	-						· · · · · · · · · · · · · · · · · · ·	L			
11.480	Long Term Support Paymen	ts									
	1 Core	0.00	0	6,961,594	3,989,174	10,950,768	0.00	0	6,291,672	3,989,174	10,280,846
	NDI - FMAP Adjustment							0	0	669,922	669,922
	Total	0.00	0	6,961,594	3,989,174	10,950,768	0.00	0	6,291,672	4,659,096	10,950,768
	_										

11.485	Rehab & Specialty Services	i										
	1 Core	0.00	71,247,849	150,350,936	25,011,291	246,610,076		0.00	71,247,849	145,333,645	23,963,416	240,544,910
	NDI - Tax amnesty fund								1,874,139	3,225,467	0	5,099,606
	NDI-MHD FY17 Cost to Cont	i 0.00	8,320,189	0	0	8,320,189		0.00	6,372,782	0	0	6,372,782
	NDI-Hospice Rate Increase	0.00	104,459	180,314	0	284,773		0.00	104,717	180,056	0	284,773
	NDI-ABLE Accounts	0.00	219,406	573,948	113,027	906,381		0.00	220,267	573,087	113,027	906,381
	NDI - FMAP adjustment								3,208,274	0	0	3,208,274
	Total	0.00	79,891,903	151,105,198	25,124,318	256,121,419		0.00	83,028,028	149,312,255	24,076,443	256,416,726
11.485	NEMT											
	1 Core	0.00	8,642,106	29,472,000	0	38,114,106		0.00	9,139,515	29,177,649	0	38,317,164
	NDI-MHD FY17 Cost to Cont		4,353,603	0	0	4,353,603		0.00	4,286,944	0	0	4,286,944
	NDI-NEMT Actuarial Increase	0.00	1,044,289	1,802,970	0	2,847,259		0.00	1,046,994	1,800,265	0	2,847,259
	NDI - FMAP adjustment						_		1,153,130	00	0	1,153,130
	Total	0.00	14,039,998	31,274,970	0	45,314,968		0.00	15,626,583	30,977,914	0	46,604,497
11.490	Complex Rehab Technolog	v Droducte										
	1 Core	0.00	4,122,171	7,324,335	55,131	11,501,637		0.00	4,062,335	7,229,164	0	11,291,499
	NDI - Tax amnesfty fund	0.00	4,122,171	1,024,000	33,131	11,561,657		0.00	116,065	199,569	0	315,634
	NDI-MHD FY17 Cost to Cont	i 0.00	88,355	39,405	0	127,760		0.00	0	199,509	0	313,034
	NDI-ABLE Accounts	0.00	23,927	62,590	0	86,517		0.00	31,814	54,703	0	86,517
	NDI - FMAP adjustment	0.00	23,321	02,330	U	00,517		0.00	0	59,836	0	59,836
	Total	0.00	4,234,453	7,426,330	55,131	11,715,914		0.00	4,210,214	7,543,272	ol	11,753,486
	lotal		4,204,400	7,420,550	35,151	11,710,914		0.001	4,210,214	1,545,212		11,755,460
11.495	Ambulance SRV Reim. Allo	w Transfer										
	Core	0.00	18,236,543	0	0	18,236,543		0.00	18,236,543	0	0	18,236,543
	Total	0.00	18,236,543	0	0	18,236,543		0.00	18,236,543	0	0	18,236,543
11.500	GR Ambulance SRV Reim.			_					_	_		
	Core	0.00	0	0	18,236,543	18,236,543	·	0.00	0	0	18,236,543	18,236,543
	Total	0.00	0	0	18,236,543	18,236,543	Ш	0.00	0	0	18,236,543	18,236,543
11.505	Managed Care											
	Core	0.00	439,276,365	1,178,706,392	201,322,416	1,819,305,173		0.00	435,686,480	1,174,828,757	185,123,296	1,795,638,533
	NDI - Tax amnesty fund	0.00	405,270,000	1,170,100,002	201,022,410	1,015,005,110		0.00	2,648,778	4,554,468	0 00,120,230	7,203,246
	NDI-MHD FY17 Cost to Conti	0.00	38,746,913	20,849,567	0	59,596,480		0.00	25,759,717	20,849,732	ő	46,609,449
	NDI-Mgd Care Actuarial Incre		17,780,173	30,640,778	0	48,420,951		0.00	7,805,352	13,420,994	0	21,226,346
	NDI-Mgd Care Actualian incre NDI-Statewide Magd Care Tr		39,719,100	68,575,200	0	108,294,300		0.00	0	0	0	0
	NDI - Tobacco GR pickup	0.00	00,710,100	00,070,200	J	100,204,000		0.00	13,958,966	Ö	0	13,958,966
	NDI - FMAP adjustment								0	3,589,885	0	3,589,885
	Total	0.00	535,522,551	1,298,771,937	201,322,416	2,035,616,904		0.00	485,859,293	1,217,243,836	185,123,296	1,888,226,425
	7010.	0.00	000,022,001	.,200,777,001. 1			_	5.55	.00,000,200	1,211,210,000	100,120,200	1,000,220,120
11.510	Hospital Care											
	Core	0.00	1,631,839	356,732,911	218,181,908	576,546,658		0.00	1,081,839	347,952,145	218,181,908	567,215,892
	NDI-MHD FY17 Cost to Conti	0.00	32,148,678	11,190,528	0	43,339,206		0.00	36,826,632	3,802,963	0	40,629,595
	NDI-ABLE Accounts	0.00	822,442	2,151,440	436,008	3,409,890		0.00	817,877	2,156,005	436,008	3,409,890
	NDI - FMAP adjustment								1,774,679	0	0	1,774,679
	Total	0.00	34,602,959	370,074,879	218,617,916	623,295,754		0.00	40,501,027	353,911,113	218,617,916	613,030,056

11.515	Physician Payments for Sa	fety Net									
	1 Core	0.00	0	8,000,000	0	8,000,000	0.00	0	8,000,000	0	8,000,000
	Total	0.00	0	8,000,000	0	8,000,000	0.00	0	8,000,000	0	8,000,000
11.520	FQHC Distribution										
	1 Core	0.00	6,108,559	7,696,009	38,417	13,842,985	0.00	6,108,559	7,629,690	0	13,738,249
	NDI - Tax amnesty fund							75,271	129,425	0	204,696
	Total	0.00	6,108,559	7,696,009	38,417	13,842,985	0.00	6,183,830	7,759,115	0	13,942,945
11.525	IGT Health Care Home 1 Core	0.00	0	6,900,000	2,453,934	9,353,934	0.00	0	6,900,000	2,453,934	9,353,934
	Total	0.00	0	6,900,000	2,453,934	9,353,934	0.00	0	6,900,000	2,453,934	9,353,934
	rotar	0.00	<u> </u>	6,900,000	2,455,954	9,000,904	0.00		0,900,000	2,455,954	9,333,934
	Foster Kids Health Home										
	1 Core	0.00	0	0	0	0	0.00	0	0	0	. 0
	Total	0.00	0	0	0	0	0.00	0	0	0	0
11.530	Federal Reimbursement All										
	1 Core	0.00	0	0	1,022,818,735	1,022,818,735	0.00	0	0	1,022,818,735	1,022,818,735
	NDI-FRA DSH Redistribution			0,	102,999,999	102,999,999	0.00	0,	0	102,999,999	102,999,999
	Total	0.00	0]	0	1,125,818,734	1,125,818,734	0.00	0	이	1,125,818,734	1,125,818,734
11.535	IGT Transfer										
	1 Core	0.00	0	0	96,885,215	96,885,215	0.00	0	0	96,885,215	96,885,215
	NDI-Transfer Increase Autho	r 0.00	0	0	248,265	248,265	0.00	0	0	0	0
	Total	0.00	0	0	97,133,480	97,133,480	0.00	0	0	96,885,215	96,885,215
						· · · · · · · · · · · · · · · · · · ·					
11.540	IGT Safety Net Hospitals										
	1 Core	0.00		71,505,748	43,348,801	114,854,549	0.00		71,505,748	43,348,801	114,854,549
	Total	0.00	0]	71,505,748	43,348,801	114,854,549	0.00	0	71,505,748	43,348,801	114,854,549
11.545	IGT DMH Medicaid Program	ne									
	1 Core	0.00	0	194,011,173	125,179,424	319,190,597	0.00	0	194,011,173	125,179,424	319,190,597
	NDI-Transfer Increase Autho		0	42,910,133	12,046,588	54,956,721	0.00	0	27,889,546	3,346,588	31,236,134
	Total	0.00	0	236,921,306	137,226,012	374,147,318	0.00	0	221,900,719	128,526,012	350,426,731
					······································		<u> </u>				· · · · · · · · · · · · · · · · · · ·
11.550	Women's Health Services										
	1 Core	0.00	1,598,704	8,801,755	216,790	10,617,249	0.00	1,598,704	8,158,905	216,790	9,974,399
	NDI-Pharmacy PMPM - Spec	i 0.00	14,032	126,293	0	140,325	0.00	14,032	126,293	0	140,325
	NDIPharmacy PMPM-Non- S	0.00	3,335	30,014	0	33,349	0.00	3,335	30,014	0	33,349
	NDI - FMAP adjustment							642,850	0	00	642,850
	Total	0.00	1,616,071	8,958,062	216,790	10,790,923	0.00	2,258,921	8,315,212	216,790	10,790,923

Core	11.555	CHIP										
NDI -Pharmacy PMP-Non-1: 0.00 299,621 687,582 0 1,167,203 0.00 300,555 666,648 0 1,167,203 NDI -Mpd Care Actuarial Incris NDI -PhAP adjustment Total 0.00 5,554,769 79,476,805 7,719,204 92,752,778 0.00 15,071,808 69,981,766 7,719,204 92,752,778 0.00 15,071,808 69,981,766 7,719,204 92,752,778 0.00 15,071,808 69,981,766 7,719,204 92,752,778 0.00 15,071,808 69,981,766 7,719,204 92,752,778 0.00 15,071,808 69,981,766 7,719,204 92,752,778 0.00 0.0		Core	0.00	3,864,122	74,583,966	7,719,204	86,167,292	0.00	3,864,122	65,072,043	7,719,204	76,655,369
NDI - Mgd Care Actuarial Incre NDI - FMAP adjustment Total NDI - FMAP adjustment NDI - FMAP		NDI - Pharmacy PMPM - Spe-	0.00	1,260,754	3,650,636	0	4,911,390	0.00	1,264,683	3,646,707	0	4,911,390
NDI - FMAP adjustment Total NDI - FMAP adjustment NDI - FMAP adjustment Total NDI - FMAP adjustment NDI - FMAP adjustment Total NDI - FMAP adjustment NDI - FMAP adjustment Total NDI - FMAP adjustment NDI		NDI -Pharmacy PMPM-Non- \$	0.00	299,621	867,582	0	1,167,203	0.00	300,555	866,648	0	1,167,203
Total D.00 S,554,769 79,478,805 7,719,204 92,752,778 D.00 15,071,808 69,981,766 7,719,204 92,752,778		NDI- Mgd Care Actuarial Incre	0.00	130,272	376,621	0	506,893	0.00	130,525	376,368	0	506,893
11.560 Show Me Bables Core		NDI - FMAP adjustment							9,511,923	0	0	9,511,923
Core 0.00 3,537,785 10,135,005 0 13,672,790 0.00 3,481,466 10,097,505 0 13,578,971		Total	0.00	5,554,769	79,478,805	7,719,204	92,752,778	0.00	15,071,808	69,961,766	7,719,204	92,752,778
Core 0.00 3,537,785 10,135,005 0 13,672,790 0.00 3,481,466 10,097,505 0 13,578,971		•								-		
NDI - FMAP adjustment Total Quality Quality Total Qual	11.560	Show Me Babies										
Total 0.00 3,537,785 10,135,005 0 13,672,790 0.00 3,481,466 10,116,324 0 13,597,790		Core	0.00	3,537,785	10,135,005	0	13,672,790	0.00	3,481,466	10,097,505	0	13,578,971
11.565 GR FRA Transfer Core 0.00 632,107,500 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 0 0 0 632,107,500 632,107,500 0 0 0 0 632,107,500 632,107,500 0 0 0 0 632,107,500 632,107,500 0 0 0 0 0 632,107,500 632,107,500 0 0 0 0 0 0 0 0 0		NDI - FMAP adjustment							0	18,819	0	18,819
Core		Total	0.00	3,537,785	10,135,005	0	13,672,790	0.00	3,481,466	10,116,324	0]_	13,597,790
Core												
Total	11.565											
11.570 FRA Transfer Core		r										
Core 0.00 0 0 632,107,500 632,107,500 0.00 0 0 632,107,500 632,107		Total	0.00	632,107,500	0	0	632,107,500	0.00	632,107,500	0	0	632,107,500
Core 0.00 0 0 632,107,500 632,107,500 0.00 0 0 632,107,500 632,107												
Total 0.00 0 0 632,107,500 632,107,500 0.00 0 0 632,107,500 632,107,500 11.575 GR NFRA Transfer Core 0.00 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 Total 0.00 210,950,510 0.00 210,950,510 0 0 0 210,950,510 11.580 Nursing Facility Reimbursment Transfer Core 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,510 Total 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,510 11.585 Nursing Facility Quality Transfer Core 0.00 0 0 1,500,000 1,500,000 Total 0.00 0 0 1,500,000 1,500,000 0.00 0 0 1,500,000 1,500,0	11.570	• • • • • • • • • • • • • • • • • • • •		_	_				_			
11.575 GR NFRA Transfer Core												
Core 0.00 210,950,510 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		Total	0.00	0	0	632,107,500	632,107,500	0.00	0]	이	632,107,500	632,107,500
Core 0.00 210,950,510 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	44 575	CD NEDA Transfer										
Total 0.00 210,950,510 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 210,950,510 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	11.575		0.00	210 050 510	0	0	210 050 510	0.00	210 050 510	0	0	210 050 510
11.580 Nursing Facility Reimbursment Transfer Core 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,510 Total 0.00 0 0 1,500,000 1,500,000 Total 0.00 0 0 1,500,000 1,500,000 Total 0.00 0 0 1,500,000 1,500,000 0.00 0 0 1,500,000 Total 0.00 0 0 1,500,000 1,500,000 0.00 0 0 1,500,000 1,500,000												
Core 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,510 10 0.00 0 0 0 210,950,510 210,950,510 11.585 Nursing Facility Quality Transfer Core 0.00 0 0 1,500,000 1,500,000 0.00 0 0 1,500,000 1,500		, ora,	0.00	210,930,310		<u></u>	210,330,310	0.00	210,550,510	<u> </u>		210,950,510
Core 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,510 10 0.00 0 0 0 210,950,510 210,950,510 11.585 Nursing Facility Quality Transfer Core 0.00 0 0 1,500,000 1,500,000 0.00 0 0 1,500,000 1,500	11.580	Nursing Facility Reimbursm	ent Transfer	-								
Total 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,510 0.00 0 0 210,950,510 210,950,5		• •			0	210,950,510	210,950,510	0.00	0	0	210,950,510	210,950,510
11.585 Nursing Facility Quality Transfer Core 0.00 0 0 1,500,000 1,500,000 0 0 0 1,500,000 Total 0.00 0 0 1,500,000 1,500,000 0 0 0 1,500,000 1,500,000		Total	0.00	0	0	210,950,510	210,950,510	0.00	0	o		
Core 0.00 0 0 1,500,000 1,500,000 0.00 0 0 1,500,000 1,500,000 Total 0.00 0 0 1,500,000 1,500,000 0 0 1,500,000 1,500,000		•			<u> </u>					•		
Total 0.00 0 0 1,500,000 1,500,000 0 0 1,500,000 1,500,000	11.585	Nursing Facility Quality Tran	nsfer									
		Core	0.00	0	0	1,500,000	1,500,000	0.00	0	0	1,500,000	1,500,000
11.590 Nursing Facility FRA		Total	0.00	0	0	1,500,000	1,500,000	0.00	0	0	1,500,000	1,500,000
11.590 Nursing Facility FRA		_										
	11.590	Nursing Facility FRA										
1 Core 0.00 0 0 325,332,526 325,332,526 0.00 0 0 325,332,526 325,332,526	1	Core	0.00	0	0	325,332,526	325,332,526	0.00	0	0	325,332,526	325,332,526
NDI-MHD FY17 Cost to Conti 0.00 0 0 931,039 931,039 0.00 0 0 0 0		NDI-MHD FY17 Cost to Conti	0.00									
Total 0.00 0 0 326,263,565 326,263,565 0.00 0 0 325,332,526 325,332,526		Total	0.00	0	0	326,263,565	326,263,565	0.00	0	0	325,332,526	325,332,526
11.595 School District Medicaid Claiming ,			_			_					_	
1 Core 0.00 242,525 39,653,770 0 39,896,295 0.00 242,525 39,653,770 0 39,896,295	1	-										
Total 0.00 242,525 39,653,770 0 39,896,295 0.00 242,525 39,653,770 0 39,896,295		iotal	0.00	242,525	39,653,770	0	39,896,295	0.00	242,525	39,653,770	0	39,896,295

11 600	Blind Pe	neion M	adical	Ranafite
i i.buu	DIIMO PE	uzion M	euicai	benents

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1 Core	0.00	23,531,130	0	0	23,531,130	0.00	23,531,130	0	0	23,531,130
NDI-MHD FY17 Cost to Conti	0.00	3,537,438	0	0	3,537,438	0.00	3,141,668	0	0	3,141,668
Total	0.00	27,068,568	0	0	27,068,568	0.00	26,672,798	0	0	26,672,798
Total MO HealthNet Core	234.11	1,157,991,579	3,824,689,267	2,550,315,964	7,532,996,810	234.11	2,043,291,865	3,755,358,934	3,490,707,367	9,289,358,166
Total MO HealthNet Division	249.11	1,513,133,095	4,243,276,334	2,667,734,732	8,424,144,161	234.11	1,538,038,603	4,126,295,509	2,596,688,768	8,261,022,880
			· · · · · · · · · · · · · · · · · · ·		·····					
Total MO HealthNet Transfer:	0.00	900,031,664	0	1,009,656,126	1,909,687,790	0.00	900,031,664	0	1,009,407,861	1,909,439,525



NEW DECISION ITEM
RANK: 6 OF 29

Department MO HealthNo	of Social Service	es			Budget Uni	t <u>Various</u>			
	et Cost to Contin	nue		DI# 1886001	House Bill	Various			
1. AMOUNT	OF REQUEST								
-		FY 2017 Budge	et Request			FY 2	017 Governor's	Recommenda	tion
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	0	0	0	EE	0	0	0	0
PSD	197,712,655	129,028,023	931,039	327,671,717	PSD	190,454,020	121,546,172	6,895,680	318,895,872
TRF	0	0	0	0_	TRF	0	0	0	0
Total	197,712,655	129,028,023	931,039	327,671,717	Total	190,454,020	121,546,172	6,895,680	318,895,872
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00
Est. Fringe	0 1	0	0	0	Est. Fringe	7 0	0	0	0
	s budgeted in Ho	use Bill 5 except fo	or certain fring	es budgeted		es budgeted in Ho	use Bill 5 except	for certain frinc	• I
	_	atrol, and Conserv				oDOT, Highway F	•	_	,
		ederal Reimbursem			Other Funds	: Pharmacy Rebate	es, Nursing Facility	Reimbursement	Allowance
				_		-	_		
	_ New Legislation		-		New Program			und Switch	
	Federal Mandat	е	-		Program Expans	ion		ost to Continue	
	_GR Pick-Up				Space Request	-	E	quipment Repl	acement
	_Pay Plan		-	(Other:				
		EEDED? PROVID			EMS CHECKE	O IN #2. INCLUD	E THE FEDERAL	OR STATE S	TATUTORY OR
HealthNet pr include Phar	rograms for Fiscal macy, Clawback,	et program expend Year 2016. This Physician Related Decialty Services, I	decision item d Services, De	is to continue thi intal Services, Pr	s additional fund emium Payment	ling into Fiscal Ye ts, Home Health, l	ar 2017. Progran Program for All-In	ns with estimat clusive Care fo	ed shortfalls or the Elderly

			N	EW DECISION	ITEM				
			RANK:	6	OF	29			
Department of Social Services					Budget Ur	nit Various			
MO HealthNet Division					110000000000000000000000000000000000000				
MO HealthNet Cost to Continu	е		DI# 188600	1					
4. DESCRIBE THE DETAILED FTE were appropriate? From v considered? If based on new how those amounts were calc	what source or legislation, doe	standard did y	ou derive t	he requested	evels of fu	nding? Were a	alternatives su	ch as outsou	rcing or automa
Based on actual expenditures the 2016 supplemental by program a				needed in Fisc	al Year 201				
	GR	Department Federal	Other	Total		GR I	overnor's Rec		
Pharmacy (11.435)	GK	reuerai	Other	TOTAL		GR	Federal	Other	Total
FY16 cuts/fund switches	(17,985,388)	ol	ol	(17,985,388)	1	(17,985,388)	ol	0	(17,985,388)
FY15 shortfall carried over into FY16	(11,460,582)	(19,786,744)	0	(31,247,326)		(11,460,582)	(19,786,744)	0	
Utilization/Caseload in FY16	(17,528,910)	(31,568,028)	0	(49,096,938)		(16,774,397)	(32,496,772)	0	(49,271,169)
Inflation/Cost in FY16	(13,486,690)	(24,288,345)	0			(12,906,170)	(25,002,917)	0	
Total Need	(60,461,570)	(75,643,117)	0	(136,104,687)	Ì	(59,126,537)	(77,286,433)	0	
Pharmacy Rebates Funds (\$15.4M existing, \$4.3M new)				Ó		19,721,623		(4,321,623)	
Health Initiatives Funds				0	i	2,574,057		(2,574,057)	0
Total Pharmacy	(60,461,570)	(75,643,117)	0	(136,104,687)		(36,830,857)	(77,286,433)		(121,012,970)
Clawback (11.435)									
FY16 cuts/NDI underfunded	(5,529,314)	ol	0	(5,529,314)	Γ	(5,529,314)	ol	0	(5,529,314)
Federally-required rate change for CY 2016	(6,013,764)	0	0	(6,013,764)		(6,013,764)	0	0	(6,013,764)
	(4,014,004)	0	0	(4,014,004)		(3,802,179)	0	0	(3,802,179)
Caseload/Utilization/Inflation in FY16	(4,014,004)	1		(1,011,001)		(0,002,170)			(0,002,110)

			NE	W DECISION			<u></u>				
			RANK:	6	_ 0	F29					
Department of Social Services					Budget I	Unit Various					
MO HealthNet Division											
MO HealthNet Cost to Continu	e		DI# 188600°	1							
Physician Services (11.455)											
FY16 cuts	(5,047,652)	0	0	(5,047,652)		(5,047,652)			(5,047,652)		
FY15 shortfall carried over into FY16	(7,799,033)	(7,797,249)	0	(15,596,282)		(7,799,033)	(868,020)		(8,667,053)		
Caseload/Utilization/Inflation in FY16	(15,003,603)			(15,003,603)		(38,914,407)			(38,914,407)		
Total Physician Services	(27,850,288)	(7,797,249)	0	(35,647,537)		(51,761,092)	(868,020)	0	(52,629,112)		
		Department	Poguest		1	Governor's Recommendation					
_ = _	GR	Federal	Other	Total	1	GR	Federal	Other	Total		
Dental Services (11.460)	GK I	reuerar	Other	TOTAL	J	<u> </u>	reaciai	Other	Total		
FY16 cuts	0	0	0	0	1	(131,003)	ol	0	(131,003)		
Caseload/Utilization/Inflation in FY16	0	(252,718)	0	(252,718)		(460,474)	(1,080,904)	0	(1,541,378)		
Total Dental Services	0	(252,718)	0	(252,718)	i	(591,477)	(1,080,904)	0	(1,672,381)		
					•	h					
Premium Payments (11.465)					2						
FY16 cuts	(2,025,620)	0	0	(2,025,620)		(2,025,620)	0	0	(2,025,620)		
FY15 shortfall carried over into FY16	(1,099,247)	(1,897,855)	0	(2,997,102)		(1,099,247)	(1,897,855)	0	(2,997,102)		
Part A and Part B Increases in FY16	(1,473,763)	(2,833,443)	0	(4,307,206)		(5,018,707)	(9,654,154)	0	(14,672,861)		
Caseload/Utilization/Inflation in FY16	(1,999,744)	(8,350,985)	0	(10,350,729)		(1,333,181)	(5,989,495)	0	(7,322,676)		
Total Premium Payments	(6,598,374)	(13,082,283)	0	(19,680,657)	1	(9,476,755)	(17,541,504)	0	(27,018,259)		
	T.										
Home Health (11.470)					1	(05.05.01	(00.40.1)	-1	(00.055)		
Caseload/Utilization/Inflation	0	0	0	0	4	(35,674)	(33,184)	0			
Total Home Health	0	0	0	0		(35,674)	(33,184)	0	(68,858)		

			NE	W DECISION	TEM				
			RANK:_	6	OF_	29			
Department of Social Services					Budget Un	it Various			
MO HealthNet Division MO HealthNet Cost to Continu	е	ı	DI# 1886001						
Program for All-Inclusive Care for the Elderly (PACE) (11.470)									
Caseload/Utilization/Inflation in FY16	(50,165)	(173,156)	0	(223,321)		(25,165)	(83,432)	0	(108,597)
Total PACE	(50,165)	(173,156)	0	(223,321)		(25,165)	(83,432)	0	(108,597)
Rehabilitation and Specialty Services (11.485)									*
FY16 cuts	(2,489,928)	0	0	(2,489,928)		(2,489,928)	0	0	(2,489,928)
Caseload/Utilization/Inflation in FY16	(5,830,261)	0	0	(5,830,261)		(3,882,854)	0	0	(3,882,854)
Total Rehabilitation and Specialty Services	(8,320,189)	0	0	(8,320,189)		(6,372,782)	0	0	(6,372,782)
		Department F	Paguaet		Г	G	overnor's Reco	mmondation	
l i	GR	Federal	Other	Total	- F	GR	Federal	Other	Total
Non-Emergency Medical Transportation (NEMT) (11.485)							. 040141	3,1101	10141
FY16 cuts	(1,776,659)	0	0	(1,776,659)		(1,776,659)	0	0	(1,776,659)
FY15 shortfall carried over into FY16	(34,865)	0	0	(34,865)		(34,865)	0	0	(34,865)
Caseload in FY16	(2,542,079)	0	0	(2,542,079)		(2,475,420)	0	0	(2,475,420)
Total NEMT	(4,353,603)	0	0	(4,353,603)		(4,286,944)	0	0	(4,286,944)

NEW DECISION ITEM									
			RANK:_	6	OI	F29	k ë		
Department of Social Services					Budget l	Jnit Various			
MO HealthNet Division									
MO HealthNet Cost to Continu	e		DI# 1886001						
Complex Rehabilitation Items (11.490)									
FY16 cuts	(88,355)	0	0	(88,355)		0	0	0	0
FY15 shortfall carried over into FY16	0	(17,321)	0	(17,321)		0	0	0	0
Caseload/Utilization/Inflation in FY16	0	(22,084)	0	(22,084)		0	0	0	0
Total Home Health	(88,355)	(39,405)	0	(127,760)		0	0	0	0
			· · · · · · · · · · · · · · · · · · ·			·		***************************************	
Managed Care (11.505)						N-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1			
FY16 cuts	(10,555,943)	0	0	(10,555,943)		(10,555,943)	0	0	(10,555,943)
FY15 shortfall carried over into FY16	(7,888,676)	(13,465,065)	0	(21,353,741)		(7,888,676)	(13,465,065)	0	(21,353,741)
Caseload in FY16	(20,302,294)	(7,384,502)	0	(27,686,796)		(7,315,098)	(7,384,667)	0	(14,699,765)
Total Managed Care	(38,746,913)	(20,849,567)	0	(59,596,480)		(25,759,717)	(20,849,732)	0	(46,609,449)
Hospital Care (11.510)									
FY16 cuts/fund switches	(4,543,753)	0	0	(4,543,753)		(4,543,753)	0	0	(4,543,753)
FY15 shortfall carried over into FY16	(11,736,331)	(11,190,528)	0	(22,926,859)		(11,736,331)	(3,802,963)	0	(15,539,294)
Caseload/Utilization/Inflation	(15,868,594)	0	0	(15,868,594)		(24,301,265)	0	0	(24,301,265)
Total Need	(32,148,678)	(11,190,528)	0	(43,339,206)		(40,581,349)	(3,802,963)	0	(44,384,312)
Savings from LANE adjustment	0	0	0	0		3,754,717	0	0	3,754,717
Total Hospital Care	(32,148,678)	(11,190,528)	0	(43,339,206)		(36,826,632)	(3,802,963)	0	(40,629,595)

			NE	W DECISION	TEM				
			RANK:	6	OF	29			
Department of Social Services	S				Budget U	nit Various			
MO HealthNet Division									
MO HealthNet Cost to Continu	ue		DI# 1886001						
		Department	Request			G	overnor's Reco	mmendation	
	GR	Federal	Other	Total		GR	Federal	Other	Total
Nursing Facility Reimbursement Allowance (11.585)			•				•	•	
Caseload/Utilization/Inflation	0	0	(931,039)	(931,039)		0	0	0	(
Total Home Health	0	0	(931,039)	(931,039)		0	0	0	
Blind Pension Medical Benefits (11.600)									
FY16 cuts	(725,266)	0	0	(725,266)		(725,266)	0	0	(725,266
FY15 shortfall carried over into FY16	(1,656,459)	0	0	(1,656,459)		(1,656,459)	0	0	(1,656,459
Caseload/Utilization/Inflation in FY16	(1,155,713)	0	0	(1,155,713)		(759,943)	0	0	(759,943
Total Blind Pension Medical	(3,537,438)	0	0	(3,537,438)		(3,141,668)	0	0	(3,141,668
TOTAL	(197,712,655)	(129,028,023)	(931,039)	(327,671,717)	,	(190,454,020)	(121,546,172)	(6,895,680)	(318,895,872

		NE	W DECISION	ITEM					
		RANK:	6	_ OF_	29				
Department of Social Services				Budget Ur	i t Various				
MO HealthNet Division				_					
MO HealthNet Cost to Continue		DI# 1886001							
5. BREAK DOWN THE REQUEST BY BUDGE	T OBJECT CL	ASS, JOB C	LASS, AND F	UND SOUR	CE. IDENTIFY	ONE-TIME CO	STS.		<u> </u>
	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Req
	GR	GR	FED	FED	OTHER	OTHER	TOTAL	TOTAL	One-
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	Time
		-					0	0.0	
Total PS	0	0.0	(0.0	0	0.0	0	0.0	(
				_ <i>_</i>			0		
Total EE	0)	()	0		0		(
Program Distributions	197,712,655	j	129,028,023	3	931,039		327,671,717		
Total PSD	197,712,655		129,028,023		931,039		327,671,717		(
Transfers							n		•
Total TRF	0	-	C	-	0		0		
2000									
Grand Total	197,712,655	0.0	129,028,023	0.0	931,039	0.0	327,671,717	0.0	(

		NE	W DECISION	ITEM					
		RANK:	6	OF_	29	-			
Department of Social Services				Budget Ur	nit Various	· · · · · · · · · · · · · · · · · · ·			
MO HealthNet Division				_					
MO HealthNet Cost to Continue		DI# 1886001							
									Gov
									Rec
									One-
	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec		Gov Rec	Gov Rec	Time
	GR	GR	FED	FED	OTHER	Gov Rec	TOTAL	TOTAL	DOLL
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	OTHER FTE	DOLLARS	FTE	ARS
							0	0.0	
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
		_					0		
Total EE	0		0		0		0		0
Program Distributions	190,454,020		121,546,172		6,895,680		318,895,872		
Total PSD	190,454,020	-	121,546,172		6,895,680	•	318,895,872		0
Transfers							0		
Total TRF	0	_	0		0	•	0		0
Grand Total	190,454,020	0.0	121,546,172	0.0	6,895,680	0.0	318,895,872	0.0	C

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
PHARMACY							- :	
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	136,104,687	0.00	121,012,970	0.00
TOTAL - PD	0	0.00	0	0.00	136,104,687	0.00	121,012,970	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$136,104,687	0.00	\$121,012,970	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$60,461,570	0.00	\$36,830,857	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$75,643,117	0.00	\$77,286,433	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$6,895,680	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
PHARMACY-MED PART D-CLAWBACK MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	15,557,082	0.00	15,345,257	0.00
TOTAL - PD	0	0.00	0	0.00	15,557,082	0.00	15,345,257	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$15,557,082	0.00	\$15,345,257	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$15,557,082	0.00	\$15,345,257	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017	
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
PHYSICIAN RELATED PROF			•						
MHD FY17 Cost to Continue - 1886001									
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	35,647,537	0.00	52,629,112	0.00	
TOTAL - PD	0	0.00	0	0.00	35,647,537	0.00	52,629,112	0.00	
GRAND TOTAL	\$0	0.00	\$0	0.00	\$35,647,537	0.00	\$52,629,112	0.00	
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$27,850,288	0.00	\$51,761,092	0.00	
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$7,797,249	0.00	\$868,020	0.00	
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00	

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
DENTAL DENTAL	DOLLAN		DOLLAR		DOLLAR		BOLLAIN	
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	252,718	0.00	1,672,381	0.00
TOTAL - PD	0	0.00	0	0.00	252,718	0.00	1,672,381	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$252,718	0.00	\$1,672,381	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$591,477	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$252,718	0.00	\$1,080,904	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PREMIUM PAYMENTS	•				-			
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	19,680,657	0.00	27,018,259	0.00
TOTAL - PD	0	0.00	0	0.00	19,680,657	0.00	27,018,259	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$19,680,657	0.00	\$27,018,259	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$6,598,374	0.00	\$9,476,755	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$13,082,283	0.00	\$17,541,504	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
HOME HEALTH				 		 		
MHD FY17 Cost to Continue - 1886001 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	68,858	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	68,858	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$68,858	0.00
GENERAL REVENUE FEDERAL FUNDS	\$0 \$0		\$0 \$0	0.00 0.00	\$0 \$0		\$35,674 \$33,184	0.00
OTHER FUNDS	\$0 \$0		\$0 \$0	0.00	\$0		\$33,104	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016		FY 2017	FY 2017 GOV REC	FY 2017 GOV REC
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET		DEPT REQ		
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PACE								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	223,321	0.00	108,597	0.00
TOTAL - PD	0	0.00	0	0.00	223,321	0.00	108,597	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$223,321	0.00	\$108,597	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$50,165	0.00	\$25,165	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$173,156	0.00	\$83,432	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
REHAB AND SPECIALTY SERVICES								
MHD FY17 Cost to Continue - 1886001 PROGRAM DISTRIBUTIONS		0.00	0	0.00	8,320,189	0.00	6,372,782	0.00
TOTAL - PD		0.00	0	0.00	8,320,189	0.00	6,372,782	0.00
GRAND TOTAL	\$	0.00	\$0	0.00	\$8,320,189	0.00	\$6,372,782	0.00
GENERAL REVENUE	\$	0 0.00	\$0	0.00	\$8,320,189	0.00	\$6,372,782	0.00
FEDERAL FUNDS	\$	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
NON-EMERGENCY TRANSPORT								7
MHD FY17 Cost to Continue - 1886001 PROGRAM DISTRIBUTIONS	C	0.00	0	0.00	4,353,603	0.00	4,286,944	0.00
TOTAL - PD	C	0.00	0	0.00	4,353,603	0.00	4,286,944	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$4,353,603	0.00	\$4,286,944	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$4,353,603	0.00	\$4,286,944	0.00
FEDERAL FUNDS	\$0		\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	T DEPT REQ	DEPT REQ	GOV REC DOLLAR	GOV REC FTE
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE		
COMPLEX REHAB TECHNLGY PROUCTS	· <u>-</u>							
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	127,760	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	127,760	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$127,760	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$88,355	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$39,405	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MANAGED CARE				· · · · · · · · · · · · · · · · · · ·		- 		
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	(0.00	0	0.00	59,596,480	0.00	46,609,449	0.00
TOTAL - PD	(0.00	0	0.00	59,596,480	0.00	46,609,449	0.00
GRAND TOTAL	\$(0.00	\$0	0.00	\$59,596,480	0.00	\$46,609,449	0.00
GENERAL REVENUE	\$(0.00	\$0	0.00	\$38,746,913	0.00	\$25,759,717	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$20,849,567	0.00	\$20,849,732	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HOSPITAL CARE								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS		0.00	0	0.00	43,339,206	0.00	40,629,595	0.00
TOTAL - PD	(0.00	0	0.00	43,339,206	0.00	40,629,595	0.00
GRAND TOTAL	\$(0.00	\$0	0.00	\$43,339,206	0.00	\$40,629,595	0.00
GENERAL REVENUE	\$(0.00	\$0	0.00	\$32,148,678	0.00	\$36,826,632	0.00
FEDERAL FUNDS	\$(0.00	\$0	0.00	\$11,190,528	0.00	\$3,802,963	0.00
OTHER FUNDS	\$(0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
NURSING FACILITY FED REIMB AL	BOLLAR		DOLLAR	1 1 1 1	DOLLAR		DOLLAIN	112
MHD FY17 Cost to Continue - 1886001	0	0.00	0	0.00	024 020	0.00	0	0.00
PROGRAM DISTRIBUTIONS	0		0	0.00	931,039	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	931,039	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$931,039	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$931,039	0.00		0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
BLIND PENSION MEDICAL BENEFITS						•		
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,537,438	0.00	3,141,668	0.00
TOTAL - PD	0	0.00	0	0.00	3,537,438	0.00	3,141,668	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$3,537,438	0.00	\$3,141,668	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,537,438	0.00	\$3,141,668	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

RANK:

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OF

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Department: Social Services

Budget Unit 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Specialty

DI# 1886002

		FY 2017 Bud	get Request			FY 20	17 Governor's R	ecommendati	on
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS	·			
EE					EE				
PSD	50,683,254	89,080,864		139,764,118	PSD	50,815,160	88,948,958		139,764,118
TRF					TRF				·
Total	50,683,254	89,080,864	0	139,764,118	Total	50,815,160	88,948,958		139,764,118
									0.00
FTE	0.00	0.00	0.00	0.00	FTE				0.00
	0.00	0.00	0.00	0.00	Est. Fringe	0	0	0	0.00
Est. Fringe		0	0	0	Est. Fringe	0 budgeted in House			0
Est. Fringe Note: Fringes	0	0 ouse Bill 5 excep	0 ot for certain frin	0	Est. Fringe Note: Fringes I		Bill 5 except for o	certain fringes	0
Est. Fringe Note: Fringes	0 s budgeted in Ho	0 ouse Bill 5 excep	0 ot for certain frin	0	Est. Fringe Note: Fringes I	budgeted in House	Bill 5 except for o	certain fringes	0
Est. Fringe Note: Fringes directly to Mol	0 s budgeted in Ho	0 ouse Bill 5 excep Patrol, and Cons	0 ot for certain frin servation.	0	Est. Fringe Note: Fringes I directly to MoDe	budgeted in House	Bill 5 except for o	certain fringes	0
Est. Fringe Note: Fringes directly to Mol Other Funds: 2. THIS REQU	0 s budgeted in Ho DOT, Highway F	0 ouse Bill 5 exceptatrol, and Cons	0 ot for certain frin servation.	0 nges budgeted	Est. Fringe Note: Fringes to directly to MoDe Other Funds:	budgeted in House	Bill 5 except for cool, and Conservati	certain fringes	0
Est. Fringe Note: Fringes directly to Mol Other Funds: 2. THIS REQU	0 s budgeted in Ho DOT, Highway F	0 ouse Bill 5 exceptatrol, and Cons	0 ot for certain frin servation.	0 nges budgeted	Est. Fringe Note: Fringes to directly to MoDe Other Funds: New Program	budgeted in House	Bill 5 except for cool, and Conservati	certain fringes ion.	0 budgeted
Est. Fringe Note: Fringes directly to Mol Other Funds: 2. THIS REQU	0 s budgeted in Ho DOT, Highway F JEST CAN BE O New Legislation	0 ouse Bill 5 exceptatrol, and Cons	0 ot for certain frin servation.	0 nges budgeted	Est. Fringe Note: Fringes to directly to MoDe Other Funds:	budgeted in House	Bill 5 except for coll, and Conservati	certain fringes ion. und Switch	budgeted

NDI SYNOPSIS: Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies and inflation.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures attributed to specialty drugs. Specialty drugs account for the majority of the projected increase in pharmacy expenditures.

State Statute: 208.201 RSMo.; Federal Law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

RANK:

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OF

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Department: Social Services

Budget Unit: 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Specialty

DI# 1886002

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MHD utilized industry sources, Express Scripts (ESI) Trend Report and CVS Caremark Insights Report, in support of the decision item.

Specialty drugs account for the majority of the projected increase in pharmacy expenditures. Specialty drugs treat complex chronic and/or life threatening conditions. Specialty drugs are often the first effective treatment of a condition. Many specialty products face little market competition and target a small patient population, thus they have a high cost per unit. Most specialty products are complex "biologics" and not easily copied, making introduction of generics a long, slow process. Typically, specialty drugs require special storage, handling and administration. They may also require detailed patient instructions and adherence monitoring from qualified healthcare providers. Additionally, there is generally pent up demand for a specialty drug, making the first few years of use very expensive.

The major contributors of the increase in specialty spend are brand inflation and accelerating development of expensive, highly targeted therapies. The top specialty drug therapy classes are inflammatory conditions, multiple sclerosis, oncology, and hepatitis C. These specialty therapy classes account for 68% of the total specialty drug spend in the commercial market. Highlights for these classes are:

- Inflammatory Conditions such as rheumatoid arthritis, psoriasis and Crohn's disease will increase due to the expansion of indications for current therapies, movement of therapy from medical settings to pharmacy, and increasing numbers of patients newly diagnosed with inflammatory conditions.
- Multiple Sclerosis moderate inflation rates will contribute to the rising costs of treating MS in the next few years. Ponesimod, a new pipeline drug that might be launched in 2017, may increase spend as well.
- Oncology year over year trend forecast for oncology medications is based on continuations of brand inflation and brand drug innovation; both will increase utilization. Multiple therapies can be used sequentially or as combination treatment-leading to increased utilization.
- Hepatitis C in the next three years, further significant increases in the PMPY trend for treatments will result from increases in utilization and brand inflation. Large cost increases in 2014 were associated with the introduction of four highly effective therapies to the U.S. market.

Additional "blockbuster" drugs (i.e. \$1 billion dollars each in sales) not included in the categories above that have hit the market this year include:

- Two medications for cystic fibrosis (>\$300,000 each per patient per year)
- Two new medications for lowering cholesterol (~\$14,600 per patient per year)
- Breakthrough treatment for Heart Failure (~ \$4,500 per patient per year)

Industry sources indicate the percent of specialty spend in the commercial market has increased from 17.6% in 2011 to 31.8% in 2014 and is expected to grow to 44% in the commercial market in the next three years. The percent of specialty spend in MHD expenditures has been 38.6% for FY13 and FY14, 44.5% in FY15, but is expected to grow to 52.5% in FY17. The difference in the specialty rates between MHD and the commercial market is due to the MHD caseload mix. Based on the industry sources (ESI & CVS Caremark), MHD assumed a specialty trend of 19.725% in FY16 and 19.275% in FY17.

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OF 29

Department: Social Services

Budget Unit: 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Specialty

DI# 1886002

Specialty Drugs

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FY16 Trend	19.725%
FY17 Trend	19.275%

Specialty - Dept Request

Specialty - Governor's Recommendation

	OAA	PTD	Others	Total	OAA	PTD	Others	Total	_
FY15 PMPM (actual)	\$284.35	\$619.18	\$60.86		\$284.35	\$619.18	\$60.86		•
Specialty Rate	52.50%	52.50%	52.50%		52.50%	52.50%	52.50%		
Subtotal	\$149.28	\$325.07	\$31.95		\$149.28	\$325.07	\$31.95		
FY16 PMPM Trend Rat	19.725%	19.725%	19.725%		19.725%	19.725%	19.725%		
Increase in PMPM	\$29.45	\$64.12	\$6.30		\$29.45	\$64.12	\$6.30		
FY16 Estimate	\$178.73	\$389.19	\$38.25		\$178.73	\$389.19	\$38.25		
FY17 PMPM Trend Rat	19.275%	19.275%	19.275%		19.275%	19.275%	19.275%		
FY17 Estimate	\$34.45	\$75.02	\$7.37		\$34.45	\$75.02	\$7.37		
Members	9,381	85,983	667,588		9,381	85,983	667,588		
Monthly Cost	\$323,188	\$6,450,473	\$4,920,124		\$323,188	\$6,450,473	\$4,920,124		
12 Months	12	12	12		12	12	12		
Yearly Cost	\$3,878,256	\$77,405,676	\$59,041,488	\$140,325,420	\$3,878,256	\$77,405,676	\$59,041,488	\$140,325,420	
					Dept. Request		Govern	nor's Recommend	dation
Pharmcy expenditure	es by program:		FMAPs	Total	GR	FF	Total	GR	FF
Blind Pension Medic	al*		0.00%	\$0	\$0	\$0	0	\$0	\$0
CHIP			74.33%	\$4,911,390	\$1,260,754	\$3,650,636	\$4,911,390	\$1,264,683	\$3,646,707
Women's Health			90.00%	\$140,325	\$14,033	\$126,293	\$140,325	\$14,032	\$126,293
Pharmacy			63.32%	\$134,712,403	\$49,408,468	\$85,303,935	\$134,712,403	\$49,536,445	\$85,175,958
•			•	\$139,764,118	\$50,683,254	\$89,080,864	\$139,764,118	\$50,815,160	\$88,948,958

^{*}Pharmacy inflationary costs associated with the Blind Medical population are anticipated to be absorbed within the current appropriation and cost-to-continue.

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OF

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Department: Social Services Budget Unit: 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Specialty DI# 1886002

5. BREAK DOWN THE REQU	EST BY BUDGET	OBJECT CL	ASS, JOB CLAS	S, AND FUND S	OURCE. IDE	NTIFY ONE-TIM	IE COSTS.		
					Dept Req		Dept Req		Dept Req
Budget Object Class/Job	Dept Req GR	Dept Req	Dept Req FED	Dept Req FED	OTHER	Dept Req	TOTAL	Dept Req	One-Time
Class	DOLLARS	GR FTE	DOLLARS	FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
	0					· · · · · · · · · · · · · · · · · · ·	0	0.0	
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
				-	····		0		<u>-</u>
Total EE	0		0		0		0		0
Program Distributions	\$50,683,254		89,080,864				139,764,118		
Total PSD	50,683,254		89,080,864	-	0	•	139,764,118	•	0
Transfers									
Total TRF	0	,	0	-	0	•	0		0
Grand Total	E0 C02 2E4		90 090 964	0.0		0.0	420 704 449	0.0	
Grand Total	50,683,254	0.0	89,080,864	U.U	0	0.0	139,764,118	0.0	<u>U</u>
					Gov Rec		Gov Rec		Gov Rec
Budget Object Class/Job	Gov Rec GR	Gov Rec	Gov Rec FED	Gov Poc EED	OTHER	Gov Rec	TOTAL	Gov Rec	One-Time
Class	DOLLARS	GR FTE	DOLLARS	FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
Ciass	DOLLANG	GIVITE	DOLLANG	· · · · · · · · · · · · · · · · · · ·	DOLLARO	OTHERTIE	DOLLARO	0.0	DOLLARO
Total PS		0.0	0	0.0	0	0.0	<u>0</u>	0.0	n
Total 1 0	J	0.0	· ·	0.0	J	0.0	0	0.0	J
Total EE	0	,	0	-	0	-	0	•	0
Program Distributions	50,815,160		88,948,958				139,764,118		
Total PSD	50,815,160		88,948,958	-	0	-	139,764,118		
	50,615,160		00,340,330		U		100,104,110		ď
Transfers				_		_			
Total TRF	0	•	0	•	0	•	0	•	0
Grand Total	50,815,160	0.0	88,948,958	0.0	0	0.0	139,764,118	0.0	0

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Department: Social Services

Budget Unit:

90541C

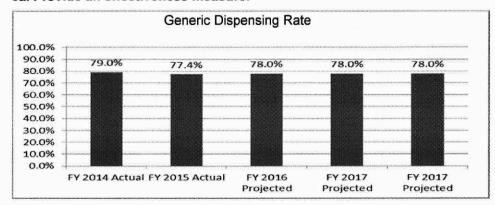
Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Specialty

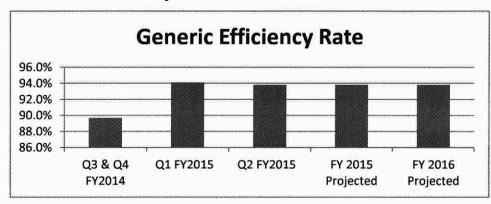
DI# 1886002

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

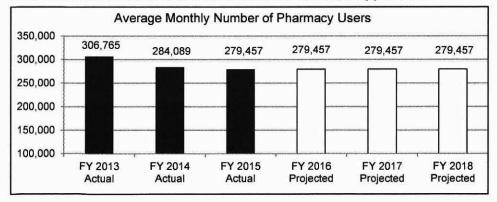
6a. Provide an effectiveness measure.



6b. Provide an efficiency measure.



6c. Provide the number of clients/individuals served, if applicable.



The data was obtained from the Mercer quarterly report.

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
PHARMACY	DOLLAR	FIE	DOLLAR	FIC	DOLLAR	FIE	DULLAR	FIE
Pharmacy PMPM-Specialty - 1886002 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	134,712,403	0.00	134,712,403	0.00
TOTAL - PD	0	0.00	0	0.00	134,712,403	0.00	134,712,403	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$134,712,403	0.00	\$134,712,403	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$49,408,468	0.00	\$49,536,445	0.00
FEDERAL FUNDS OTHER FUNDS	\$0 \$0		\$0 \$0	0.00 0.00	\$85,303,935 \$0	0.00 0.00	\$85,175,958 \$0	0.00 0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
WOMEN'S HEALTH SRVC		· · · -						
Pharmacy PMPM-Specialty - 1886002								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	140,325	0.00	140,325	0.00
TOTAL - PD	0	0.00	0	0.00	140,325	0.00	140,325	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$140,325	0.00	\$140,325	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$14,032	0.00	\$14,032	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$126,293	0.00	\$126,293	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
CHILDREN'S HEALTH INS PROGRAM								
Pharmacy PMPM-Specialty - 1886002					•			
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,911,390	0.00	4,911,390	0.00
TOTAL - PD	0	0.00	0	0.00	4,911,390	0.00	4,911,390	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$4,911,390	0.00	\$4,911,390	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,260,754	0.00	\$1,264,683	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$3,650,636	0.00	\$3,646,707	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

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OF:

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Department: Social Services

Budget Unit 90541C

Division: MO HealthNet

DI # 1886003

DI Name: Pharmacy PMPM Increase-Non Specialty

		FY 2017 Budge	t Request			FY 201	7 Governor's F	Recommen	dation
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	0	0	0	EE	0	0	0	0
PSD	12,044,992	21,170,273	0	33,215,265	PSD	12,076,340	21,138,925	0	33,215,265
TRF	0	0	0	0	TRF	0	0	0	0
Total	12,044,992	21,170,273	0	33,215,265	Total	12,076,340	21,138,925	0	33,215,265
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
•	lgeted in House Bill , Highway Patrol, a	•	•	dgeted		s budgeted in H ectly to MoDOT,		•	-

Other Funds:

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:		
New Legislation	New Program	Fund Switch
Federal Mandate	Program Expansion	Cost to Continue
GR Pick-Up	Space Request	Equipment Replacement
Pay Plan	X Other: Inflatio	n/Utilization

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies and inflation.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures attributed to non-specialty drugs.

State Statute: 208.201 RSMo.; Federal Law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

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OF:

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Department: Social Services

Budget Unit 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Non Specialty

DI # 1886003

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The Pharmacy PMPM NDI is broken down into two components: Specialty and Non Specialty. Two industry sources, the Express Scripts (ESI) Trend Report and the CVS Caremark Insights Report, were used to project MO HealthNet pharmacy costs. These sources project the following trend for 2017 Non-Specialty Pharmacy PMPM

Non-Specialty Drugs

FY16 Trend	4.60%
FY17 Trend	5.80%

1 1 17 TICHA	0.0070									
	ĺ	Non-Specialty Dru	gs - Dept Request	,			Non-Spec	ialty Drugs - Gove	rnor's Recommen	dation
	OAA	PTD	Others	Total			OAA	PTD	Others	Total
FY15 PMPM (actual)	\$284.35	\$619.18	\$60.86	F	Y15 PMPM	_	\$284.35	\$619.18	\$60.86	
Non Specialty Rate	47.50%	47.50%	47.50%	N	Non Specialty Rate			47.50%	47.50%	
Subtotal	\$135.07	\$294.11	\$28.91	Subtotal			\$135.07	\$294.11	\$28.91	
FY16 PMPM Trend Rate	4.60%	4.60%	4.60%	F	FY16 PMPM Trend Rate			4.60%	4.60%	
Increase in PMPM	\$6.21	\$13.53	\$1.33	li	Increase in PMPM			\$13.53	\$1.33	
FY16 Estimate	\$141.28	\$307.64	\$30.24	F	Y16 Estimate		\$141.28	\$307.64	\$30.24	
FY17 PMPM Trend Rate	5.80%	5.80%	5.80%	F	Y17 PMPM Trend F	Rate	5.80%	5.80%	5.80%	
FY17 Estimate	\$8.19	\$17.84	\$1.75	F	Y17 Estimate		\$8.19	\$17.84	\$1.75	
Members	9,381	85,983	667,588	N	fembers		9,381	85,983	667,588	
Monthly Cost	\$76,833	\$1,533,943	\$1,168,279	N	Ionthly Cost		\$76,833	\$1,533,943	\$1,168,279	
12 Months	12	12	12	1	2 Months		12	12	12	
Yearly Cost	\$921,996	\$18,407,316	\$14,019,348	\$33,348,660 Y	early Cost		\$921,996	\$18,407,316	\$14,019,348	\$33,348,660
			ם	ept Request		Governo	r's Recommen	dation		
Pharmacy expenditures b	y program:	FMAPs	Total	GR	FF	Total	GR	FF		
Blind Pen Medical*		0.00%	_	-	-					
CHIP		74.33%	1,167,203	299,621	867,582	1,167,203	300,555	866,648		
Women's Health		90.00%	33,349	3,335	30,014	33,349	3,335	30,014		
Pharmacy		63.32%	32,014,713	11,742,036	20,272,677	32,014,713	11,772,450	20,242,263		
		_	33,215,265	12,044,992	21,170,273	33,215,265	12,076,340	21,138,925		

^{*}Pharmacy inflationary costs associated with the Blind Medical population are anticipated to be absorbed within the current appropriation and cost-to-continue.

RANK:

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OF:

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Department: Social Services

Budget Unit 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Non Specialty

5. BREAK DOWN THE REQ	UEST BY BUDG	ET OBJECT CI	LASS, JOB CL	<u>ASS, AND FUNI</u>	D SOURCE. IE	DENTIFY ONE-	<u> FIME COSTS.</u>		
			Dept Req		Dept Req		Dept Req		Dept Req
Budget Object Class/Job	•	Dept Req GR	FED	Dept Req	OTHER	Dept Req	TOTAL	Dept Req	One-Time
Class	DOLLARS	FTE	DOLLARS	FED FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
		•						0.0	
Total PS		0	0	0.0	0	0.0	0	0.0	
Total EE	0		0		0	-	0		
Program Distributions	12,044,992		21,170,273				33,215,265		
Total PSD	12,044,992	•	21,170,273	•	0	•	33,215,265		1
Transfers									
Total TRF	0	•	0	-	0	•	0		
Grand Total	12,044,992	0.0	21,170,273	0.0	0	0.0	33,215,265	0.0	
					Gov Rec		Gov Rec		Gov Rec On
Budget Object Class/Job	Gov Rec GR	Gov Rec GR	Gov Rec FED	Gov Rec FED	OTHER	Gov Rec	TOTAL	Gov Rec	Time
Class	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
Total PS			0	0.0		0.0	0	0.0	
iotai PS	U	0.0	U	0.0	0	U.U	0	0.0	,
Total EE	0	,	0	-	0	-	0		
Program Distributions	12,076,340		21,138,925				33,215,265		
Total PSD	12,076,340	•	21,138,925		0	-	33,215,265		(
Transfers									
Total TRF	0		0		0	-	0	•	(
Grand Total		0.0	21,138,925	0.0		0.0	33,215,265		

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OF:

29

Department: Social Services

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Non Specialty

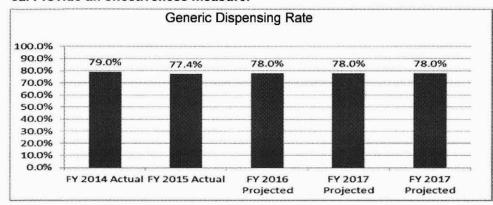
Budget Unit:

90541C

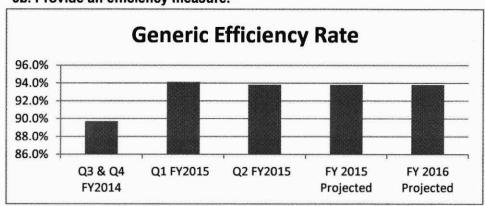
DI # 1886003

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

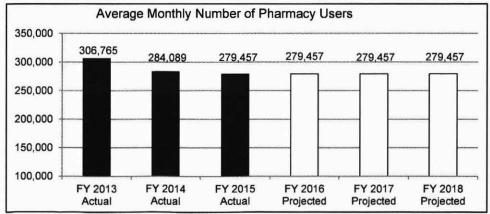
6a. Provide an effectiveness measure.



6b. Provide an efficiency measure.



6c. Provide the number of clients/individuals served, if applicable.



The data was obtained from the Mercer quarterly report.

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
PHARMACY						, , - , , , , , , , , , , , , , , , , ,		
Pharmacy PMPM-Non-Specialty - 1886003 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	32,014,713	0.00	32,014,713	0.00
TOTAL - PD	0	0.00	0	0.00	32,014,713	0.00	32,014,713	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$32,014,713	0.00	\$32,014,713	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$11,742,036	0.00	\$11,772,450	0.00
FEDERAL FUNDS OTHER FUNDS	\$0 \$0	0.00 0.00	\$0 \$0	0.00 0.00	\$20,272,677 \$0	0.00 0.00	\$20,242,263 \$0	0.00 0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
WOMEN'S HEALTH SRVC								
Pharmacy PMPM-Non-Specialty - 1886003								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	33,349	0.00	33,349	0.00
TOTAL - PD	0	0.00	0	0.00	33,349	0.00	33,349	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$33,349	0.00	\$33,349	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,335	0.00	\$3,335	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$30,014	0.00	\$30,014	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM Pharmacy PMPM-Non-Specialty - 1886003							· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·
PROGRAM DISTRIBUTIONS	(0.00	0	0.00	1,167,203	0.00	1,167,203	0.00
TOTAL - PD	(0.00	0	0.00	1,167,203	0.00	1,167,203	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$1,167,203	0.00	\$1,167,203	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$299,621	0.00	\$300,555	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$867,582	0.00	\$866,648	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

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Budget Unit: 90551C

29

directly to MoDOT, Highway Patrol, and Conservation.

OF:

Division: MO HealthNet DI Name: Managed Care Actuarial Increase DI#: 1886004 1. AMOUNT OF REQUEST FY 2017 Budget Request FY 2017 Governor's Recommendation GR GR Federal Other Total **Federal** Other Total PS 0 0 0 PS 0 0 0 EE 0 EE 0 7,935,877 **PSD** 17,910,433 31,017,366 0 48,927,799 **PSD** 13,797,362 0 21,733,239 **TRF TRF** 7,935,877 13,797,362 Total 17,910,433 31.017.366 48,927,799 **Total** 21,733,239 FTE 0.00 0.00 0.00 FTE 0.00 0.00 0 Est. Fringe Est. Fringe Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted

Other Funds: Other Funds:

2.	THIS	REQUEST	CAN BE C	ATEGORIZ	ZED AS:

directly to MoDOT, Highway Patrol, and Conservation.

Department: Social Services

New Legislation	New Program	Fund Switch
X Federal Mandate	Program Expansion	Cost to Continue
GR Pick-Up	Space Request	Equipment Replacement
Pay Plan	X Other: Actuarial Increase	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to fund an increase for managed care medical, newborn delivery, and Neonatal Intensive Care Unit (NICU) services to ensure that managed care payments are actuarially sound. Funding is for the Eastern, Central and Western regions for July 2016 through June 2017.

MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. The Federal Authority is Social Security Act Section 1915(b) and 1115 Waiver. The Federal Regulation is 42 CFR 438-Managed Care, and the State Authority is 208.166 RSMo. Final rules and regulations published June 14, 2002, effective August 13, 2003, require that capitation payments made on behalf of managed care participants be actuarially sound. Further, the state must provide the actuarial certification of the capitation rates to the CMS. The CMS Regional Office must review and approve all contracts for managed care as a condition for federal financial participation.

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Department: Social Services

Budget Unit: 90551C

Division: MO HealthNet

DI Name: Managed Care Actuarial Increase

DI#: 1886004

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number

The chart below indicates the projected need for all medical services as well as the births of children and Neonatal Intensive Care Unit (NICU) care for newborns in need of specialized care. Pharmacy benefits were carved out of managed care beginning October 1, 2009; therefore, participants receive their pharmacy benefits through the fee-for-service program. The managed care trend factor is calculated by region and is based on the number of months in the contract period that fall in FY 2017. No trend is applied to the managed care expansion region. Three efficiency adjustments were made in SFY 2011: Low-Acuity Non-Emergency (LANE), Potentially Preventable Hospital Admissions (PPA), and Risk Adjusted Efficiency (RAE). The total cost is estimated at \$48,927,215 as follows:

Program		Region	FY16	FY17	Difference	Participants	Contract Months in FY16	Total
Medical-Managed Care		Eastern	\$216.80	\$223.71	\$6.91	212,026	12	\$17,581,196
Medical-Managed Care		Central	\$227.04	\$240.66	\$13.62	84,223	12	\$13,765,407
Medical-Managed Care		Western	\$239.02	\$246.67	\$7.65	140,645	12	\$12,911,211
						subtota	al Managed Care	\$44,257,814
Medical TIXXI CHIP-Child		Eastern	\$162.74	\$168.11	\$5.37	2,904	12	\$187,134
Medical TIXXI CHIP-Child		Central	\$160.28	\$169.74	\$9.46	1,512	12	\$171,642
Medical TIXXI CHIP-Child		Western	\$178.55	\$184.26	\$5.71	2,161	12	\$148,072
						subtotal TIXX	KI CHIP Children	\$506,848
						Total Need	Medical Trend	\$44,764,662
Deliveries-Managed Care and Ch	IIP	Eastern	\$5,419.89	\$5,501.19	\$81.30	828	12	\$807,797
Deliveries-Managed Care and Ch	llP	Central	\$4,408.40	\$4,602.37	\$193.97	330	12	\$768,121
Deliveries-Managed Care and Ch	llP	Western	\$4,477.29	\$4,557.88	\$80.59	539	12	\$521,256
-					subtotal Mana	ged Care and	CHIP Deliveries	\$2,097,174
						Total Need	Deliveries Trend	\$2,097,174
NICU-Managed Care and CHIP		Eastern	\$203,267.77	\$208,959.27	\$5,691.50	16	12	\$1,092,768
NICU-Managed Care and CHIP		Central	\$175,406.70	\$186,808.14	\$11,401.44	4	12	\$547,269
NICU-Managed Care and CHIP		Western	\$181,091.02	\$186,161.57	\$5,070.55	7	12	\$425,926
*The Governor's recommenda					subtotal Mana	ged Care and	CHIP Deliveries	\$2,065,963
\$17.2M federal funds to accou Insurer Fee not being applied			the Health			Total Need	d NICU Trend	\$2,065,963
modrer i ee not being applied	Total		Federal		Total Need	l Medical, Deli	veries and NICU	\$48,927,799
Managed Care	\$48,420,951	\$17,780,173	\$30,640,778				=	

Managed Care CHIP

Total	GR	Federal
\$48,420,951	\$17,780,173	\$30,640,778
\$506,848	\$130,260	\$376,588
\$48,927,799	\$17,910,433	\$31,017,366

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Department: Social Services

Budget Unit: 90551C

Division: MO HealthNet

DI Name: Managed Care Actuarial Increase

DI#: 1886004

5. BREAK DOWN THE REQUE	ST BY BUDG	ET OBJECT C	CLASS, JOB CLA	ASS, AND FU	ND SOURCE.	IDENTIFY ON	E-TIME COSTS.	<u> </u>	
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions Total PSD	17,910,433 17,910,433		31,017,366 31,017,366		0	•	48,927,799 48,927,799		0
Transfers Total TRF	0		0		0		<u>0</u>		0
Grand Total	17,910,433	0.0	31,017,366	0.0	0	0.0	48,927,799	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One- Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0	•	0		0	<u>-</u>	0		0
Program Distributions Total PSD	7,935,877 7,935,877		13,797,362 13,797,362		0	-	21,733,239 21,733,239		0
Transfers Total TRF	0		0		0	, -	<u> </u>		0
Grand Total	7,935,877	0.0	13,797,362	0.0	0	0.0	21,733,239	0.0	0

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Department: Social Services

Budget Unit: 90551C

Division: MO HealthNet

DI Name: Managed Care Actuarial Increase

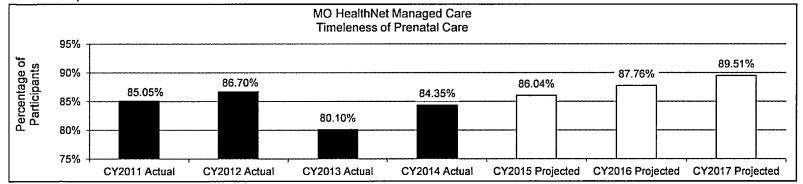
DI#: 1886004

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

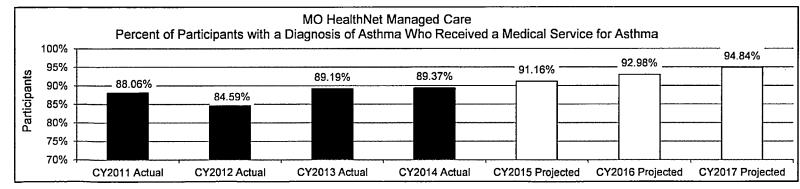
Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.

6a. Provide an effectiveness measure.

Increase the percentage of women receiving prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 80.10% in 2013



Increase the percentage of participants with chronic conditions who receive treatment for their condition. The percentage of participants with a diagnosis of asthma who received a medical service for asthma was 89.19% in 2013.



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Department: Social Services

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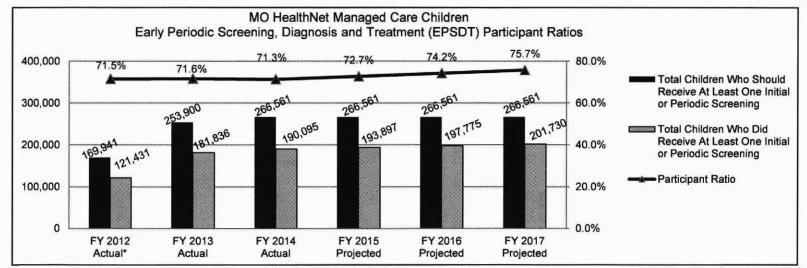
Division: MO HealthNet
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6b. Provide an efficiency measure.

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

Increase the ratio of children who receive an EPSDT service. In FY 2013, over 71% of the children in Managed Care (not including CHIP) received an EPSDT screening.



*FY2012 Actual - The Total Eligibles and Screenings are under-reported for the population due to discontinuation of three health plans and the addition of one health plan in the middle of the reporting year.

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Department: Social Services

DI Name: Managed Care Actuarial Increase

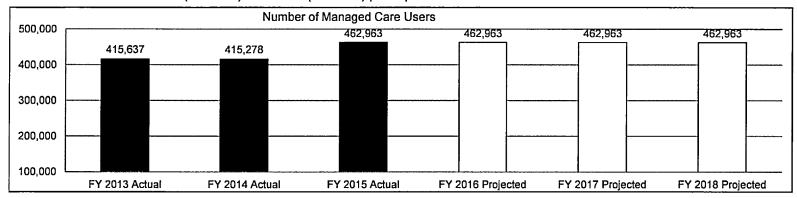
Budget Unit: 90551C

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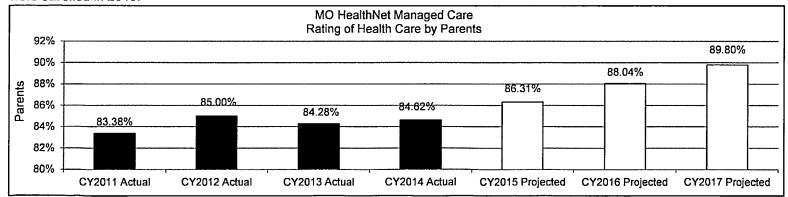
6c. Provide the number of clients/individuals served, if applicable.

Users include MO HealthNet (Title XIX) and CHIP (Title XXI) participants.



6d. Provide a customer satisfaction measure, if available.

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, Almost 86% responded that they were satisfied in 2013.



Customer Satisfaction Measure: Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MANAGED CARE	-							
Mgd Care Actuarial Increase - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	48,420,951	0.00	21,226,346	0.00
TOTAL - PD	0	0.00	0	0.00	48,420,951	0.00	21,226,346	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$48,420,951	0.00	\$21,226,346	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$17,780,173	0.00	\$7,805,352	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$30,640,778	0.00	\$13,420,994	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
CHILDREN'S HEALTH INS PROGRAM		•						
Mgd Care Actuarial Increase - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	506,893	0.00	506,893	0.00
TOTAL - PD	0	0.00	0	0.00	506,893	0.00	506,893	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$506,893	0.00	\$506,893	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$130,272	0.00	\$130,525	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$376,621	0.00	\$376,368	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

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Department: Social Services

Budget Unit: 90551C, 90512C, and 90522C

Division: MO HealthNet

DI# 1886038

DI Name Statewide Managed Care Transition

1. AMOUNT OF REQUEST

		FY 2017 Budge	t Request			FY 2	2017 Governor's	Recommendatio	n
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	286,002	286,002	0	572,004	PS	0	0	0	0
EE	564,984	564,984	0	1,129,968	EE	0	0	0	0
PSD	39,719,100	68,575,200	0	108,294,300	PSD	0	0	0	0
TRF	0	0	0	0	TRF	0	0	0	0
Total	40,570,086	69,426,186	0	109,996,272	Total	0	0	0	0
FTE	7.50	7.50	0.00	15.00	FTE	0.00	0.00	0.00	0.00
Est. Fringe	153,826	153,826	0	307,651	Est. Fringe	0	0	0	0
	budgeted in House			budgeted		=	•	or certain fringes bu	udgeted
directly to MoL	OOT, Highway Patr	ol, and Conserva	tion.		directly to Mol	DOT, Highway Pai	trol, and Conserv	ation.	

Other Funds:

Other Funds:

2.	THIS	REQUEST	CAN BE CATEGOR	RIZED AS:

New Legislation		New Program	Fund Switch
Federal Mandate	X	Program Expansion	Cost to Continue
GR Pick-Up		Space Request	Equipment Replacement
Pay Plan		Other	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to provide payment for services associated with implementing statewide managed care.

No additional funding was appropriated in FY16 for the administration of statewide managed care. This request includes funding for ongoing rate development for expanded regions, fifteen (15) FTE to administer the additional managed care population, ongoing MMIS programming costs, and enrollment broker costs. One-time funds are also requested for fee-for-service claims runout.

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Department: Social Services

Budget Unit: 90551C, 90512C, and 90522C

Division: MO HealthNet

DI Name Statewide Managed Care Transition

- 4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are onetimes and how those amounts were calculated.)
 - 1) Claims Run-Out: Due to the lag in the time between date of service and the date a provider bill for services, the state estimates it will pay \$108 million in fee-forservice (FFS) claims for the population moving to managed care for the period prior to managed care enrollment. The bulk of these costs will be paid within 6 months; however, payouts could continue up to 12 months. Total claims run out of \$108 million accounts for the fact that managed care capitation payments are made in arrears, therefore, the total includes 5 months when both capitation payments and the remaining FFS claims for this population will be made concurrently.
 - 2) Actuarial Contract: The additional regions subject to managed care will require additional actuarial costs to develop and adjust capitated rates.
 - 3) Administration: Fifteen (15) additional FTE will be required to managed the increase of managed care participants.
 - 4) MMIS Programming: This funding will support additional system changes that will be required to program additional counties, rate cells, and update managed care logic.
 - 5) Enrollment Broker: Estimated contract cost based on a statewide rebid and open enrollment for the expanded managed care population.

	FTE	GR	FF	Total	Comments
MHD Fee for Service Claims Runout		\$39,719,100	\$68,575,200	\$108,294,300	
Ongoing Rate Development for Expanded Regions		\$50,000	\$50,000	\$100,000	
Administration for additional populations-PS	15.00	\$286,002	\$286,002	\$572,004	
Administration for additional populations-E&E		\$87,515	\$87,515	\$175,030	
MMIS Programming Costs		\$275,000	\$275,000	\$550,000	
Enrollment Broker		\$152,469	\$152,469	\$304,938	Statewide rebid and open enrollment
_	15.00	\$40,570,086	\$69,426,186	\$109,996,272	-

^{*}The Governor did not recommend funding for this decision item.

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Department: Social Services

Budget Unit: 90551C, 90512C, and 90522C

Division: MO HealthNet

DI Name Statewide Managed Care Transition

5. BREAK DOWN THE REQUEST	BY BUDGET OF	BJECT CLA	SS, JOB CLASS	, AND FUND SO	URCE. IDENT	IFY ONE-TIME	COSTS.		
					Dept Req		Dept Req	Dept Req	Dept Req
	Dept Req GR		Dept Req FED	•	OTHER	Dept Req	TOTAL	TOTAL	One-Time
Budget Object Class/Job Class	DOLLARS	GR FTE	DOLLARS	FTE	DOLLARS	OTHER FTE	DOLLARS	FTE	DOLLARS
							0		
Social Services Mgr II	31,998	0.5	31,998	0.5			63,996		
Management Analysis Spec II	20,970	0.5	20,970	0.5			41,940	1.0	
Medicaid Specialist	112,644	3.0	112,644	3.0			225,288	6.0	
Program Development Spec	20,190	0.5	20,190	0.5			40,380		
Correspondence & Info Spec	34,944	1.0	34,944	1.0			69,888		
Medicaid Technician	65,256	2.0	65,256	2.0_		_	130,512	4.0	
Total PS	286,002	7.5	286,002	7.5	0	0.0	572,004	15.0	0
In-State Travel - 140	1,530		1,530				3,060		
Fuel & Utilities - 180	3,011		3,011				6,022		
Supplies - 190	10,950		10,950				21,900		
Professional Development - 320	4,298		4,298				8,596		
Communic Serv & Supplies - 340	1,875		1,875				3,750		
M&R Services - 430	4,500		4,500				9,000		9,000
Office Equipment - 580	17,880		17,880				35,760		35,760
Property & Improvements - 640	43,343		43,343				86,686		86,685
Building Lease Payments - 680	128		128				256		
Professional Services - 400	477,469		477,469				954,938		
Total EE	564,984	•	564,984	-	0	•	1,129,968	•	131,445
Program Distributions	39,719,100		68,575,200				108,294,300		
Total PSD	39,719,100	•	68,575,200		0	•	108,294,300	•	0
Transfers							0		
Total TRF	0	•	0	-	0	·	0	•	0
Grand Total	40,570,086	7.5	69,426,186	7.5	0	0.0	109,996,272	15.0	131,445

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Department: Social Services Budget Unit: 90551C, 90512C, and 90522C

Division: MO HealthNet

DI Name Statewide Managed Care Transition

	Gov Rec GR	Gov Rec	Gov Rec FED	Gov Rec FED	Gov Rec OTHER	Gov Rec	Gov Rec TOTAL	Gov Rec TOTAL	Gov Rec One-Time
Budget Object Class/Job Class	DOLLARS	GR FTE	DOLLARS	FTE	DOLLARS	OTHER FTE	DOLLARS	FTE	DOLLARS
Total PS Total EE	0	0.0	0		0	0.0	0	0.0 0.0	0
Program Distributions Total PSD	0		0		0		0		0
Transfers Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

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Department: Social Services

Budget Unit:

90551C, 90512C, and 90522C

Division: MO HealthNet

DI Name Statewide Managed Care Transition

DI# 1886038

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

N/A

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

N/A

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MO HEALTHNET ADMIN								
Statewide Mgd Care Transition - 1886038								
MANAGEMENT ANALYSIS SPEC II	0	0.00	0	0.00	41,940	1.00	0	0.00
PROGRAM DEVELOPMENT SPEC	0	0.00	0	0.00	40,380	1.00	0	0.00
CORRESPONDENCE & INFO SPEC I	0	0.00	0	0.00	69,888	2.00	0	0.00
MEDICAID TECHNICIAN	0	0.00	0	0.00	130,512	4.00	0	0.00
MEDICAID SPEC	0	0.00	0	0.00	225,288	6.00	0	0.00
SOCIAL SERVICES MNGR, BAND 2	0	0.00	0	0.00	63,996	1.00	0	0.00
TOTAL - PS	0	0.00	0	0.00	572,004	15.00	0	0.00
TRAVEL, IN-STATE	0	0.00	0	0.00	3,060	0.00	0	0.00
FUEL & UTILITIES	0	0.00	0	0.00	6,022	0.00	0	0.00
SUPPLIES	0	0.00	0	0.00	21,900	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	0	0.00	0	0.00	8,596	0.00	0	0.00
COMMUNICATION SERV & SUPP	0	0.00	0	0.00	3,750	0.00	0	0.00
PROFESSIONAL SERVICES	0	0.00	0	0.00	954,938	0.00	0	0.00
M&R SERVICES	0	0.00	0	0.00	9,000	0.00	0	0.00
OFFICE EQUIPMENT	0	0.00	0	0.00	35,760	0.00	0	0.00
PROPERTY & IMPROVEMENTS	0	0.00	0	0.00	86,686	0.00	0	0.00
BUILDING LEASE PAYMENTS	0	0.00	0	0.00	256	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,129,968	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$1,701,972	15.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$850,986	7.50		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$850,986	7.50		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MANAGED CARE								
Statewide Mgd Care Transition - 1886038								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	108,294,300	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	108,294,300	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$108,294,300	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$39,719,100	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$68,575,200	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

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OF

Department of Social Services Division MO HealthNet DI Name SB 174 ABLE

DI# 1886039

Budget Unit: 90541C, 90544C, 90546C, 90564C, 90550C, 90577C, 90552C

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		FY 2017 Budg	et Request			FY 201	7 Governor's	Recommend	lation
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	0	0	0	EE	0	0	0	0
PSD	2,797,510	7,318,050	1,441,142	11,556,702	PSD	2,808,488	7,307,072	1,441,142	11,556,702
TRF	0	0	0	0	TRF	0	0	0	0
Total	2,797,510	7,318,050	1,441,142	11,556,702	Total	2,808,488	7,307,072	1,441,142	11,556,702
FTE	0.00	0.00	0.00	0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
Note: Fringes I	budgeted in House	Bill 5 except for a	ertain fringes hu	idaeted	Noto: Fringe	es budgeted in Ho	NICO PILLE OVO	ant for cortain	fringos
				ageted	INOLE. ITHING	es buagetea in ric	Juse bill 5 exce	epi ioi ceriairi	nnges
	OT, Highway Patrol			agotou	-	ectly to MoDOT,		•	_
directly to MoD	OT, Highway Patrol Federal Reimbursn Pharmacy Federal Health Initiatives Fu	l, and Conservation nent Allowance (01 Reimbursment Allo und (0275)	on. 42)	ageiou	budgeted di		Highway Patro sment Allowand al Reimbursmei	ol, and Conser ce (0142)	vation.
directly to MoD	OT, Highway Patrol Federal Reimbursn Pharmacy Federal	l, and Conservation nent Allowance (01 Reimbursment Allo und (0275)	on. 42)	ingelou	budgeted di	Ectly to MoDOT, Federal Reimbur Pharmacy Feder	Highway Patro sment Allowand al Reimbursmei	ol, and Conser ce (0142)	vation.
directly to MoD	OT, Highway Patrol Federal Reimbursn Pharmacy Federal Health Initiatives Fu	l, and Conservation nent Allowance (01 Reimbursment Allo und (0275)	on. 42)		budgeted di	Ectly to MoDOT, Federal Reimbur Pharmacy Feder	Highway Patro sment Allowand al Reimbursmer Fund (0275)	ol, and Conser ce (0142)	vation.
directly to MoD Other Funds: 2. THIS REQUI	OT, Highway Patrol Federal Reimbursn Pharmacy Federal Health Initiatives For	I, and Conservation nent Allowance (01 Reimbursment Allound (0275) EGORIZED AS:	on. 42)	N.	budgeted dii Other Funds	Ectly to MoDOT, Federal Reimbur Pharmacy Feder	Highway Patro sment Allowand al Reimbursmen Fund (0275)	ol, and Conser te (0142) nt Allowance (0	vation. 144)
directly to MoD Other Funds: 2. THIS REQUI	OT, Highway Patrol Federal Reimbursn Pharmacy Federal Health Initiatives For EST CAN BE CATE New Legislation	I, and Conservation nent Allowance (01 Reimbursment Allound (0275) EGORIZED AS:	on. 42)	N	Other Funds	Ectly to MoDOT, Federal Reimbur Pharmacy Feder	Highway Patro	ce (0142) nt Allowance (0	vation. 144) ue

This request funds services for additional individuals who will become eligible for full Medicaid benefits as a result of SB 174 (2015) which creates the Missouri Achieving a Better Life Experience (ABLE) program, in accordance with section 529A of the Internal Revenue Code. This legislation allows individuals with disabilities who have higher assets a greater ability to become eligible for Medicaid through the creation of ABLE accounts.

The state authority is section 209.600, RSMo.

RANK:

22

OF

29

Department of Social Services
Division MO HealthNet
DI Name SB 174 ABLE

Budget Unit: 90541C, 90544C, 90546C, 90564C, 90550C, 90577C, 90552C

DI# 1886039

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Under this legislation, a participant may make tax-deductible contributions to an account established for the purpose of financing the qualified disability expenses of a designated beneficiary. Designated beneficiaries are persons who are entitled to benefits based on a disability which must have occurred prior to turning 26. Persons

This legislation will allow more individuals to become eligible for the full Medicaid benefit because individuals with higher assets who were previously ineligible will now qualify under existing Medicaid eligibility tests. Furthermore, there is no provision authorizing Medicaid to recover funds from a beneficiary's trust upon death. FSD identified 634 individuals will become eligible for full Medicaid services as a result of this bill. Projections are based on the TAFP fiscal note for the bill.

- 55 individuals currently classified as Qualified Medicare Beneficiaries (QMB)
- 56 individuals currently classified as Specified Low-Income Medicare Beneficiaries (SLMB)
- 220 individuals that were previously rejected whose resources exceeded the maximum threshold
- 303 individuals from an unknown population who previously chose not to apply due to current resource limits.

In FY14, the annual cost to serve persons with disabilities was \$20,451. The annual cost of the Medicare premiums currently paid for QMBs and SLMBs is then reduced from total cost and a 1.9% inflation factor is added.

FY14 Cost per Person

\$20,451

	Individuals	FY14 Cost	Premium Offset	Total Annual Cost				
QMB	55	\$1,124,805	-\$337,728	\$787,077				
SLMB	56	\$1,145,256	-\$75,948	\$1,069,308				
Rejections*	220	\$3,288,180		\$3,288,180				
Unknown	303	\$6,196,653		\$6,196,653				
_	634	\$11,754,894	-\$413,676	\$11,341,218				
						Governor's Reco	mmendation (ι	updated FMAP)
	GR	Federal	Other	Total	GR	Federal	Other	Total
Total NDI	\$2,797,510	\$7,318,050	\$1,441,141	\$11,556,702	\$2,808,488	\$7,307,072	\$1,441,142	\$11,556,702

^{*}Assumes individuals would gradually be approved within six months of application as they spent their assets down below the applicable resource limit

RANK:

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OF

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Department of Social Services Division MO HealthNet DI Name SB 174 ABLE Budget Unit: 90541C, 90544C, 90546C, 90564C, 90550C, 90577C, 90552C

DI# 1886039

5. BREAK DOWN THE RE	QUEST BY BUI	DGET OBJECT	T CLASS, JOB C	CLASS, AND F	UND SOURCE	. IDENTIFY ON	E-TIME COSTS).	
			Dept Req		Dept Req		Dept Req		Dept Req One
Budget Object Class/Job	Dept Req GR	Dept Req	FED	Dept Req	OTHER	Dept Req	TOTAL	Dept Req	Time
Class	DOLLARS	GR FTE	DOLLARS	FED FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
		_			· · · · · · · · · · · · · · · · · · ·		0	0	
Total PS	0	0	0	0	0	0	0	0	0
		-		-		. <u>-</u>	0		
Total EE	0		0		0		0		0
Program Distributions	2,797,510		7,318,050		1,441,142		11,556,702		
Total PSD	2,797,510	•	7,318,050		1,441,141	·	11,556,701	•	0
Transfers									
Total TRF	-	-	-	-	-	-	-		0
Grand Total	2,797,510	<u> </u>	7,318,050		1,441,141		11,556,701	0	0
· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·			Gov Rec		Gov Rec	······································	Gov Rec One-
Budget Object Class/Job	Gov Rec GR	Gov Rec GR	Gov Rec FED	Gov Rec	OTHER	Gov Rec	TOTAL	Gov Rec	Time
Class	DOLLARS	FTE	DOLLARS	FED FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
						_	0	0.0	
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
		-		_		_	0		
Total EE	0		0		0		0		0
Program Distributions	2,808,488		7,307,072		1,441,142		11,556,702		
Total PSD	2,808,488	•	7,307,072	_	1,441,142	-	11,556,702	-	0
Transfers									
Total TRF	0	•	0	_	0	-	0		0
Grand Total	2,808,488	0.0	7,307,072	0.0	1,441,142	0.0	11,556,702	0.0	0

RANK:

DI# 1886039

22

OF

29

Department of Social Services

Division MO HealthNet DI Name SB 174 ABLE

Budget Unit: 90541C, 90544C, 90546C, 90564C, 90550C, 90577C, 90552C

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

N/A

N/A

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY			-					
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,524,239	0.00	4,524,239	0.00
TOTAL - PD	0	0.00	0	0.00	4,524,239	0.00	4,524,239	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$4,524,239	0.00	\$4,524,239	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,095,174	0.00	\$1,099,472	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$2,864,884	0.00	\$2,860,586	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$564,181	0.00	\$564,181	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHYSICIAN RELATED PROF				_				· · · · · · · · · · · · · · · · · · ·
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,605,584	0.00	2,605,584	0.00
TOTAL - PD	0	0.00	0	0.00	2,605,584	0.00	2,605,584	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$2,605,584	0.00	\$2,605,584	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$630,729	0.00	\$633,203	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,649,933	0.00	\$1,647,459	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$324,922	0.00	\$324,922	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item Budget Object Class	ACTUAL DOLLAR	ACTUAL FTE	BUDGET DOLLAR	BUDGET FTE	DEPT REQ DOLLAR	DEPT REQ FTE	GOV REC DOLLAR	GOV REC FTE
DENTAL DENTAL	DOLLAR	FIE	DOLLAR		DOLLAR	FIE	DOLLAR	FIE
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	(0.00	0	0.00	11,454	0.00	11,454	0.00
TOTAL - PD		0.00	0	0.00	11,454	0.00	11,454	0.00
GRAND TOTAL	\$(0.00	\$0	0.00	\$11,454	0.00	\$11,454	0.00
GENERAL REVENUE	\$(0.00	\$0	0.00	\$2,773	0.00	\$2,784	0.00
FEDERAL FUNDS	\$(0.00	\$0	0.00	\$7,253	0.00	\$7,242	0.00
OTHER FUNDS	\$(0.00	\$0	0.00	\$1,428	0.00	\$1,428	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
HOME HEALTH								
ABLE Accounts - 1886039 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	12,637	0.00	12,637	0.00
TOTAL - PD	0	0.00	0	0.00	12,637	0.00	12,637	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$12,637	0.00	\$12,637	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,059	0.00	\$3,071	0.00
FEDERAL FUNDS OTHER FUNDS	\$0 \$0		\$0 \$0	0.00 0.00	\$8,002 \$1,576	0.00 0.00	\$7,990 \$1,576	0.00 0.00

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
REHAB AND SPECIALTY SERVICES								
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	906,381	0.00	906,381	0.00
TOTAL - PD	0	0.00	0	0.00	906,381	0.00	906,381	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$906,381	0.00	\$906,381	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$219,406	0.00	\$220,267	0.00
FEDERAL FUNDS	. \$0	0.00	\$0	0.00	\$573,948	0.00	\$573,087	0.00
OTHER FUNDS	\$0	0.00	. \$0	0.00	\$113,027	0.00	\$113,027	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
COMPLEX REHAB TECHNLGY PROUCTS								
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	86,517	0.00	86,517	0.00
TOTAL - PD	0	0.00	0	0.00	86,517	0.00	86,517	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$86,517	0.00	\$86,517	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$23,927	0.00	\$31,814	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$62,590	0.00	\$54,703	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	- FTE_	DOLLAR	FTE	DOLLAR	FTE
HOSPITAL CARE								
ABLE Accounts - 1886039 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,409,890	0.00	3,409,890	0.00
TOTAL - PD	0	0.00	0	0.00	3,409,890	0.00	3,409,890	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$3,409,890	0.00	\$3,409,890	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$822,442	0.00	\$817,877	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$2,151,440	0.00	\$2,156,005	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$436,008	0.00	\$436,008	0.00

RANK:

DMH payments through the DMH Intergovernmental Transfer.

25 OF:

29

Department: Social Services
Division: MO HealthNet

1. AMOUNT OF REQUEST

Budget Unit: 90535C, 90537C, 90840C, 90845C, 90572C

DI Name: FY17 Transfer Authority

DI#: 1886037

GR Federal Other Total 27,889,546 3,346,588 31,236,134 0 27,889,546 3,346,588 31,236,134 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
0 27,889,546 3,346,588 31,236,134 0.00 te 0 0 0 0 te budgeted in House Bill 5 except for certain fringes budgeted
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nges budgeted in House Bill 5 except for certain fringes budgeted
ds: DSS Intergovernmental Transfer Fund (0139)
Fund Switch
nsion Cost to Continue
t Equipment Replacement
prity
S

Based on projected MO HealthNet transfers for fiscal year 2017, it is anticipated that additional non-count appropriation authority will be necessary to to support increased

RANK:

25

OF:

29

Department: Social Services

Budget Unit: 90535C, 90537C, 90840C, 90845C, 90572C

Division: MO HealthNet

DI Name: FY17 Transfer Authority

DI#: 1886037

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number

The DMH Intergovernmental Transfer provides payments for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Based on FY 2017 projections, additional authority is needed as follows:

Department Request

	GR	Federal	Other	Total
Estimated Shortfalls	_			
DMH IGT	\$0	\$42,910,133	\$12,046,588	\$54,956,721
FY17 Increased Need*	\$0	\$42,910,133	\$12,046,588	\$54,956,721
		Governor's Re	commendatio	n
	GR	Federal	Other	Total
Estimated Shortfalls				
DMH IGT	\$0	\$27,889,546	\$3,346,588	\$31,236,134
FY17 Increased Need*	\$0	\$27,889,546	\$3,346,588	\$31,236,134

^{*}Governor's Recommendation based on updated projections.

RANK:

25

OF:

29

Department: Social Services

Budget Unit: 90535C, 90537C, 90840C, 90845C, 90572C

Division: MO HealthNet

DI Name: FY17 Transfer Authority

DI#: 1886037

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0	-	0	•	0		0
Program Distributions Total PSD	0		42,910,133 42,910,133	-	12,046,588 12,046,588	,	54,956,721 54,956,721		0
Transfers Total TRF	0		0	-	,		0		0
Grand Total	0	0.0	42,910,133	0.0	12,046,588	0.0	54,956,721	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0	•	0		0		0
Program Distributions Total PSD	0		27,889,546 27,889,546		3,346,588 3,346,588		31,236,134 31,236,134		0
Transfers Total TRF	0		0		0		0		0
Grand Total	0	0.0	27,889,546	0.0	3,346,588	0.0	31,236,134	0.0	0

RANK:

25 OF:

29

Department: Social Services

Budget Unit: 90535C, 90537C, 90840C, 90845C, 90572C

Division: MO HealthNet

DI Name: FY17 Transfer Authority

DI#: 1886037

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6b. Provide an efficiency measure.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6c. Provide the number of clients/individuals served, if applicable.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6d. Provide a customer satisfaction measure, if available.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
IGT EXPEND TRANSFER								
Transfer Increase Authority - 1886037								
TRANSFERS OUT	0	0.00	0	0.00	248,265	0.00	0	0.00
TOTAL - TRF	0	0.00	0	0.00	248,265	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$248,265	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$248,265	0.00		0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
IGT DMH MEDICAID PROGRAM								
Transfer Increase Authority - 1886037								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	54,956,721	0.00	31,236,134	0.00
TOTAL - PD	0	0.00	0	0.00	54,956,721	0.00	31,236,134	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$54,956,721	0.00	\$31,236,134	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$42,910,133	0.00	\$27,889,546	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$12,046,588	0.00	\$3,346,588	0.00

NEW DECISION ITEM RANK:

Department: Social Services Division: MO HealthNet

Budget Unit: 90541C, 90544C, 90546C, 90547C, 90549C, 90550C, 90551C, 90552C, 90556C, 90561C, 90564C, 90568C

DI Name: FMAP

DI#: 1886023

		FY 2017 Bud	get Request			FY 2	017 Governor's	Recommendat	tion
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS	-			
EE					EE				
PSD					PSD	17,831,371	10,129,071	669,922	28,630,364
TRF	,				TRF				_
Total					Total	17,831,371	10,129,071	669,922	28,630,364
FTE					FTE				0.00
_	0 s budgeted in Hou DOT, Highway Pa	•		0 Jes budgeted		_	0 use Bill 5 except atrol, and Conse	_	es budgeted
Other Funds:					Other Funds:	Long Term Supp	oort UPL Fund		
2. THIS REQ	UEST CAN BE CA	TEGORIZED	AS:			<u> </u>		· · · · · · · · · · · · · · · · · · ·	
	New Legislation				New Program		F	und Switch	
Х	Federal Mandate		•		Program Expansion	n _	C	ost to Continue	!
	GR Pick-Up		•		Space Request	_	E	quipment Repla	acement
					Other:	_			

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding to address the change in the Federal Medical Assistance Percentage (FMAP). Changes are regular rate from 63.323 % blended to 63.228% blended and enhanced rate from 74.33 % blended to 74.263% blended.

This funding is requested to compensate for the change in the Federal Medical Assistance Percentage (FMAP). Each year the Centers for Medicare and Medicaid Services (CMS) revises the percentage of Medicaid costs that the federal govennment will reimburse to each state. Effective October 1, 2015, the FMAP rate will decreasee from 63.323% to 63.228%. The enhanced FMAP rate for the CHIP children and the Women with Breast or Cervical Cancer program will decrease from 74.33% to 74.263%. As a result, the MO HealthNet Division seeks to continue program core funding at current levels by compensating for this change in federal funding levels. The increased costs of this decision item have an equal offset in the affected program cores as core reductions. The Federal Authority is Social Security Act 1905(b).

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Since the federal fiscal year (FFY) doesn't begin until the second quarter of the state fiscal year (SFY), a SFY blended rate is applied to the SFY core funding. This blended rate is derived by adding the old FFY rate (63.28%) for three months (July thru September) and the new FFY rate (63.21%) for nine months (October thru June) and dividing by 12 months, resulting in a SFY blended rate of 63.228%. This same procedure is applied to the enhanced federal match for the CHIP program and the women with Breast or Cervical Cancer program. The enhanced old FFY rate of 74.30% for three months (July thru September) and the new FFY rate of 74.25% for nine months (October thru June) results in an enhanced SFY blended rate of 74.263%. In order to continue current core funding, these blended rates are applied to the SFY 15 core funding resulting in a revised mix of funding sources while maintaining the same total. Based on the review of all program cores and the change in FMAP, the below increases are needed to maintain total funding at the correct level.

Governor's Recommendations:

Governor's Recommendations include the updated FMAP percentage that the federal government will use.

		FMAP	NDI		Corr	esponding Co	re Reductions	
	Total	GR	Federal	Other	Total	GR	Federal	Other
Pharmacy	2,147,062		2,147,062		(2,147,062)	(2,147,062)		
Physician	3,276,222		3,276,222		(6,188,438)	(6,188,438)		
Dental	152,015		152,015		(152,015)	(152,015)		
Premium Payments	861,154		861,154	1	(861,154)	(861,154)		
Home Health	6,823	6,823		i	(6,823)		(6,823)	
Nursing Facility	1,533,692	1,533,692			(1,533,692)		(1,533,692)	
PACE	24,078		24,078		(24,078)	(24,078)		
Long Term UPL	669,922			669,922	(669,922)		(669,922)	
Rehab & Specialty	3,208,274	3,208,274			(3,208,274)		(3,208,274)	
Complex Rehab Tech	59,836		59,836		(59,836)	(59,836)		
Managed Care	3,589,885		3,589,885		(3,589,885)	(3,589,885)		
Hospital	1,774,679	1,774,679			(1,774,679)		(1,774,679)	
NEMT	1,153,130	1,153,130			(1,153,130)		(1,153,130)	
Women's Health Services	642,850	642,850			(642,850)		(642,850)	
CHIP	9,511,923	9,511,923			(9,511,923)		(9,511,923)	
Show-Me Healthy Babies	18,819		18,819		(18,819)	(18,819)	· · · · · · · · · · · · · · · · · · ·	
Total	28,630,364	17,831,371	10,129,071	669,922	(31,542,580)	(13,041,287)	(18,501,293)	

5. BREAK DOWN THE REQUEST	BY BUDGET OF	BJECT CLASS	, JOB CLASS, A	ND FUND SO	URCE. IDENT	FY ONE-TIME	COSTS.		
									<u> </u>
	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req
	GR	GR	FED	FED	OTHER	OTHER	TOTAL	TOTAL	One-Time
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	DOLLARS
							_		
	_		_		_		0		
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
							•		
Takal FF	•		•		•		0		
Total EE	0		0		0		0		0
Program Distributions	0				0		0		
Total PSD	0		0		0		0		0
Total F3D	U		U		U		U		U
Transfers							0		
Total TRF	0		0		0		0		0
10141111	Ū		J		Ū		ŭ		J
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0
	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec		Gov Rec	Gov Rec	Gov Rec
	GR	GR	FED	FED	OTHER	Gov Rec	TOTAL	TOTAL	One-Time
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	OTHER FTE	DOLLARS	FTE	DOLLARS
							0	0.0	
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
							_		
							0		
Total EE	•		•		0		. 0		•
lotal EE	0		0		0		0		0
Program Distributions	17,831,371		10,129,071		669,922		28,630,364		
	17,001,071		· ·		•				0
	17 831 371		10 120 071		660 Q22		/X h (II (h/)		
Total PSD	17,831,371		10,129,071		669,922		28,630,364		U
Total PSD	17,831,371		10,129,071		669,922				U
Total PSD Transfers							28,630,364 0 0		
Total PSD	17,831,371 0		10,129,071 0		669,922		0		0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Year	Regular F	FP Rates	Enhanced FFP Rates (CHIP Program)			
	FFY	SFY	FFY	SFY		
2010	64.510%	64.180%	75.160%	74.930%		
2011	63.290%	63.595%	74.300%	74.515%		
2012	63.450%	63.410%	74.420%	74.390%		
2013	61.370%	61.890%	72.960%	73.325%		
2014	62.030%	61.865%	73.420%	73.305%		
2015	63.450%	63.095%	74.420%	74.170%		
2016	63.280%	63.323%	74.300%	74.330%		

Since the FMAP adjustments represent a funding source rather than a particular program, measures for the FMAP adjustments are incorporated into the specific MO HealthNet program sections.

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

- · Maintain flow of federal financial participation in the healthcare arena. (Beyond DSS)
- The MO HealthNet Division performs detailed projections for all program cores. These projections include adjusting the federal participation level to the percentage in effect for SFY16.

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
PHARMACY								
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS		0.00	0	0.00	0	0.00	2,147,062	0.00
TOTAL - PD	(0.00	. 0	0.00	0	0.00	2,147,062	0.00
GRAND TOTAL	\$(0.00	\$0	0.00	\$0	0.00	\$2,147,062	0.00
GENERAL REVENUE	\$(0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$2,147,062	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHYSICIAN RELATED PROF								
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	3,276,222	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	3,276,222	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$3,276,222	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$3,276,222	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
DENTAL			- i					
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	152,015	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	152,015	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$152,015	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$152,015	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
PREMIUM PAYMENTS								
FMAP Adjustment - 1886023	_		_					
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	861,154	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	861,154	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$861,154	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$861,154	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
NURSING FACILITIES				-		<u> </u>		
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS		0.00	0	0.00	0	0.00	1,533,692	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	1,533,692	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$1,533,692	0.00
GENERAL REVENUE	\$(0.00	\$0	0.00	\$0	0.00	\$1,533,692	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET FTE	DEPT REQ	DEPT REQ	GOV REC DOLLAR	GOV REC FTE
Budget Object Class	DOLLAR	FTE	DOLLAR		DOLLAR	FTE		
HOME HEALTH						-		
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	6,823	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	6,823	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$6,823	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$6,823	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

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Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
PACE		***						
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	24,078	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	24,078	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$24,078	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$24,078	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
LONG TERM SUPPORT PAYMENTS								
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	669,922	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	669,922	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$669,922	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$669,922	0.00

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
Budget Object Class REHAB AND SPECIALTY SERVICES	DOLLAR	FIE	DULLAR	FIE	DULLAR		DOLLAR	FIE
FMAP Adjustment - 1886023 PROGRAM DISTRIBUTIONS	0	0.00	. 0	0.00	0	0.00	3,208,274	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,208,274	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	· \$3,208,274	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$3,208,274	0.00
FEDERAL FUNDS OTHER FUNDS	\$0 \$0	0.00 0.00	\$0 \$0	0.00 0.00	\$0 \$0		\$0 \$0	0.00 0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
NON-EMERGENCY TRANSPORT								
FMAP Adjustment - 1886023 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,153,130	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,153,130	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$1,153,130	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$1,153,130	0.00
FEDERAL FUNDS OTHER FUNDS	\$0 \$0		\$0 \$0	0.00 0.00	\$0 \$0	0.00 0.00	\$0 \$0	0.00 0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
COMPLEX REHAB TECHNLGY PRDUCTS				• • • • • • • • • • • • • • • • • • • •				
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	59,836	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	59,836	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$59,836	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$59,836	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

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Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item Budget Object Class	ACTUAL DOLLAR	ACTUAL FTE	BUDGET DOLLAR	BUDGET FTE	DEPT REQ DOLLAR	DEPT REQ FTE	GOV REC DOLLAR	GOV REC FTE
MANAGED CARE								
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	3,589,885	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,589,885	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$3,589,885	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$3,589,885	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
HOSPITAL CARE								
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	. 0	0.00	0	0.00	· o	0.00	1,774,679	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,774,679	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$1,774,679	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$1,774,679	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
WOMEN'S HEALTH SRVC								
FMAP Adjustment - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	642,850	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	642,850	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$642,850	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$642,850	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM	DOLLAR	FIG	DOLLAR	FIE	DOLLAR	- FIE	DOLLAR	FIE.
FMAP Adjustment - 1886023 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	9,511,923	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	9,511,923	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$9,511,923	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$9,511,923	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0		\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

NEW DECISION ITEM

Department of Social Services		Budge	et Unit:
MO HealthNet Division			
GR Pickup for Tohacco Settlement Funds	DI# 1886015		

House Bill Sections: 11.435, 11.505

FY	2017 Supp	olemental u	dget Request			FY 2017 Gove	rnor's Recor	nmendation	1
	GR	Federal	Other	Total E		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	0	0	0	EE	0	0	0	0
PSD	0	0	0	0	PSD	50,000,000	0	0	50,000,000
TRF	0	0	0	0	TRF	0	0	0	0
Total _	0	0	0	0	Total	50,000,000	0	0	50,000,000
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00
POSITIONS	0	0	0	0	POSITIONS	0	0	0	0
NUMBER OF N	MONTHS PO	OSITIONS A	RE NEEDED:		NUMBER O	F MONTHS PO	OSITIONS AR	E NEEDED	:
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

2. WHY IS THIS SUPPLEMENTAL FUNDING NEEDED? INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

In 1998, Missouri was one of 46 states that reached an agreement with the four largest U.S. tobacco companies to settle various lawsuits against the tobacco industry. The agreement, known as the Tobacco Master Settlement Agreement (MSA), required the participating tobacco companies to pay approximately \$200 billion to states over the next 25 years to help cover healthcare costs associated with smoking. An arbitration ruling in September 2013 regarding the enforcement of tobacco laws resulted in more tobacco funds for nine states, and reduced funds for six states. Missouri was one of the six states receiving reduced funds. Missouri Attorney General Koster sued to recoup the funds, and a circuit judge ruled in favor of Missouri in 2014. A Missouri appeals court overturned this ruling in September 2015, deciding that Missouri is not owed the \$50 million for failing to meet requirements of the settlement. General Revenue is requested to replace the shortfall that will decrease revenues to the Life Sciences Research Trust Fund and the Healthy Families Trust Fund.

NEW DECISION ITEM

ealthNet Division

House Bill Sections: 11.435, 11.505

3. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why.

Missouri will not receive \$50 million anticipated tobacco settlement funds in Fiscal Year 2017. General Revenue is recommended to replace the \$50,000,000 shortfall. GR is replacing Life Sciences Research Trust Funds (LSRTF) and Healthy Families Trust Funds (HFTF) budget authority.

\$50M Shortfall	FY16 HB	LSRTF	HFTF	GR Pickup Amount
Pharmacy	11.435	(12,500,000)	(23,541,034)	36,041,034
Managed Care Expansion	11.507		(13,958,966)	13,958,966
FY17 Need		(12,500,000)	(37,500,000)	50,000,000

4. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE.

	Dept Req GR	Dept Req GR	Dept Req FED	Dept Req FED	Dept Req OTHER	Dept Req OTHER	Dept Req	Dept Req	
	=								_
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	Ε
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0)
	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec	
	GR	GR	FED	FED	OTHER	OTHER	TOTAL	TOTAL	
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	E
Program Distributions	50,000,000						50,000,000		
Total PSD	50,000,000		0		0		50,000,000		
Grand Total	50,000,000	0.0	0	0.0	0	0.0	50,000,000	0.0)

NEW DECISION ITEM

	of Social Services			Budget Unit:
MO HealthN				
GR Pickup	for Tobacco Settlement Funds	DI# 1886015		House Bill Sections: 11.435, 11.505
5. PERFOR additional f		on item has an associated	core, separate	ely identify projected performance with & withou
5a.	Provide an effectiveness measure	e.	5b.	Provide an efficiency measure.
5c .	Provide the number of clients/ind served, if applicable.	ividuals	5d.	Provide a customer satisfaction measure, if available.
6. STRATE	GIES TO ACHIEVE THE PERFORMA	NCE MEASUREMENT TA	RGETS:	

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY				•				
Tobacco GR Pickup - 1886015								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	36,041,034	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	36,041,034	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$36,041,034	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$36,041,034	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MANAGED CARE								
Tobacco GR Pickup - 1886015								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	13,958,966	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	13,958,966	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$0	0.00	\$13,958,966	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$13,958,966	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

DECISION ITEM SUMMARY

Budget Unit			<u> </u>					
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR_	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MO HEALTHNET ADMIN								
CORE								
PERSONAL SERVICES								
GENERAL REVENUE	2,689,464	53.31	2,620,857	64.53	2,620,857	64.53	2,620,857	64.53
DEPT OF SOC SERV FEDERAL & OTH	5,321,540	123.30	5,395,307	124.97	5,395,307	124.97	5,395,307	124.97
THIRD PARTY LIABILITY COLLECT	366,874	8.54	390,618	12.29	390,618	12.29	390,618	12.29
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	95,746	2.00	95,746	2.00	95,746	2.00
PHARMACY REIMBURSEMENT ALLOWAN	22,091	0.50	26,085	0.50	26,085	0.50	26,085	0.50
NURSING FAC QUALITY OF CARE	77,951	1.91	84,344	2.45	84,344	2.45	84,344	2.45
HEALTH INITIATIVES	329,643	8.00	421,893	9.87	421,893	9.87	421,893	9.87
MISSOURI RX PLAN FUND	449,371	10.38	760,005	17.00	760,005	17.00	760,005	17.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	18,018	0.50	18,018	0.50	18,018	0.50
TOTAL - PS	9,256,934	205.94	9,812,873	234.11	9,812,873	234.11	9,812,873	234.11
EXPENSE & EQUIPMENT								
GENERAL REVENUE	652,903	0.00	693,067	0.00	693,067	0.00	693,067	0.00
DEPT OF SOC SERV FEDERAL & OTH	3,250,869	0.00	3,333,341	0.00	3,333,341	0.00	3,333,341	0.00
THIRD PARTY LIABILITY COLLECT	474,759	0.00	488,041	0.00	488,041	0.00	488,041	0.00
FEDERAL REIMBURSMENT ALLOWANCE	7,708	0.00	7,708	0.00	7,708	0.00	7,708	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	356	0.00	356	0.00	356	0.00
NURSING FAC QUALITY OF CARE	10,281	0.00	10,281	0.00	10,281	0.00	10,281	0.00
HEALTH INITIATIVES	40,143	0.00	41,385	0.00	41,385	0.00	41,385	0.00
MISSOURI RX PLAN FUND	0	0.00	55,553	0.00	55,553	0.00	55,553	0.00
AMBULANCE SERVICE REIMB ALLOW	3,466	0.00	3,466	0.00	3,466	0.00	3,466	0.00
TOTAL - EE	4,440,129	0.00	4,633,198	0.00	4,633,198	0.00	4,633,198	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	95,356	0.00	699	0.00	699	0.00	699	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	1,030	0.00	1,030	0.00	1,030	0.00
THIRD PARTY LIABILITY COLLECT	13,283	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	108,639	0.00	1,729	0.00	1,729	0.00	1,729	0.00
TOTAL	13,805,702	205.94	14,447,800	234.11	14,447,800	234.11	14,447,800	234.11
Pay Plan - 0000012								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	52,417	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	0	0.00	107,906	0.00

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE_	DOLLAR	FTE
MO HEALTHNET ADMIN		-	·					
Pay Plan - 0000012								
PERSONAL SERVICES								
THIRD PARTY LIABILITY COLLECT	C	0.00	0	0.00	0	0.00	7,810	0.00
FEDERAL REIMBURSMENT ALLOWANCE	C	0.00	0	0.00	0	0.00	1,915	0.00
PHARMACY REIMBURSEMENT ALLOWAN	C	0.00	0	0.00	0	0.00	517	0.00
NURSING FAC QUALITY OF CARE	C	0.00	0	0.00	0	0.00	1,688	0.00
HEALTH INITIATIVES	C	0.00	0	0.00	0	0.00	8,439	0.00
MISSOURI RX PLAN FUND	C	0.00	0	0.00	0	0.00	15,201	0.00
AMBULANCE SERVICE REIMB ALLOW	C	0.00	0	0.00	0	0.00	361	0.00
TOTAL - PS	C	0.00		0.00	0	0.00	196,254	0.00
TOTAL	0	0.00	0	0.00	0	0.00	196,254	0.00
Statewide Mgd Care Transition - 1886038								
PERSONAL SERVICES								
GENERAL REVENUE	C	0.00	0	0.00	286,002	7.50	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	C	0.00	0	0.00	286,002	7.50	0	0.00
TOTAL - PS	C	0.00	0	0.00	572,004	15.00	0	0.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	C	0.00	0	0.00	564,984	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	C	0.00	0	0.00	564,984	0.00	0	0.00
TOTAL - EE	C	0.00	0	0.00	1,129,968	0.00		0.00
TOTAL	0	0.00	0	0.00	1,701,972	15.00		0.00
GRAND TOTAL	\$13,805,702	205.94	\$14,447,800	234.11	\$16,149,772	249.11	\$14,644,054	234.11

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90512C

Division: MO HealthNet

Core: MO HealthNet Administration

HB Section:

11.400

1. CORE FINANCIAL SUMMARY

		FY 2017 Budg	et Request			FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total	
PS	2,620,857	5,395,307	1,796,709	9,812,873	PS	2,620,857	5,395,307	1,796,709	9,812,873	
EE	693,067	3,333,341	606,790	4,633,198	EE	693,067	3,333,341	606,790	4,633,198	
PSD	699	1,030		1,729	PSD	699	1,030		1,729	
TRF					TRF					
Total	3,314,623	8,729,678	2,403,499	14,447,800	Total	3,314,623	8,729,678	2,403,499	14,447,800	
FTE	64.53	124.97	44.61	234.11	FTE				0.00	

Est. Fringe 1,367,255 2,735,195 941,065 5,043,515 Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

| Est. Fringe | 0 | 0 | 0 | 0 | 0 | Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

Health Initiatives Fund (HIF) (0275)

Nursing Facility Quality of Care Fund (NFQC) (0271) Third Party Liability Collections Fund (TPL) (0120)

MO Rx Plan Fund (0779)

Federal Reimbursement Allowance Fund (FRA) (0142) Ambulance Service Reimbursement Allowance Fund (0958) Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

Health Initiatives Fund (HIF) (0275)

Nursing Facility Quality of Care Fund (NFQC) (0271) Third Party Liability Collections Fund (TPL) (0120)

MO Rx Plan Fund (0779)

Federal Reimbursement Allowance Fund (FRA) (0142)
Ambulance Service Reimbursement Allowance Fund (0958)

2. CORE DESCRIPTION

This core request is for the continued operation of the MO HealthNet program. The MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing administrative staffing, expense and equipment and contractor resources efficiently and effectively.

3. PROGRAM LISTING (list programs included in this core funding)

MO HealthNet Administration

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90512C

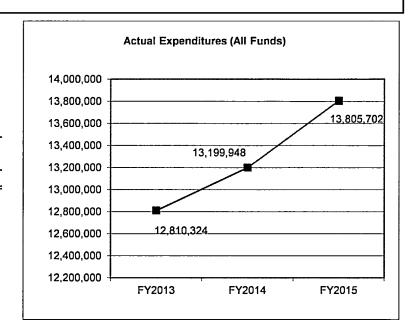
Division: MO HealthNet

HB Section:

11.400

Core: MO HealthNet Administration

4. FINANCIAL HISTORY				
	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Current Yr.
Appropriation (All Funds)	14,127,453	14,626,180	14,716,493	14,447,800
Less Reverted (All Funds)	(115,584)	(119,552)	(120,141)	N/A
Less Restricted (All Funds)		-	-	N/A
Budget Authority (All Funds)	14,011,869	14,506,628	14,596,352	N/A
Actual Expenditures (All Funds)	12,810,324	13,199,948	13,805,702	N/A
Unexpended (All Funds)	1,201,545	1,306,680	790,650	N/A
Unexpended, by Fund:				
General Revenue	27	1,939	0	N/A
Federal	634,479	731,123	206,849	N/A
Other	567,039	570,618	583,801	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

	Budget						
	Class	FTE _	GR	Federal	Other	Total	
TAFP AFTER VETOES							
	PS	234.11	2,620,857	5,395,307	1,796,709	9,812,873	}
	EE	0.00	693,067	3,333,341	606,790	4,633,198	;
	PD	0.00	699	1,030	0	1,729)
	Total	234.11	3,314,623	8,729,678	2,403,499	14,447,800)
DEPARTMENT CORE REQUEST			_				
	PS	234.11	2,620,857	5,395,307	1,796,709	9,812,873	}
	EE	0.00	693,067	3,333,341	606,790	4,633,198	3
	PD	0.00	699	1,030	0	1,729)
	Total	234.11	3,314,623	8,729,678	2,403,499	14,447,800	-) =
GOVERNOR'S RECOMMENDED	CORE						
	PS	234.11	2,620,857	5,395,307	1,796,709	9,812,873	}
	EE	0.00	693,067	3,333,341	606,790	4,633,198	}
	PD	0.00	699	1,030	0	1,729)
	Total	234.11	3,314,623	8,729,678	2,403,499	14,447,800	- } -

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MO HEALTHNET ADMIN								
CORE								
OFFICE SUPPORT ASST (CLERICAL)	20,121	0.92	24,272	1.00	24,272	1.00	24,272	1.00
ADMIN OFFICE SUPPORT ASSISTANT	134,481	4.52	211,343	7.00	211,343	7.00	211,343	7.00
OFFICE SUPPORT ASST (KEYBRD)	34,618	1.53	78,713	3.00	78,713	3.00	78,713	3.00
SR OFC SUPPORT ASST (KEYBRD)	254,105	9.93	309,364	11.00	309,364	11.00	309,364	11.00
ACCOUNT CLERK II	79,567	3.16	131,394	5.00	131,394	5.00	131,394	5.00
AUDITOR II	124,813	3.34	150,176	4.00	150,176	4.00	150,176	4.00
AUDITOR I	98,758	2.90	164,224	5.00	164,224	5.00	164,224	5.00
SENIOR AUDITOR	222,494	5.34	291,981	7.00	291,981	7.00	291,981	7.00
ACCOUNTANT I	61,247	2.00	61,956	2.00	61,956	2.00	61,956	2.00
ACCOUNTANT III	166,811	3.98	171,082	4.00	171,082	4.00	171,082	4.00
PERSONNEL OFCR I	43,254	0.99	42,134	1.00	42,134	1.00	42,134	1.00
EXECUTIVE II	29,975	0.83	36,197	1.00	36,197	1.00	36,197	1.00
MANAGEMENT ANALYSIS SPEC II	335,377	7.65	392,866	9.00	392,866	9.00	392,866	9.00
HEALTH PROGRAM REP III	0	0.00	1	0.00	1	0.00	1	0.00
ADMINISTRATIVE ANAL I	14,880	0.41	0	0.00	0	0.00	0	0.00
PHYSICIAN	119,331	1.00	119,897	1.00	119,897	1.00	119,897	1.00
REGISTERED NURSE - CLIN OPERS	287,082	5.22	248,834	4.00	248,834	4.00	248,834	4.00
FAMILY SUPPORT ELIGIBILITY SPC	614	0.02	0	0.00	0	0.00	0	0.00
PROGRAM DEVELOPMENT SPEC	634,225	15.59	577,013	14.00	577,013	14.00	577,013	14.00
MEDICAID PROGRAM RELATIONS REP	165,125	4.11	192,181	5.00	192,181	5.00	192,181	5.00
CORRESPONDENCE & INFO SPEC I	581,379	16.60	615,178	17.50	615,178	17.50	615,178	17.50
MEDICAID PHARMACEUTICAL TECH	213,101	6.55	226,755	7.00	226,755	7.00	226,755	7.00
MEDICAID CLERK	227,958	8.01	264,108	10.00	264,108	10.00	264,108	10.00
MEDICAID TECHNICIAN	702,048	21.72	955,572	28.66	955,572	28.66	955,572	28.66
MEDICAID SPEC	943,317	24.68	1,044,723	27.87	1,044,723	27.87	1,044,723	27.87
MEDICAID UNIT SPV	267,574	6.02	552,845	11.00	552,845	11.00	552,845	11.00
FISCAL & ADMINISTRATIVE MGR B1	324,754	6.42	301,032	6.00	301,032	6.00	301,032	6.00
FISCAL & ADMINISTRATIVE MGR B2	322,756	5.06	383,584	6.00	383,584	6.00	383,584	6.00
RESEARCH MANAGER B1	0	0.00	55,454	1.00	55,454	1.00	55,454	1.00
SOCIAL SERVICES MGR, BAND 1	172,024	3.49	100,086	2.00	100,086	2.00	100,086	2.00
SOCIAL SERVICES MNGR, BAND 2	613,712	11.00	719,868	13.00	719,868	13.00	719,868	13.00
DESIGNATED PRINCIPAL ASST DEPT	15,030	0.20	0	0.00	0	0.00	0	0.00

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Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MO HEALTHNET ADMIN								
CORE								
DIVISION DIRECTOR	204,436	1.00	205,346	1.00	205,346	1.00	205,346	1.00
DEPUTY DIVISION DIRECTOR	219,281	1.87	90,402	1.00	90,402	1.00	90,402	1.00
DESIGNATED PRINCIPAL ASST DIV	182,034	2.11	93,088	1.08	93,088	1.08	93,088	1.08
LEGAL COUNSEL	94,407	1.28	72,798	1.00	72,798	1.00	72,798	1.00
CLERK	765	0.04	0	0.00	0	0.00	0	0.00
AUDITOR	8,585	0.21	0	0.00	0	0.00	0	0.00
MISCELLANEOUS TECHNICAL	645	0.01	0	0.00	0	0.00	0	0.00
MISCELLANEOUS PROFESSIONAL	53,047	0.92	0	0.00	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	1,210,767	13.87	820,536	13.00	820,536	13.00	820,536	13.00
SPECIAL ASST OFFICE & CLERICAL	57,480	1.23	107,870	3.00	107,870	3.00	107,870	3.00
REGISTERED NURSE	14,956	0.21	0	0.00	0	0.00	0	0.00
TOTAL - PS	9,256,934	205.94	9,812,873	234.11	9,812,873	234.11	9,812,873	234.11
TRAVEL, IN-STATE	3,515	0.00	5,370	0.00	5,370	0.00	5,370	0.00
TRAVEL, OUT-OF-STATE	5,027	0.00	3,786	0.00	3,786	0.00	3,786	0.00
SUPPLIES	340,502	0.00	392,773	0.00	392,773	0.00	392,773	0.00
PROFESSIONAL DEVELOPMENT	87,639	0.00	45,576	0.00	45,576	0.00	45,576	0.00
COMMUNICATION SERV & SUPP	89,084	0.00	90,000	0.00	90,000	0.00	90,000	0.00
PROFESSIONAL SERVICES	3,891,710	0.00	4,047,755	0.00	4,054,243	0.00	4,054,243	0.00
M&R SERVICES	14,459	0.00	5,000	0.00	5,000	0.00	5,000	0.00
COMPUTER EQUIPMENT	0	0.00	6,488	0.00	0	0.00	0	0.00
OFFICE EQUIPMENT	6,742	0.00	17,152	0.00	17,152	0.00	17,152	0.00
OTHER EQUIPMENT	0	0.00	2,462	0.00	2,462	0.00	2,462	0.00
PROPERTY & IMPROVEMENTS	0	0.00	6,241	0.00	6,241	0.00	6,241	0.00
BUILDING LEASE PAYMENTS	0	0.00	900	0.00	900	0.00	900	0.00
EQUIPMENT RENTALS & LEASES	0	0.00	2,449	0.00	2,449	0.00	2,449	0.00
MISCELLANEOUS EXPENSES	1,451	0.00	7,246	0.00	7,246	0.00	7,246	0.00
TOTAL - EE	4,440,129	0.00	4,633,198	0.00	4,633,198	0.00	4,633,198	0.00

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC FTE
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	
MO HEALTHNET ADMIN			 -				-	
CORE								
PROGRAM DISTRIBUTIONS	108,639	0.00	1,729	0.00	1,729	0.00	1,729	0.00
TOTAL - PD	108,639	0.00	1,729	0.00	1,729	0.00	1,729	0.00
GRAND TOTAL	\$13,805,702	205.94	\$14,447,800	234.11	\$14,447,800	234.11	\$14,447,800	234.11
GENERAL REVENUE	\$3,437,723	53.31	\$3,314,623	64.53	\$3,314,623	64.53	\$3,314,623	64.53
FEDERAL FUNDS	\$8,572,409	123.30	\$8,729,678	124.97	\$8,729,678	124.97	\$8,729,678	124.97
OTHER FUNDS	\$1,795,570	29.33	\$2,403,499	44.61	\$2,403,499	44.61	\$2,403,499	44.61

Department: Social Services HB Section: 11.400

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

1. What does this program do?

In order to efficiently operate the \$9.4 billion MO HealthNet program (also known as Missouri Medicaid), the MO HealthNet Division effectively utilizes its appropriated staff of 234.11 FTE. The staff running the MO HealthNet program account for less than 0.43% of total state employees while the MO HealthNet program comprises 26.0% of the total FY 2016 state operating budget of \$36.1 billion. The Administrative portion of the budget (Personal Services and Expense and Equipment) comprises less than 0.2% of the division's total budget. As of June 2015, there were a total of 944,257 participants enrolled in MO HealthNet. MO HealthNet Division's staff assist participants as well as providers.

Administrative expenditures for the division consist of Personal Services and Expense and Equipment. These expenditures are driven by the operational demands of supporting the MO HealthNet program. The division operates both a fee-for-service program and a managed care program. As of June 2015, there were 459,380 participants in capitated managed care in the Eastern, Central and Western regions of the state and 484,877 MO HealthNet participants in the fee-for-service programs.

Personal Services

The Division is structured into five major sections: (1) Administration; (2) Finance; (3) Program Operations; (4) Evidenced-Based Decision Support; and (5) Information Systems.

Administration

• Establishes goals, objectives, policies, and procedures; provides overall guidance and direction; coordinates legislative guidance on MO HealthNet issues; and completes final review of the budget and State Plan Amendments.

Finance

- Financial Operations and Recoveries Unit Manages the financial procedures of the division; creates internal expenditure reports; prepares adjustments to claims; receives and deposits payments; manages provider account receivables and IRS 1099 information; manages lock box, automatic withdrawals and cash deposits for CHIP and spenddown pay-in cases; administers a program to offset MO HealthNet expenditures when participants have third party coverage; MMAC liaison; and provides audit support.
- Budget, Analysis and Rate Development Unit Develops capitation rates with an actuary for Managed Care Program, NEMT and PACE; prepares federal budget neutrality reports; develops and tracks the division's annual budget request; prepares fiscal notes and program projections; prepares quarterly estimates and expenditure reports required by CMS; prepares legislative bill reviews; processes accounts payable for the division; and administers the pharmacy and ambulance tax.
- Institutional Reimbursement Calculates hospital inpatient and outpatient rates and FQHC/RHC reimbursements; sets nursing home reimbursement rates; and administers hospital, nursing facility and ICF/MR provider taxes.

Key projects in FY2016 for MHD Finance will include managed care geographic expansion planning and implementation and planning for a new third party liability contract, effective July 2016.

Department: Social Services HB Section: 11.400

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

Program Operations

Managed Care - Oversee contract compliance of three health plans; development and operations of the Managed Care Program; support Managed Care
enrollment; and work with providers and participants to increase access and improve health outcomes.

- Clinical Services Program Management Provides day-to-day oversight of MO HealthNet benefit programs; creates cost containment initiatives and clinical
 policy tools to enhance efforts to provide appropriate quality medical care to participants; operationalizes recommendations made by the Evidence-Based
 Decision Support team.
- Program Relations Responsible for provider education, provider communications, participant services and premium collections. Oversees external call centers
 and resolves claim reimbursement inquiries.
- Program Operations and Waivers Develops, monitors and evaluates Federal Waiver programs; coordinates School District Administration Claiming (SDAC) to
 ensure comprehensive preventative health care program for MO HealthNet eligible children; monitors and evaluates non-emergency transportation contracted
 vendor.

Pharmacy - Oversees outpatient prescription drug reimbursement for MO HealthNet eligibles; oversight of contracts with outside vendors for pharmacy program activities; collects rebates from pharmaceutical manufacturers; provides program oversight for Missouri's Pharmacy Assistance Program, MORx.

Evidence-Based Decision Support

 Evidence-Based Decision Support - Develops strategies to improve the health status of MO HealthNet participants; assess quality of care provided under Managed Care and Fee-For-Service; evidence based clinical decision development and support; and patient centered medical home management. This section is lead by the MO HealthNet medical director.

Key projects in FY2016 include, in part:

- Intensive Behavioral Therapy for Childhood and Adult Obesity This evidence based program is being developed by the division with input from clinical experts. The program will provide intensive behavioral therapy to address obesity in children and adults, with the goals of slowing the rate of obesity and ultimately returning the eligible population to a healthy weight. Evidence shows that these interventions can slow the rate of development of chronic diseases such as diabetes and the concomitant complication, providing cost-savings to Medicaid.
- Telehealth Program The division is evaluating the current telehealth policy to align with new telehealth developments, research, and national guidelines; developing details of the policy; and beginning the modeling process to determine the financial impact.
- Episodes of Care The division is evaluating other state models of episodes of care to develop a pilot model to reward providers who deliver cost effective care and who meet quality thresholds and to share costs when benchmarks are not met, initially focusing on a surgical, medical, obstetrics, and a mental health condition.

Department: Social Services HB Section: 11.400

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

Information Services

Information Systems - The primary claims processing system is the Medicaid Management Information System (MMIS). MO HealthNet also manages a clinical management services system for pharmacy and prior authorization. These systems process over 100 million claims and Managed Care encounters annually.
 The current contracts for these systems may be extended through June 30, 2017. The division has evaluated the options for the future of these systems and determined that a replacement of the MMIS is the best option. The division is currently developing requests for proposals to procure a replacement MMIS. The division also has determined that a separate enterprise data warehouse would better serve the business intelligence and data analytics needs of the entire Medicaid program and is working towards procurement of a solution.

Expense and Equipment - Approximately 81% of the division's Expense and Equipment expenditures comprise of payments to contractors for professional services including, but not limited to, actuarial services; contracts with health care professionals to conduct utilization claim reviews to determine medical necessity of services; and services of an external quality reviewer as required by federal law.

The remaining 17% of administrative Expense and Equipment expenditures support MO HealthNet staff for such routine operational expenses as supplies, postage and office equipment.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. However, some positions earn 75% federal match such as our medical staff. Certain services through contracted vendors, earn 75% or 90% federal match.

4. Is this a federally mandated program? If yes, please explain.

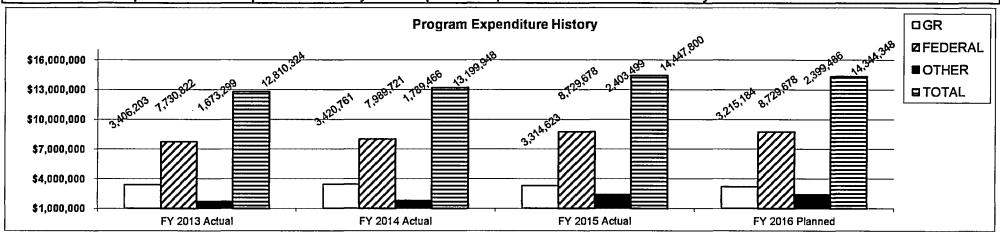
Yes.

Department: Social Services HB Section: 11.400

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142), Third Party Liability Collections Fund (0120), Nursing Facility Quality of Care Fund (0271), Health Initiatives Fund (0275), Pharmacy Reimbursement Allowance Fund (0144), Missouri Rx Plan Fund (0779) and Ambulance Service Reimbursement Allowance Fund (0958).

7a. Provide an effectiveness measure.

MO HealthNet Administration supports all division programs. Effectiveness measures can be found in Program sections.

Department: Social Services HB Section: 11.400

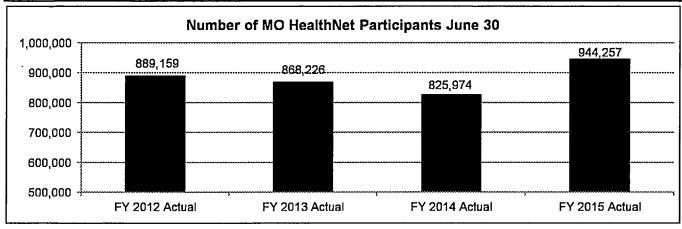
Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

7b. Provide an efficiency measure.

MO HealthNet Administration supports all division programs. Efficiency measures can be found in the Program sections.

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

DECISION ITEM SUMMARY

GRAND TOTAL	\$13,778,049	0.00	\$15,161,455	0.00	\$15,161,455	0.00	\$15,161,455	0.00
TOTAL	13,778,049	0.00	15,161,455	0.00	15,161,455	0.00	15,161,455	0.00
TOTAL - EE	13,778,049	0.00	15,161,455	0.00	15,161,455	0.00	15,161,455	0.00
MISSOURI RX PLAN FUND	577,951	0.00	1,560,595	0.00	1,560,595	0.00	1,560,595	0.00
THIRD PARTY LIABILITY COLLECT	892,586	0.00	924,911	0.00	924,911	0.00	924,911	0.00
DEPT OF SOC SERV FEDERAL & OTH	11,845,642	0.00	12,214,032	0.00	12,214,032	0.00	12,214,032	0.00
EXPENSE & EQUIPMENT GENERAL REVENUE	461,870	0.00	461,917	0.00	461,917	0.00	461,917	0.00
CORE								
CLINICAL SRVC MGMT								
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Unit		-				<u>-</u>	-	-

im_disummary

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90516C

Division: MO HealthNet

Core: Clinical Services Program Management

HB Section:

11.405

1. CORE FINAN	ICIAL SUMMAR								
		FY 2017 Budge	et Request			FY 20	017 Governor's F	<u>Recommendation</u>	on
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE	461,917	12,214,032	2,485,506	15,161,455	EE	461,917	12,214,032	2,485,506	15,161,455
PSD					PSD				
TRF					TRF				
Total	461,917	12,214,032	2,485,506	15,161,455	Total	461,917	12,214,032	2,485,506	15,161,455
FTE	0.00	0.00	0.00	0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
Note: Fringes be	udgeted in House	Bill 5 except for o	certain fringes bud	dgeted directly	Note: Fringes b	oudgeted in Hous	se Bill 5 except for	certain fringes l	budgeted
to MoDOT, High	way Patrol, and (Conservation.			directly to MoDO	DT, Highway Pat	rol, and Conserva	ition.	_

Other Funds: Third Party Liability Collections (TPL) (0120)

MO Rx Plan Fund (0779)

Other Funds: Third Party Liability Collections (TPL) (0120)

MO Rx Plan Fund (0779)

2. CORE DESCRIPTION

This core request is for contractor costs that support the Pharmacy and Clinical Services programs. Funding is used for cost containment initiatives and clinical policy decision-making to enhance efforts to provide appropriate and quality medical care to participants. MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing contractor resources effectively.

3. PROGRAM LISTING (list programs included in this core funding)

Clinical Services Program Management Missouri Rx Program

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90516C

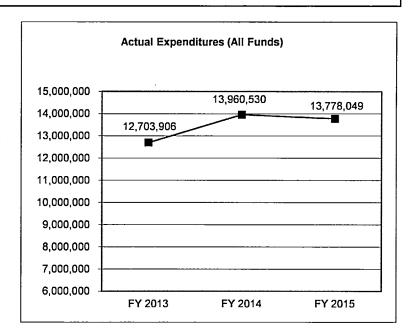
Division: MO HealthNet Core: Clinical Services Program Management

HB Section:

11.405

4. FINANCIAL HISTORY

	FY 2013	FY 2014	FY 2015	FY 2016
	Actual	Actual	Actual	Current Yr.
Appropriation (All Funds) Less Reverted (All Funds) Less Restricted (All Funds) Budget Authority (All Funds)	17,784,931	17,775,692	17,775,692	15,161,455
	(14,517)	(14,285)	(14,285)	N/A
	0	0	0	N/A
	17,770,489	17,761,407	17,761,407	N/A
Actual Expenditures (All Funds) Unexpended (All Funds)	12,703,906	13,960,530	13,778,049	N/A
	5,066,583	3,800,877	3,983,358	N/A
Unexpended, by Fund: General Revenue Federal Other	1,040,130 4,026,379	135,205 3,665,672	368,390 3,614,969	N/A N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

CLINICAL SRVC MGMT

5. CORE RECONCILIATION DETAIL

	Budget						
	Class	FTE	GR	Federal	Other	Total	Explan
TAFP AFTER VETOES							
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	<u>;</u>
	Total	0.00	461,917	12,214,032	2,485,506	15,161,455	- - -
DEPARTMENT CORE REQUEST				•			
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	<u>.</u>
	Total	0.00	461,917	12,214,032	2,485,506	15,161,455	- } =
GOVERNOR'S RECOMMENDED	CORE						
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	<u>;</u>
	Total	0.00	461,917	12,214,032	2,485,506	15,161,455	

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
CLINICAL SRVC MGMT								
CORE								
TRAVEL, IN-STATE	14,213	0.00	10,859	0.00	10,859	0.00	10,859	0.00
TRAVEL, OUT-OF-STATE	2,452	0.00	0	0.00	0	0.00	0	0.00
SUPPLIES	361,816	0.00	422,601	0.00	422,601	0.00	422,601	0.00
PROFESSIONAL DEVELOPMENT	780	0.00	1,000	0.00	1,000	0.00	1,000	0.00
COMMUNICATION SERV & SUPP	89,052	0.00	91,996	0.00	91,996	0.00	91,996	0.00
PROFESSIONAL SERVICES	13,262,111	0.00	14,581,936	0.00	14,581,936	0.00	14,581,936	0.00
M&R SERVICES	19,267	0.00	33,131	0.00	33,131	0.00	33,131	0.00
OFFICE EQUIPMENT	6,556	0.00	4,500	0.00	4,500	0.00	4,500	0.00
OTHER EQUIPMENT	1,234	0.00	7,000	0.00	7,000	0.00	7,000	0.00
PROPERTY & IMPROVEMENTS	17,798	0.00	250	0.00	250	0.00	250	0.00
BUILDING LEASE PAYMENTS	840	0.00	1,402	0.00	1,402	0.00	1,402	0.00
MISCELLANEOUS EXPENSES	1,764	0.00	6,780	0.00	6,780	0.00	6,780	0.00
REBILLABLE EXPENSES	166	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	13,778,049	0.00	15,161,455	0.00	15,161,455	0.00	15,161,455	0.00
GRAND TOTAL	\$13,778,049	0.00	\$15,161,455	0.00	\$15,161,455	0.00	\$15,161,455	0.00
GENERAL REVENUE	\$461,870	0.00	\$461,917	0.00	\$461,917	0.00	\$461,917	0.00
FEDERAL FUNDS	\$11,845,642	0.00	\$12,214,032	0.00	\$12,214,032	0.00	\$12,214,032	0.00
OTHER FUNDS	\$1,470,537	0.00	\$2,485,506	0.00	\$2,485,506	0.00	\$2,485,506	0.00

Department: Social Services HB Section: 11.405

Program Name: Clinical Services Program Management

Program is found in the following core budget(s): Clinical Services Program Management

1. What does this program do?

The funding for Clinical Services Program Management supports contractor costs for Pharmacy and Clinical Services.

Pharmacy

Through the Pharmacy Program, the Division is able to maintain current cost containment initiatives and implement new cost containment initiatives. Major initiatives include:

- Maintenance and Updates to Fiscal and Clinical Edits
- Quarterly Updates to the Missouri Maximum Allowable Cost (MACs)
- Prospective and Retrospective Drug Use Review (DUR)
- · Routine/Adhoc Drug Information Research
- Pharmacy Help Desk Staffing
- Enrollment and Administration of Case Management
- Preferred Drug List (PDL) and Supplemental Rebates

These initiatives, along with other cost containment activities, have resulted in pharmacy costs that trend significantly lower than the national trend over the past few years.

Clinical

Major Clinical Services initiatives include:

- Smart Prior Authorization (PA) for Durable Medical Equipment (DME), including Dental and Optometry
- Psychology and Medical Help Desk Staffing
- Major Medical PA, including Radiology Imaging
- Medical Evidence Oregon Contract

CyberAccess SM

CyberAccess SM is an Electronic Health Record (EHR) program for MO HealthNet participants which is available to their healthcare providers. The web-based tool, called CyberAccess, allows physicians to prescribe electronically, view diagnosis data, receive alerts, select appropriate preferred medications, and electronically request drug and medical prior authorizations for their MO HealthNet patients. The continued funding for CyberAccess is critical to continue to support the pharmacy and medical cost containment initiatives and electronic health records. EPSDT forms and patient specific lab results are currently available through the platform. Linkages to other health record systems yielding interoperability between systems is under development (Health Information Network). A companion participant web portal tool, Direct Inform, has been developed and deployed to pilot providers.

The Clinical Services Program Management unit is also responsible for program development and clinical policy decision-making for MO HealthNet, with these activities oriented to the health and continuum of care needed by MO HealthNet participants. Policy development, benefit design and coverage decisions are made by the unit using best practices and evidence-based medicine.

Department: Social Services

Program Name: Clinical Services Program Management

Program is found in the following core budget(s): Clinical Services Program Management

HB Section: 11.405

Since July 2010, the MO HealthNet Division (MHD), in conjunction with Xerox (formerly ACS-Heritage) and MedSolutions (MSI), implemented a quality-based Radiology Benefit Management Program (RBM). The RBM is an expansion of the existing pre-certification process used for MRIs and CTs of the brain, head, chest and spine. The RBM works to determine clinical appropriateness of the usage of high-tech radiology services, and provides guidelines for application and use based on expert information and evidence-based data. Pre-certification requests are handled using industry-recognized clinical guidelines. These guidelines are used to ensure the appropriate scope, complexity and clinical need of the tests that will be performed to assist in managing costs.

The MHD and Department of Health and Senior Services (DHSS), Division of Senior and Disability Services (DSDS) have implemented a single integrated web-based instrument for entering, tracking and approving Home and Community Based Services (HCBS) requests and follow-up data. The electronic tool (a component of CyberAccess) allows consistent service authorization and delivery to clients with varying needs. The tool is based on a real-time interface with Medicaid claims data to allow automated and transparent processing of requests for services. All HCBS clients are assessed for services using the same tool, employing a rules-based engine to establish a customized service plan based on their specific need.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

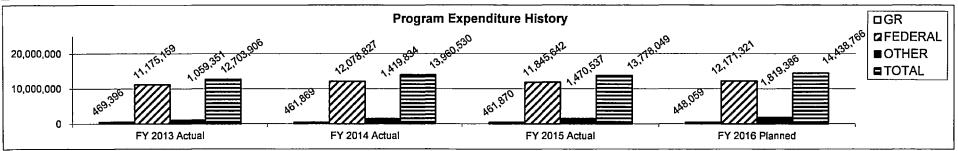
3. Are there federal matching requirements? If yes, please explain.

Generally, MO HealthNet administrative expenditures earn a 50% federal match. The Clinical Management Services for Pharmacy and Prior Authorization is matched at 75%.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

Department: Social Services

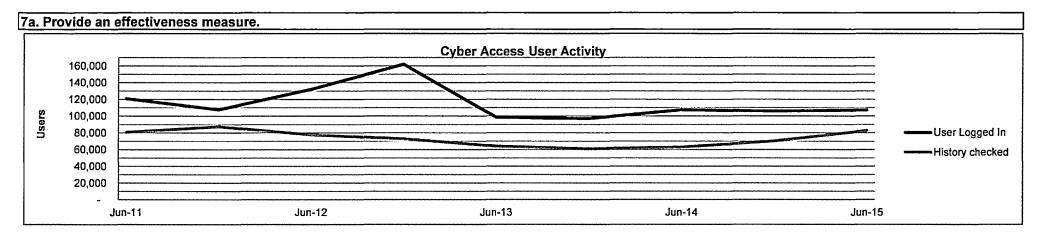
Program Name: Clinical Services Program Management

Program is found in the following core budget(s): Clinical Services Program Management

HB Section: 11.405

6. What are the sources of the "Other" funds?

FY 2013-FY 2016: Third Party Liability Fund (0120) and Missouri Rx Plan Fund (0779)



7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Number of Pharmacy Claims

SFY	Projected	Actual
2013	13.5 mil	13.0 mil
2014	12.9 mil	12.5 mil
2015	12.5 mil	12.3 mil
2016	13.2 mil	
2017	13.2 mil	
2018	13.2 mil	

Source: MMIS Pharmacy Reimbursement Allowance Report

7d. Provide a customer satisfaction measure, if available.

DECISION ITEM SUMMARY

Budget Unit					•			
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR_	FTE
WOMEN & MINORITY OUTREACH								
CORE								
EXPENSE & EQUIPMENT					•			
GENERAL REVENUE	529,741	0.00	529,796	0.00	529,796	0.00	529,796	0.00
DEPT OF SOC SERV FEDERAL & OTH	546,125	0.00	568,625	0.00	568,625	0.00	568,625	0.00
TOTAL - EE	1,075,866	0.00	1,098,421	0.00	1,098,421	0.00	1,098,421	0.00
TOTAL	1,075,866	0.00	1,098,421	0.00	1,098,421	0.00	1,098,421	0.00
GRAND TOTAL	\$1,075,866	0.00	\$1,098,421	0.00	\$1,098,421	0.00	\$1,098,421	0.00

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90513C

Division: MO HealthNet

Core: Women & Minority Health Care Outreach

HB Section:

11.410

	FY 2017 Budget Request					FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total	
PS					PS					
EE	529,796	568,625		1,098,421	EE	529,796	568,625		1,098,421	
PSD	-				PSD					
TRF					TRF					
Total	529,796	568,625		1,098,421	Total	529,796	568,625		1,098,421	
FTE				0.00	FTE				0.0	
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0	
Note: Fringes b	udgeted in Hous	e Bill 5 except for	certain fringes bu	udgeted directly	Note: Fringes b	oudgeted in Hous	se Bill 5 except fo	r certain fringes b	udgeted	
to MoDOT, High	way Patrol, and	Conservation.			directly to MoDO	OT, Highway Pat	trol, and Conserva	ation.		

Other Funds:

Other Funds:

2. CORE DESCRIPTION

This core request is for the continued funding of the Women and Minority Health Care Outreach programs. These programs provide client outreach and education about the MO HealthNet program and reduce disparities in healthcare access for women and minority populations.

3. PROGRAM LISTING (list programs included in this core funding)

Women and Minority Health Care Outreach Program

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90513C

Division: MO HealthNet

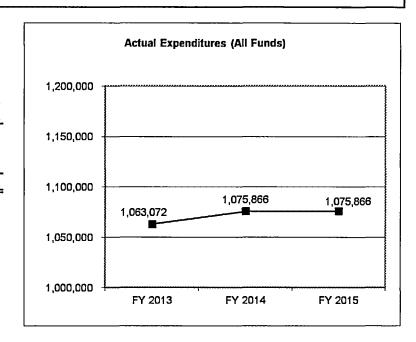
Core: Women & Minority Health Care Outreach

HB Section:

11.410

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	1,114,750	1,114,750	1,114,750	1,098,421
Less Reverted (All Funds)	(16,384)	(16,384)	(16,384)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	1,098,366	1,098,366	1,098,366	N/A
Actual Expenditures (All Funds)	1,063,072	1,075,866	1,075,866	N/A
Unexpended (All Funds)	35,294	22,500	22,500	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	35,294	22,500	22,500	N/A
Other	0	0	0	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES WOMEN & MINORITY OUTREACH

5. CORE RECONCILIATION DETAIL

	Budget	,						
	Class	FTE	GR	Federal	Other		Total	E
TAFP AFTER VETOES								
	EE	0.00	529,796	568,625		0	1,098,421	
	Total	0.00	529,796	568,625		0	1,098,421	_
DEPARTMENT CORE REQUEST						-		
	EE	0.00	529,796	568,625		0	1,098,421	
	Total	0.00	529,796	568,625		0	1,098,421	-
GOVERNOR'S RECOMMENDED	CORE							
	EE	0.00	529,796	568,625	_	0	1,098,421	
	Total	0.00	529,796	568,625		0	1,098,421	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER:	90513C		DEPART	MENT:	Social Ser	vices		
BUDGET UNIT NAME: HOUSE BILL SECTION:	Women's and M 11.410	DIVISION: MO HealthNet						
requesting in dollar and per	centage terms a	and explain why the flexib	ility is need	led. If fl	exibility is b	d equipment flexibility you are peing requested among divisions, lain why the flexibility is needed.		
		DEPARTM	ENT REQUE	ST				
			% Flex Flex Reques Requested Amount		•			
Total Prog	ram Request	\$1,098,421 \$1,098,421			09,842 274,605			
2. Estimate how much flexi Year Budget? Please specif	-	ed for the budget year. He	ow much fle	exibility	was used in	the Prior Year Budget and the Current		
PRIOR YEAR ACTUAL AMOUNT OF FLEX	(IBILITY USED	CURRENT ESTIMATED AM FLEXIBILITY THAT	OUNT OF		BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED			
None.	H.B. 11 language allows for ubetween sections 11.410, 11.11.465, 11.470, 11.485, 11.451.550, 11.555, and 11.595 ause of this section for manag	o to 10% flexibility 135, 11.455, 11.460, 0, 11.505, 11.510, nd 25% flexibility for		10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.				
3. Please explain how flexibilit	y was used in the	prior and/or current years.						
EXF	SE	CURRENT YEAR EXPLAIN PLANNED USE						
None.				Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.				

DECISION ITEM DETAIL

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
WOMEN & MINORITY OUTREACH CORE								
PROFESSIONAL SERVICES TOTAL - EE	1,075,866 1,075,866	0.00	1,098,421 1,098,421	0.00	1,098,421	0.00	1,098,421 1,098,421	0.00
GRAND TOTAL	\$1,075,866	0.00	\$1,098,421	0.00	\$1,098,421	0.00	\$1,098,421	0.00
GENERAL REVENUE FEDERAL FUNDS OTHER FUNDS	\$529,741 \$546,125 \$0	0.00 0.00 0.00	\$529,796 \$568,625 \$0	0.00 0.00 0.00	\$529,796 \$568,625 \$0	0.00 0.00 0.00	\$529,796 \$568,625 \$0	0.00 0.00 0.00

Department: Social Services HB Section: 11.410

Program Name: Women and Minority Health Care Outreach

Program is found in the following core budget(s): Women and Minority Health Care Outreach

1. What does this program do?

The funding in this appropriation provides outreach services in St. Louis, Columbia, Jefferson City, Springfield, the Bootheel, and Kansas City regions targeted at, among other people, African-American men and women at risk of diabetes, cardiovascular disease, HIV/AIDS, sexually transmitted diseases (STDs), and other life-threatening health conditions. The outreach programs also provide needed client outreach and education about the MO HealthNet program.

This program was initiated in the fall of 1999 with five Federally-Qualified Health Centers (FQHCs) and has now expanded to twelve FQHCs in the St Louis, Kansas City, mid-Missouri, Southwest, and Bootheel regions. The outreach program builds on the strengths of the twelve FQHCs that are trusted, accessible sources of care for high-risk African-American populations, and the existence of leaders, often women within the community, to provide outreach and education in their neighborhoods to encourage routine screenings for diabetes and cardiovascular disease and testing for HIV/AIDS and STDs. In the Bootheel area, the outreach program builds on the strengths of a FQHC and county hospital using the Care-A-Van to reach at-risk persons in the largely rural area. Existing health promotion coalitions in the area, including the Bootheel's Heart Health Coalitions and the Missouri Health Alliance are also used in outreach efforts. As part of the outreach program, workers identify eligible participants and help them enroll in the MO HealthNet program.

The Department of Social Services has contracted with the Missouri Primary Care Association (MPCA) to act as a fiscal intermediary for the distribution of the Minority and Women's Health Outreach funding, ensuring accurate and timely payments to the subcontractors and to act as a central data collection point for evaluation of program impact, outcomes, and performance. The MPCA is reimbursed for allowable costs related to establishing and implementing outreach programs not to exceed the appropriation cap. The MPCA is recognized as Missouri's single primary care association by the federal Health Resource Service Administration. The goal of the MPCA is, in part, to partner in the development, maintenance and improvement of access to health care services, and to reduce disparities in health status between majority and minority populations.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.201; Federal law: Social Security Act Section 1903(a); Federal Regulations: 42 CFR, Part 433.15

3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding

4. Is this a federally mandated program? If yes, please explain.

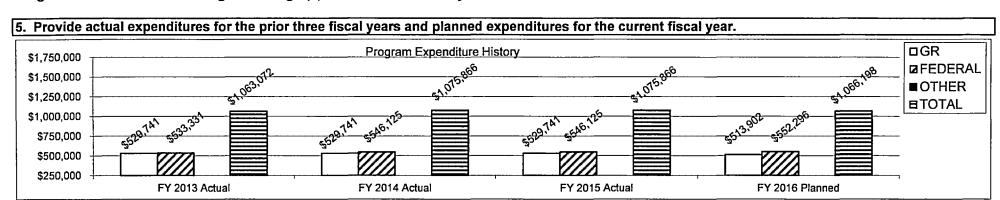
No.

Department: Social Services

Program Name: Women and Minority Health Care Outreach

Program is found in the following core budget(s): Women and Minority Health Care Outreach

HB Section: 11.410



FY 2016 Planned is a net of reverted and reserves.

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

FQHCs and Regional Health Centers (RHCs) in underserved areas provide greater access to health care services for women and minorities and serve as outreach centers to assist individuals in applying for MO HealthNet services.

Number of Users of FQHCs and RHCs Primary Care

SFY	Projected	Actual
2012	123,011	133,965
2013	121,000	137,290
2014	140,000	106,973
2015	120,000	135,010
2016	140,000	
2017	140,000	

Number of Users Receiving Assistance from FQHCs and RHCs in Applying for MO HealthNet

SFY	Projected	Actual						
2012	14,117	14,369						
2013	15,000	13,645						
2014	15,000	13,679						
2015	15,000	13,670						
2016	15,000							
2017	15,000							

Department: Social Services

Program Name: Women and Minority Health Care Outreach

Program is found in the following core budget(s): Women and Minority Health Care Outreach

HB Section: 11.410

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

DECISION ITEM SUMMARY

Budget Unit						_		
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
TPL CONTRACTS			<u> </u>					
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	2,705,182	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00
THIRD PARTY LIABILITY COLLECT	2,705,182	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00
TOTAL - EE	5,410,364	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
TOTAL	5,410,364	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
GRAND TOTAL	\$5,410,364	0.00	\$6,000,000	0.00	\$6,000,000	0.00	\$6,000,000	0.00

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90515C

Division: MO HealthNet

1 CODE EINANCIAL SUMMARY

Core: Third Party Liability (TPL) Contracts

HB Section:

11.415

_		FY 2017 Budge	et Request			FY	2017 Governor's	Recommendation	on
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS EE PSD TRF		3,000,000	3,000,000	6,000,000	PS EE PSD TRF		3,000,000	3,000,000	6,000,000
Total		3,000,000	3,000,000	6,000,000	Total		3,000,000	3,000,000	6,000,000
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	O	0
Note: Fringes bu	idgeted in House	Bill 5 except for o	certain fringes bud	dgeted directly	Note: Fringes	budgeted in Ho	ouse Bill 5 except f	or certain fringes	budgeted
to MoDOT, Highv	vay Patrol, and C	Conservation.			directly to MoD	OT, Highway F	Patrol, and Conser	vation.	-

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

2. CORE DESCRIPTION

This core request is for the continued funding of contracted third party liability (TPL) recovery activities. TPL functions are performed by agency staff in the TPL Unit and by a contractor. This core appropriation is expense and equipment funding and is the source of payments to the contractor who works with the agency on TPL recovery activities.

3. PROGRAM LISTING (list programs included in this core funding)

Third Party Liability Contracts

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90515C

Division: MO HealthNet

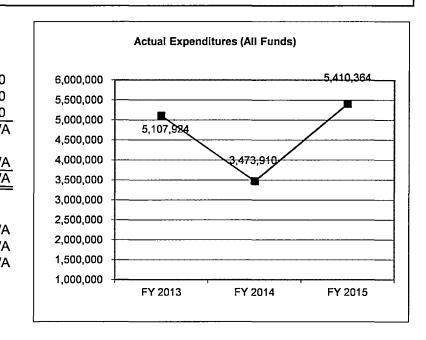
Core: Third Party Liability (TPL) Contracts

HB Section:

11.415

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	6,000,000	6,000,000	6,000,000	6,000,000
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	6,000,000	6,000,000	6,000,000	N/A
Actual Expenditures (All Funds)	5,107,924	3,473,910	5,410,364	N/A
Unexpended (All Funds)	892,076	2,526,090	589,636	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	446,038	446,038	294,818	N/A
Other	446,038	446,038	294,818	N/A
	•	•	· ·	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

TPL CONTRACTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR		Federal	Other	Total	E
TAFP AFTER VETOES								_
	EE	0.00		0	3,000,000	3,000,000	6,000,000)
	Total	0.00		0	3,000,000	3,000,000	6,000,000	<u> </u>
DEPARTMENT CORE REQUEST			<u></u>					-
	EE	0.00		0	3,000,000	3,000,000	6,000,000)
	Total	0.00		0	3,000,000	3,000,000	6,000,000	-) =
GOVERNOR'S RECOMMENDED	CORE							_
	EE	0.00		0	3,000,000	3,000,000	6,000,000)
	Total	0.00		0	3,000,000	3,000,000	6,000,000	<u></u>

DECISION ITEM DETAIL

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
TPL CONTRACTS								
CORE								
PROFESSIONAL SERVICES	5,410,364	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
TOTAL - EE	5,410,364	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
GRAND TOTAL	\$5,410,364	0.00	\$6,000,000	0.00	\$6,000,000	0.00	\$6,000,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$2,705,182	0.00	\$3,000,000	0.00	\$3,000,000	0.00	\$3,000,000	0.00
OTHER FUNDS	\$2,705,182	0.00	\$3,000,000	0.00	\$3,000,000	0.00	\$3,000,000	0.00

Department: Social Services HB Section: 11.415

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

1. What does this program do?

The Third Party Liability (TPL) program is responsible for cost recovery and cost avoidance of MO HealthNet expenditures. By identifying potentially liable third party sources, MO HealthNet is able to avoid paying costs for services provided or recover costs already incurred. The MO HealthNet program seeks recovery from third-party sources when liability at the time of service had not yet been determined; when the third-party source was not known at the time of MO HealthNet payment; and for services that are federally mandated to be paid and then pursued. TPL functions are performed by both agency staff in the TPL Unit and by a TPL contractor. The TPL contracts appropriation allows for payment to the contractor who works with the agency on TPL recovery and cost avoidance activities. The contractor is paid for its recovery services through a contingency contract rate for cash recoveries of 10% for the first \$10 million recovered and then 8% for any recoveries over \$10 million, which resets annually. There is also a per member per month (PMPM) rate of \$.165 for the cost avoidance services. The TPL program accounted for more than \$287.1 million in savings to the MO HealthNet program in FY 15 by cost avoiding claims and recovering MO HealthNet funds. Health plans in the MO HealthNet Managed Care program are responsible for the TPL activities related to plan enrollees.

Even though some responsibilities are shared, the TPL Unit and the contractor each perform specific cost saving and recovery activities. The TPL Unit concentrates on asserting liens on settlements of trauma-related incidents (which include personal injury, product liability, wrongful death, malpractice, workers' compensation, and traffic accidents). The TPL Unit also files claims for recovery of MO HealthNet expenditures in estate cases; Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) cases; on the personal funds accounts of deceased nursing home residents; and on any excess funds from irrevocable burial plans. For cost avoidance, the TPL Unit operates the Health Insurance Premium Payment (HIPP) program and maintains the TPL data base where participant insurance information is stored. The contractor focuses on bulk billings to insurance carriers and other third parties and data matches to identify potential third parties. The following list itemizes the activities performed by the contractor as compared to those performed by the TPL Unit staff and is followed by descriptions of the primary TPL programs.

Tasks performed by the Contractor:

- Health insurance billing and follow-up;
- Data matches and associated billing (Tricare, MCHCP, and other insurance carriers such as BCBS, United Healthcare and Aetna);
- · Provide TPL information for state files;
- · Post accounts receivable data to state A/R system; and
- · Maintain insurance billing files.

The current contractor is Health Management Systems (HMS). The contractor is paid for services on a contingency basis for recovery activities and a PMPM basis for cost avoidance activities through a portion of cash recoveries. Estate recoveries are performed by the state. Historically, the contractor has been more successful in areas of recovery that the state is unable to pursue due to staff and computer system limitations, for instance, in health insurance recovery.

Tasks performed by the State TPL Staff:

- · Liens, updates and follow-up on trauma cases;
- · Identify and follow-up on all estate cases;
- · Identify, file and follow-up on TEFRA liens;
- · Identify and follow-up on personal funds cases;
- · Recover any excess funds from irrevocable burial plans;

Department: Social Services HB Section: 11.415

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

Operate HIPP program;

- · Post recoveries to accounts receivable systems;
- Maintain state TPL databases;
- · Verify leads through MMIS contract; and
- · Contract oversight.

HIPP Program - The objective of the Health Insurance Premium Payment program (HIPP) is to identify and pay for employer-sponsored insurance policies for MO HealthNet participants to maximize MO HealthNet monies by shifting medical costs to private insurers and exhausting all third party resources before utilizing MO HealthNet.

<u>Trauma Settlement Recovery</u> - The objective is to identify potentially liable third parties and to assert liens on litigation settlements to ensure maximum recovery of MO HealthNet expenditures. Each identification is researched to determine if pursuit is cost effective or even possible.

<u>Personal Funds Recovery</u> - The objective of this program is to identify personal funds account balances of deceased MO HealthNet participants who lived in nursing facilities and recover MO HealthNet expenditures made on behalf of those participants. Nursing facilities are required to pay MO HealthNet within sixty (60) days from the date of death (Section 198.090(7), RSMo).

<u>Burial Plans Recovery</u> - The objective of this program is to recover MO HealthNet expenditures from any excess funds from irrevocable burial plans. Burial lots and irrevocable burial contracts are exempt from consideration in determining MO HealthNet eligibility (Section 208.010, RSMo). The law also provides that if there are excess funds from irrevocable burial plans, the state should recover the excess up to the amount of public assistance benefits provided to the participant.

<u>Estate Recovery</u> - In this program, expenditures are recovered through identification and filing of claims on estates of deceased MO HealthNet participants. Data matches are coordinated with the Department of Health and Senior Services' Vital Statistics, Family Support Division's county offices' staff and cooperation of other public and private groups. When cases are established, staff verify expenditure documentation and assemble data for evidence. The TPL staff appear in court to testify on behalf of the state and explain MO HealthNet policies and procedures.

<u>TEFRA Liens</u> - The Tax Equity and Fiscal Responsibility Act of 1982 authorizes the MO HealthNet program to file a lien as a claim against the real property of certain MO HealthNet participants. The TEFRA lien is for the debt due to the state for medical assistance paid or to be paid on behalf of MO HealthNet.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State: RSMo. 198.090, 208.010, 208.153, 208.215, 473.398, 473.399 and 13 CSR 70-4.120. Federal law: Social Security Act, Section 1902, 1903, 1906, 1912, 1917; Federal regulation: 42 CFR 433 Subpart D.

3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

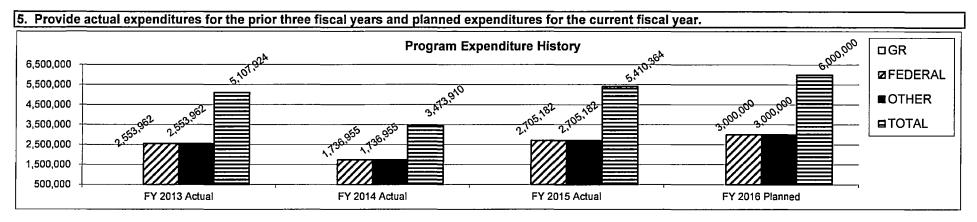
Department: Social Services HB Section: 11.415

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

4. Is this a federally mandated program? If yes, please explain.

Yes, if cost effective. In order to not pursue a TPL claim, the agency must obtain a waiver from CMS by proving that a cost recovery effort is not cost effective.

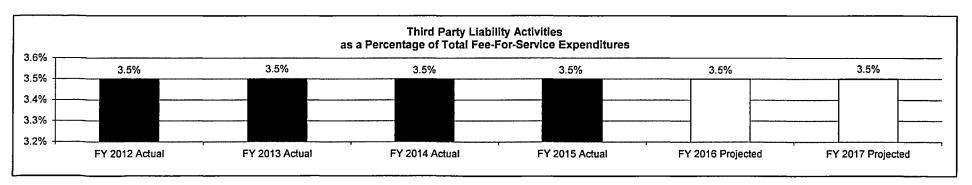


6. What are the sources of the "Other" funds?

Third Party Liability Collections Fund (0120)

7a. Provide an effectiveness measure.

Third Party Liability (TPL) activities within the MO HealthNet Program ensure that liable third-party resources are being utilized as a primary source of payment in lieu of General Revenue. In state fiscal year 20154, TPL activities, including cost avoidance and cash recovery activities, saved 3.5% of total fee-for-service expenditures.

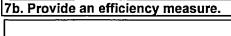


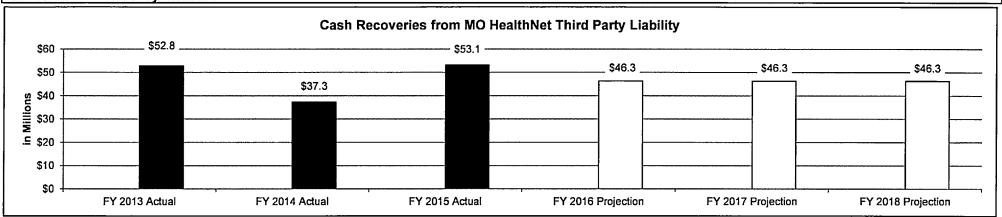
Department: Social Services

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

HB Section: 11.415





NOTE: Cash recoveries decreased in FY14 due to changes in how the contractor was posting accounts receivables. FY15 recoveries appear significantly higher than the prior year because there was increased focus on closing accounts receivables posted in FY14 and additional outstanding checks.

Cash Recoveries by Contractor

SFY	Projected	Actual
2013	\$30.0 mil	\$30.9 mil
2014	\$34.0 mil	\$15.2 mil
2015	\$25.0 mil	\$32.3 mil
2016	\$25.0 mil	
2017	\$25.0 mil	
2018	\$25.0 mil	

Cash Recoveries by MHD Staff

SFY	Projected	Actual
2013	\$22.5 mil	\$21.9 mil
2014	\$22.0 mil	\$22.1 mil
2015	\$21.3 mil	\$20.7 mil
2016	\$16.5 mil	**************************************
2017	\$16.5 mil	
2018	\$16.5 mil	

MHD is enhancing efforts to obtain timely health insurance carrier information on a proactive basis for MO HealthNet participants to ensure that third party resources are utilized as a primary source of payment in lieu of taxpayer dollars. MHD contracts with a vendor to perform health insurance recoveries and cost avoidance activities. As MHD shifts its focus to cost avoidance, the trend for health insurance cash recoveries will even out or eventually reflect a decrease.

Several developments over the last few years have impacted the collection of cash recoveries. Medicare providers are performing on-line adjustments rather than submitting reimbursement by check. Cash recoveries for the Estate Program have decreased due to the expanded definition of "estate" not being in statute; a court decision regarding spousal recovery; and the elimination of recovering Medicare Part B premiums on or after the date of January 1, 2010. Trauma and casualty tort recoveries have decreased as a result of the Ahlborn class action decision in 2006.

Department: Social Services

HB Section: 11.415

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
INFORMATION SYSTEMS		 -	 ·		-			
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	5,542,522	0.00	6,538,940	0.00	6,538,940	0.00	6,538,940	0.00
DEPT OF SOC SERV FEDERAL & OTH	33,559,924	0.00	44,580,170	0.00	44,580,170	0.00	44,580,170	0.00
UNCOMPENSATED CARE FUND	430,000	0.00	0	0.00	0	0.00	0	0.00
HEALTH INITIATIVES	1,543,936	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	41,076,382	0.00	51,119,110	0.00	51,119,110	0.00	51,119,110	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	847,343	0.00	847,343	0.00	847,343	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	10,820,180	0.00	10,820,180	0.00	10,820,180	0.00
UNCOMPENSATED CARE FUND	0	0.00	430,000	0.00	430,000	0.00	430,000	0.00
HEALTH INITIATIVES	0	0.00	1,591,687	0.00	1,591,687	0.00	1,591,687	0.00
TOTAL - PD	0	0.00	13,689,210	0.00	13,689,210	0.00	13,689,210	0.00
TOTAL	41,076,382	0.00	64,808,320	0.00	64,808,320	0.00	64,808,320	0.00
Sustaining MMIS Infrastructure - 1886014								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	4,250,000	0.00	4,250,000	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	12,750,000	0.00	12,750,000	0.00
TOTAL - EE	0	0.00	0	0.00	17,000,000	0.00	17,000,000	0.00
TOTAL	0	0.00	0	0.00	17,000,000	0.00	17,000,000	0.00
GRAND TOTAL	\$41,076,382	0.00	\$64,808,320	0.00	\$81,808,320	0.00	\$81,808,320	0.00

im_disummary

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90522C

Division:

Core:

MO HealthNet

Information Systems

HB Section:

11.420

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request										
	GR	Federal	Other	Total							
PS											
EE	6,538,940	44,580,170		51,119,110							
PSD	847,343	10,820,180	2,021,687	13,689,210							
TRF											
Total	7,386,283	55,400,350	2,021,687	64,808,320							

	FY 2017 Governor's Recommendation										
	GR	Federal	Other	Total							
PS											
EE	6,538,940	44,580,170		51,119,110							
PSD	847,343	10,820,180	2,021,687	13,689,210							
TRF	•	• •	• •	, ,							
Total	7,386,283	55,400,350	2,021,687	64,808,320							

FTE 0.00

FTE

0.00

Est. Fringe	0	0	0	0
Note: Fringe:	s budgeted in Hou	ise Bill 5 except fo	or certain fringes	budgeted directly
to MoDOT, H	ighway Patrol, an	d Conservation.		·

| Est. Fringe | 0 | 0 | 0 | Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (0108)

Health Initiatives Fund (0275)

Other Funds: Uncompensated Care Fund (0108)

Health Initiatives Fund (0275)

2. CORE DESCRIPTION

This core request is for the continued funding of MO HealthNet's Information Systems (IS). Core funding is used to pay for the Medicaid Management Information Systems (MMIS) contract. The MMIS contractor processes fee-for-service claims, managed care encounter data and provides enrollment broker services. Managed care encounter data is processed thorugh the system similar to FFS claims. The data is used by the Managed Care Unit for contract administration and rate setting purposes.

3. PROGRAM LISTING (list programs included in this core funding)

Information Systems

CORE DECISION ITEM

Department: Social Services

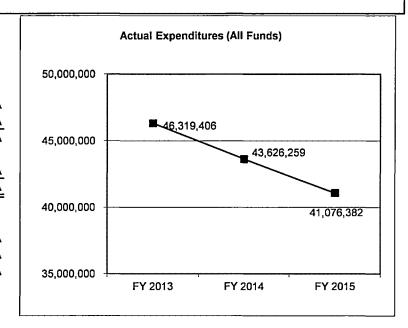
Budget Unit: 90522C

Division: Core: MO HealthNet Information Systems

HB Section: 11.420

4. FINANCIAL HISTOR'	4.	FI	N	Α	N	C	IA	L	H	IST	O.	R	١
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4. FINANCIAL HISTORY		···		
	FY 2013	FY 2014	FY 2015	FY 2016
	Actual	Actual	Actual	Current Yr.
Appropriation (All Funds) Less Reverted (All Funds) Less Restricted (All Funds)	52,919,110	46,435,977	51,435,977	64,808,320
	(190,618)	(192,919)	(219,169)	N/A
	0	0	0	N/A
Budget Authority (All Funds)	37,573,942	46,243,058	51,216,808	N/A
Actual Expenditures (All Funds) Unexpended (All Funds)	46,319,406	43,626,259	41,076,382	N/A
	6,409,084	2,616,799	10,140,426	N/A
Unexpended, by Fund: General Revenue Federal Other	0	0	0	N/A
	6,371,200	2,582,618	10,140,426	N/A
	37,885	34,181	0	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES INFORMATION SYSTEMS

5. CORE RECONCILIATION DETAIL

	Budget						
	Class	FTE	GR	Federal	Other	Total	E
TAFP AFTER VETOES							
	EE	0.00	6,538,940	44,580,170	0	51,119,110)
	PD	0.00	847,343	10,820,180	2,021,687	13,689,210	ı
	Total	0.00	7,386,283	55,400,350	2,021,687	64,808,320	- ! =
DEPARTMENT CORE REQUEST							_
	EE	0.00	6,538,940	44,580,170	0	51,119,110	•
	PD	0.00	847,343	10,820,180	2,021,687	13,689,210	1
	Total	0.00	7,386,283	55,400,350	2,021,687	64,808,320	- -
GOVERNOR'S RECOMMENDED	CORE						
	EE	0.00	6,538,940	44,580,170	0	51,119,110	l
	PD	0.00	847,343	10,820,180	2,021,687	13,689,210	_
	Total	0.00	7,386,283	55,400,350	2,021,687	64,808,320	-

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017	
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
INFORMATION SYSTEMS									
CORE									
COMMUNICATION SERV & SUPP	0	0.00	898	0.00	898	0.00	898	0.00	
PROFESSIONAL SERVICES	41,076,382	0.00	51,118,212	0.00	51,118,212	0.00	51,118,212	0.00	
TOTAL - EE	41,076,382	0.00	51,119,110	0.00	51,119,110	0.00	51,119,110	0.00	
PROGRAM DISTRIBUTIONS	0	0.00	13,689,210	0.00	13,689,210	0.00	13,689,210	0.00	
TOTAL - PD	0	0.00	13,689,210	0.00	13,689,210	0.00	13,689,210	0.00	
GRAND TOTAL	\$41,076,382	0.00	\$64,808,320	0.00	\$64,808,320	0.00	\$64,808,320	0.00	
GENERAL REVENUE	\$5,542,522	0.00	\$7,386,283	0.00	\$7,386,283	0.00	\$7,386,283	0.00	
FEDERAL FUNDS	\$33,559,924	0.00	\$55,400,350	0.00	\$55,400,350	0.00	\$55,400,350	0.00	
OTHER FUNDS	\$1,973,936	0.00	\$2,021,687	0.00	\$2,021,687	0.00	\$2,021,687	0.00	

Department: Social Services HB Section: 11.420

Program Name: Information Systems

Program is found in the following core budget(s): Information Systems

1. What does this program do?

The Information Systems (IS) program area includes the contract for the Medicaid Management Information System (MMIS) which is the platform which supports the entire MO HealthNet program. The primary function of Information Systems (IS) is to provide the tools and data needed to support administrative and financial decisions and to process fee-for-service claims and MO HealthNet managed care encounter data. IS focuses on the gathering, maintenance, analysis, output, and security of information and data related to claims and a multitude of claims-related interfaces. It is also responsible for providing the software and hardware support needed to measure, analyze, assess and manipulate this information in the process of decision making, formulating and testing new systems.

The state contracts with a private entity to operate the subsystems of the MMIS. The subsystems include claims processing, management and analysis reporting, surveillance and utilization, reference, provider claim data, participant encounter data, third party liability and financial. In order to maintain quality management of MO HealthNet Division requires the fiscal agent to:

- Maintain and enhance a highly automated MO HealthNet claims processing and information retrieval system.
- Process MO HealthNet claims involving over 49,000 providers of 58 different types, such as hospitals, physicians, dentists, ambulance service providers, nursing homes, therapists, hospices, and managed care health plans.
- Perform manual tasks associated with processing MO HealthNet claims, and to retrieve and produce utilization and management information that is required by the Division and/or various agencies within the federal government. For example, semi-annual utilization reports are generated for the Program Integrity Unit to allow staff to detect and investigate over-utilization patterns and abuse. Third party liability (TPL) reports are produced that allow tracking of cost avoidance on claims and provide the capability to perform cost recovery functions.
- Provide capabilities and/or communications with the Department and the Division via on-line data links to facilitate transfers of data and monitoring of contract issues using menu driven reports and communications via electronic mail.
- Provide technical support to managed care health plans in the maintenance of data lines and the transfer of daily enrollment files and encounter data.

The MMIS is run on a mainframe computer system. There are approximately 35 programmers employed by the fiscal agent to maintain this system. The Interactive Voice Response (IVR) has the availability of approximately 70 incoming lines. The IVR hardware and software allows immediate access to eligibility, payment and claim status information.

The Imaging System allows document storage and retrieval along with a report repository. The fiscal agent supports a web application (www.emomed.com) that supports various provider functions such as claims data entry, send and receive files, electronic remittance advice along with real-time inquiries of claims, attachments, prior authorizations, eligibility and payment status.

The state began contracting out the MMIS in 1979. The latest MMIS contract began in FY2008 and was awarded to Infocrossing, Inc (now WIPRO). It consists of one year for takeover and transition, six years for operations, and is renewable for three one-year extensions. The MMIS contract includes seventeen (17) major enhancements, most of which have been implemented. The highlights of this re-engineering included a new relational database, a rules engine, and browser-based functionality.

Department: Social Services HB Section: 11.420

Program Name: Information Systems

Program is found in the following core budget(s): Information Systems

Claims Processing: Claims processing changes with the two programs, the fee-for-service program versus MO HealthNet managed care. Under the fee-for-service program, claims are processed for payment to the provider. Services under MO HealthNet managed care, which are covered by the capitation payment, do not generate a claim. Whomever provides the service is reimbursed by a health plan. The service still results in involvement by IS through the processing of encounter claims. An encounter claim is the same as a regular claim in terms of the information processed such as patient identification, diagnosis and the service(s) provided; however, it is not subject to payment. The federal government requires that encounter claims be submitted to the state agency. Encounter claims are transmitted by health plans to the fiscal agent where they are processed and the data is stored.

Managed Care Impact: MO HealthNet managed care increases the demand on Information Systems because of the need to interface with numerous different data processing systems. The MMIS system "talks" to the systems run by each of the three individual health plans that contract with the state for Managed Care. Success of the Managed Care program is dependent on data analysis. The agency needs encounter data from the health plans in order to set rates and see what services are being provided to agency clients, otherwise on-site audits of thousands of providers would be required. Resolving encounter data and other system problems with individual health plans is staff intensive.

Average claims processing time continues to decrease due to increased electronic claims processing and system improvements from 3.03 days in FY95 to .41 days in FY15.

Enrollment Broker: The enrollment broker is responsible for assisting MO HealthNet participants receiving health care benefits through a managed care arrangement in plan enrollment. Beginning September 1, 2014, the enrollment broker function transitioned to a new contract. The contractor is responsible for assisting 1) Missourians with the Medicaid application when the individual is applying online through the new eligibility and enrollment system; and 2) with managed care enrollment processes should the participant receive benefits through managed care. The intent is to streamline processes so that individuals can apply for Medicaid benefits, and if eligible, complete the managed care enrollment process at the same time. This ensures that Medicaid participants receive the appropriate level of care as expeditiously as possible. Once an individual is eligible for Medicaid benefits, only inquiries received on managed care enrollment will continue to be handled through the Contact Center. Other questions, correspondence or communication will be handled through the current call center or by FSD offices.

Emerging Issues: ICD-10: The ICD-10 code sets will replace the ICD-9 code sets currently used throughout the healthcare industry as diagnosis and inpatient hospital procedure codes. The ICD-10 code sets expand significantly on the existing ICD-9 code sets by adding thousands of new codes and by allowing for the encoding of a significant amount of additional data regarding a diagnosis and an inpatient procedure. The Centers for Medicare and Medicaid Services (CMS) issued a rule requiring all state Medicaid programs and their healthcare service providers to implement ICD-10 code sets by October 1, 2015. MHD implemented these codes sets within the MMIS in October 2013 for purposes of testing with providers. CORE Operating Rules: The Patient Protection and Affordable Care Act requires the implementation of operating rules related to the exchange of information with and provision of payment to healthcare service providers.

MMIS Reprocurement: The initial contract period with Wipro Infocrossing, Inc. for the operation of the primary Missouri Medicaid Management Information System (MMIS) and Medicaid call centers ended on June 30, 2014 with options to renew annually for up to three additional years (through June 30, 2017). MHD has executed a two-year renewal with Wipro Infocrossing, Inc. The initial contract period with Xerox, Inc. for the operation of the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP) ended on June 30, 2012 with options to renew annually for up to six additional years (through June 30, 2018). MHD has renewed the contract with Xerox through June 30, 2016. Due to the complexity and potential cost of these contracts, MHD contracted for an independent review of the renewal options available to Missouri for provisions of aforementioned services. MHD has completed a Medicaid Information Technology Architecture (MITA) assessment as required by CMS and developed a recomended MMIS strategy. MHD has contracted with CSG Government Solutions to conduct an analysis of the current system and MHD business needs and assist with the MMIS reprocurement. It is estimated that implementation of a replacement system would take three to five years.

Department: Social Services HB Section: 11.420

Program Name: Information Systems

Program is found in the following core budget(s): Information Systems

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.166 and 208.201; Federal law: Social Security Act Section 1902(a)(4), 1903(a)(3) and 1915(b); Federal Regulation 42 CFR 433(C) and 438; Children's Health Insurance Program State Plan Amendment.

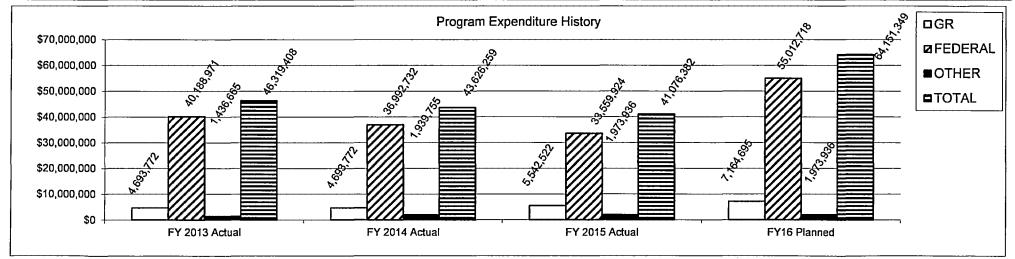
3. Are there federal matching requirements? If yes, please explain.

Expenditures for MMIS operations have three different federal financial participation (FFP) rates. The majority of MMIS expenditures earn 75% FFP and require 25% state share. Functions earning 75% include MMIS base operations and call center operations. Approved system enhancements earn 90% FFP and require 10% state share. Enrollment broker services, postage and General Medicaid administrative expenditures earn 50% FFP and requires 50% state share.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 is net of reverted and reserves.

Department: Social Services HB Section: 11.420

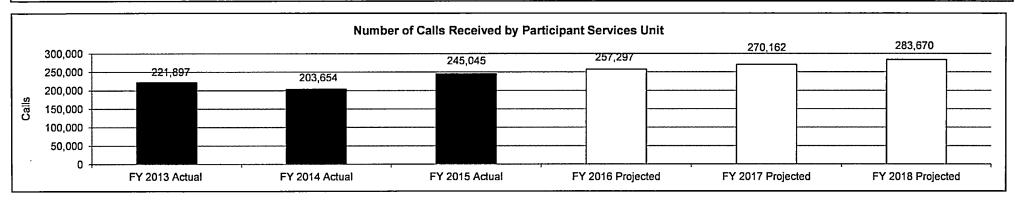
Program Name: Information Systems

Program is found in the following core budget(s): Information Systems

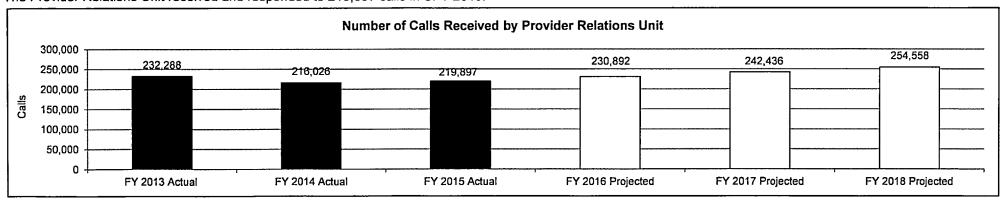
6. What are the sources of the "Other" funds?

Healthcare Technology Fund (0170) -FY 2013 Health Initiatives Fund (0275) - FY 2013 -2015 Uncompensated Care Fund (0108)- FY 2014-2015

7a. Provide an effectiveness measure.



Effectiveness Measure: Provide support for participants and providers. Last year the Participant Services Unit received and responded to 245,045 calls from participants. The Provider Relations Unit received and responded to 219,897 calls in SFY 2015.



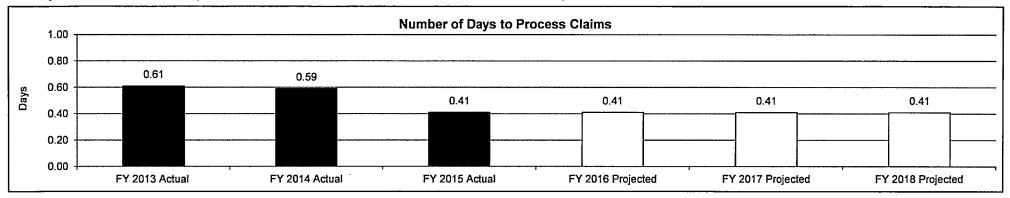
Department: Social Services HB Section: 11.420

Program Name: Information Systems

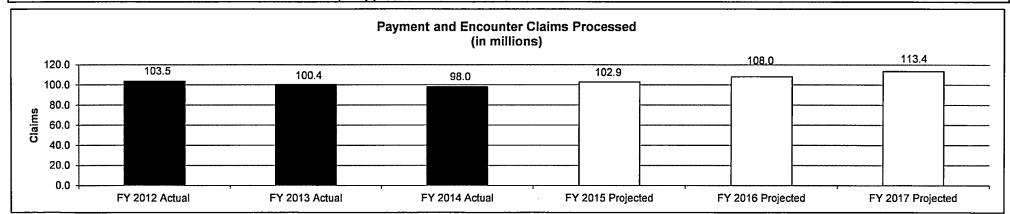
Program is found in the following core budget(s): Information Systems

7b. Provide an efficiency measure.

Efficiency Measure: Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2015, over 98 million claims were processed.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

14 OF:

29

RANK:

Division: MC DI Name: Sus	staining MO Healtl	nNet Technology	Infrastructure		Budget Unit				
1. AMOUNT	OF REQUEST				<u> </u>				
		FY 2017 Budg	et Request			FY 20	17 Governor's	Recommendat	ion
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	4,250,000	12,750,000	0	17,000,000	EE	4,250,000	12,750,000	0	17,000,000
PSD	0	0	0	0	PSD	0	0	0	0
TRF	0	0	0	0	TRF	0	0	0	0
Total	4,250,000	12,750,000	0	17,000,000	Total	4,250,000	12,750,000	0	17,000,000
FTE					FTE				_
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
	budgeted in House			dgeted	_	s budgeted in Hous	•	_	s budgeted
directly to Mol	DOT, Highway Patro	ol, and Conservat	ion.		directly to Mo	DOT, Highway Pat	trol, and Conser	vation.	
Other Funds:					Other Funds:	·			
2. THIS REQU	JEST CAN BE CAT	EGORIZED AS:							
	_New Legislation				New Program	_		und Switch	
X	Federal Mandate				Program Expansion	on _	C	ost to Continue	
	GR Pick-Up				Space Request		E	quipment Repla	cement

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Pay Plan

NDI SYNOPSIS: Funding is requested to meet federal requirements for Medicaid systems and to maximize MO HealthNet's use of technology to manage a health care payment and delivery system for over 950,000 MO HealthNet enrollees.

Other:

Funding is requested to begin the reprocurement process for services provided under the MMIS and Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP). Initial funding will support an analysis of the current system and options on how the state may proceed with the reprocurement process.

RANK:

14

OF:

29

Department: Social Services

Budget Unit: 90522C

Division: MO HealthNet

DI Name: Sustaining MO HealthNet Technology Infrastructure

DI#: 1886015

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MMIS Reprocurement

The contract with Wipro Infocrossing, Inc. as the MO HealthNet fiscal agent and for the operation of the primary Missouri Medicaid Management Information System (MMIS) and Medicaid call centers expired on June 30, 2014 with options to renew annually for up to three additional years through June 30, 2017. The contract with Xerox Heritage, Inc. for the operation of the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP) expired on June 30, 2012 with options to renew annually for up to six additional years through June 30, 2018. State and federal laws require the reprocurement of these contracts. Given the length of time required to select a renewal option and to exercise the selected option, the reprocurement effort must be initiated several years prior to the end of the contract period and the available contract renewal periods.

During FY14, MO HealthNet worked with an independent contractor to complete an assessment of the current Medicaid information technology architecture and develop a long-term MMIS strategy and roadmap to guide the MMIS reprocurement. The Missouri MMIS is a legacy system with components dating back to the 1980s, but has had several enhancements using today's technologies. CMS has issued guidance requiring all MMIS systems qualifying for enhanced federal funding to meet standards reflective of modern technologies and architectures. The Missouri MMIS in its current form meets some but not all of the federal standards required for enhanced federal funding.

Several MMIS strategy options were evaluated including enhancement of the current MMIS with new technologies and a total system replacement. MO HealthNet has started the procurement process by requesting information from vendors regarding available solutions. Due to the size, complexity, and cost of MMIS solutions and the federal MMIS procurement processes, an MMIS procurement is a multi-year process and requires assistance from an independent contractor with MMIS procurement expertise.

During FY17, MO HealthNet will continue to work with an independent contractor to gather information, define requirements, and develop the Requests for Proposal (RFP). The current plan is to complete the procurement for maintenance and operation of the existing MMIS and CMSP systems and fiscal agent services during FY17 with potential transition of the systems to new vendors. A separate RFP will be issued during FY18 for purchase of a replacement MMIS solution. MMIS replacement projects typically require three to five years during which existing systems are maintained until the transition to the replacement sytem is completed.

RANK:

14

OF:

29

Department: Social Services

Budget Unit: 90522C

Division: MO HealthNet

DI Name: Sustaining MO HealthNet Technology Infrastructure

DI#: 1886015

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

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RANK: 14 OF: 29

Department: Social Services Budget Unit: 90522C

Division: MO HealthNet

DI Name: Sustaining MO HealthNet Technology Infrastructure DI#: 1886015

Business Intelligence Solutions and Enterprise Data Warehouse

The MMIS procurement offers an opportunity for MO HealthNet to develop a comprehensive, scalable, and secure health care information system to support the decision support, reporting, and analytics needs of the Missouri Medicaid Enterprise (MME) for the next decade. This would include developing and implementing a consolidated solution to replace the existing distributed decision support systems and data warehouses that would offer the following opportunities:

- 1) Reduce the overall cost of the decision support and analytics business functions.
- 2) Provide business users with Business Intelligence (BI) tools that are powerful, intuitive, and simple to use that have the ability to store, mine, analyze, aggregate, and visualize, large, complex structured, semi-structured, and/or unstructured data from multiple data sources with the objectives of providing answers to queries, creating summarized data, identifying trends, predicting future behavior, and following industry standards.
- 3) Create a more robust data warehouse containing data from multiple data sources both internal to and external from the MME, including MMIS claims data, Health Information Network (HIN) clinical data, and Medicaid eligibility data.
- 4) Simplify the use of the BI for end users through adoption of complimentary reporting and analytics tools and centralization of the tool support.
- 5) Provide a modern, scalable, adaptable, and customizable technical architecture and information framework.

MO HealthNet anticipates a BI solution that takes advantage of these opportunities will be a valuable tool in improving case management, care

Information Systems:
MMIS Reprocurement
CMSP Reprocurement
Data Warehouse-Operations
Data Warehouse-Design, Development, Implementation
Total
177 A

^{*}The Governor recommended as requested.

Total	GR	Federal
\$5,000,000	\$1,250,000	\$3,750,000
\$4,000,000	\$1,000,000	\$3,000,000
\$6,500,000 \$1,500,000	\$1,625,000 \$375,000	\$4,875,000 \$1,125,000
\$17,000,000	\$4,250,000	\$12,750,000

RANK:

14 OF:

29

Department: Social Services

Budget Unit: 90522C

Division: MO HealthNet

DI Name: Sustaining MO HealthNet Technology Infrastructure

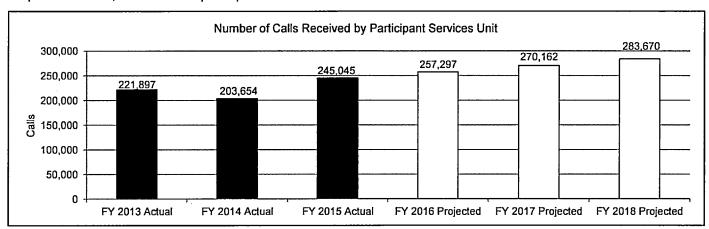
DI#: 1886015

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.											
			 -		Dept Req	Dept Req	Dept Req	Dept Req	Dept Req		
	Dept Req GR	•	Dept Req FED	Dept Req	OTHER	OTHER	TOTAL	TOTAL	One-Time		
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FED FTE	DOLLARS	<u>FTE</u>	DOLLARS	FTE	DOLLARS		
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0		
	4,250,000		12,750,000				17,000,000				
Total EE	4,250,000		12,750,000	-	0	-	17,000,000	•	0		
Program Distributions				_	0	_		_	. <u> </u>		
Total PSD	0		0		0		0		0		
Transfers				_		_		_			
Total TRF	0		0		0		0		0		
Grand Total	4,250,000	0.0	12,750,000	0.0	0	0.0	17,000,000	0.0	0		
5. BREAK DOWN THE REQUEST	r BV BUIDGET O	B IECT CL ASS	IOR CLASS AN	ID ELIND SOL	DCE IDENTIES	ONETIME	COSTS				
J. BREAR BOWN THE REGUES	I BI BODGET O	DULUI OLAGO,	ODD OLAGO, AIN	1010000	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec		
	Gov Rec GR	Gov Rec GR	Gov Rec FED	Gov Rec	OTHER	OTHER	TOTAL	TOTAL	One-Time		
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FED FTE	DOLLARS	FTE	DOLLARS	FTE	DOLLARS		
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0		
Total EE	0			_	0	-	0	-	0		
Program Distributions	4,250,000		12,750,000				17,000,000				
Total PSD	4,250,000		12,750,000	_	0	•	17,000,000	-	0		
Transfers				_		_		_			
Total TRF	0		0	_	0	_	0	•	0		
Grand Total	4,250,000	0.0	12,750,000	0.0	0	0.0	17,000,000	0.0	0		

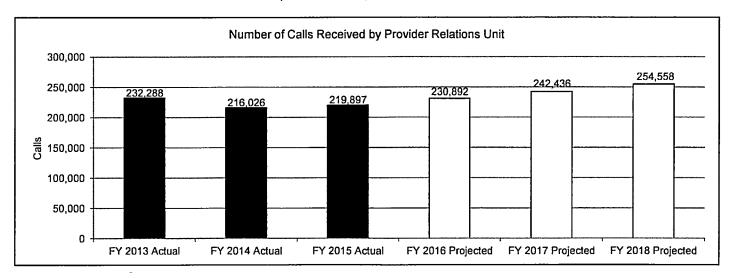
6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Effectiveness Measure: Provide support for participants and providers. Last year the Participant Services Unit received and responded to 245,045 calls from participants.

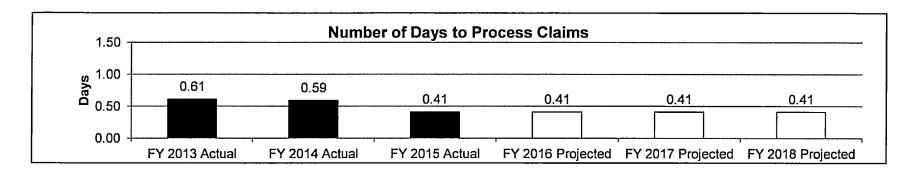


The Provider Relations Unit received and responded to 219,897 calls in SFY 2015.

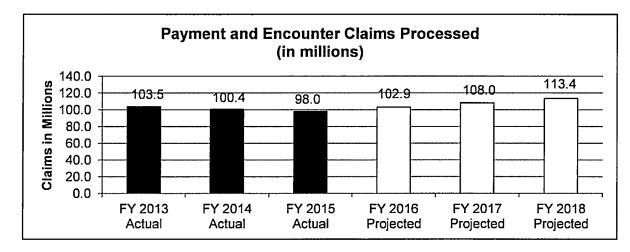


6b. Provide an efficiency measure.

Efficiency Measure: Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2015, over 98 million claims were processed.



6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available. N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
INFORMATION SYSTEMS		···						
Sustaining MMIS Infrastructure - 1886014 PROFESSIONAL SERVICES	0	0.00	0	0.00	17,000,000	0.00	17,000,000	0.00
TOTAL - EE	0	0.00	0	0.00	17,000,000	0.00	17,000,000	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$17,000,000	0.00	\$17,000,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$4,250,000	0.00	\$4,250,000	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$12,750,000	0.00	\$12,750,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

DECISION ITEM SUMMARY

GRAND TOTAL	\$39,334,320	0.00	\$60,000,000	0.00	\$60,000,000	0.00	\$50,000,000	0.00
TOTAL	39,334,320	0.00	60,000,000	0.00	60,000,000	0.00	50,000,000	0.00
TOTAL - PD	38,080,439	0.00	60,000,000	0.00	60,000,000	0.00	50,000,000	0.00
PROGRAM-SPECIFIC FEDERAL STIMULUS-DSS	38,080,439	0.00	60,000,000	0.00	60,000,000	0.00	50,000,000	0.00
TOTAL - EE	1,253,881	0.00	0	0.00	0	0.00	0	0.00
EXPENSE & EQUIPMENT FEDERAL STIMULUS-DSS	1,253,881	0.00	0	0.00	0	0.00	0	0.00
CORE								
ELECTRONIC HLTH RECORDS INCNTV								<u> </u>
Budget Object Summary Fund	ACTUAL DOLLAR	ACTUAL FTE	BUDGET DOLLAR	BUDGET FTE	DEPT REQ DOLLAR	DEPT REQ FTE	GOV REC DOLLAR	GOV REC
Budget Unit Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017

Department: Social Services

Budget Unit:

90523C

Division:

Core:

MO HealthNet

Electronic Health Records Incentives

HB Section:

11.425

		FY 2017 Bud	get Request			FY	2017 Governor's	Recommendat	ion
	GR	Federal	Other	Total		GR	Fed	Other	Total
PS		,			PS				
EE					EE				
PSD		60,000,000		60,000,000	PSD		50,000,000		50,000,000
TRF					TRF				
Total		60,000,000		60,000,000	Total		50,000,000		50,000,000
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
Note: Fringes	budgeted in Ho	ouse Bill 5 except t	or certain fringes	budgeted	Note: Fringes	budgeted in Ho	use Bill 5 except	for certain fringe:	s budgeted
directly to MoE	OT Highway I	Patrol, and Conser	vation		directly to Mol	OT Highway P	Patrol, and Conser	vation _	-

Other Funds:

Other Funds:

2. CORE DESCRIPTION

This core request is for funding of the MO HealthNet Electronic Health Record (EHR) Incentive Program, that provides incentive payments to eligible professionals and eligible hospitals that adopt, implement, upgrade, or meaningfully use certified EHR technology. Eligible providers must meet Medicaid patient volume thresholds, purchase and use certified EHR products, and meet meaningful use requirements to demonstrate that EHR systems are used to improve clinical outcomes over time.

3. PROGRAM LISTING (list programs included in this core funding)

Electronic Health Records Incentives

Department: Social Services

Budget Unit:

90523C

Division:

MO HealthNet

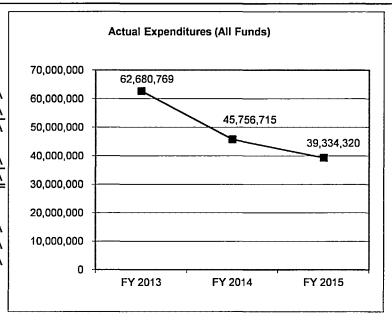
HB Section:

11.425

Core: Electronic Health Records Incentives

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	100,000,000	100,000,000	85,000,000	60,000,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	100,000,000	100,000,000	85,000,000	N/A
Actual Expenditures (All Funds)	62,680,769	45,756,715	39,334,320	N/A
Unexpended (All Funds)	37,319,231	54,243,285	45,665,680	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	37,319,231	54,243,285	45,665,680	N/A
Other	0	0	0	N/A
			(1)	(2)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

- (1) Core reduction of \$15M in FY15.
- (2) Core reduction of \$15M in FY16.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES ELECTRONIC HLTH RECORDS INCNTV

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES	•		·					<u>-</u>
		PD	0.00	(60,000,000	0	60,000,000)
		Total	0.00	(60,000,000	0	60,000,000	-) -
DEPARTMENT CORE RE	QUEST		· · · · · · · · · · · · · · · · · · ·			-,,		_
		PD	0.00	(60,000,000	0	60,000,000)
		Total	0.00		60,000,000	0	60,000,000	-) -
GOVERNOR'S ADDITION	IAL CORE	E ADJUST	MENTS					
Core Reduction 170)2 7962	PD	0.00	((10,000,000)	0	(10,000,000)	Excess Fed Stimulus authority
NET GOVER	NOR CHA	ANGES	0.00	((10,000,000)	0	(10,000,000))
GOVERNOR'S RECOMM	ENDED C	ORE						
		PD	0.00		50,000,000	0	50,000,000)
		Total	0.00	(50,000,000	0	50,000,000	<u>-</u>)

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
ELECTRONIC HLTH RECORDS INCNTV							· · · · · · · · · · · · · · · · · · ·	
CORE								
TRAVEL, OUT-OF-STATE	2,777	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	820	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	1,250,284	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	1,253,881	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	38,080,439	0.00	60,000,000	0.00	60,000,000	0.00	50,000,000	0.00
TOTAL - PD	38,080,439	0.00	60,000,000	0.00	60,000,000	· 0.00	50,000,000	0.00
GRAND TOTAL	\$39,334,320	0.00	\$60,000,000	0.00	\$60,000,000	0.00	\$50,000,000	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$39,334,320	0.00	\$60,000,000	0.00	\$60,000,000	0.00	\$50,000,000	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Department: Social Services HB Section: 11.425

Program Name: Electronic Health Records Incentive

Program is found in the following core budget(s): Electronic Health Records Incentive

1. What does this program do?

Missouri's Medicaid Electronic Health Records (EHR) Incentive program became operational on April 4, 2011. To qualify for Medicaid incentive payments during the first year, eligible professionals must meet volume thresholds for Medicaid patients and show that they have adopted, implemented, or upgraded to certified EHR technology. To receive additional payments in subsequent years, professionals are required to demonstrate meaningful use of certified EHR technology. Under the program, eligible professionals can receive up to \$63,750 in incentive payments over six years; hospital amounts are based on an established formula primarily driven by discharges. Amounts vary significantly by hospital, but the average first year payment is \$763,850.

Eligible professionals (EPs) include physicians, dentists, certified nurse midwives, nurse practitioners, and physician assistants practicing in rural health clinics or Federally-Qualified Health Centers (FQHCs) led by a physician assistant. EPs must have at least a 30% patient volume attributable to Medicaid (20% for pediatricians). EPs can base their volume on either their *individual* Medicaid patient encounters or the *practice's* Medicaid patient encounters. Encounters include both fee-for-service and managed care for which Medicaid paid in whole or in part. Beginning in program year 2013, zero pay claims could also be counted, recognizing service to Medicaid-enrolled individuals regardless of liability. Eligible hospitals (EHs) include acute care hospitals, all stand-alone children's hospitals, cancer hospitals, and critical access hospitals. Except for children's hospitals, EHs must have at least 10% Medicaid patient volume.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ARRA Section 4201; Federal Regulation: 42 CFR Parts 412, 413, 422, and 495

3. Are there federal matching requirements? If yes, please explain.

Expenditures for healthcare technology incentives are 100% federal funds. Administrative costs earn a 90% federal match.

4. Is this a federally mandated program? If yes, please explain.

No.

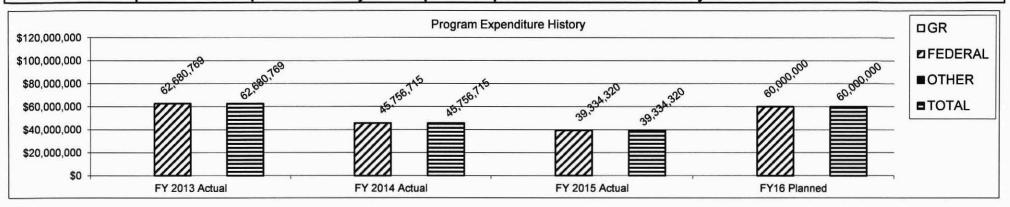
Department: Social Services

HB Section: 11.425

Program Name: Electronic Health Records Incentive

Program is found in the following core budget(s): Electronic Health Records Incentive

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

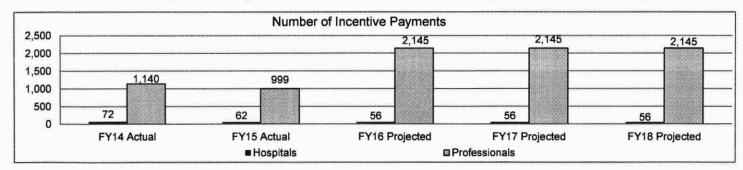


6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

Increase the number of hospitals and eligible professionals demonstrating meaningful use of EHR technology.



Department: Social Services

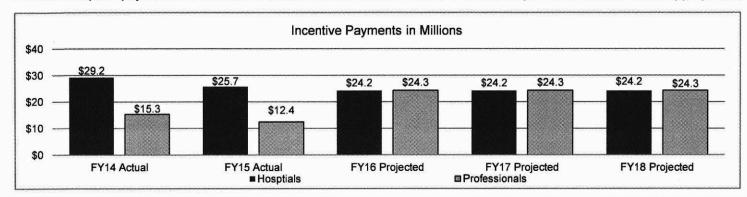
HB Section: 11.425

Program Name: Electronic Health Records Incentive

Program is found in the following core budget(s): Electronic Health Records Incentive

7b. Provide an efficiency measure.

Provide adequate payments for Electronic Health Records Incentives to MO HealthNet providers with the funds appropriated.



7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

TOTAL	326,352	0.00	532,549	0.00	532,549	0.00	532,549	0.00
TOTAL - PD	0	0.00	79,272	0.00	79,272	0.00	79,272	0.00
PROGRAM-SPECIFIC DEPT OF SOC SERV FEDERAL & OTH	0	0.00	79,272	0.00	79,272	0.00	79,272	0.00
TOTAL - EE	326,352	0.00	453,277	0.00	453,277	0.00	453,277	0.00
EXPENSE & EQUIPMENT DEPT OF SOC SERV FEDERAL & OTH	326,352	0.00	453,277	0.00	453,277	0.00	453,277	0.00
MONEY FOLLOWS THE PERSON GRANT CORE								
Budget Object Summary Fund	ACTUAL DOLLAR	ACTUAL FTE	BUDGET DOLLAR	BUDGET FTE	DEPT REQ DOLLAR	DEPT REQ FTE	GOV REC DOLLAR	GOV REC FTE
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Unit							<u>, </u>	

Department: Social Services

Budget Unit:

90524C

Division: MO HealthNet

Core: Money Follows the Person

HB Section:

11.430

1.	CORE	FINAN	CIAL S	UMMARY

		FY 2017 Bud	get Request	
	GR	Federal	Other	Total
PS	<u></u>			
EE		453,277		453,277
PSD		79,272		79,272
TRF				
Total		532,549		532,549

	F۲	Y 2017 Governor's	Recommendat	ion
	GR	Federal	Other	Total
PS				
EE		453,277		453,277
PSD		79,272		79,272
TRF		•		•
Total		532,549		532,549

FTE

0.00

Est. Fringe	0	0	0	0
Note: Fringe:	s budgeted in Hou	ise Bill 5 except fo	r certain fringes l	oudgeted directly
to MoDOT, H	ighway Patrol, and	d Conservation.		

Est. Fringe	0	0	0	0
Note: Eringe	s hudgeted in Ho	use Bill 5 except	for cortain fringe	s hudgotod

|Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Other Funds:

FTE

2. CORE DESCRIPTION

This core request is for on-going funding for the administration of the Money Follows the Person program. Money Follows the Person Demonstration program transitions individuals who are elderly, disabled or who have developmental disabilities from nursing facilities or state owned habilitation centers to Home and Community Based Services.

3. PROGRAM LISTING (list programs included in this core funding)

Money Follows the Person

Department: Social Services

Budget Unit:

90524C

Division: MO HealthNet

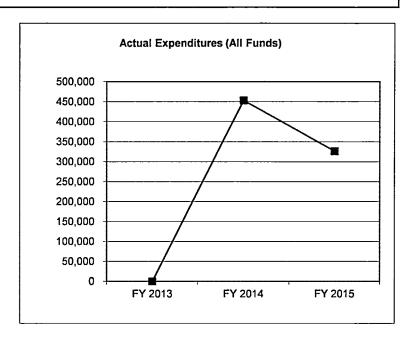
4. FINANCIAL HISTORY

HB Section:

11.430

Core: Money Follows the Person

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	532,549	532,549	532,549
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	532,549	532,549	N/A
Actual Expenditures (All Funds)	0	453,273	326,352	N/A
Unexpended (All Funds)	0	0	206,197	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	79,276	206,197	N/A
Other	0	0	0	N/A
		(1)		



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY14 Section was transferred to MO HealthNet Division from Federal Grants and Donations.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES MONEY FOLLOWS THE PERSON GRANT

5. CORE RECONCILIATION DETAIL

	Budget								
	Class	FTE	GR		Federal	Other		Total	1
TAFP AFTER VETOES					<u> </u>	_			
	EE	0.00		0	453,277		0	453,277	,
	PD	0.00		0	79,272		0	79,272	?
	Total	0.00		0	532,549		0	532,549	_)
DEPARTMENT CORE REQUEST									_
	EE	0.00		0	453,277		0	453,277	•
	PD	0.00		0	79,272		0	79,272	2
	Total	0.00	_	0	532,549		0	532,549	<u>-</u>
GOVERNOR'S RECOMMENDED	CORE								_
	EE	0.00		0	453,277		0	453,277	•
	PD	0.00		0	79,272		0	79,272	2
	Total	0.00		0	532,549		0	532,549)

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MONEY FOLLOWS THE PERSON GRANT								
CORE								
TRAVEL, IN-STATE	975	0.00	2,086	0.00	2,086	0.00	2,086	0.00
TRAVEL, OUT-OF-STATE	1,384	0.00	Ò	0.00	0	0.00	0	0.00
SUPPLIES	456	0.00	175	0.00	175	0.00	175	0.00
PROFESSIONAL DEVELOPMENT	735	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	322,170	0.00	450,716	0.00	450,716	0.00	450,716	0.00
BUILDING LEASE PAYMENTS	. 0	0.00	150	0.00	150	0.00	150	0.00
MISCELLANEOUS EXPENSES	632	0.00	150	0.00	150	0.00	150	0.00
TOTAL - EE	326,352	0.00	453,277	0.00	453,277	0.00	453,277	0.00
PROGRAM DISTRIBUTIONS	0	0.00	79,272	0.00	79,272	0.00	79,272	0.00
TOTAL - PD	0	0.00	79,272	0.00	79,272	0.00	79,272	0.00
GRAND TOTAL	\$326,352	0.00	\$532,549	0.00	\$532,549	0.00	\$532,549	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$326,352	0.00	\$532,549	0.00	\$532,549	0.00	\$532,549	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Department: Social Services

HB Section: 11.430

Program Name: Money Follows The Person

Program is found in the following core budget(s): Money Follows the Person

1. What does this program do?

This program provides payment for the administration of the Money Follows the Person program and is 100% funded through a federal grant.

Money Follows the Person (MFP) is a demonstration grant that aides in transitioning individuals with disabilities or who are aging from habilitation centers and nursing facilities into their community. MFP helps identify barriers that prevent individuals currently residing in state or private facilities from accessing needed long-term community support services. MFP helps improve the ability of the Missouri Medicaid program to continue the provision of Home and Community Based Services (HCBS) long term care services to those individuals choosing to transition to communities. Lastly, MFP helps ensure procedures are in place to provide continuous quality improvement in HCBS.

In order to be eligible for the Money Follows the Person program, an individual must have been in a nursing facility or ICF/MR bed for at least 90 consecutive (non-Medicare Rehab) days; be Medicaid eligible at the time of transition; move into qualified housing; and sign a participation agreement. At the time of discharge the participant must be in a certified Medicaid bed.

Once in, participants reside in the program for 365 community days after which they seamlessly transition to the regular HCBS programs. The grant provides up to \$2,400 to participants transitioning from a nursing facility, as a one-time assistance for transition costs to set up home in the community. This one-time assistance can be used any time within the 365 days.

The MFP program extends through September 30, 2016 with any remainder funds awarded through the grant in 2016 being used until 2020.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 6071 of the Federal Deficit Reduction Act of 2005; PL 109-171, and amended by the Affordable Care Act, Section 2403.

3. Are there federal matching requirements? If yes, please explain.

Money Follows the Person administrative expenditures earn 100% federal matching funds.

4. Is this a federally mandated program? If yes, please explain.

No.

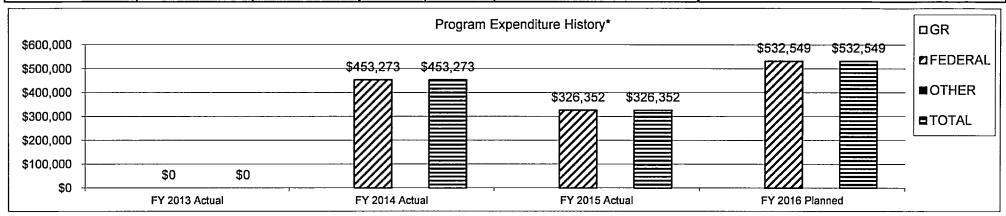
Department: Social Services

HB Section: 11.430

Program Name: Money Follows The Person

Program is found in the following core budget(s): Money Follows the Person

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



^{*}Expenditure history in this appropriation was moved to new section in FY 2014.

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

Department: Social Services

HB Section: 11.430

Program Name: Money Follows The Person

Program is found in the following core budget(s): Money Follows the Person

7c. Provide the number of clients/individuals served, if applicable.

Number of Transitions by Target Population

CY Year	Elderly	Developmental Disability	Physical Disability	Developmental Disability/Mental Illness	Total
CY 2013 Actual	35	34	92	2	163
CY 2014 Actual	53	22	108	3	186
CY 2015 Projected	50	51	115	2	218
CY 2016 Projected	54	45	127	3	229
CY 2017 Projected	57	42	136	3	238
CY 2018 Projected	61	42	141	3	247

7d. Provide a customer satisfaction measure, if available.

N/A

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY								<u>-</u>
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	64,773	0.00	0	0.00	0	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	207,578	0.00	207,578	0.00	207,578	0.00
TOTAL - EE	64,773	0.00	207,578	0.00	207,578	0.00	207,578	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	105,115,381	0.00	87,343,166	0.00	87,343,166	0.00	84,696,104	0.00
TITLE XIX-FEDERAL AND OTHER	673,593,927	0.00	744,527,374	0.00	744,527,374	0.00	744,527,374	0.00
PHARMACY REBATES	196,397,118	0.00	229,804,828	0.00	229,804,828	0.00	229,804,828	0.00
THIRD PARTY LIABILITY COLLECT	4,217,574	0.00	4,217,574	0.00	4,217,574	0.00	4,217,574	0.00
PHARMACY REIMBURSEMENT ALLOWAN	54,978,493	0.00	61,745,023	0.00	61,745,023	0.00	61,745,023	0.00
HEALTH INITIATIVES	940,214	0.00	969,293	0.00	969,293	0.00	969,293	0.00
HEALTHY FAMILIES TRUST	0	0.00	23,541,034	0.00	23,541,034	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	23,000,000	0.00	23,056,250	0.00	23,056,250	0.00	10,556,250	0.00
PREMIUM	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00
TOTAL - PD	1,062,042,707	0.00	1,179,004,542	0.00	1,179,004,542	0.00	1,140,316,446	0.00
TOTAL	1,062,107,480	0.00	1,179,212,120	0.00	1,179,212,120	0.00	1,140,524,024	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	60,461,570	0.00	36,830,857	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	75,643,117	0.00	77,286,433	0.00
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	4,321,623	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	0	0.00	2,574,057	0.00
TOTAL - PD	0	0.00	0	0.00	136,104,687	0.00	121,012,970	0.00
TOTAL	0	0.00	0	0.00	136,104,687	0.00	121,012,970	0.00
Pharmacy PMPM-Specialty - 1886002								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	49,408,468	0.00	49.536.445	0.00
	-		_				, , • • •	0.00

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im_disummary

Budget Unit							-	
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY						_	<u>——</u>	
Pharmacy PMPM-Specialty - 1886002								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	(0.00	0	0.00	85,303,935	0.00	85,175,958	0.00
TOTAL - PD		0.00	0	0.00	134,712,403	0.00	134,712,403	0.00
TOTAL	(0.00	0	0.00	134,712,403	0.00	134,712,403	0.00
Pharmacy PMPM-Non-Specialty - 1886003								
PROGRAM-SPECIFIC								
GENERAL REVENUE	(0.00	0	0.00	11,742,036	0.00	11,772,450	0.00
TITLE XIX-FEDERAL AND OTHER		0.00	0	0.00	20,272,677	0.00	20,242,263	0.00
TOTAL - PD		0.00	0	0.00	32,014,713	0.00	32,014,713	0.00
TOTAL		0.00		0.00	32,014,713	0.00	32,014,713	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
GENERAL REVENUE	(0	0.00	1,095,174	0.00	1,099,472	0.00
TITLE XIX-FEDERAL AND OTHER	(0	0.00	2,864,884	0.00	2,860,586	0.00
PHARMACY REIMBURSEMENT ALLOWAN			0	0.00	<u>564,181</u>	0.00_	564,181	0.00
TOTAL - PD	(0.00	0	0.00	4,524,239	0.00	4,524,239	0.00
TOTAL		0.00	0	0.00	4,524,239	0.00	4,524,239	0.00
Tobacco GR Pickup - 1886015								
PROGRAM-SPECIFIC								
GENERAL REVENUE	(0		0	0.00	36,041,034	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	36,041,034	0.00
TOTAL		0.00	0	0.00	0	0.00	36,041,034	0.00

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GRAND TOTAL	\$1,062,107,480	0.00	\$1,179,212,120	0.00	\$1,486,568,162	0.00	\$1,470,976,445	0.00
TOTAL		0.00	0	0.00	0	0.00	2,147,062	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	2,147,062	0.00
PHARMACY FMAP Adjustment - 1886023 PROGRAM-SPECIFIC TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	2,147,062	0.00
Budget Unit Decision Item Budget Object Summary Fund	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE

Department: Social Services

Division: MO HealthNet

Core: Pharmacv

FTE

Budget Unit:

HB Section:

11.435

90541C

1.	COR	REF	INAN	CIAL	SUMMARY

		FY 2017 Bud	get Request			
	GR	Federal	Other	Total		
PS					PS	-
EE		207,578		207,578	EE	
PSD	87,343,166	744,527,374	347,134,002	1,179,004,542	PSD	84,6
TRF					TRF	•
Total	87,343,166	744,734,952	347,134,002	1,179,212,120	Total	84,6

_	FY	FY 2017 Governor's Recommendation								
	GR	Federal	Other	Total						
PS										
EE		207,578		207,578						
PSD	84,696,104	744,527,374	311,092,968	1,140,316,446						
TRF										
Total	84,696,104	744,734,952	311,092,968	1,140,524,024						

Est. Fringe 0 Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted

directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe 0 0 Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates Fund (0114)

Third Party Liability Collections Fund (TPL) (0120) Pharmacy Reimbursement Allowance Fund (0144)

Health Initiatives Fund (HIF) (0275) Healthy Families Trust Fund (0625)

Premium Fund (0885)

Life Sciences Research Trust Fund (0763)

Other Funds: Pharmacy Rebates Fund (0114)

Third Party Liability Collections Fund (TPL) (0120) Pharmacy Reimbursement Allowance Fund (0144)

Health Initiatives Fund (HIF) (0275) Healthy Families Trust Fund (0625)

Premium Fund (0885)

Life Sciences Research Trust Fund (0763)

2. CORE DESCRIPTION

This core request is for the continued funding of the pharmacy program. This funding is necessary to maintain pharmacy reimbursement at a sufficient level to ensure quality health care and provider participation. Funding provides pharmacy services for both managed care and fee-for-service populations. Beginning on October 1, 2009, pharmacy services were carved-out of the managed care capitation rates and the state began administering the pharmacy benefit for participants enrolled in managed care.

0.00

FTE

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy

0.00

Department: Social Services

Division: MO HealthNet

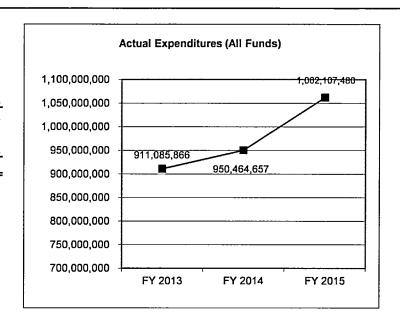
Core: Pharmacy

Budget Unit: 90541C

HB Section: 11.435

4. FINANCIAL HISTORY

	FY 2013	FY 2014	FY 2015	FY 2016
	Actual	Actual	Actual	Current Yr.
Appropriation (All Funds)	921,776,301	972,497,804	1,141,350,373	1,179,212,120
Less Reverted (All Funds)	(29,079)	(29,079)	(29,079)	N/A
Budget Authority (All Funds)	971,321,959	972,468,725	1,141,321,294	N/A
Actual Expenditures (All Funds)	911,085,866	950,464,657	1,062,107,480	N/A
Unexpended (All Funds)	7,446,674	22,004,068	79,213,814	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	4,957,371	0	0	N/A
Other	5,703,985	22,004,068	79,213,814	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

- (1) FY13 Pharmacy Rebates is no longer an estimated ('E') appropriation. Expenditures of \$17,858,413 from Supplemental Pool. \$5,703,985 shortfall in Pharmacy FRA due to lower than projected revenues.
- (2) FY14 Supplemental Budget of \$17,789,248 GR. Shortfall of \$8,885,235 of Life Sciences Research Trust Fund and \$29,079 of reverted HIF funds. Expenditures of \$10,547,736 paid from Hosptial Care; \$33,430,023 paid from Managed Care; \$12,245,550 paid from Supplemental Pool; \$8,113,113 paid from Clawback. \$13,118,833 shortfall in Pharmacy FRA due to lower than projected revenue.
- (3) FY15 Supplemental Budget of \$82,265,732 GR. Unexpended funds include \$53,597,284 shortfall in tobacco settlement funds to the Health Families Trust Fund, and the Life Sciences Research Trust Fund, \$10,000,000 shortfall in revenue to the Surplus Revenue Fund and \$15,616,530 shortfall in available revenue to the Pharmacy FRA fund. Expenditures of \$23,054,862 paid from Clawback; \$43,927,560 paid from Managed Care.

Department: Social Services
Division: MO HealthNet

Core: Pharmacy

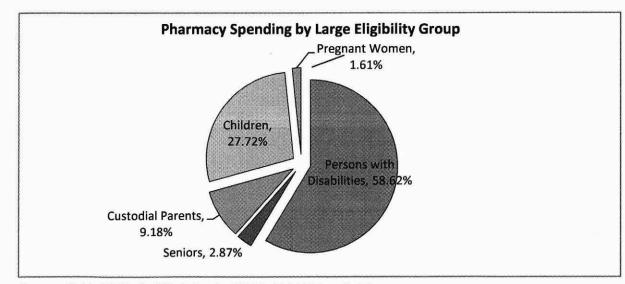
Budget Unit: 90541C

HB Section: 11.435

Cost Per Eligible - Per Member Per Month (PMPM)

	Pharmacy PMPM	· I I I I I I I I I I I I I I I I I I I		Pharmacy Percentage of Acute	Pharmacy Percentage of Total	
PTD	\$372.80	\$1,074.20	\$1,961.17	34.70%	19.01%	
Seniors	\$37.85	\$368.96	\$1,565.89	10.26%	2.42%	
Custodial Parents	\$121.01	\$473.61	\$507.28	25.55%	23.85%	
Children*	\$56.09	\$274.18	\$303.51	20.46%	18.48%	
Pregnant Women	\$66.74	\$657.06	\$671.28	10.16%	9.94%	

Source: Table 23 Medical Statistics for FY 15. (Paid Claims Data)



Source: Table 23 Medical Statistics for FY 15. (Paid Claims Data)

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for pharmacy, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, inhome services, mental health services and state institutions. By comparing the pharmacy PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for pharmacy services. It provides a snapshot of what eligibility groups are receiving pharmacy services, as well as the populations impacted by program changes.

^{*} CHIP eligibles not included

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

PHARMACY

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR_	Federal	Other	Total	Explanation	
TAFP AFTER VETO	DES								
		EE	0.00	0	207,578	0	207,578		
		PD	0.00	87,343,166	744,527,374	347,134,002	1,179,004,542	_	
		Total	0.00	87,343,166	744,734,952	347,134,002	1,179,212,120		
DEPARTMENT CO	RE REQUEST	-						-	
		EE	0.00	0	207,578	0	207,578		
		PD	0.00	87,343,166	744,527,374	347,134,002	1,179,004,542	_	
		Total	• 0.00	87,343,166	744,734,952	347,134,002	1,179,212,120	·	
GOVERNOR'S ADI	DITIONAL COR	E ADJUST	MENTS						
Core Reduction	1614 3051	PD	0.00	0	0	(12,500,000)	(12,500,000)	Pharmacy- OF redux for Tobacco GR pickup (HFTF/LSRTF)	
Core Reduction	1614 3706	PD	0.00	0	0	(23,541,034)	(23,541,034)	Pharmacy- OF redux for Tobacco GR pickup (HFTF/LSRTF)	
Core Reduction	1754 2525	PD	0.00	(500,000)	0	0	(500,000)	Governor core reduction	
Core Reduction	1785 2525	PD	0.00	(2,147,062)	0	. 0	(2,147,062)	FMAP adjustment	
NET G	OVERNOR CH	ANGES	0.00	(2,647,062)	0	(36,041,034)	(38,688,096)		
GOVERNOR'S RECOMMENDED CORE									
		EE	0.00	0	207,578	0	207,578		
		PD	0.00	84,696,104	744,527,374	311,092,968	1,140,316,446		
		Total	0.00	84,696,104	744,734,952	311,092,968	1,140,524,024		

FLEXIBILITY REQUEST FORM

BUDGET UNIT NAME: F	0541C Pharmacy 1.435		DEPART		Social Servi	ces		
	ntage terms	and explain why the flexib	ility is need	ded. If fl	exibility is be	equipment flexibility you are ling requested among divisions, lin why the flexibility is needed.		
		DEPARTM	ENT REQUE	ST				
		Core	% Flex Requested		Requested .mount			
Total Progran	Total Program Request		10% 25%		7,921,212 4,803,030			
2. Estimate how much flexibili Year Budget? Please specify t	•			exibility	was used in t	he Prior Year Budget and the Current		
PRIOR YEAR ACTUAL AMOUNT OF FLEXIB	LITY USED	CURRENT ESTIMATED AM FLEXIBILITY THAT V	OUNT OF	OUNT OF		BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED		
None.		H.B. 11 language allows for u between sections 11.410, 11. 11.465, 11.470, 11.485, 11.49 11.550, 11.555, and 11.595 a use of this section for manage	.435, 11.455, 90, 11.505, 1 and 25% flexit	35, 11.455, 11.460, FFS and 0, 11.505, 11.510, ad 25% flexibility for		between sections and 25% flexibility between aged Care is being requested for FY 17.		
3. Please explain how flexibility w	as used in the			-				
	RIOR YEAR IN ACTUAL U	SE				RRENT YEAR IN PLANNED USE		
None.					to provide cont providers or par	inued Medicaid benefits without an interruption tial payments.		

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET				
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE		
PHARMACY				, , , , , , ,			<u> </u>	
CORE								
PROFESSIONAL SERVICES	64,773	0.00	207,578	0.00	207,578	0.00	207,578	0.00
TOTAL - EE	64,773	0.00	207,578	0.00	207,578	0.00	207,578	0.00
PROGRAM DISTRIBUTIONS	1,062,042,707	0.00	1,179,004,542	0.00	1,179,004,542	0.00	1,140,316,446	0.00
TOTAL - PD	1,062,042,707	0.00	1,179,004,542	0.00	1,179,004,542	0.00	1,140,316,446	0.00
GRAND TOTAL	\$1,062,107,480	0.00	\$1,179,212,120	0.00	\$1,179,212,120	0.00	\$1,140,524,024	0.00
GENERAL REVENUE	\$105,180,154	0.00	\$87,343,166	0.00	\$87,343,166	0.00	\$84,696,104	0.00
FEDERAL FUNDS	\$673,593,927	0.00	\$744,734,952	0.00	\$744,734,952	0.00	\$744,734,952	0.00
OTHER FUNDS	\$283,333,399	0.00	\$347,134,002	0.00	\$347,134,002	0.00	\$311,092,968	0.00

Department: Social Services HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

1. What does this program do?

The pharmacy services section provides funding for prescription drugs dispensed by qualified providers that are produced by manufacturers that have a rebate agreement between the manufacturer and the federal Department of Health and Human Services (HHS). Since January 1, 1991, the MO HealthNet program has provided reimbursement for all outpatient drugs (except for those which are specifically excluded) for which there is a manufacturer's rebate agreement. While over-the-counter products do not require a prescription for sale to the general public, a prescription for those selected types of over-the-counter products that qualify for MO HealthNet coverage is required in order for the product to be reimbursable. In general terms, MO HealthNet drug reimbursement is made at the lower of: 1) the Wholesale Acquisition Cost (WAC) plus 10%; 2) the Federal Upper Limit (FUL); 3) the Missouri Maximum Acquisition Cost (MAC); 4) or the billed charge. MO HealthNet uses its electronic tools incorporating clinical criteria derived from best practices and evidence-based medical information to adjudicate claims through clinical edits, preferred drug list edits, and prior authorization.

The U.S. Congress created the Medicaid outpatient prescription drug rebate program when it enacted the Omnibus Budget Reconciliation Act of 1990 (OBRA '90). The goal of the program is to reduce the cost of outpatient prescription drugs by requiring drug manufacturers to pay a rebate directly to state Medicaid programs. The purpose of the program is to reduce the cost of prescription drugs without placing an undue burden on pharmacies. The intent of this rebate is to allow the state and federal governments to receive price reductions similar to those received by other high volume purchasers of drugs.

Rebate Program

OBRA '90 requires all drug manufacturers to enter into a drug rebate agreement with the Department of Health and Human Services before their product lines will be eligible for coverage by Medicaid. Currently, 626 manufacturers have signed agreements with Centers for Medicare and Medicaid Services (CMS) and participate in the Drug Rebate Program. For MHN participants, approximately 400 manufacturers have products dispensed and are invoiced quarterly. Once the drug manufacturer has entered into the agreement, the state Medicaid programs are required to provide coverage of the manufacturers' drug products. However, the state has the option of excluding certain categories of the manufacturer's products or requiring prior authorization for reimbursement of products. Manufacturers are required to calculate and make rebate payments to the state Medicaid agency for the manufacturer's covered outpatient drugs reimbursed by the state during each quarter. Manufacturers are to be invoiced no later than sixty days after the end of each calendar quarter and are required to make payment for the calculated drug rebate directly to the state Medicaid program within 38 days of invoicing. For generic drugs, the rebate amount is currently 11% of Average Manufacturer Price (AMP). For single-source drugs, the rebate is the greater of 15% of AMP or the difference between the AMP and the manufacturer's "best price", plus CPI-U factors. Beginning in 2010, federal regulations increased the minimum rebate from 15% to 23% for single-source drugs. These same regulations also required that 100% of these increased rebates are remitted to the federal government, instead of being shared at the normal federal matching rate. The manufacturer has the option of disputing the calculated drug rebate amount if the manufacturer disagrees with the state's drug utilization data. The manufacturer is required to report the nature of the dispute to the state, and the state is then responsible for resolving the dispute through negotiation or a hearing proces

Prior Authorization

Any covered outpatient drug can be subject to prior authorization. Effective August 1, 1992, a prior authorization (PA) process was implemented for certain specific drugs under the pharmacy program.

Department: Social Services HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

Drug PA requests are received via telephone, fax or mail. All requests for drug PA must be initiated by a physician or authorized prescriber (advanced practice nurse) with prescribing authority for the drug category for which a PA is being requested. As specified in OBRA 90, drug PA programs must provide a response by telephone or other telecommunication device within 24 hours of receipt. All requests must include all required information. Requests received with insufficient information for review or received from someone other than a physician or authorized prescriber will not initiate a PA review nor the 24-hour response period. Drug PA requests received via telephone are keyed on-line and notification of approval will be given at the time of the call or by return fax or phone call. The MO HealthNet technicians who staff this hotline work through algorithms developed by the Drug Prior Authorization Committee with the assistance of UMKC-DIC School of Pharmacy. These algorithms are sets of questions used to make a determination to approve or deny the request. Making the prior authorization determination on-line allows the PA file to be updated immediately. For approvals, the requestor will be given an authorization period. Pharmacies may record this information for this purpose as well.

Board and Committee Support and Oversight

The MO HealthNet Division operates both prospective and retrospective Drug Utilization Review (DUR) as required by federal and state law. The DUR program is focused on educating health care providers in the appropriate use of medications and informing them of potential drug therapy problems found in the review of drug and diagnostic information obtained from MO HealthNet claims history. The DUR Board is central to all DUR program activities, and its duties and membership requirements are specified in state and federal law. DUR Board members are appointed by the Governor with advice and consent of the Senate, and its 13 members include six physicians, six pharmacists, and one quality assurance nurse. In an ongoing process, the DUR Board reviews and makes changes to the clinical therapeutic criteria used to generate prospective and retrospective DUR interventions. The DUR Board also advises the Division on other issues related to appropriate drug therapy and produces a quarterly newsletter for providers on selected drug topics. In addition to the Board, a Regional DUR Committee, comprised of physicians and pharmacists, evaluates individual participants' retrospective drug regimens and advises their providers on appropriate drug use or potentially problematic drug therapies.

The MO HealthNet Drug Prior Authorization (PA) Committee is established in state regulation. This advisory committee is charged with reviewing drugs and recommending those drugs which are appropriate for reimbursement as a regular benefit verses those which should be placed on prior authorization status. All such recommendations made by the Drug PA Committee are referred to the DUR Board, as they are the statutorily-appointed advisory group for final recommendation to the Division.

Cost Containment Initiatives

As a result of new drugs, rapidly changing prescribing patterns and increased expenditures in the MO HealthNet fee-for-service pharmacy program, the MO HealthNet program continues to implement a number of administrative measures to ensure the economic and efficient provision of the MO HealthNet pharmacy benefit. These strategies have been developed through recommendations from a number of sources, including affected state agencies, provider groups, and the pharmaceutical industry. The intent of these initiatives is to ensure that MO HealthNet participants get the right drug to meet their needs, in the right amount and for the right period of time. Examples of some of the cost containment initiatives include:

• Expanded Missouri Maximum Allowable Cost (MAC) list: The list of drugs for which the state agency has established a generic reimbursement limit will be monitored and expanded on a regular basis. A mechanism is in place to review existing MACs as well as identify new generic drugs for addition to this list as they become available. This optimizes generic utilization in the MO HealthNet program.

Department: Social Services HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

Preferred Drug List (PDL): The PDL utilizes information from various clinical sources, including the UMKC Drug Information Center, the Oregon Evidence-Based
Drug Research Consortium, our clinical contractors, and our own clinical research team. Clinical information is paired with fiscal evaluation to develop a therapeutic
class recommendation. The resulting PDL process incorporates clinical edits, including step therapies, into the prescription drug program. Clinical edits are
designed to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. Point-of-sale (POS) pharmacy
claims are routed through an automated computer system to apply edits specifically designed to ensure effective and appropriate drug utilization. The goal is to
encourage cost effective therapy within the selected drug class.

- Specialty Medications: Specialty medications include high-cost injectable, infused, oral, or inhaled drugs that involve specific handling, supervision or monitoring.
 MO HealthNet will continue to review specialty medications within each of the therapeutic categories to identify clinical editing, preferred drug list (PDL) and prior authorization (PA) opportunities. MO HealthNet is focusing on opportunities to reduce expenditures without compromising participant outcomes. One example is the Missouri Maximum Allowable Cost (MAC) Pricing for Specialty Drugs. The MAC specialty program follows MO HealthNet pricing methodology, utilizing Wholesale Acquisition Cost (WAC) pricing generally available to providers as a basis for pricing the identified specialty medications. In accordance with MO HealthNet MAC program policy, MO HealthNet staff monitors and updates the more inclusive Missouri MAC list.
- Edits Dose Optimization: Effective for dates of service on or after April 16, 2002, claims submitted to the MO HealthNet Pharmacy Program are subject to edits to identify claims for pharmacy services that fall outside expected patterns of use for certain products. Overrides to these edit denials can be processed through the help desk. Justification for utilization outside expected patterns, such as FDA approved labeling, is required for approval of such an override.
- Pharmacy Provider Tax: The Missouri General Assembly passed legislation establishing a tax on licensed retail pharmacies in Missouri for the privilege of providing outpatient prescription drugs. The Department of Social Services has notified each pharmacy of the amount of tax due. The tax began in 2002. Effective July 1, 2007, Missouri pharmacies were given an enhanced fee of \$4.82, for a total fee of \$9.66.
- Effective for dates of service January 1, 2010 and beyond, the MO HealthNet Pharmacy Program began paying pharmacy providers a generic product preferred incentive fee. This program initiative will continue to emphasize the preference for generic utilization within the MO HealthNet pharmacy program by paying pharmacy providers an enhanced incentive fee of \$4.00 for each eligible claim.
- Prior Authorization of All New Drugs: Prior authorization is required for all new drug entities and new dosage forms of these products through existing drug entities
 that have been approved by the Food and Drug Administration and are available on the market. After identifying First Data Bank's weekly updates, the medications
 are reviewed for medical and clinical criteria along with pharmacoeconomic impact to the pharmacy program.
- Diabetic Testing Supplies and Syringes: In December 2003, the MHD moved diabetic testing supplies and syringes from the DME program to the pharmacy
 program, and initiated a single source diabetic testing supply initiative, continuing to encourage patient blood glucose testing while minimizing state expenditures. In
 April 2005, the pharmacy program moved to a multi-source diabetic testing supplies initiative. Diabetic testing supply products and syringes are now available in
 preferred status from multiple manufacturers, providing greater participant choice.
- Enhanced Retrospective Drug Utilization: Enhanced retrospective drug utilization involves retroactively reviewing population-based patterns of drug use to compare those patterns to approved therapeutic guidelines in order to determine the appropriateness of care, length of treatment, drug interaction, and other clinical issues.
- Provider Audits: Daily provider audits are performed by MHD/Wipro staff for the identification and resolution of potential recoupments.

Department: Social Services HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

340b Drug Repricing

340b covered entities are eligible to purchase discounted drugs through the Public Health Service Act's 340b Drug Discount program. Examples of 340b entities include federally qualified health centers, hemophilia treatment centers, disproportionate share hospitals, sole community hospitals, AIDS drug assistance programs, and family planning clinics. The MHD is working collaboratively with stakeholders to encourage 340b participation by covered entities. By working with covered entities, savings from 340b pricing for MO HealthNet participants' prescriptions are shared with the Medicaid program.

Clinical Management Services Program (CMSP)

Through a contract with Xerox (formerly ACS-Heritage), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes. The current CMSP claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Xerox (formerly ACS-Heritage) utilizes their *CyberAccess* stool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. *CyberAccess* m provides: daily updated participant claims history profiles, identifying all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period; and three years of point of service (POS) pharmacy claims refreshed every ten (10) minutes.

Point-of-Service Pharmacy

Claims are routed through Xerox's automated system to apply edits specifically designed to assure effective utilization of pharmaceuticals. The edits are founded on evidence-based clinical and nationally recognized expert consensus criteria. Claims will continue to be processed by Wipro for all other edits and final adjudication. After processing by Xerox and Wipro, the claim is sent back to the provider with a total processing time of approximately 10 seconds. Claims which are denied by the system edits will require an override from the existing help desk. Providers seeking an override must contact the help desk for approval, which will be granted if medically necessary.

Fiscal and Clinical Edits

This initiative optimizes the use of program funds and enhances patient care through improved use of pharmaceuticals. Since the implementation of the Omnibus Budget Reduction Act of 1990 (OBRA 90), education on the use of pharmaceuticals has been accomplished primarily through DUR. However, the prospective DUR alerts currently generated by the fiscal agent have been largely ignored by pharmacy providers as they are more general in nature and few are tied to claim reimbursement. Other third party payers have successfully utilized more extensive evidence based claims screening edits in an effort to control costs. These edits are applicable within the Medicaid program to achieve similar cost controls.

HB Section: 11.435

Department: Social Services

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

Drug Utilization Review

This process is currently provided by Xerox and will be an extension of the current process with some enhancements. Under the new contract, this initiative will utilize the same database/computer system as the previously described components. This system uses a relational database capable of interfacing MO HealthNet paid claims history with flexible, high quality clinical evaluation criteria. The process is designed to identify high-risk drug use patterns among physicians, pharmacists, and beneficiaries, and to educate providers (prescribers and dispensers) in appropriate and cost-effective drug use. This process is capable of identifying providers prescribing and dispensing practices which deviate from defined standards, as well as generating provider profiles and ad hoc reports for specified provider and participant populations. The goal of the program is to maximize drug therapy and outcomes and optimize expenditures for health care.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Statute: RSMo. 208.152, 208.166, Federal law: Social Security Act Section 1902(a)(12), Federal regulation: 42 CFR 440.120

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

Yes, for children if medically necessary health services are identified under the EPSDT program. This program is not federally mandated for adults.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. Program Expenditure History 1,400,000,000 □GR 1,200,000,000 **Ø** FEDERAL 1,000,000,000 800,000,000 **■**OTHER 600,000,000 **TOTAL** 400,000,000 200,000,000 FY 2014 Actual FY2016 Planned FY 2013 Actual FY 2015 Actual

FY 2015 planned is net of reverted and reserved.

Department: Social Services HB Section: 11.435

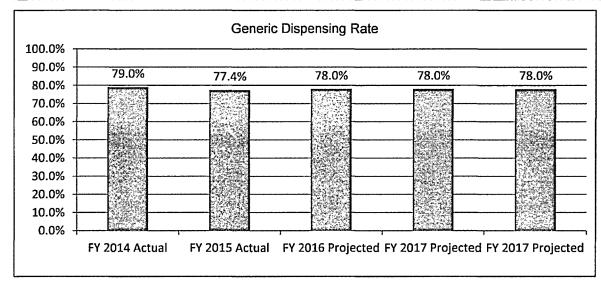
Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

6. What are the sources of the "Other" funds?

Pharmacy Reimbursement Allowance Fund (0144), Pharmacy Rebates Fund (0114), Health Initiatives Fund (0275), Third Party Liability Fund (0120), Healthy Families Trust Fund (0625), Premium (0885) and Life Sciences Research Trust Fund (0763).

7a. Provide an effectiveness measure.



The generic dispensing rate is a measure of the percent of prescriptions filled with a generic medication.

7b. Provide an efficiency measure.

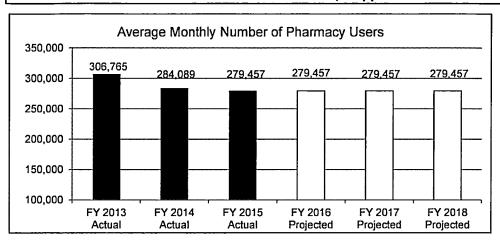
N/A

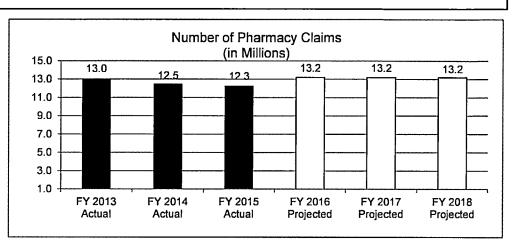
Department: Social Services Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

HB Section: 11.435

7c. Provide the number of clients/individuals served, if applicable.





7d. Provide a customer satisfaction measure, if available.

N/A

						DEGIGIOTI I I EM GOMM		
Budget Unit	- · · · · -							
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY-MED PART D-CLAWBACK					<u> </u>	-		<u> </u>
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	177,600,212	0.00
TOTAL - PD	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	177,600,212	0.00
TOTAL	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	177,600,212	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	15,557,082	0.00	15,345,257	0.00
TOTAL - PD	0	0.00	0	0.00	15,557,082	0.00	15,345,257	0.00
TOTAL	0	0.00	0	0.00	15,557,082	0.00	15,345,257	0.00
Clawback Increase - 1886012								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	18,073,510	0.00	18,073,510	0.00
TOTAL - PD	0	0.00	0	0.00	18,073,510	0.00	18,073,510	0.00
TOTAL	0	0.00	0	0.00	18,073,510	0.00	18,073,510	0.00
GRAND TOTAL	\$183,129,526	0.00	\$177,600,212	0.00	\$211,230,804	0.00	\$211,018,979	0.00

Department: Social Services

Budget Unit:

90543C

Division: MO HealthNet

Core: Pharmacy - Medicare Part D "Clawback"

HB Section:

11.435

1. CORE FIN	ANCIAL SUMMAR	Υ									
	FY 2017 Budget Request						FY 2017 Governor's Recommendation				
, [GR	Federal	Other		Total		GR	Federal	Other	Total	
PS	_					PS .		•			
EE						EE					
PSD	177,600,212				177,600,212	PSD	177,600,212			177,600,212	
TRF						TRF					
Total	177,600,212	0)	177,600,212	Total	177,600,212			177,600,212	
FTE					0.00	FTE			-		
Est. Fringe	0	0	-	7	0	Est. Fringe	0	0	0	0	
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly					Note: Fringes	budgeted in Hou	ise Bill 5 except f	or certain fringes	budgeted		
to MoDOT, Hi	to MoDOT, Highway Patrol, and Conservation.					directly to MoDOT, Highway Patrol, and Conservation.					

Other funds:

2. CORE DESCRIPTION

This core request is for the continued funding of the Medicare Part D "Clawback". A portion of the Medicare Prescription Drug Act requires states to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the state absent the Part D drug benefit.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy-Medicare Part D "Clawback"

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90543C

Division: MO HealthNet

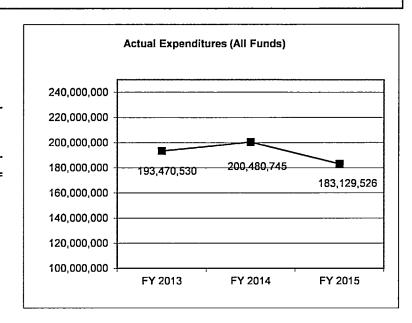
HB Section:

11.435

Core: Pharmacy - Medicare Part D "Clawback"

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	193,470,530	200,480,745	183,129,526	177,600,212
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	186,236,499	200,480,745	183,129,526	N/A
Actual Expenditures (All Funds)	193,470,530	200,480,745	183,129,526	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

- (1) FY13 Estimated appropriation or "E" status was removed. \$2,379,722 from Supplemental Pool
- (2) FY14 \$8,113,113 of expenditures are for Pharmacy.
- (3) FY15 \$23,054,861 of expenditures are for Pharmacy.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PHARMACY-MED PART D-CLAWBACK

5. CORE RECONCILIATION DETAIL

	Budget							
	Class	FTE	GR	Federal	Other		Total	Explar
TAFP AFTER VETOES								
	PD	0.00	177,600,212	0		0	177,600,212	<u>.</u>
	Total	0.00	177,600,212	0		0	177,600,212	-
DEPARTMENT CORE REQUEST								
	PD	0.00	177,600,212	0		0	177,600,212	
	Total	0.00	177,600,212	0		0	177,600,212	- ! !
GOVERNOR'S RECOMMENDED	CORE							
	PD	0.00	177,600,212	0		0	177,600,212	<u>.</u>
	Total	0.00	177,600,212	0		0	177,600,212	-

FLEXIBILITY REQUEST FORM

BUDGET UNIT NAME:			DEPARTM	ENT:	Social Servi	ices
	Clawback					
HOUSE BILL SECTION:	11.435		DIVISION:	MO I	HealthNet	
requesting in dollar and per	centage terms	and explain why the flexib	ility is neede	d. If fl	exibility is be	equipment flexibility you are eing requested among divisions, ain why the flexibility is needed.
		DEPARTM	ENT REQUES	Γ		
		Core	% Flex Requested		Reqeusted amount	
Total Prog	ram Request	\$177,600,212 \$177,600,212	10% 25%		7,760,021 7,760,022	
2. Estimate how much flexi Year Budget? Please speci	-	ed for the budget year. He	ow much flea	ibility [,]	was used in t	the Prior Year Budget and the Current
PRIOR YEAR ACTUAL AMOUNT OF FLEX	IBILITY USED	CURRENT ESTIMATED AM FLEXIBILITY THAT \	OUNT OF)	F	BUDGET REQUEST ESTIMATED AMOUNT OF LEXIBILITY THAT WILL BE USED
None. 3. Please explain how flexibilit		H.B. 11 language allows for u between sections 11.410, 11. 11.465, 11.470, 11.485, 11.49 11.550, 11.555, and 11.595 a use of this section for manag	p to 10% flexib 435, 11.455, 1 90, 11.505, 11. and 25% flexibil	ility 1.460, 510,	10% flexibility	between sections and 25% flexibility between aged Care is being requested for FY 17.
EXF	PRIOR YEAR	SE				RRENT YEAR IN PLANNED USE
None.					to provide cont providers or par	tinued Medicaid benefits without an interruption tial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM DISTRIBUTIONS	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	177,600,212	0.00
TOTAL - PD	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	177,600,212	0.00
GRAND TOTAL	\$183,129,526	0.00	\$177,600,212	0.00	\$177,600,212	0.00	\$177,600,212	0.00
GENERAL REVENUE	\$183,129,526	0.00	\$177,600,212	0.00	\$177,600,212	0.00	\$177,600,212	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

HB Section: 11.435

Department: Social Services

Program Name: Pharmacy - Medicare Part D "Clawback"

Program is found in the following core budget(s): Pharmacy - Medicare Part D "Clawback"

1. What does this program do?

The Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003 required that all individuals who are eligible for both Medicare and MO HealthNet receive their prescription drugs through the Medicare Part D program. This change resulted in a significant shift in benefits for elderly and disabled dual eligible participants because they receive their drugs through a prescription drug plan (PDP) rather than through the state's MO HealthNet program.

The federal government refers to this payment as the "Phased-down State Contribution", while Missouri refers to the payment as the "clawback". This clawback payment is, in effect, a funding source for the Medicare Part D program. In fact, it uses the General Revenue that the state would have paid for the dual eligible MO HealthNet pharmacy benefit for funding the Part D program.

States are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in the MO HealthNet program. The clawback consists of a monthly calculation based on the combination of (a) the state's per capita spending on prescription drugs in 2003, (b) the state's federal Medicaid match rate, (c) the number of dual eligible's residing in the state, and (d) a "phase-down percentage" of state savings to be returned to the federal government beginning with 90% in 2006 and phasing down to 75% in 2015. The phased-down percentage for CY 2017 is at the floor of 75.00%.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003, P.L. 108-173.

3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

Yes. All States, including Missouri, are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet.

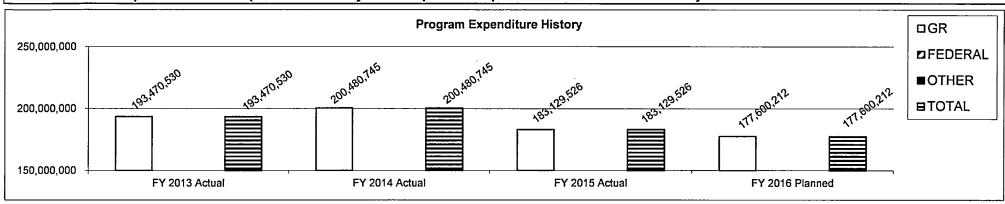
Department: Social Services

HB Section: 11.435

Program Name: Pharmacy - Medicare Part D "Clawback"

Program is found in the following core budget(s): Pharmacy - Medicare Part D "Clawback"

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

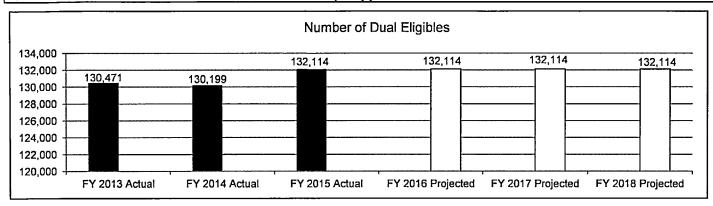
Department: Social Services

HB Section: 11.435

Program Name: Pharmacy - Medicare Part D "Clawback"

Program is found in the following core budget(s): Pharmacy - Medicare Part D "Clawback"

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

15

RANK:

NDI SYNOPSIS: To provide for the anticipated increase in the Medicare Part D Clawback payment.

been paid for by the state absent the Part D drug benefit.

Department: Social Services

Division: MO HealthNet

OF

Budget Unit:

29

90543C

Di Maine. Ola	Name: Clawback Increase		D	I# 1886012	HB Section:	11.435			
. AMOUNT C	OF REQUEST							<u> </u>	
		FY 2017 Budg	get Request			FY 20°	17 Governor's	Recommenda	ation
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	-				PS				
E					EE				
PSD	18,073,510			18,073,510	PSD	18,073,510			18,073,510
TRF .					TRF				
Total .	18,073,510			18,073,510	Total	18,073,510			18,073,510
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00
st. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
Vote: Fringes	budgeted in House	Bill 5 except f	for certain fring	es budgeted	Note: Fringes	budgeted in Ho	use Bill 5 excep	ot for certain fr	inges
lirectly to MoD	OT, Highway Patro	ol, and Conser	vation.		budgeted dired	ctly to MoDOT, I	Highway Patrol,	and Conserva	ation.
Other Funds:					Other Funds:				
. THIS REQU	EST CAN BE CAT	EGORIZED A	S:						
	New Legislation			New	Program		F	und Switch	
				Progi	ram Expansion	<u>-</u> -	C	ost to Continu	е
х	Federal Mandat	e							1
X	Federal Mandate GR Pick-Up	е	-	Spac	e Request		<u> </u>	quipment Rep	lacement

This decision item requests increased funding in General Revenue needed for the payment of the Medicare Part D Clawback, as calculated by the Centers for Medicare and Medicaid Services (CMS). The Medicare Prescription Drugs Act requires states to pay Medicare a portion of the cost of Part D drugs attributable to what would have

RANK:

1/

\$193,133,726

\$18,073,510

OF

29

Department: Social Services

Division: MO HealthNet

DI Name: Clawback Increase

Budget Unit:

90543C

DI# 1886012

HB Section:

11.435

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The calculation for the MO HealthNet Clawback payment is shown below. There is no projected caseload growth; therefore, the increase is based entirely on the rate change. The clawback assessment rate is provided by CMS. The May assessment is included in the calculation because the assessment is paid two months in arrears. The number of duals is the average duals for the period April 2015 through July 2015. The clawback rate is revised by CMS each January. The May through December 2016 clawback rate is based on the most current CMS estimate. The January through April 2017 clawback rate assumes a 4% increase.

	#of duals	Clawback Rate	Monthly Clawback Amount
May 2016	133,783	\$129.60	\$17,338,277
June 2016	133,783	\$129.60	\$17,338,277
July 2016	133,783	\$129.60	\$17,338,277
August 2016	133,783	\$129.60	\$17,338,277
September 2016	133,783	\$129.60	\$17,338,277
October 2016	133,783	\$129.99	\$17,390,452
November 2016	133,783	\$129.99	\$17,390,452
December 2016	133,783	\$129.99	\$17,390,452
January 2017	133,783	\$135.19	\$18,086,124
February 2017	133,783	\$135.19	\$18,086,124
March 2017	133,783	\$135.19	\$18,086,124
April 2017	133,783	\$135.19	\$18,086,124
	1,471,613		\$211,207,236

Available:

Need:

^{*}The Governor recommended as requested.

RANK:

15

OF

29

Department: Social Services

Division: MO HealthNet

Budget Unit:

90543C

DI Name: Clawback Increase

DI# 1886012 **HB Section:** 11.435

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One- Time DOLLARS
T-4-LPS		0.0	0	0.0	0	0.0	0	0.0	
Total PS	0	0.0	U	0.0	U	0.0	0	0.0	U
Total EE	0	-	0	•	0	·	0		0
Program Distributions	18,073,510	_					18,073,510		
Total PSD	18,073,510		0		0		18,073,510		0
Transfers		_				_			
Total TRF	0		0		0		0		0
Grand Total	18,073,510	0.0	0	0.0	0	0.0	18,073,510	0.0	0
			Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec	Gov Rec
	Gov Rec GR	Gov Rec GR	FED	FED	OTHER	OTHER	TOTAL	TOTAL	One-Time
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	DOLLARS	FTE	DOLLARS
Total PS		0.0		0.0	0	0.0	0	0.0 0.0	
Total T O	Ü	0.0	ŭ	0.0	·	0.0	Ö	0.0	ไ
Total EE	0	-	0	•	0	•	0		0
Program Distributions	18,073,510	_				_	18,073,510		
Total PSD	18,073,510	•	0	·	0	- -	18,073,510		0
Transfers		_				_			
Total TRF	0	-	0		0	_	0		0
Grand Total	18,073,510	0.0	0	0.0	0	0.0	18,073,510	0.0	0

RANK:

15

OF

29

Department: Social Services

FY 2013

Actual

FY 2014

Actual

Budget Unit:

90543C

Division: MO HealthNet DI Name: Clawback Increase

DI# 1886012

HB Section:

11.435

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

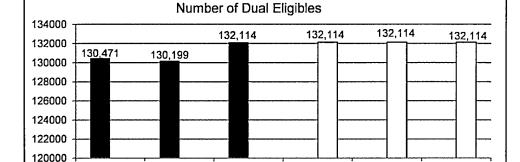
6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

N/A

N/A

6c. Provide the number of clients/individuals served, if applicable.



FY 2015

Actual

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

FY 2016

Projected

FY 2017

Projected

FY 2018

Projected

N/A

DECISION ITEM DETAIL

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY-MED PART D-CLAWBACK							<u>-</u>	
Clawback Increase - 1886012 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	18,073,510	0.00	18,073,510	0.00
TOTAL - PD	0	0.00	0	0.00	18,073,510	0.00	18,073,510	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$18,073,510	0.00	\$18,073,510	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$18,073,510	0.00	\$18,073,510	0.00
FEDERAL FUNDS OTHER FUNDS	\$0 \$0	0.00 0.00	\$0 \$0		\$0 \$0	0.00 0.00	\$0 \$0	0.00 0.00

DECISION ITEM SUMMARY

Budget Unit	· · · · · · · · · · · · · · · · · · ·						·	
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MISSOURI RX PLAN								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	6,370,046	0.00	17,003,822	0.00	17,003,822	0.00	17,003,822	0.00
HEALTHY FAMILIES TRUST	4,838,657	0.00	0	0.00	0	0.00	0	0.00
MISSOURI RX PLAN FUND	10,918,958	0.00	6,982,425	0.00	4,655,326	0.00	4,655,326	0.00
TOTAL - PD	22,127,661	0.00	23,986,247	0.00	21,659,148	0.00	21,659,148	0.00
TOTAL	22,127,661	0.00	23,986,247	0.00	21,659,148	0.00	21,659,148	0.00
MO Rx GR Pickup - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,327,099	0.00	2,327,099	0.00
TOTAL - PD	0	0.00	0	0.00	2,327,099	0.00	2,327,099	0.00
TOTAL	0	0.00	0	0.00	2,327,099	0.00	2,327,099	0.00
GRAND TOTAL	\$22,127,661	0.00	\$23,986,247	0.00	\$23,986,247	0.00	\$23,986,247	0.00

CORE DECISION ITEM

Department: Social Services

Budget Unit: 90538C

Division: MO HealthNet Core: Missouri Rx Plan

HB Section: 11.435

1. CORE FINA	ANCIAL SUMMAR	Y							
		FY 2017 Budge	t Request			FY 2	017 Governor's F	Recommendation	on
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS		- , , , , <u></u>		
EE					EE				
PSD	17,003,822		4,655,326	21,659,148	PSD	17,003,822		4,655,326	21,659,148
TRF					TRF				
Total	17,003,822	0	4,655,326	21,659,148	Total	17,003,822	0	4,655,326	21,659,148
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
Note: Fringes	budgeted in House	e Bill 5 except for c	ertain fringes bu	dgeted directly	Note: Fringes	budgeted in Hous	se Bill 5 except for	certain fringes	budgeted
to MoDOT. His	ghway Patrol, and	Conservation.		-	directly to MoD	OT. Highway Pat	trol, and Conserva	ition.	-

Other Funds: Missouri Rx Plan Fund (0779)

Other Funds: Missouri Rx Plan Fund (0779)

2. CORE DESCRIPTION

The Missouri Rx Plan provides certain pharmaceutical benefits to certain low-income elderly and disabled residents of the state; facilitates coordination of benefits between the Missouri Rx plan and the federal Medicare Part D drug benefit program established by the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA), P.L. 108-173; and enrolls individuals in the program.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy services under MMA - Part D

CORE DECISION ITEM

Department: Social Services

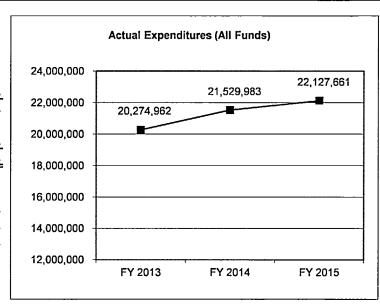
Division: MO HealthNet Core: Missouri Rx Plan

Budget Unit: 90538C

HB Section: 11.435

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	24,385,543	23,753,091	23,753,091	23,986,247
Less Reverted (All Funds)	0	(191,101)	0	N/A
Budget Authority (All Funds)	21,672,666	24,385,543	23,753,091	N/A
Actual Expenditures (All Funds)	20,274,962	21,529,983	22,127,661	N/A
Unexpended (All Funds)	4,110,581	2,032,007	1,625,430	N/A
Unexpended, by Fund:				
General Revenue	0	211,027	0	N/A
Federal	0	. 0	0	N/A
Other	4,110,581	1,820,980	1,625,430	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

- (1) Fy13 Estimated appropriation or "E" was removed.
- (2) FY14 GR lapse of \$211,027 due to fund switches for reduced availability of GR.
- (3) FY15 GR lapse of \$1,625,430 from the MO Rx Fund due to shortfall in revenue to the fund.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES MISSOURI RX PLAN

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation_
TAFP AFTER VETOES							
•	PD	0.00	17,003,822	0	6,982,425	23,986,247	,
	Total	0.00	17,003,822	0	6,982,425	23,986,247	, -
DEPARTMENT CORE ADJUSTM	ENTS						-
Core Reduction 224 1024	PD	0.00	0	0	(2,327,099)	(2,327,099)	Core reduction of MO Rx Fund excess authority - corresponding GR Pickup NDI
NET DEPARTMENT	CHANGES	0.00	0	0	(2,327,099)	(2,327,099)	•
DEPARTMENT CORE REQUEST							
	PD	0.00	17,003,822	0	4,655,326	21,659,148	3
	Total	0.00	17,003,822	0	4,655,326	21,659,148	
GOVERNOR'S RECOMMENDED	CORE						_
	PD	0.00	17,003,822	0	4,655,326	21,659,148	3
	Total	0.00	17,003,822	0	4,655,326	21,659,148	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90538C		DEPARTI	MENT:	Social Servi	ices
BUDGET UNIT NAME: MO Rx Program	า				
HOUSE BILL SECTION: 11.435		DIVISION	MO I	HealthNet	
Provide the amount by fund of personal requesting in dollar and percentage terms provide the amount by fund of flexibility your control of the second	and explain why the flexib	oility is need	led. If fl	lexibility is be	eing requested among divisions,
	DEPARTMI	ENT REQUE	ST		
	Core	% Flex Requested		Requested Amount	
Total Program Request	\$23,986,247 \$23,986,247	10% 25%		,398,625 ,996,562	
2. Estimate how much flexibility will be us Year Budget? Please specify the amount.	ed for the budget year. He	ow much fle	exibility	was used in t	the Prior Year Budget and the Current
	CURRENT	YEAR			BUDGET REQUEST
PRIOR YEAR	ESTIMATED AM			_	ESTIMATED AMOUNT OF
ACTUAL AMOUNT OF FLEXIBILITY USED	H.B. 11 language allows for u				LEXIBILITY THAT WILL BE USED between sections and 25% flexibility between
	between sections 11.410, 11.				aged Care is being requested for FY 17.
	11.465, 11.470, 11.485, 11.49			Tround Mane	agod odro io boing roddoolod for i i i i i i
	11.550, 11.555, and 11.595 a				
None.	use of this section for manage	ed care.	<u> </u>		
3. Please explain how flexibility was used in th	e prior and/or current years.				
PRIOR YEAR EXPLAIN ACTUAL U	SE				RRENT YEAR IN PLANNED USE
None.				S to provide cont providers or par	tinued Medicaid benefits without an interruption tial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
MISSOURI RX PLAN								
CORE								
PROGRAM DISTRIBUTIONS	22,127,661	0.00	23,986,247	0.00	21,659,148	0.00	21,659,148	0.00
TOTAL - PD	22,127,661	0.00	23,986,247	0.00	21,659,148	0.00	21,659,148	0.00
GRAND TOTAL	\$22,127,661	0.00	\$23,986,247	0.00	\$21,659,148	0.00	\$21,659,148	0.00
GENERAL REVENUE	\$6,370,046	0.00	\$17,003,822	0.00	\$17,003,822	0.00	\$17,003,822	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	· 0.00	\$0	0.00
OTHER FUNDS	\$15,757,615	0.00	\$6,982,425	0.00	\$4,655,326	0.00	\$4,655,326	0.00

Department: Social Services HB Section: 11.435

Program Name: Missouri Rx Plan

Program is found in the following core budget(s): Missouri Rx Plan

1. What does this program do?

SB 539 (2005) established a state pharmaceutical assistance program known as the Missouri Rx (MORx) Plan. The purpose of this program is to coordinate pharmaceutical benefits between the MORx plan and the federal Medicare Part D drug program for Medicare/Medicaid full dual eligibles, partial duals and other elderly and disabled Missourians below 185% of the Federal Poverty Level (FPL). Subject to appropriation, the MORx plan pays 50% of members' out of pocket costs remaining after their Medicare Prescription Drug Plan pays. MORx pays for 50% of the deductible, 50% of the co-pays before the coverage gap, 50% of the coverage gap and 50% of the co-pays in the catastrophic coverage.

MORx works with all Medicare Part D plans to provide members with drug coverage.

The MORx program has been reauthorized by the General Assembly through August 28, 2017.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.780 through 208.798; Federal law: Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173.

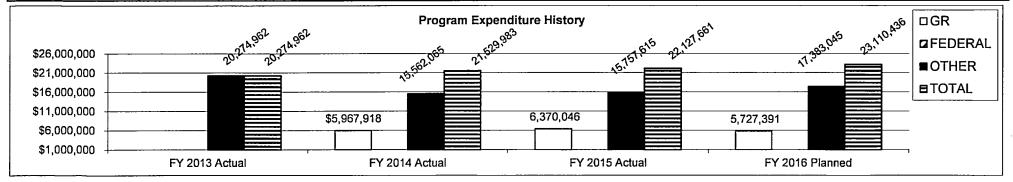
3. Are there federal matching requirements? If yes, please explain.

No. This program is funded with 100% state sources.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

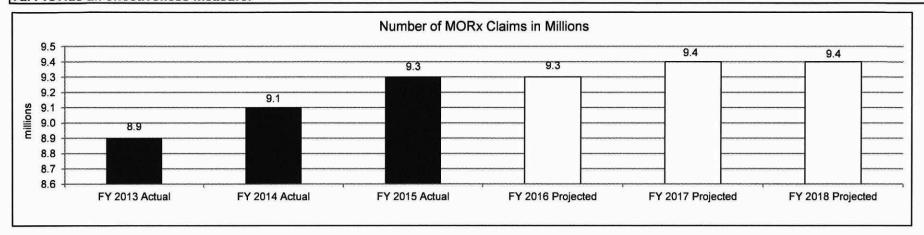


FY 2016 planned is a net of reverted and reserves.

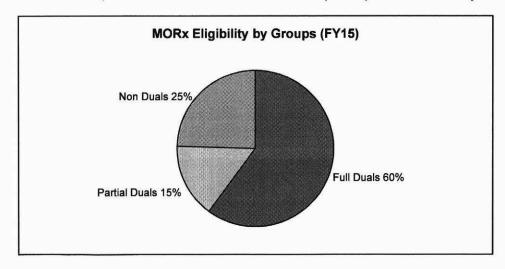
6. What are the sources of the "Other" funds?

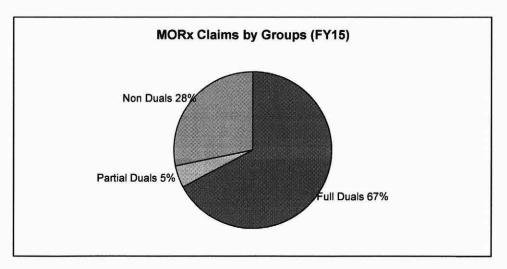
Missouri Rx Plan Fund (0779)

7a. Provide an effectiveness measure.

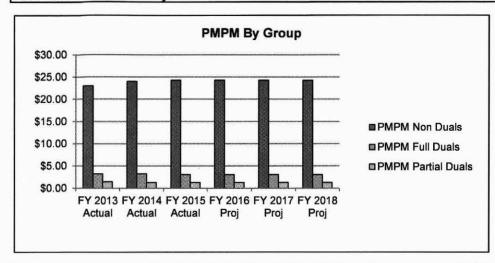


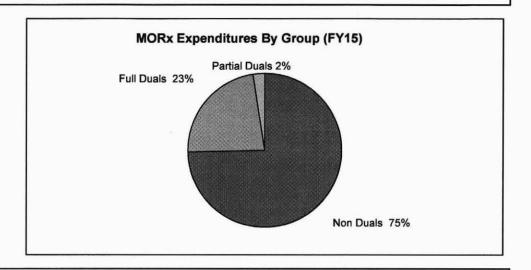
Most MORx members receive extra help with their prescription drug costs through the federal government's Low Income Subsidy Program (LIS). With the MORx wrap-around benefit, their cost was \$3.30 or less for each prescription for calendar year 2015.



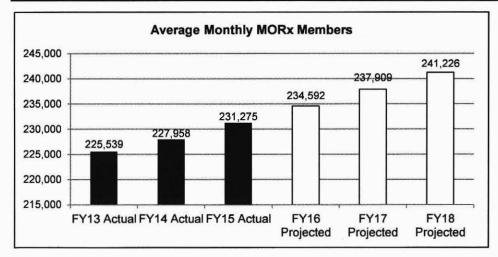


7b. Provide an efficiency measure.





7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

OF

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RANK:

-	Social Services	3			Budget Unit	90538C			
	ORx GR Pickup		ı	DI# 1886005	House Bill	11.435			
1. AMOUNT	OF REQUEST								
FY 2017 Budget Request						FY 20	17 Governor's	Recommendat	ion
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS				0	PS				
EE				0	EE				
PSD	2,327,099			2,327,099	PSD	2,327,099			2,327,099
TRF				0	TRF			· · · · · · · · · · · · · · · · · · ·	
Total	2,327,099	0	0	2,327,099	Total	2,327,099	 		2,327,099
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00
Est. Fringe	01	0	0	0	Est. Fringe	0	0	0	0
Note: Fringe.	s budgeted in Hou	use Bill 5 except	for certain frin	ges	Note: Fringe	s budgeted in Ho	use Bill 5 excep	ot for certain fring	ges
budgeted dire	ectly to MoDOT, F	lighway Patrol, a	and Conservat	ion.	budgeted dire	ectly to MoDOT, I	lighway Patrol,	and Conservation	on.
Other Funds:					Other Funds:				
2. THIS REQ	UEST CAN BE C	ATEGORIZED	AS:						
	New Legislation				New Program		ı	Fund Switch	
	Federal Mandate	9	_	 -	Program Expansion	_		Cost to Continue	l
X	GR Pick-Up		_	· -	Space Request	_		Equipment Repla	acement
	Pay Plan		_		Other:	_		•	
	_				•				
13. WHY IS T	'HIS FUNDING NI	EEDED? PRO\	/IDE AN EXPL	ANATION FO	OR ITEMS CHECKED IN #2	. INCLUDE THE	FEDERAL OR	STATE STATU	ITORY OR

NDI SYNOPSIS: This NDI seeks general revenue to fully fund the MORx program.

CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This decision item seeks general revenue to sufficiently fund the MORx program due to a cash shortfall in the Missouri Rx Plan Fund.

The MORx Plan Fund is not projected to have sufficient revenues to fund the MORx Program in FY17. General revenue is requested for this shortfall of \$2.3 million State Statute: 208.780 - 208.798 RSMo.

RANK:

9

OF

29

Department: Social Services

Budget Unit: 90538C

Division: MO HealthNet

DI Name: MORx GR Pickup DI# 1886005

HB Section: 11.435

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The MORx Plan Fund is not projected to have sufficient revenues to fund the MORx Program in FY17. General revenue is requested for this shortfall of \$2.3 million. The source of revenue for the MO Rx Fund are pharmacy rebates for the prescriptions to MO Rx participants. The state does not receive any rebate for generic drugs. As the utilization of generic drugs increases, the amount the state receives for rebates also declines.

5. BREAK DOWN THE REQUEST B	Y BUDGET OBJ	ECT CLASS,	JOB CLASS, A	ND FUND SOL	JRCE. IDENTI	FY ONE-TIME	COSTS.		
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
							0	0.0	
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0	-	0	-	0		<u>0</u>	. <u>-</u>	0
Program Distributions Total PSD	2,327,099 2,327,099	-	0	-	0		2,327,099 2,327,099		0
Transfers Total TRF	0	-	0	-	0		0		0
Grand Total	2,327,099	0.0	0	0.0	0	0.0	2,327,099	0.0	0

RANK:

9

OF 29

Department: Social Services Division: MO HealthNet

DI Name: MORx GR Pickup

Budget Unit: 90538C

DI# 1886005

HB Section: 11.435

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS		0.0	0	0.0	0	0.0	0	0.0 0.0	0
Total EE		-	0	-	0	-	0	-	0
Program Distributions Total PSD	2,327,099 2,327,099	-	0	-	0	-	2,327,099 2,327,099		0
Transfers Total TRF		-	0	-	0	-	0	-	0
Grand Total	2,327,099	0.0	0	0.0	0	0.0	2,327,099	0.0	0

RANK:

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OF

29

Department: Social Services

Division: MO HealthNet

DI Name: MORx GR Pickup

Budget Unit:

90538C

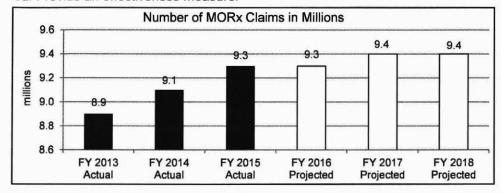
DI# 1886005

HB Section:

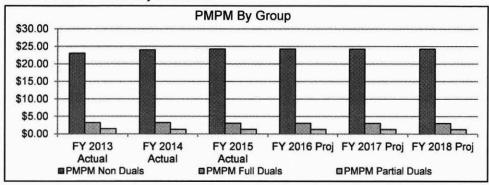
11.435

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional

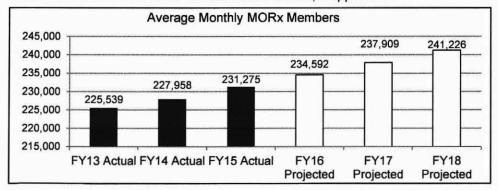
6a. Provide an effectiveness measure.



6b. Provide an efficiency measure.



6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
MISSOURI RX PLAN			<u> </u>	· · · · · · · · · · · · · · · · · · ·				
MO Rx GR Pickup - 1886005 PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,327,099	0.00	2,327,099	0.00
TOTAL - PD	0	0.00	0	0.00	2,327,099	0.00	2,327,099	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$2,327,099	0.00	\$2,327,099	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,327,099	0.00	\$2,327,099	0.00
FEDERAL FUNDS OTHER FUNDS	\$0 \$0	0.00 0.00	\$0 \$0		\$0 \$0	0.00 0.00	\$0 \$0	0.00 0.00

DECISION ITEM SUMMARY

Budget Unit	·							
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY FRA						<u> </u>		
CORE								
PROGRAM-SPECIFIC								
PHARMACY REIMBURSEMENT ALLOWAN	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
TOTAL - PD	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
TOTAL	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
GRAND TOTAL	\$91,056,955	0.00	\$108,308,926	0.00	\$108,308,926	0.00	\$108,308,926	0.00

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90542C

Division: MO HealthNet

Core: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

HB Section:

11,440

_		FY 2017 Bud	get Request			FY	2017 Governor's	Recommendati	on
[GR	Federal	Other	Total		GR	Federal	Other	Total
PS				_	PS				
EE			400 000 000	400 000 000	EE				
PSD			108,308,926	108,308,926	PSD			108,308,926	108,308,926
TRF _ Total		<u> </u>	108,308,926	108,308,926	TRF Total			108,308,926	108,308,926
=			100,000,020	100,000,020			·	100,000,020	100,000,020
FTE ·				0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0 1	0	0
Note: Fringes	budgeted in Hou	se Bill 5 except for	certain fringes bu	idgeted directly	Note: Fringes b	oudgeted in Ho	ouse Bill 5 except	for certain fringes	budgeted
to MoDOT, Hig	ghway Patrol, and	d Conservation.			directly to MoDO	ЭТ, Highway F	Patrol, and Conser	vation.	
Other Funds: I	Pharmacy Reimb	ursement Allowan	ce Fund (0144)		Other Funds: Pl	harmacy Reim	nbursement Allowa	ince Fund (0144)	

2. CORE DESCRIPTION

This core request is for ongoing funding for payments for pharmacy services for Title XIX participants. Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Federal Reimbursement Allowance under the Title XIX of the Social Security Act as a General Revenue equivalent. Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, can earn federal Medicaid matching funds. These earnings fund the PFRA program appropriation and the Pharmacy appropriation.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Federal Reimbursement Allowance (PFRA) Program

CORE DECISION ITEM

Department: Social Services

Budget Unit:

90542C

Division: MO HealthNet

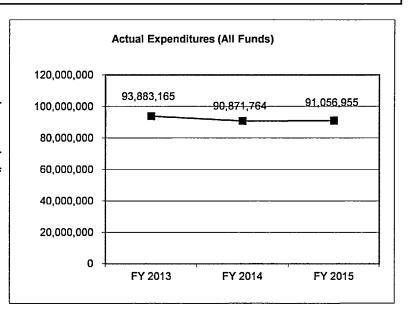
Core: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

HB Section:

11.440

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	108,308,926	108,308,926	108,308,926	108,308,926
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	108,308,926	108,308,926	108,308,926	N/A
Actual Expenditures (All Funds)	93,883,165	90,871,764	91,056,955	N/A
Unexpended (All Funds)	14,425,761	17,437,162	17,251,971	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	14,425,761	17,437,162	17,251,971	N/A
	(1)			



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Appropriation increased due to estimated appropriation or "E" status being removed.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

PHARMACY FRA

5. CORE RECONCILIATION DETAIL

	Budget							
	Class	FTE	GR	Federal		Other	Total	Exp
TAFP AFTER VETOES							•	
	PD	0.00	0		0	108,308,926	108,308,926	
	Total	0.00	0		0	108,308,926	108,308,926	- i
DEPARTMENT CORE REQUEST								
	PD	0.00	0		0	108,308,926	108,308,926	
	Total	0.00	0		0	108,308,926	108,308,926	-
GOVERNOR'S RECOMMENDED	CORE							
	PD	0.00	0		0	108,308,926	108,308,926	
	Total	0.00	0		0	108,308,926	108,308,926	- -

DECISION ITEM DETAIL

Budget Unit Decision Item .	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHARMACY FRA								
CORE								
PROGRAM DISTRIBUTIONS	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
TOTAL - PD	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
GRAND TOTAL	\$91,056,955	0.00	\$108,308,926	0.00	\$108,308,926	0.00	\$108,308,926	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
OTHER FUNDS	\$91,056,955	0.00	\$108,308,926	0.00	\$108,308,926	0.00	\$108,308,926	0.00

Department: Social Services HB Section: 11.440

Program Name: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

Program is found in the following core budget(s): Pharmacy Federal Reimbursement Allowance (PFRA)

1. What does this program do?

Pharmacies are assessed a provider tax for the privilege of doing business in the state of Missouri. The assessment is a General Revenue equivalent, and when used to make valid Medicaid payments, can earn federal Medicaid matching funds. These earnings fund the Pharmacy Federal Reimbursement Allowance (PFRA) program. This program provides funding to pay enhanced fees to pharmacies using the Pharmacy Federal Reimbursement Allowance Fund as a General Revenue equivalent.

The PFRA program has been reauthorized by the General Assembly through June 30, 2016.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 338.500; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B

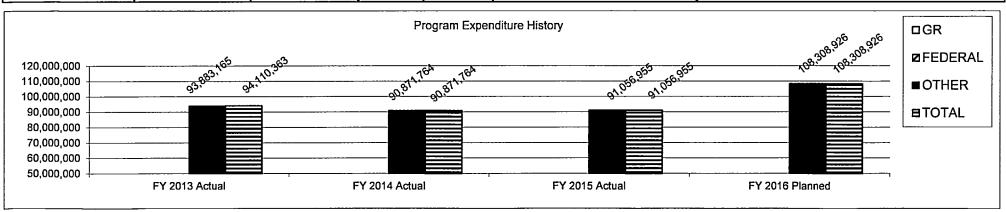
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal dollars on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Department: Social Services HB Section: 11.440

Program Name: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

Program is found in the following core budget(s): Pharmacy Federal Reimbursement Allowance (PFRA)

6. What are the sources of the "Other" funds?

Pharmacy Federal Reimbursement Allowance (0144)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

Pharmacy FRA 1	Pharmacy FRA Tax Assessments Revenues Obtained						
to	to Draw Federal Dollars						
SFY	Assessments						
2013	\$97.5 mil						
2014	\$93.6 mil						
2015	\$89.1 mil						
2016	\$98.8 mil estimated						
2017	\$98.8 mil estimated						
2018	\$98.8 mil estimated						

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

DECISION ITEM SUMMARY

Decision Item Budget Object Summary Fund PHYSICIAN RELATED PROF CORE	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Fund PHYSICIAN RELATED PROF					DEPT REQ	DEPT REO	COV DEC	COVERC
PHYSICIAN RELATED PROF	DOLLAR	FTE	DOLLAR					
		_		FTE	DOLLAR	FTE	DOLLAR	FTE
CORE								•
EXPENSE & EQUIPMENT								
GENERAL REVENUE	1,612,067	0.00	1,705,342	0.00	1,705,342	0.00	1,705,342	0.00
TITLE XIX-FEDERAL AND OTHER	1,587,402	0.00	1,915,395	0.00	1,915,395	0.00	1,915,395	0.00
HEALTH INITIATIVES	173,895	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	3,373,364	0.00	3,620,737	0.00	3,620,737	0.00	3,620,737	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	201,001,257	0.00	84,113,271	0.00	84,763,271	0.00	78,324,833	0.00
TITLE XIX-FEDERAL AND OTHER	456,457,944	0.00	247,879,866	0.00	251,929,866	0.00	242,011,445	0.00
THIRD PARTY LIABILITY COLLECT	6,500,000	0.00	0	0.00	0	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	10,000	0.00	10,000	0.00	10,000	0.00
HEALTH INITIATIVES	1,210,374	0.00	1,427,081	0.00	1,427,081	0.00	1,427,081	0.00
TAX AMNESTY FUND	0	0.00	5,484,349	0.00	5,484,349	0.00	0	0.00
HEALTHY FAMILIES TRUST	6,041,034	0.00	11,825,877	0.00	11,825,877	0.00	11,825,877	0.00
TOTAL - PD	671,210,609	0.00	350,740,444	0.00	355,440,444	0.00	333,599,236	0.00
TOTAL	674,583,973	0.00	354,361,181	0.00	359,061,181	0.00	337,219,973	0.00
Tax Amnesty Fund Replacement - 0000016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	7,911,412	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	13,632,944	0.00
		0.00		0.00		0.00		
TOTAL - PD			· · · · · · · · · · · · · · · · · · ·				21,544,356	0.00
TOTAL	0	0.00	0	0.00	0	0.00	21,544,356	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	27,850,288	0.00	51,761,092	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	7,797,249	0.00	868,020	0.00
TOTAL - PD	0	0.00	0	0.00	35,647,537	0.00	52,629,112	0.00
TOTAL	0	0.00	0	0.00	35,647,537	0.00	52,629,112	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								

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DECISION ITEM SUMMARY

Budget Unit		-								
Decision Item	FY 2015	FY 20	5	FY 2016		FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTU	NL	BUDGET		BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE		DOLLAR		FTE	DOLLAR	FTE	DOLLAR	FTE
PHYSICIAN RELATED PROF									-	
ABLE Accounts - 1886039										
PROGRAM-SPECIFIC										
GENERAL REVENUE		0	0.00	O)	0.00	630,729	0.00	633,203	0.00
TITLE XIX-FEDERAL AND OTHER		0	0.00	O)	0.00	1,649,933	0.00	1,647,459	0.00
FEDERAL REIMBURSMENT ALLOWANCE		0	0.00	0)	0.00	162,461	0.00	162,461	0.00
PHARMACY REIMBURSEMENT ALLOWAN		0	0.00		2	0.00	162,461	0.00	162,461	0.00
TOTAL - PD		0	0.00	0)	0.00	2,605,584	0.00	2,605,584	0.00
TOTAL		0	0.00	0	5	0.00	2,605,584	0.00	2,605,584	0.00
ABA for Children with Autism - 1886013										
PROGRAM-SPECIFIC										
GENERAL REVENUE		0	0.00	O)	0.00	4,426,654	0.00	4,438,120	0.00
TITLE XIX-FEDERAL AND OTHER		0	0.00	0)	0.00	7,642,638	0.00	7,631,172	0.00
TOTAL - PD		0	0.00	0	5 —	0.00	12,069,292	0.00	12,069,292	0.00
TOTAL	-	0	0.00	0	, –	0.00	12,069,292	0.00	12,069,292	0.00
FMAP Adjustment - 1886023										
PROGRAM-SPECIFIC										
TITLE XIX-FEDERAL AND OTHER		0	0.00	0)	0.00	0	0.00	3,276,222	0.00
TOTAL - PD	<u>, </u>	0	0.00	0	5 _	0.00	0	0.00	3,276,222	0.00
TOTAL		0	0.00	0	<u> </u>	0.00	0	0.00	3,276,222	0.00
GRAND TOTAL	\$674,583,97	'3	0.00	\$354,361,181	l	0.00	\$409,383,594	0.00	\$429,344,539	0.00

im_disummary

Department: Social Services

Budget Unit: 90544C, 90576C

Division: MO HealthNet Core: Physician Related

HB Section: 11.455, 11.528

LI. COKE I	INANCIAL SUMMAI	FY 2017 Budg	et Request	
	GR	Federal	Other	Total
PS		•	•	
EE	1,705,342	1,915,395	0	3,620,737
PSD	84,763,271	251,929,866	18,747,307	355,440,444
TRF				
Total	86,468,613	253,845,261	18,747,307	359,061,181

	FY	FY 2017 Governor's Recommendation									
	GR	Federal	Other	Total							
PS											
EE											
PSD	1,705,342	1,915,395	0	3,620,737							
TRF	78,324,833	242,011,445	13,262,958	333,599,236							
Total	80,030,175	243,926,840	13,262,958	337,219,973							

FTE 0.00

FTE

0.00

Est. Fringe	0	0	0	0
Note: Fringes	s budgeted in Hou	ise Bill 5 except fo	or certain fringes b	oudgeted directly
to MoDOT, H	ighway Patrol, an	d Conservation.		

Est. Fringe 0 Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)

Healthy Families Trust Fund (0625)

Pharmacy Reimbursement Allowance Fund (0144)

Tax Amnesty Fund (0470)

Other Funds: Health Initiatives Fund (HIF) (0275) Healthy Families Trust Fund (0625)

Pharmacy Reimbursement Allowance Fund (0144)

2. CORE DESCRIPTION

This core request is for the ongoing funding for professional services provided to MO HealthNet participants by physicians, nurse practitioners, clinics, lab and x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, federally qualified health centers, psychologists, professional counselors, licensed clinical social workers, health homes, asthma educators and in-home environmental assessors.

3. PROGRAM LISTING (list programs included in this core funding)

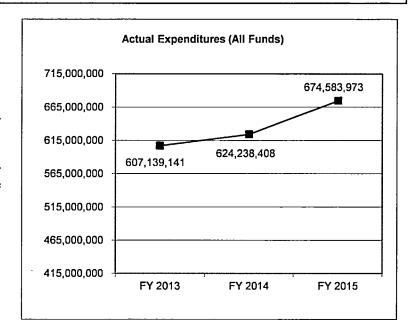
Physician Related

Department: Social Services Division: MO HealthNet Core: Physician Related Budget Unit: 90544C, 90576C

HB Section: 11.455, 11.528

4. FINANCIAL HISTORY

		-		
	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr
Appropriation (All Funds)	618,122,109	677,098,023	678,319,976	354,361,181
Less Reverted (All Funds)	(42,812)	(42,812)	(42,812)	N/A
Less Restricted (All Funds)	0	O O	0	N/A
Budget Authority (All Funds)	618,079,297	677,055,211	678,277,164	N/A
Actual Expenditures (All Funds)	607,139,141	624,238,408	674,583,973	N/A
Unexpended (All Funds)	10,940,156	52,816,803	3,693,191	N/A
Unexpended, by Fund:				
General Revenue	0	2,283	0	N/A
Federal	10,940,156	50,449,255	3,683,191	N/A
Other	0	2,365,265	10,000	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

- (1) FY13 Expenditures of \$5,997,867 were paid from Managed Care and \$13,000 were paid from the Supplemental Pool
- (2) FY14 Agency reserves of \$47,960 Health Initiatives Fund and \$2,317,305 Healthy Families Trust Fund due to lower than anticipated revenue and an agency reserve of \$40,088,793 Federal Funds due to the matching rate. In addition, there was a \$6,041,034 supplemental budget increase of GR to offset the decrease in Healthy Families Trust Fund.
- (3) FY15 \$6,500,000 supplemental budget increase of Third Party Liability Fund.

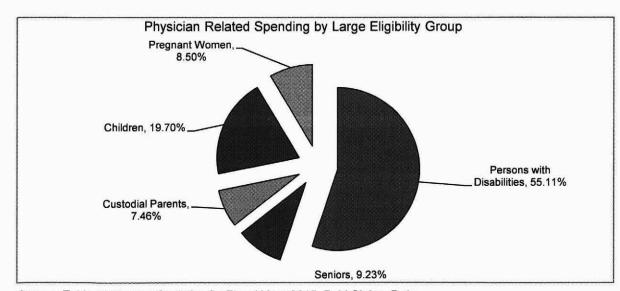
Department: Social Services Division: MO HealthNet Core: Physician Related Budget Unit: 90544C, 90576C

HB Section: 11.455, 11.528

Cost Per Eligible - Per Member Per Month (PMPM)

	Physician PMPM	Acute Care PMPM	Total PMPM	Physician Percentage of Acute	Physician Percentage of Total
PTD	\$158.63	\$1,074.20	\$1,961.17	14.77%	8.09%
Seniors	\$55.17	\$368.96	\$1,565.89	14.95%	3.52%
Custodial Parents	\$44.50	\$473.61	\$507.28	9.40%	8.77%
Children*	\$18.04	\$274.18	\$303.51	6.58%	5.94%
Pregnant Women	\$159.86	\$657.06	\$671.28	24.33%	23.81%

Source: Table 23 Medical Statistics for Fiscal Year 2015, Paid Claims Data (includes EPSDT services)



Source: Table 23 Medical Statistics for Fiscal Year 2015. Paid Claims Data.

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending. PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for physician related services, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient; physician/lab/x-ray; outpatient/clinic; pharmacy; managed care payments; Medicare co-pay/deductibles; dental; and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the physician PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for physician related services. It provides a snapshot of what eligibility groups are receiving physician related services, as well as the populations impacted by program changes.

^{*} CHIP eligibles not included

DEPARTMENT OF SOCIAL SERVICES PHYSICIAN RELATED PROF

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETO	FS							
		EE	0.00	1,705,342	1,915,395	0	3,620,737	•
		PD	0.00	84,113,271	247,879,866	18,747,307	350,740,444	
		Total	0.00	85,818,613	249,795,261	18,747,307	354,361,181	-
DEPARTMENT COF	RE ADJUSTM	ENTS		_				-
Core Reallocation	103 8196	PD	0.00	400,000	0	0	400,000	Core reallocation from Asthma Services
Core Reallocation	103 8197	PD	0.00	0	3,600,000	0	3,600,000	Core reallocation from Asthma Services
Core Reallocation	786 8196	PD	0.00	250,000	0	0	250,000	Reallocation of Foster Children Health Homes to Physician.
Core Reallocation	786 8197	PD	0.00	0	450,000	0	450,000	Reallocation of Foster Children Health Homes to Physician.
NET DE	PARTMENT	CHANGES	0.00	650,000	4,050,000	0	4,700,000	•
DEPARTMENT COF	RE REQUEST							
		EE	0.00	1,705,342	1,915,395	0	3,620,737	
		PD	0.00	84,763,271	251,929,866	18,747,307	355,440,444	-
		Total	0.00	86,468,613	253,845,261	18,747,307	359,061,181	<u>=</u>
GOVERNOR'S ADD	ITIONAL CO	RE ADJUST	MENTS					
Core Reduction	1616 9879	PD	0.00	0	0	(1,484,349)	(1,484,349)	Redux of one-time funding for FY16 rate increase
Core Reduction	1616 9882	PD	0.00	0	(6,906,017)	0	(6,906,017)	Redux of one-time funding for FY16 rate increase
Core Reduction	1616 9880	PD	0.00	0	(2,562,404)	0	(2,562,404)	Redux of one-time funding for FY16 rate increase

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PHYSICIAN RELATED PROF

5. CORE RECONCILIATION DETAIL

			Budget						-
			Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S ADD	ITIONAL	COR	E ADJUST	MENTS					
Core Reduction	1616	9881	PD	0.00	0	0	(4,000,000)	(4,000,000)	Redux of one-time funding for FY16 rate increase
Core Reduction	1786	8196	PD	0.00	(6,188,438)	0	0	(6,188,438)	FMAP adjustment
Core Reallocation	786	8197	PD	0.00	0	(450,000)	0	(450,000)	Reallocation of Foster Children Health Homes to Physician.
Core Reallocation	786	8196	PD	0.00	(250,000)	0	0	(250,000)	Reallocation of Foster Children Health Homes to Physician.
NET GO	OVERNO	R CH	ANGES	0.00	(6,438,438)	(9,918,421)	(5,484,349)	(21,841,208)	
GOVERNOR'S REC	OMMEN	IDED (CORE						
			EE	0.00	1,705,342	1,915,395	0	3,620,737	
			PD	0.00	78,324,833	242,011,445	13,262,958	333,599,236	
			Total	0.00	80,030,175	243,926,840	13,262,958	337,219,973	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90544C		DEPART	ENT:	Social Servi	ces	
BUDGET UNIT NAME: Physician						
HOUSE BILL SECTION: 11.455		DIVISION	MO I	-lealthNet		
1. Provide the amount by fund of person requesting in dollar and percentage term provide the amount by fund of flexibility	s and explain why the flexil	bility is need	ded. If fl	exibility is be	ing requested among divisions,	
	DEPARTM	ENT REQUE	ST			
	Core	% Flex Requested		Requested amount		
Total Program Request	\$339,408,411 \$339,408,411	10% \$33,940,841 25% \$84,852,103		,852,103		
2. Estimate how much flexibility will be under Please specify the amount		ow much flo	exibility	was used in t	he Prior Year Budget and the Current	
	CURRENT	YEAR			BUDGET REQUEST	
PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	ESTIMATED AN FLEXIBILITY THAT		ΕD	ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED		
None.	H.B. 11 language allows for between sections 11.410, 11 11.465, 11.470, 11.485, 11.4 11.550, 11.555, and 11.595 use of this section for manage	.435, 11.455, 190, 11.505, 1 and 25% flexil	p to 10% flexibility 435, 11.455, 11.460, 90, 11.505, 11.510, and 25% flexibility between sections are sections are sections are sections.			
3. Please explain how flexibility was used in t				•		
PRIOR YEAR EXPLAIN ACTUAL	USE	CURRENT YEAR EXPLAIN PLANNED USE				
None.				to provide cont providers or part	inued Medicaid benefits without an interruption tial payments.	

DECISION ITEM DETAIL

Budget Unit	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 BUDGET	FY 2017 DEPT REQ	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Decision Item Budget Object Class	DOLLAR_	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PHYSICIAN RELATED PROF							 : 	
CORE								
PROFESSIONAL SERVICES	2,028,772	0.00	2,020,739	0.00	2,020,739	0.00	2,020,739	0.00
MISCELLANEOUS EXPENSES	1,344,592	0.00	1,599,998	0.00	1,599,998	0.00	1,599,998	0.00
TOTAL - EE	3,373,364	0.00	3,620,737	0.00	3,620,737	0.00	3,620,737	0.00
PROGRAM DISTRIBUTIONS	671,210,609	0.00	350,740,444	0.00	355,440,444	0.00	333,599,236	0.00
TOTAL - PD	671,210,609	0.00	350,740,444	. 0.00	355,440,444	0.00	333,599,236	0.00
GRAND TOTAL	\$674,583,973	0.00	\$354,361,181	0.00	\$359,061,181	0.00	\$337,219,973	0.00
GENERAL REVENUE	\$202,613,324	0.00	\$85,818,613	0.00	\$86,468,613	0.00	\$80,030,175	0.00
FEDERAL FUNDS	\$458,045,346	0.00	\$249,795,261	0.00	\$253,845,261	0.00	\$243,926,840	0.00
OTHER FUNDS	\$13,925,303	0.00	\$18,747,307	0.00	\$18,747,307	0.00	\$13,262,958	0.00

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

1. What does this program do?

This program provides payment for professional services provided to MO HealthNet participants by physicians, nurse practitioners, clinics, lab and x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, federally qualified health centers, psychologists, professional counselors, licensed clinical social workers, health homes, asthma educators and in-home environmental assessors.

A general description of each of the MO HealthNet provider groups in the Physician Related Program is as follows:

Physician

Proper health care is essential to the general health and well-being of MO HealthNet participants. Physicians, including medical doctors and doctors of osteopathy, are typically the front line providers where MO HealthNet participants enter the state's health care system. They provide a myriad of health care services and tie the various parts of the health care system together.

Physician services are diagnostic, therapeutic, rehabilitative or palliative procedures provided by, and under the supervision of, a licensed physician who is practicing within the scope of practice allowed and is enrolled in the MO HealthNet program.

Physicians enrolled in the MO HealthNet program are identified by the specialty of medicine they practice. Specialties include: allergy immunology; anesthesiology; cardiology; dermatology; emergency medicine; family practice; general practice; general surgery; internal medicine; laryngology; nuclear medicine; neurological surgery; obstetrics/gynecology; ophthalmology; otology; otology; orthopedic surgery; pathology; pediatrics; physical medicine and rehabilitation; plastic surgery; preventive medicine; proctology; psychiatry; neurology; radiation therapy; radiology; rectal and colon surgery; rehabilitative medicine; rhinology; thoracic surgery; and urology.

The services of a physician may be administered in multiple settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility.

Services rendered by someone other than a physician, including appropriate supplies, are billable by the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision such as nurses, non-physician anesthetists, technicians, therapists and other aides. Beginning in FY16, physicians assistants may bill independently. Assistant physicians may receive Medicaid reimbursement for applicable services in Missouri once licensed by the Board of Healing Arts.

The majority of services provided by a physician are reimbursed on a fee schedule although a few services are reimbursed manually, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures, such as organ transplants, are only reimbursable with prior approval.

Periodic Screening Diagnosis Treatment /Healthy Children and Youth (EPSDT/HCY) program provides services to MO HealthNet participants who are infants, children, and youth under the age of 21 years with a primary and preventive care focus. Full, partial, and interperiodic health screenings; medical and dental examinations; immunizations; and medically necessary treatment services are covered. The goal of the MO HealthNet program is for each child to be healthy. This is achieved by the primary care provider who manages a coordinated, comprehensive, continuous health care program to address the child's primary health care needs. The program provides early and periodic medical or dental screening, diagnosis, and treatment to correct or improve defects and chronic conditions found during the screening.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

Clinic

Clinics offer preventive, diagnostic, therapeutic, rehabilitative or palliative services that are furnished by a facility that are not part of a hospital but are organized and operated to provide medical care to outpatients. Services furnished to outpatients include those furnished at the clinic by, or under the direction of, a physician and those services furnished outside the clinic by clinic personnel under the direction of a physician.

MO HealthNet reimbursement is made solely to the clinic. All health care professionals are employed by the clinic. Each provider offering health care services through the clinic, in addition to being employed by the participating clinic, must be a MO HealthNet provider. Health care providers at a clinic can include physicians, nurse practitioners, radiologists and other health professionals whose services are offered at the clinic. Clinics differ from RHCs and FQHCs in the type of services they provide and the reimbursement methodology.

Lab & X-Ray

Laboratory and x-ray facilities provide examination and radiology services under the physician program. Laboratories perform examinations of body fluids, tissues or organs by the use of various methods employing specialized equipment such as electron microscopes and radio-immunoassay. A clinical laboratory is a laboratory where microbiological, serological, chemical, hematological, radio bioassay, cytological, immunohematological or pathological examinations are performed on material derived from the human body to provide information for the diagnosis, prevention or treatment of a disease or assessment of a medical condition. Operations of a laboratory are generally directed by a pathologist.

X-ray facilities offer radiological services in which x-rays or rays from radioactive substances are used for diagnostic or therapeutic purposes. Such services include, but are not limited to, radium therapy; the use of radioisotopes for diagnostic or therapeutic purposes (e.g., in nuclear medicine); diagnostic tests such as aortograms, pyelograms, myelograms, arteriograms and venticulograms; imaging services; x-rays; and diagnostic ultra-sounds. These operations are generally directed by a radiologist.

Both laboratories and x-ray clinics are reimbursed on a fee schedule. Certain x-ray services are subject to prior approval.

Nurse Midwife

Nurse midwife services are those services related to the management and provision of care to a pregnant woman and her unborn/newborn infant by a certified nurse midwife. These services may be provided throughout the maternity cycle which includes pregnancy, labor and delivery and the initial postpartum period not to exceed six weeks. Covered services include antepartum care, delivery, post-partum care, newborn care, office visits, laboratory services and other services within the scope of practice of a nurse midwife. If there is any indication the maternity care is not for a normal uncomplicated delivery, the nurse midwife must refer the case to a physician.

Nurse midwives may also provide care outside of the maternity cycle such as family planning, counseling, birth control techniques and well-woman gynecological care including routine pap smears and breast examinations (Section 13605, OBRA 93). Nurse midwife services may also include services to the newborn, age 0 through 2 months, and any other MO HealthNet eligible female, age 15 and over.

Services furnished by a nurse midwife must be within the scope of practice authorized by federal and state laws or regulations and, in the case of inpatient or outpatient hospital services or clinic services, furnished by or under the direction of a nurse midwife only to the extent permitted by the facility.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

In order to qualify for participation in the MO HealthNet Nurse Midwife program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (APRN) in the state of Missouri and be currently certified as a nurse midwife by the American College of Nurse Midwives.

The services of a nurse midwife may be administered in a variety of settings including the provider's office, a hospital (inpatient or outpatient), the home of the participant (delivery and newborn care only) or a birthing center. Reimbursement for nurse midwife services is made on a fee-for-service basis and must be reasonable and consistent with efficiency, economy and quality of care as determined by MO HealthNet. MO HealthNet payment is the lower of the provider's actual billed charge, based on his/her usual and customary charge to the general public for the service, or the MO HealthNet maximum allowable amount per unit of service. The level of reimbursement to the nurse midwife is the same as that reimbursed to a physician for the same procedure.

<u>Podiatry</u>

Podiatrists provide medical, surgical and mechanical services for the foot or any area not above the ankle joint and receive MO HealthNet reimbursement for diagnostic, therapeutic, rehabilitative and palliative services which are within the scope of practice the podiatrist is authorized to perform. Most services provided by a podiatrist are reimbursed on a fee schedule although a few services are reimbursed manually, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case.

The following podiatry services are not covered for adults (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents): trimming of nondystrophic nails; debridement of one to five nails by any method; debridement of six or more nails by any method; partial or complete excision of the nail and nail matrix; and strapping of the ankle and/or foot.

The services of a podiatrist may be administered in the podiatrist's office, the participant's home (or other place of residence such as a nursing facility), a hospital (inpatient/outpatient), a medical clinic or ambulatory surgical care facility.

Certified Registered Nurse Anesthetist

CRNA services are those services related to the introduction and management of a substance into the body by external or internal means that causes loss of sensation with or without loss of consciousness. In order to qualify for participation in the MO HealthNet Certified Registered Nurse Anesthetist program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) or nurse practitioner in the state of Missouri and be currently certified as a CRNA by the Council on Certification of Nurse Anesthetists.

Reimbursement for CRNA services are made on a fee-for-service basis. The services of a CRNA may be administered in the provider's office, a hospital, nursing home or clinic and include the same scope of practice as that of an anesthesiologist. CRNAs are often employed by physicians (anesthesiologists), but are not required to be employed by a physician.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

Anesthesiologist Assistants (AA)

An AA is a person who works under the supervision of a licensed anesthesiologist and provides anesthesia services and related care. An AA shall practice only under the direct supervision of an anesthesiologist who is physically present or immediately available. A supervising anesthesiologist shall be allowed to supervise up to four AAs concurrently, consistent with 42 CFR 415.110. The name and mailing address of the supervising anesthesiologist must be submitted by an AA. An AA must be licensed by the Missouri Board of Healing Arts as set forth in 20 CSR 2150-9 and submit a copy to the MO HealthNet Division. An AA must practice within their scope of practice referenced in Section 334.402, RSMo. Reimbursement for AA services is made on a fee-for-service basis. An AA and a Certified Registered Nurse Anesthetist (CRNA) are not allowed to bill for the same anesthesia service.

Independent Diagnostic Testing Facility (IDTF)

These providers are independent of a hospital or a physician's office and offer medically necessary diagnostic tests. The IDTF may be a fixed location or a mobile entity. An IDTF must have one or more supervising physicians who are responsible for the direct and ongoing oversight of the quality of the testing performed, the proper operation and calibration of the equipment used to perform tests, and the qualification of non-physician personnel who use the equipment.

Rural Health Clinics (RHC)

The Rural Health Clinic Services Act of 1977 designated rural health clinics as health care providers. The Act became effective for MO HealthNet reimbursement on July 1, 1978. The Rural Health Clinic Services Act of 1977 extended benefits to cover health care services to under-served rural areas where access to traditional physician care had been difficult. In those areas, specifically trained practitioners furnish the health care services needed by the community.

Rural health clinics must be located in a rural area that is designated a shortage area for primary care. To be eligible for this designation, a clinic must be located in an area not identified as "urbanized" by the Bureau of the Census and designated as a shortage or under-served area by one of the following definitions:

- An area with a shortage of personal health services under Section 30(b)(3) or 330(b)(3) of the Public Health Service Act (PHS);
- A Health Professional Shortage Area (HPSA) designated under Section 332(a)(1)(A) of the PHS Act;
- An area which includes a population group designated as having a health professional shortage under Section 332(a)(1)(B) of the PHS Act; or
- An area designated by the chief executive officer (Governor) of the State and certified by the Secretary of Health and Human Services as an area with a shortage
 of personal health services.

In addition to the above criteria, RHCs must meet the additional staffing and health and safety requirements set forth by the Rural Health Clinic Services Act. To be a MO HealthNet RHC, a clinic must be certified by the Public Health Service, be certified for participation in Medicare, and be enrolled as a MO HealthNet provider. The RHC is then designated as either an independent or a provider-based RHC.

In order to be designated a provider-based RHC, the RHC must be an integral and subordinate part of a hospital, skilled nursing facility or home health agency. The provider-based RHC must also be under common licensure, governance and professional supervision with its parent provider. Hospital-based RHCs are reimbursed the lower of 100% of their usual and customary charges or their cost-to-charge ratio. The RHCs that are based in skilled nursing facilities and home health agencies are reimbursed their usual and customary charges multiplied by the lower of the Medicare RHC rate or the rate approved by the MO HealthNet Division.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

An independent RHC has no financial, organizational or administrative connection to a hospital, skilled nursing facility or home health agency. They are reimbursed a fee that is calculated either by dividing the lesser of their reasonable costs by their total number of encounters, or by multiplying the Medicare upper- payment limit by the number of MO HealthNet encounters. An annual audit of the Medicare cost report is reviewed by the Institutional Reimbursement Unit (IRU) within the MO HealthNet Division.

Nurse Practitioner

A nurse practitioner, or advanced practice nurse, is one who has had education beyond the basic nursing education and is certified by a nationally recognized professional organization as having a nursing specialty, or who meets criteria for advanced practice nurses established by the Missouri Board of Nursing. The Board of Nursing may promulgate rules specifying which professional nursing organization certifications are to be recognized as advanced practice nurses and may set standards for education, training and experience required for those without such specialty certification to become advanced practice nurses.

Numerous nurse practitioner specialties are recognized such as family, gerontology, clinical, obstetrics/GYN, neonatal, mental health, and certified registered nurse anesthetists. Reimbursement for nurse practitioner services are made on a fee-for-service basis. The level of reimbursement to the nurse practitioner is the same as that reimbursed to a physician for the same procedure. Nurse practitioners, or advanced practical nurses, may prescribe medications only through a collaborative agreement with a physician.

Nurse practitioner services involve the performance for compensation of any act which requires substantial specialized education, judgment, and skill based on knowledge and application of principles derived from the biological, physical, social and nursing sciences, including: a) responsibility for the teaching of health care and the prevention of illness to the patient and his/her family; b) assessment, nursing diagnosis, nursing care, and counsel of persons who are ill, injured or experiencing alterations in normal health processes; c) administration of medications and treatments as prescribed by a person licensed in this state to prescribe such medications and treatments; and d) coordination and assistance in the delivery of a plan of health care with all members of the health team.

The services of a nurse practitioner may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. Nurse practitioners are generally employed by physicians, but are not required to be employed by physicians.

Federally Qualified Health Clinic (FQHC)

The FQHC program was established by the Omnibus Budget Reconciliation Acts of 1989 (OBRA 89) and 1990 (OBRA 90). These laws designated certain community-based health care organizations as unique health care providers called Federally Qualified Health Centers. These laws establish a set of FQHC health care services that MO HealthNet and Medicare must cover for those beneficiaries who receive services from the FQHC and require the reimbursement of reasonable cost to the FQHC for such services.

By passing the FQHC legislation, Congress recognized the following two goals of the FQHC program:

- To provide adequate reimbursement to community-based primary health care organizations (FQHCs) so that they, in turn, may better serve a large number of MO
 HealthNet participants and/or provide more services, thus improving access to primary care.
- To enable FQHCs to use other resources previously subsidizing MO HealthNet to serve uninsured individuals who, although not eligible for MO HealthNet, have a difficult time obtaining primary care because of economic or geographic barriers.
- In order to qualify for FQHC status, a facility must receive or be eligible for a grant under Section 329, 330 or 340 of the Public Health Service Act, meet the requirements for receiving such a grant, or have been a Federally Funded Health Center as of January 1, 1990.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

1. What does this program do?

This program provides payment for professional services provided to MO HealthNet participants by physicians, nurse practitioners, clinics, lab and x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, federally qualified health centers, psychologists, professional counselors, licensed clinical social workers, health homes, asthma educators and in-home environmental assessors.

A general description of each of the MO HealthNet provider groups in the Physician Related Program is as follows:

Physician

Proper health care is essential to the general health and well-being of MO HealthNet participants. Physicians, including medical doctors and doctors of osteopathy, are typically the front line providers where MO HealthNet participants enter the state's health care system. They provide a myriad of health care services and tie the various parts of the health care system together.

Physician services are diagnostic, therapeutic, rehabilitative or palliative procedures provided by, and under the supervision of, a licensed physician who is practicing within the scope of practice allowed and is enrolled in the MO HealthNet program.

Physicians enrolled in the MO HealthNet program are identified by the specialty of medicine they practice. Specialties include: allergy immunology; anesthesiology; cardiology; dermatology; emergency medicine; family practice; general practice; general surgery; internal medicine; laryngology; nuclear medicine; neurological surgery; obstetrics/gynecology; ophthalmology; otology; otology; orthopedic surgery; pathology; pediatrics; physical medicine and rehabilitation; plastic surgery; preventive medicine; proctology; psychiatry; neurology; radiation therapy; radiology; rectal and colon surgery; rehabilitative medicine; rhinology; thoracic surgery; and urology.

The services of a physician may be administered in multiple settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility.

Services rendered by someone other than a physician, including appropriate supplies, are billable by the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision such as nurses, non-physician anesthetists, technicians, therapists and other aides. Beginning in FY16, physicians assistants may bill independently. Assistant physicians may receive Medicaid reimbursement for applicable services in Missouri once licensed by the Board of Healing Arts.

The majority of services provided by a physician are reimbursed on a fee schedule although a few services are reimbursed manually, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures, such as organ transplants, are only reimbursable with prior approval.

Periodic Screening Diagnosis Treatment /Healthy Children and Youth (EPSDT/HCY) program provides services to MO HealthNet participants who are infants, children, and youth under the age of 21 years with a primary and preventive care focus. Full, partial, and interperiodic health screenings; medical and dental examinations; immunizations; and medically necessary treatment services are covered. The goal of the MO HealthNet program is for each child to be healthy. This is achieved by the primary care provider who manages a coordinated, comprehensive, continuous health care program to address the child's primary health care needs. The program provides early and periodic medical or dental screening, diagnosis, and treatment to correct or improve defects and chronic conditions found during the screening.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

Clinic

Clinics offer preventive, diagnostic, therapeutic, rehabilitative or palliative services that are furnished by a facility that are not part of a hospital but are organized and operated to provide medical care to outpatients. Services furnished to outpatients include those furnished at the clinic by, or under the direction of, a physician and those services furnished outside the clinic by clinic personnel under the direction of a physician.

MO HealthNet reimbursement is made solely to the clinic. All health care professionals are employed by the clinic. Each provider offering health care services through the clinic, in addition to being employed by the participating clinic, must be a MO HealthNet provider. Health care providers at a clinic can include physicians, nurse practitioners, radiologists and other health professionals whose services are offered at the clinic. Clinics differ from RHCs and FQHCs in the type of services they provide and the reimbursement methodology.

Lab & X-Ray

Laboratory and x-ray facilities provide examination and radiology services under the physician program. Laboratories perform examinations of body fluids, tissues or organs by the use of various methods employing specialized equipment such as electron microscopes and radio-immunoassay. A clinical laboratory is a laboratory where microbiological, serological, chemical, hematological, radio bioassay, cytological, immunohematological or pathological examinations are performed on material derived from the human body to provide information for the diagnosis, prevention or treatment of a disease or assessment of a medical condition. Operations of a laboratory are generally directed by a pathologist.

X-ray facilities offer radiological services in which x-rays or rays from radioactive substances are used for diagnostic or therapeutic purposes. Such services include, but are not limited to, radium therapy; the use of radioisotopes for diagnostic or therapeutic purposes (e.g., in nuclear medicine); diagnostic tests such as aortograms, pyelograms, myelograms, arteriograms and venticulograms; imaging services; x-rays; and diagnostic ultra-sounds. These operations are generally directed by a radiologist.

Both laboratories and x-ray clinics are reimbursed on a fee schedule. Certain x-ray services are subject to prior approval.

Nurse Midwife

Nurse midwife services are those services related to the management and provision of care to a pregnant woman and her unborn/newborn infant by a certified nurse midwife. These services may be provided throughout the maternity cycle which includes pregnancy, labor and delivery and the initial postpartum period not to exceed six weeks. Covered services include antepartum care, delivery, post-partum care, newborn care, office visits, laboratory services and other services within the scope of practice of a nurse midwife. If there is any indication the maternity care is not for a normal uncomplicated delivery, the nurse midwife must refer the case to a physician.

Nurse midwives may also provide care outside of the maternity cycle such as family planning, counseling, birth control techniques and well-woman gynecological care including routine pap smears and breast examinations (Section 13605, OBRA 93). Nurse midwife services may also include services to the newborn, age 0 through 2 months, and any other MO HealthNet eligible female, age 15 and over.

Services furnished by a nurse midwife must be within the scope of practice authorized by federal and state laws or regulations and, in the case of inpatient or outpatient hospital services or clinic services, furnished by or under the direction of a nurse midwife only to the extent permitted by the facility.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

In order to qualify for participation in the MO HealthNet Nurse Midwife program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (APRN) in the state of Missouri and be currently certified as a nurse midwife by the American College of Nurse Midwives.

The services of a nurse midwife may be administered in a variety of settings including the provider's office, a hospital (inpatient or outpatient), the home of the participant (delivery and newborn care only) or a birthing center. Reimbursement for nurse midwife services is made on a fee-for-service basis and must be reasonable and consistent with efficiency, economy and quality of care as determined by MO HealthNet. MO HealthNet payment is the lower of the provider's actual billed charge, based on his/her usual and customary charge to the general public for the service, or the MO HealthNet maximum allowable amount per unit of service. The level of reimbursement to the nurse midwife is the same as that reimbursed to a physician for the same procedure.

Podiatry

Podiatrists provide medical, surgical and mechanical services for the foot or any area not above the ankle joint and receive MO HealthNet reimbursement for diagnostic, therapeutic, rehabilitative and palliative services which are within the scope of practice the podiatrist is authorized to perform. Most services provided by a podiatrist are reimbursed on a fee schedule although a few services are reimbursed manually, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case.

The following podiatry services are not covered for adults (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents): trimming of nondystrophic nails; debridement of one to five nails by any method; debridement of six or more nails by any method; partial or complete excision of the nail and nail matrix; and strapping of the ankle and/or foot.

The services of a podiatrist may be administered in the podiatrist's office, the participant's home (or other place of residence such as a nursing facility), a hospital (inpatient/outpatient), a medical clinic or ambulatory surgical care facility.

Certified Registered Nurse Anesthetist

CRNA services are those services related to the introduction and management of a substance into the body by external or internal means that causes loss of sensation with or without loss of consciousness. In order to qualify for participation in the MO HealthNet Certified Registered Nurse Anesthetist program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) or nurse practitioner in the state of Missouri and be currently certified as a CRNA by the Council on Certification of Nurse Anesthetists.

Reimbursement for CRNA services are made on a fee-for-service basis. The services of a CRNA may be administered in the provider's office, a hospital, nursing home or clinic and include the same scope of practice as that of an anesthesiologist. CRNAs are often employed by physicians (anesthesiologists), but are not required to be employed by a physician.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

Anesthesiologist Assistants (AA)

An AA is a person who works under the supervision of a licensed anesthesiologist and provides anesthesia services and related care. An AA shall practice only under the direct supervision of an anesthesiologist who is physically present or immediately available. A supervising anesthesiologist shall be allowed to supervise up to four AAs concurrently, consistent with 42 CFR 415.110. The name and mailing address of the supervising anesthesiologist must be submitted by an AA. An AA must be licensed by the Missouri Board of Healing Arts as set forth in 20 CSR 2150-9 and submit a copy to the MO HealthNet Division. An AA must practice within their scope of practice referenced in Section 334.402, RSMo. Reimbursement for AA services is made on a fee-for-service basis. An AA and a Certified Registered Nurse Anesthetist (CRNA) are not allowed to bill for the same anesthesia service.

Independent Diagnostic Testing Facility (IDTF)

These providers are independent of a hospital or a physician's office and offer medically necessary diagnostic tests. The IDTF may be a fixed location or a mobile entity. An IDTF must have one or more supervising physicians who are responsible for the direct and ongoing oversight of the quality of the testing performed, the proper operation and calibration of the equipment used to perform tests, and the qualification of non-physician personnel who use the equipment.

Rural Health Clinics (RHC)

The Rural Health Clinic Services Act of 1977 designated rural health clinics as health care providers. The Act became effective for MO HealthNet reimbursement on July 1, 1978. The Rural Health Clinic Services Act of 1977 extended benefits to cover health care services to under-served rural areas where access to traditional physician care had been difficult. In those areas, specifically trained practitioners furnish the health care services needed by the community.

Rural health clinics must be located in a rural area that is designated a shortage area for primary care. To be eligible for this designation, a clinic must be located in an area not identified as "urbanized" by the Bureau of the Census and designated as a shortage or under-served area by one of the following definitions:

- An area with a shortage of personal health services under Section 30(b)(3) or 330(b)(3) of the Public Health Service Act (PHS);
- A Health Professional Shortage Area (HPSA) designated under Section 332(a)(1)(A) of the PHS Act;
- An area which includes a population group designated as having a health professional shortage under Section 332(a)(1)(B) of the PHS Act; or
- An area designated by the chief executive officer (Governor) of the State and certified by the Secretary of Health and Human Services as an area with a shortage of personal health services.

In addition to the above criteria, RHCs must meet the additional staffing and health and safety requirements set forth by the Rural Health Clinic Services Act. To be a MO HealthNet RHC, a clinic must be certified by the Public Health Service, be certified for participation in Medicare, and be enrolled as a MO HealthNet provider. The RHC is then designated as either an independent or a provider-based RHC.

In order to be designated a provider-based RHC, the RHC must be an integral and subordinate part of a hospital, skilled nursing facility or home health agency. The provider-based RHC must also be under common licensure, governance and professional supervision with its parent provider. Hospital-based RHCs are reimbursed the lower of 100% of their usual and customary charges or their cost-to-charge ratio. The RHCs that are based in skilled nursing facilities and home health agencies are reimbursed their usual and customary charges multiplied by the lower of the Medicare RHC rate or the rate approved by the MO HealthNet Division.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

An independent RHC has no financial, organizational or administrative connection to a hospital, skilled nursing facility or home health agency. They are reimbursed a fee that is calculated either by dividing the lesser of their reasonable costs by their total number of encounters, or by multiplying the Medicare upper- payment limit by the number of MO HealthNet encounters. An annual audit of the Medicare cost report is reviewed by the Institutional Reimbursement Unit (IRU) within the MO HealthNet Division.

Nurse Practitioner

A nurse practitioner, or advanced practice nurse, is one who has had education beyond the basic nursing education and is certified by a nationally recognized professional organization as having a nursing specialty, or who meets criteria for advanced practice nurses established by the Missouri Board of Nursing. The Board of Nursing may promulgate rules specifying which professional nursing organization certifications are to be recognized as advanced practice nurses and may set standards for education, training and experience required for those without such specialty certification to become advanced practice nurses.

Numerous nurse practitioner specialties are recognized such as family, gerontology, clinical, obstetrics/GYN, neonatal, mental health, and certified registered nurse anesthetists. Reimbursement for nurse practitioner services are made on a fee-for-service basis. The level of reimbursement to the nurse practitioner is the same as that reimbursed to a physician for the same procedure. Nurse practitioners, or advanced practical nurses, may prescribe medications only through a collaborative agreement with a physician.

Nurse practitioner services involve the performance for compensation of any act which requires substantial specialized education, judgment, and skill based on knowledge and application of principles derived from the biological, physical, social and nursing sciences, including: a) responsibility for the teaching of health care and the prevention of illness to the patient and his/her family; b) assessment, nursing diagnosis, nursing care, and counsel of persons who are ill, injured or experiencing alterations in normal health processes; c) administration of medications and treatments as prescribed by a person licensed in this state to prescribe such medications and treatments; and d) coordination and assistance in the delivery of a plan of health care with all members of the health team.

The services of a nurse practitioner may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. Nurse practitioners are generally employed by physicians, but are not required to be employed by physicians.

Federally Qualified Health Clinic (FQHC)

The FQHC program was established by the Omnibus Budget Reconciliation Acts of 1989 (OBRA 89) and 1990 (OBRA 90). These laws designated certain community-based health care organizations as unique health care providers called Federally Qualified Health Centers. These laws establish a set of FQHC health care services that MO HealthNet and Medicare must cover for those beneficiaries who receive services from the FQHC and require the reimbursement of reasonable cost to the FQHC for such services.

By passing the FQHC legislation, Congress recognized the following two goals of the FQHC program:

- To provide adequate reimbursement to community-based primary health care organizations (FQHCs) so that they, in turn, may better serve a large number of MO HealthNet participants and/or provide more services, thus improving access to primary care.
- To enable FQHCs to use other resources previously subsidizing MO HealthNet to serve uninsured individuals who, although not eligible for MO HealthNet, have a difficult time obtaining primary care because of economic or geographic barriers.
- In order to qualify for FQHC status, a facility must receive or be eligible for a grant under Section 329, 330 or 340 of the Public Health Service Act, meet the requirements for receiving such a grant, or have been a Federally Funded Health Center as of January 1, 1990.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

FQHC services are initially reimbursed at 97% of the billed MO HealthNet FQHC covered charges. An annual audit of the MO HealthNet cost report is performed
by the Institutional Reimbursement Unit (IRU) to determine reasonable costs. A settlement is made to adjust the reimbursement to 100% of the reasonable costs
to provide MO HealthNet FQHC covered services.

Health Homes

Section 2703 of the ACA gives MO HealthNet the option to pay providers to coordinate care through a "health home" for individuals with chronic conditions. A health home is a "designated provider" or a health team that provides health home services to an individual with a chronic condition. A "designated provider" can be a physician, clinical practice or clinical group practice, rural clinic, community health center, home health agency, or any other entity or provider that is determined by MO HealthNet and approved by the Secretary of Health and Human Services to be a qualified health home. A team of health care professionals acting as a health home may include physicians and other professionals such as a nurse care coordinator, nutritionist or social worker. Health homes may be freestanding, virtual, or based at a hospital or other facility. Health home services include comprehensive care management, care coordination and health promotion, comprehensive transitional care from inpatient to other settings, patient and family support, and referral to community and social support services. Health homes are required to use "health information technology" to link services. Individuals who are eligible for health home services must have at least two chronic conditions or one chronic condition and the risk of having a second. Funding appropriated in FY 2016 for a medical and behavioral health home pilot project for foster children in the St. Louis region. The Children's Division and MO HealthNet working with partners in the St. Louis region will be developing a Health Home Pilot Project to more effectively coordinate health and mental health services for foster children.

Payment is made for start-up costs and lost productivity due to collaboration demands on staff not covered by other streams of payment. In addition, clinical care management per member per month (PMPM) payments will be made for the reimbursement of the cost of staff primarily responsible for delivery of services not covered by other reimbursement (Primary Care Nurses) whose duties are not otherwise reimbursable by MO HealthNet. Also, payment is made to practices for the value of the reduction in total health care PMPM cost, including the payments mentioned above, for the practice site's attributed MO HealthNet patients, relative to prior year experience.

Psychologists, Professional Counselors, and Licensed Clinical Social Workers

Medically necessary mental health services are available to MO HealthNet eligible children under the age of 21. Those services can be provided by psychologists, professional counselors and licensed clinical social workers. An adult may receive mental health services from a psychologist or from a licensed clinical social worker only if they are a member of a FQHC or RHC. Services provided by licensed professional counselors to adults in any setting are not reimburseable.

Psychologists and provisionally licensed psychologists provide testing and assessment, individual, family and group therapy and crisis intervention services to children and adults.

Licensed clinical social workers, provisionally licensed clinical social workers, licensed professional counselors, and provisionally licensed professional counselors provide assessment, individual, family and group therapy and crisis intervention services to children. Licensed clinical social workers and provisionally licensed clinical social workers may also provide these services to adults in the FQHC or RHC setting.

Asthma Educators and In-home Environmental Assessors -

Authority was added in FY15 to include these provider types. Pediatric MO HealthNet participants with a primary diagnosis of asthma who meet specific criteria indicating uncontrolled asthma may receive up to two asthma education services and two in-home environmental assessments per year.

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

A copayment, a portion of the providers' charges paid by the participant, is required on many physician services. Some participants or services are exempt from copay, including the following:

• participants under age 19;

- participants residing in a skilled nursing home, an intermediate care nursing home, a residential care home, an adult boarding home or a psychiatric hospital;
- participants who have both Medicare and Medicaid if Medicare covers the service and provides payment;
- participants who receive a transfer inpatient hospital admission;
- emergency services provided in an outpatient clinic or emergency room after the sudden onset of a medical condition if the absence of treatment could be expected to result in placing the patient's health in serious jeopardy, serious impairment to bodily functions or serious dysfunction of any bodily organ or part;
- certain therapy services, except when provided as an inpatient hospital service;
- services provided to pregnant women, blind recipients, managed care enrollees and foster care recipients;
- services identified as medically necessary through an Early Periodic Screening, Diagnostic and Treatment (EPSDT) screen;
- mental health services provided by community mental health facilities operated by the Department of Mental Health;
- family planning services;
- · hospice services; and
- some personal care services.

The copayment for clinic visits is \$0.50, the copayment for physician and nurse practitioners is \$1.00, and the copayment for FQHCs and RHCs is \$2.00. The copayment for podiatry is based on the lesser of the provider's usual charge for the service or the maximum allowable amount. For podiatry services, the copayment is \$0.50 for charges of \$10.00 or less, \$1.00 for \$10.01 to \$25.00, \$2.00 for \$25.01 to \$50.00, and \$3.00 for charges of \$50.01 or more.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.166; Federal law: Social Security Act Sections 1905(a)(2), (3), (5), (6), (9), (17), (21); 1905(r) and 1915(d); Federal regulations: 42 CFR 440.210, 440.500, 412.113(c) and 441 Subpart B.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

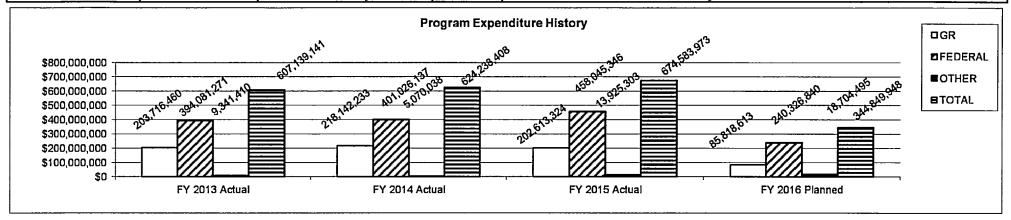
Yes, if the state elects to have a Medicaid program. (Some services are optional: podiatry; clinics; nurse practitioners; CRNA and certified nurse anesthetist.)

Department: Social Services HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275), Healthy Families Trust Fund (0625), Pharmacy Reimbursement Allowance (0144), and starting in FY16, Tax Amnesty Fund (0470).

7a. Provide an effectiveness measure.

Maintain or increase the ratio of participants who receive EPSDT screenings.

The Healthy Children and Youth (HCY) Program in Missouri is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program is also known as Early Periodic Screening, Diagnosis and Treatment (EPSDT). The HCY Program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening.

EPSDT Participant Ratio

*Federal Fiscal Year	Participants who should have received a screening	Participants who received at least one screening	Participant Ratio
2012	429,478	320,844	75%
2013	409,698	304,131	74%
2014	395,881	278,040	70%
**2015	395,881	278,040	70%
**2016	395,881	278,040	70%
**2017	395,881	278,040	70%

^{*}Based on federal fiscal year in which report was submitted to CMS.

^{**}Projected

Department: Social Services

Program Name: Physician Related

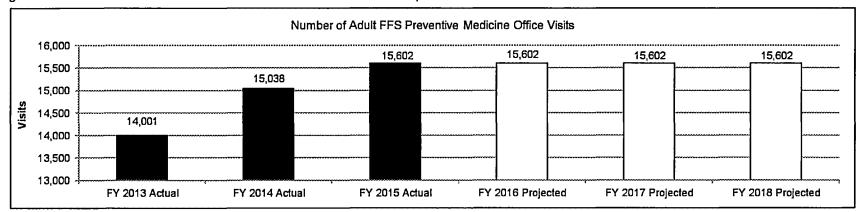
Program is found in the following core budget(s): Physician Related

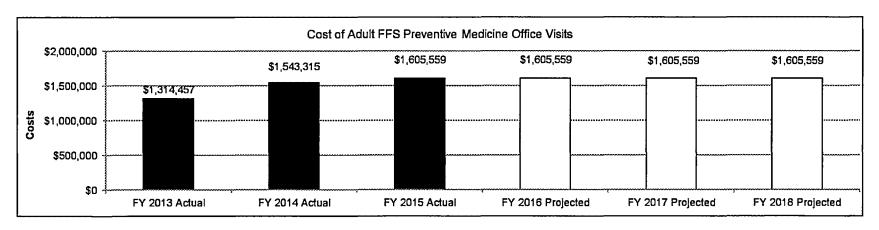
HB Sections: 11.455, 11.528

7b. Provide an efficiency measure.

Increase the number of adult preventive office visits.

MO HealthNet pays for one "preventive" examination/physical. Preventive visits are important for routine evaluation and management of adults for the maintenance of good health and a reduction in risk factors that could lead to more expensive health care costs.





Department: Social Services

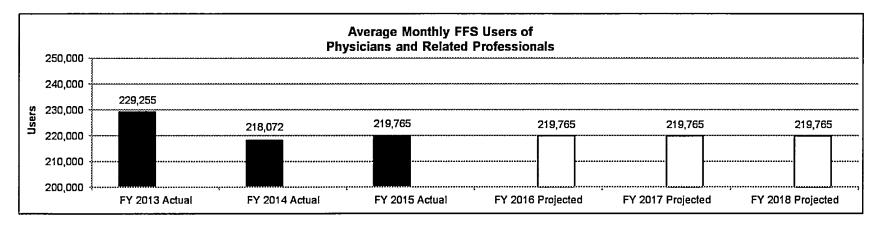
HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

7c. Provide the number of clients/individuals served, if applicable.

Proper health care is essential to the general health and well-being of MO HealthNet participants. Physician related services are typically the front line where MO HealthNet participants enter the state's health care system. Services are provided by physicians, psychologists, nurse practitioners, podiatrists, clinics, and x-ray and lab facilities.



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM NK: 23

OF

29

RANK:

Department: S Division: MO H					Budget Unit:	90544C			
	ed Behavioral An	alysis for ASD	EPSDT		DI#	1886013			
1. AMOUNT OF	REQUEST					-			
		FY 2017 Budg	et Request			FY 20	17 Governor's F	Recommendati	on
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	0	0	0	EE	0	. 0	0	0
PSD	4,426,654	7,642,638	0	12,069,292	PSD	4,438,120	7,631,172	0	12,069,292
TRF	0	0	0	0	TRF	0	0	0	0
Total	4,426,654	7,642,638	0	12,069,292	Total =	4,438,120	7,631,172	0	12,069,292
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
	udgeted in House			budgeted		s budgeted in Ho			es budgeted
directly to MoDC	T, Highway Patro	l, and Conserva	tion.		directly to Mo	DOT, Highway P	atrol, and Consei	vation.	
Other Funds:					Other Funds				
2. THIS REQUE	ST CAN BE CATE	EGORIZED AS:							
X	New Legislation Federal Mandate GR Pick-Up		_ _		New Program Program Expansion Space Request	=	Co	nd Switch est to Continue uipment Replac	rement
	Pay Plan		_		Other:	_	∟ц	шртеп терас	.cmcIIt

NDI SYNOPSIS: Funding is needed to provide medically necessary services for the treatment of Autism Spectrum Disorder. Guidance issued by the Center for Medicare and Medicaid Services (CMS) in early July 2014 requires states, effective immediately, to provide medically necessary services for Autism Spectrum Disorder (ASD) under Medicaid's EPSDT benefit for enrolled children aged 0 to 21. This guidance was issued, in part, to respond to various legal challenges faced by states which resulted in court-

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR

CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

ordered service provisions.

MO HealthNet requests funding to cover services for individuals with Autism Spectrum Disorder under section 1905(a)(4)(B) of the Social Security Act, the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit.

NEW DECISION ITEM

RANK:

23

OF

29

Department: Social Services Budget Unit: 90544C

Division: MO HealthNet

DI Name Applied Behavioral Analysis for ASD EPSDT DI# 1886013

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number

Guidance issued by the Center for Medicare and Medicaid Services (CMS) July 7, 2014 requires states, effective immediately, to provide medically necessary services

Applied Behavioral Analysis for Autism Spectrum Disorder - EPSDT Cost Per Participant Per Year

Service Description	MHD	-Annual C	ost Per
Diagnostic Evaluation	\$		420
Functional Behavioral Assessment	\$		593
Behavioral Treatment			
Treatment by Technician		\$	15,840
Treatment by Professional		\$	10,240
Behavioral Treatment Total	\$		26,080
Total Cost Per Participant Per Year	\$		27,093
Cost Per Participant Per Year	\$		27,093
Estimated Number of Eligibles FY 16			444
Total Annual Cost of Services	\$	1	2,029,292
ABA Consultant Cost			40,000
Total Annual Cost	\$	1	2,069,292
Physician Appropriation			
GR	\$		4,426,654
Federal	\$		7,642,638

^{*}The Governor recommended as requested.

NEW DECISION ITEM

RANK:

23

OF

29

Department: Social Services

Division: MO HealthNet

DI Name Applied Behavioral Analysis for ASD EPSDT

Budget Unit: 90544C

DI#

1886013

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS		0.0		0.0	 		0	0.0 0.0	
	_	0.0	•	5.5			0	0.0	
Total EE	0		0	_	,	-	0		
Program Distributions	4,426,654		7,642,638	_		_	12,069,292		
Total PSD	4,426,654	·	7,642,638			0	12,069,292	•	(
Transfers				_		_		_	
Total TRF	0	·	0			Ō	0	•	-
Grand Total	4,426,654	0.0	7,642,638	0.0		0.0	12,069,292	0.0	J
					Gov Rec		Gov Rec		Gov Rec
Budget Object Class/Job	Gov Rec GR	Gov Rec	Gov Rec FED	Gov Rec	OTHER	Gov Rec	TOTAL	Gov Rec	One-Time
Class	DOLLARS	GR FTE	DOLLARS	FED FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
							0	0.0 0.0	
Total PS		0.0	0	0.0		- 0.0	0	0.0 0.0	
		0.0		5.5			Ō	5.5	•
Total EE	0	·	0	_		-	0	•	
Program Distributions	4,438,120		7,631,172				12,069,292		
Total PSD	4,438,120	•	7,631,172	_	1	-	12,069,292	-	(
Transfers									
Total TRF	0	•	0	_	-	o –	0	-	
Grand Total	4,438,120	0.0	7,631,172	0.0		0.0	12,069,292	0.0	

NEW DECISION ITEM

RANK: 23

Department: Social Services Budget Unit: 90544C

Division: MO HealthNet

DI Name Applied Behavioral Analysis for ASD EPSDT DI# 1886013

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

OF

29

6a. Provide an effectiveness measure. 6b. Provide an efficiency measure.

N/A N/A

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
PHYSICIAN RELATED PROF	· · · · · · · · · · · · · · · · · · ·					· · · · · · · · · · · · · · · · · · ·		
ABA for Children with Autism - 1886013								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	12,069,292	0.00	12,069,292	0.00
TOTAL - PD	0	0.00	0	0.00	12,069,292	0.00	12,069,292	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$12,069,292	0.00	\$12,069,292	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$4,426,654	0.00	\$4,438,120	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$7,642,638	0.00	\$7,631,172	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

DECISION ITEM SUMMARY

Budget Unit				<u>_</u>						
Decision Item	FY 2015	F	Y 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017	
Budget Object Summary	ACTUAL	A	CTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC	
Fund	DOLLAR		FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	
PRIMARY CARE PRACTICE PILOT										
CORE										
PROGRAM-SPECIFIC										
GENERAL REVENUE		0	0.00	100,000	0.00	(0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER		0	0.00	300,000	0.00	(0.00	0	0.00	
TOTAL - PD		0	0.00	400,000	0.00		0.00	0	0.00	
TOTAL	<u> </u>	0	0.00	400,000	0.00	(0.00	0	0.00	
GRAND TOTAL	-	\$0	0.00	\$400,000	0.00	\$(0.00	\$0	0.00	

Department: Social Services

Budget Unit: 90851C

Division: MO HealthNet

Core: Primary Care Practice Pilot

HB Section: 11.456

GR	Federal	Other	Total					
			i utai		GR	Federal	Other	Total
				PS				
				EE				
0	0		0	PSD	0	0		0
				TRF				
0	0		0	Total	0	0		0
			0.00	FTE				0.00
0	0	0	0	Est. Fringe	0	0	0	0
		certain fringes b	udgeted directly		-	•	_	budgeted
ay Patrol, and (Conservation.			directly to MoDO	T, Highway Pa	trol, and Conserv	ation.	<u> </u>
				Other Funds:				
PTION	·····			· · · · · · · · · · · · · · · · · · ·				
	0 geted in House ay Patrol, and (0 0 geted in House Bill 5 except for any Patrol, and Conservation.	0 0 0 geted in House Bill 5 except for certain fringes bay Patrol, and Conservation.	0 0 0 0.00 0 0 0 0 geted in House Bill 5 except for certain fringes budgeted directly ay Patrol, and Conservation.	0 0 0 TRF 0 0 0 Total 0.00 FTE 0 0 0 0 0 Est. Fringe Note: Fringes budgeted directly ay Patrol, and Conservation. Other Funds:	0 0 0 TRF 0 0 0 Total 0 0.00 FTE O O O O	0 0 0 0 TRF 10 0 0 0 Total 0 0 Compared to the first of	0 0 0 PSD TRF 0 0 Total 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 Note: Fringes budgeted in House Bill 5 except for certain fringes directly to MoDOT, Highway Patrol, and Conservation. Other Funds:

3. PROGRAM LISTING (list programs included in this core funding)

Primary Care Practice Pilot.

Department: Social Services Division: MO HealthNet

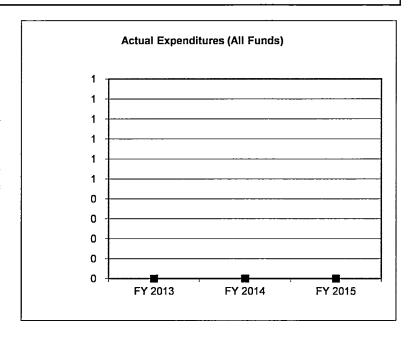
Budget Unit: 90851C

Core: Primary Care Practice Pilot

HB Section: 11.456

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	0	0	400,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0			N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

Program began in FY16

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PRIMARY CARE PRACTICE PILOT

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETO	ES		•						
			PD	0.00	100,000	300,000	(400,0	000
			Total	0.00	100,000	300,000	. (400,0	00
DEPARTMENT CO	RE ADJ	USTME	NTS						
Core Reduction	101	9399	PD	0.00	0	(300,000)	((300,00	00) Reduction of program
Core Reduction	101	9397	PD	0.00	(100,000)	0	((100,00	00) Reduction of program
NET D	EPARTI	MENT C	HANGES	0.00	(100,000)	(300,000)	((400,0	00)
DEPARTMENT CO	RE REQ	UEST							
			PD	0.00	0	0	()	0
			Total	0.00	0	0	()	0
GOVERNOR'S REC	OMME	NDED (CORE						
			PD	0.00	0	0	()	0
			Total	0.00	0	0	()	0

DECISION ITEM DETAIL

Budget Unit Decision Item	FY 2015 ACTUAL	FY 2015 ACTUAL	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC
Budget Object Class PRIMARY CARE PRACTICE PILOT	DOLLAR	FTE	DOLLAR	FIE	DOLLAR	FIE	DOLLAR	FTE
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	400,000	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	400,000	0.00	0	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$400,000	0.00	\$0	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$100,000	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$300,000	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Department: Social Services

HB Section: 11.456

Program Name: Primary Care Practice Pilot

Program is found in the following core budget(s): Primary Care Practice Pilot

1. What does this program do?

The Primary Care Practic Pilot program is designed to teach primary care practices how to provide coordination of care.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

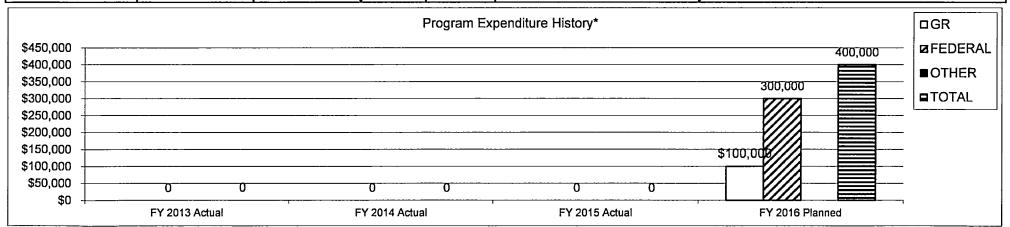
3. Are there federal matching requirements? If yes, please explain.

Yes. States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Program started in FY16.

Department: Social Services
Program Name: Primary Care Practice Pilot
Program is found in the following core budget(s): Primary Care Practice Pilot

6. What are the sources of the "Other" funds?
N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
DENTAL								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	4,966	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	4,966	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	5,091,981	0.00	837,204	0.00	837,204	0.00	185,189	0.00
TITLE XIX-FEDERAL AND OTHER	9,447,733	0.00	8,637,115	0.00	8,637,115	0.00	2,133,512	0.00
HEALTH INITIATIVES	69,027	0.00	71,162	0.00	71,162	0.00	71,162	0.00
TAX AMNESTY FUND	0	0.00	3,332,529	0.00	3,332,529	0.00	0	0.00
HEALTHY FAMILIES TRUST	848,773	0.00	848,773	0.00	<u>848,773</u>	0.00	848,773	0.00
TOTAL - PD	15,457,514	0.00	13,726,783	0.00	13,726,783	0.00	3,238,636	0.00
TOTAL	15,462,480	0.00	13,726,783	0.00	13,726,783	0.00	3,238,636	0.00
Tax Amnesty Fund Replacement - 0000016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	3,570,246	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	6,138,897	0.00
TOTAL - PD	0	0.00	0	0.00		0.00	9,709,143	0.00
TOTAL	0	0.00	0	0.00	0	0.00	9,709,143	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	591,477	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	252,718	0.00	1,080,904	0.00
TOTAL - PD	0	0.00		0.00	252,718	0.00	1,672,381	0.00
TOTAL	0	0.00	0	0.00	252,718	0.00	1,672,381	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,773	0.00	2,784	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	7,253	0.00	7,242	0.00

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DECISION ITEM SUMMARY

ABLE Accounts - 1886039								
PROGRAM-SPECIFIC FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	1,428	0.00	1,428	0.00
TOTAL - PD			0	0.00	11,454	0.00	11,454	0.00
TOTAL	0	0.00	0	0.00	11,454	0.00	11,454	0.00
FMAP Adjustment - 1886023								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	152,015	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	152,015	0.00
TOTAL	0	0.00	0	0.00	0	0.00	152,015	0.00
GRAND TOTAL	\$15,462,480	0.00	\$13,726,783	0.00	\$13,990,955	0.00	\$14,783,629	0.00

Department: Social Services

Budget Unit: 90546C

Division: MO HealthNet

Core: Dental

HB Section: 11.460

1	CORE FIN	ANCIAL	SHIMMAR	V

	FY 2017 Budget Request										
	GR	Federal	Other	Total							
PS EE	027 204	0.007.445	4.050.404	40 700 700							
PSD TRF	837,204	8,637,115	4,252,464	13,726,783							
Total	837,204	8,637,115	4,252,464	13,726,783							

	FY 20)17 Governor's F	Recommendatio	n
	GR	Federal	Other	Total
PS				
EE				
PSD	185,189	2,133,512	919,935	3,238,636
TRF	·	. ,	•	. ,
Total	185,189	2,133,512	919,935	3,238,636

FTE 0.00

FTE

0.00

Est. Fringe	0	0	0_	0
Note: Fringes	s budgeted in Hou	ise Bill 5 except fo	or certain fringes b	oudgeted directly
to MoDOT. H	ighway Patrol, and	d Conservation.		

Est. Fringe 0 0 0 0 0 Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)

Healthly Families Trust Fund (0625)

Tax Amnesty Fund (0470)

Other Funds: Health Initiatives Fund (HIF) (0275)

Healthly Families Trust Fund (0625)

Tax Amnesty Fund (0470)

2. CORE DESCRIPTION

This core request is for the continued funding of the dental fee-for-service program. Funding provides dental services for children, pregnant women, the blind, and nursing facility residents (including ICF/IID).

3. PROGRAM LISTING (list programs included in this core funding)

Dental Services

Department: Social Services Division: MO HealthNet

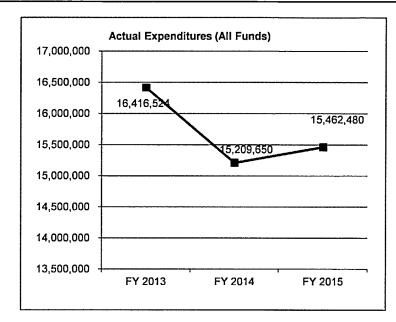
Budget Unit: 90546C

Core: Dental

HB Section: 11.460

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	20,313,841	18,363,160	66,100,009	66,100,009
Less Reverted (All Funds)	(2,135)	(17,135)	(2,135)	N/A
Less Restricted (All Funds)	0	0	(48,231,947)	N/A
Budget Authority (All Funds)	20,311,706	18,346,025	17,865,927	N/A
Actual Expenditures (All Funds)	16,416,524	15,209,650	15,462,480	N/A
Unexpended (All Funds)	3,895,182	3,136,375	2,403,447	N/A
Unexpended, by Fund: General Revenue Federal Other	0 3,895,182 0	1,098,464 1,653,437 384,474	17,300,000 30,431,947 0	N/A N/A N/A
		(1)	(2)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY14 Rural Dental Clinics Pilot \$485,000 GR and \$750,000 Federal project did not begin due to timeliness of funds being released. Agency reserves of an additional \$168,087 Federal due to match rate and \$384,474 Healthy Families Trust Fund due to lower revenue than anticipated and was offset with a GR supplemental for \$384,474.

(2) FY15 \$17,300,000 GR and corresponding federal match of \$30,431,947 for adult dental benefits restricted.

Department: Social Services
Division: MO HealthNet

Core: Dental

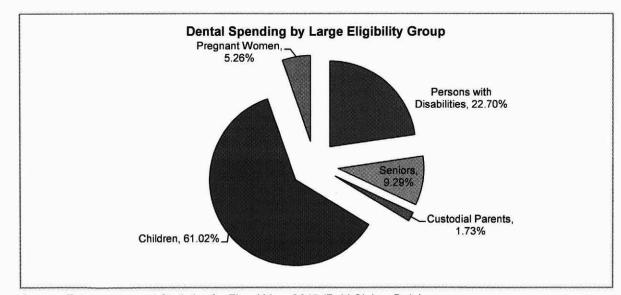
Budget Unit: 90546C

HB Section: 11.460

Cost Per Eligible - Per Member Per Month (PMPM)

	Dental PMPM*	Acute Care PMPM	Total PMPM	Dental Percentage of Acute	Dental Percentage of Total
PTD	\$1.71	\$1,074.20	\$1,961.17	0.16%	0.09%
Seniors	\$1.45	\$368.96	\$1,565.89	0.39%	0.09%
Custodial Parents	\$0.27	\$473.61	\$507.28	0.06%	0.05%
Children*	\$1.46	\$274.18	\$303.51	0.53%	0.48%
Pregnant Women	\$2.59	\$657.06	\$671.28	0.39%	0.39%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data)



Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data)

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending. PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for dental care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, inhome services, mental health services and state institutions. By comparing the dental PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for dental services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.

^{*} CHIP eligibles not included

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

DENTAL

5. CORE RECONCILIATION DETAIL

			Budget						
			Class	FTE	GR	Federal	Other	Total	Explanation
TAFP	AFTER VETO	DES							
			PD	0.00	837,204	8,637,115	4,252,464	13,726,783	
			Total	0.00	837,204	8,637,115	4,252,464	13,726,783	
DEPA	ARTMENT CO	RE REQUEST							
			PD	0.00	837,204	8,637,115	4,252,464	13,726,783	
			Total	0.00	837,204	8,637,115	4,252,464	13,726,783	
GOV	ERNOR'S AD	DITIONAL COR	E ADJUST	MENTS					-
-	Reduction	1617 9885	PD	0.00	0	0	(3,237,422)	(3,237,422)	Redux of one-time funding for FY16 rate increase
Core	Reduction	1617 9883	PD	0.00	0	0	(95,107)	(95,107)	Redux of one-time funding for FY16 rate increase
Core	Reduction	1617 9886	PD	0.00	0	(5,589,422)	0	(5,589,422)	Redux of one-time funding for FY16 rate increase
Core	Reduction	1617 9884	PD	0.00	0	(164,181)	0	(164,181)	Redux of one-time funding for FY16 rate increase
Core	Reduction	1755 8710	PD	0.00	0	(750,000)	0	(750,000)	Governor core reduction
Core	Reduction	1755 8709	PD	0.00	(500,000)	0	0	(500,000)	Governor core reduction
Core	Reduction	1788 8198	PD	0.00	(152,015)	0	0	(152,015)	FMAP adjustment
	NET G	OVERNOR CH	ANGES	0.00	(652,015)	(6,503,603)	(3,332,529)	(10,488,147)	
GOV	ERNOR'S RE	COMMENDED	CORE						
			PD	0.00	185,189	2,133,512	919,935	3,238,636	<u>-</u>
			Total	0.00	185,189	2,133,512	919,935	3,238,636	; -

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90546C		DEPARTMENT	Social Servi	ces
BUDGET UNIT NAME: Dental				
HOUSE BILL SECTION: 11.460		DIVISION: M	O HealthNet	
1. Provide the amount by fund of personal requesting in dollar and percentage terms provide the amount by fund of flexibility you	and explain why the flexib	ility is needed.	f flexibility is be	ing requested among divisions,
	DEPARTM	ENT REQUEST		
	Core	% Flex Fi	ex Requested Amount	
Total Program Request	\$13,467,495 \$13,467,495	25%	\$1,346,750 \$3,366,874	
Estimate how much flexibility will be us Year Budget? Please specify the amount.	ed for the budget year. Ho	ow much flexibili	ty was used in t	he Prior Year Budget and the Current
PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT CURRENT CURRENT CONTROL CONTRO	OUNT OF	FI	BUDGET REQUEST ESTIMATED AMOUNT OF LEXIBILITY THAT WILL BE USED
None. 3. Please explain how flexibility was used in th	H.B. 11 language allows for u between sections 11.410, 11. 11.465, 11.470, 11.485, 11.49 11.550, 11.555, and 11.595 a use of this section for manage	p to 10% flexibility 435, 11.455, 11.460 90, 11.505, 11.510, nd 25% flexibility fo	10% flexibility FFS and Mana	between sections and 25% flexibility between aged Care is being requested for FY 17.
PRIOR YEAR EXPLAIN ACTUAL U	SE			RRENT YEAR
None.			SS to provide cont to providers or part	inued Medicaid benefits without an interruption tial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
DENTAL								
CORE								
MISCELLANEOUS EXPENSES	4,966	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	4,966	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	15,457,514	0.00	13,726,783	0.00	13,726,783	0.00	3,238,636	0.00
TOTAL - PD	15,457,514	0.00	13,726,783	0.00	13,726,783	0.00	3,238,636	0.00
GRAND TOTAL	\$15,462,480	0.00	\$13,726,783	0.00	\$13,726,783	0.00	\$3,238,636	0.00
GENERAL REVENUE	\$5,096,947	0.00	\$837,204	0.00	\$837,204	0.00	\$185,189	0.00
FEDERAL FUNDS	\$9,447,733	0.00	\$8,637,115	0.00	\$8,637,115	0.00	\$2,133,512	0.00
OTHER FUNDS	\$917,800	0.00	\$4,252,464	0.00	\$4,252,464	0.00	\$919,935	0.00

Department: Social Services
Program Name: Dental

Program is found in the following core budget(s): Dental

HB Section: 11.460

1. What does this program do?

Dental services are typically those diagnostic, preventive and corrective procedures provided by a licensed dentist or dental hygienist performing within his/her scope of practice. The dentist must be enrolled in the MO HealthNet program. Generally, dental services include: treatment of the teeth and associated structure of the oral cavity; preparation, fitting and repair of dentures and associated appliances; and treatment of disease, injury or impairments that affect the general oral health of a participant.

For children under 21, pregnant women, the blind, and nursing facility residents (including ICF/IDD) covered services under the dental program include, in part, the following: examinations; fillings; sealants; prophylaxis; fluoride treatments; extractions; anesthesia; crowns; injections; oral surgery; periodontal treatment (in limited cases); pulp treatment; restoration; root canal therapy; x-rays; dentures (full or partial), denture adjustments or repairs, and denture duplication or relines. Orthodontic services, the field of dentistry associated with the correction of abnormally positioned or misaligned teeth, are available only to children under age 21 for the most severe malocclusions.

Since September 1, 2005, MO HealthNet has only covered dental services for adults age 21 and over (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents) if the dental care is related to trauma of the mouth, jaw, teeth or other contiguous sites as a result of injury or for the treatment of a medical condition without which the health of the individual would be adversely affected. Treatment for a medical condition requires a written referral from the participant's physician stating that the absence of dental treatment would adversely affect a stated pre-existing medical condition. Coverage for adults for services in tiers 1-6 is funded in FY 2016 with the Tax Amnesty Fund. For FY 2017, the on-going costs of these services will be funded through General Revenue recommended by the Governor as part of the Tax Amnesty Fund Replacement NDI.

For a dentist to participate in the MO HealthNet program as a provider, the dentist must be licensed by the Missouri Dental Board and have a signed Title XIX Participation Agreement. The services of a dentist may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. The fees paid to the provider are based on maximum allowable amounts identified on a fee schedule. Prior authorization is required for certain services, such as: orthodontic treatment; composite resin crowns; metallic and porcelain/ceramic inlay restorations; and high noble metal crowns.

A copayment, a portion of the providers' charges paid by the participant, is required on many dental services. Participants under age 19, hospice participants, participants who reside in nursing facilities, residential care facilities, psychiatric hospitals or adult boarding homes, and participants age 18-21 in foster care are exempt from copayments. The copayment, in accordance with title 42 Code of Federal Regulations part 447.54, is based on the lesser of the provider's usual charge for the service or the maximum allowable amount. The copayment is \$.50 for charges of \$10.00 or less, \$1.00 for \$10.01 to \$25.00, \$2.00 for \$25.01 to \$50.00 and \$3.00 for charges of \$50.01 or more. Generally, MHD reimburses the minimum amount allowed less any third-party liability (TPL) amounts.

Rate Change History:

- 7/1/2008: Maximum allowable reimbursement rates were increased to 38.5% of the 50th percentile of the usual and customary rate listed in the 2007 National Dental Advisory Service (NDAS) Comprehensive Fee Report.
- 7/1/2009: Maximum allowable reimbursement rates were increased to 38.75% of the 50th percentile of the usual and customary rate listed in the 2007 NDAS.
- 1/1/2016: 3% rate increase based on tax amnesty.

Department: Social Services HB Section: 11.460

Program Name: Dental

Program is found in the following core budget(s): Dental

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statute: RSMo. 208.152, 208.166; Federal law: Social Security Act Section 1905(a)(10); Federal regulation: 42 CFR 440.100

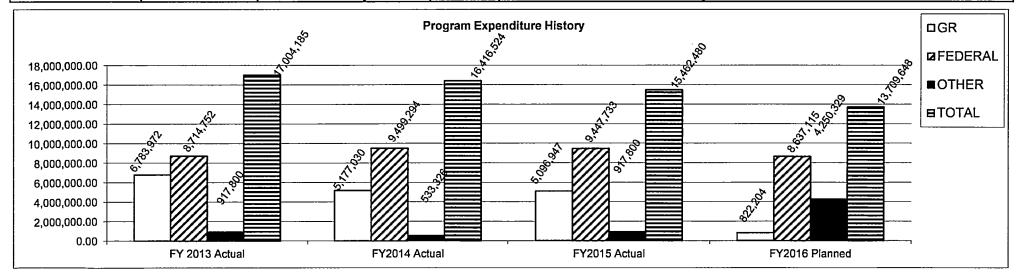
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63,323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

Yes, only for children.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275) and Healthy Families Trust Fund (0625).

Department: Social Services HB Section: 11.460

Program Name: Dental

Program is found in the following core budget(s): Dental

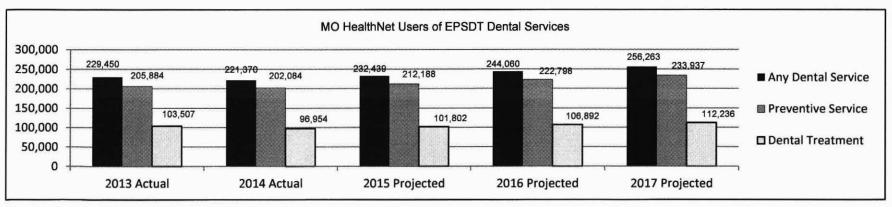
7a. Provide an effectiveness measure.

Maintain or increase the ratio of participants who receive EPSDT screenings. The purpose of the Early Periodic Screening Diagnosis and Treatment/ Healthy Children and Youth (EPSDT/HCY) program is to ensure a comprehensive, preventive health care program for Missouri. The HCY program provides early and periodic medical, dental, vision, and hearing screening, diagnosis and treatment to ameliorate defects and chronic conditions found during the screening. A dental screening is available to children from birth until they become 21 years of age.

EPSDT Participant Ratio

* Federal Fiscal Year	Participants Who Should Have Received a Screening	Participants Who Received At Least One Screening	Percent
2011 Actual	420,877	314,555	75%
2012 Actual	429,478	320,844	75%
2013 Actual	409,698	304,131	74%
2014 Actual	395,881	278,040	70%
2015 Projected	395,881	278,040	70%
2016 Projected	395,881	278,040	70%
2017 Projected	395,881	278,040	70%

^{*}Based on federal fiscal year in which report was submitted to CMS.



Note: Data includes both fee-for-service and Managed Care. Based on federal fiscal year in which report was submitted to CMS.

Department: Social Services

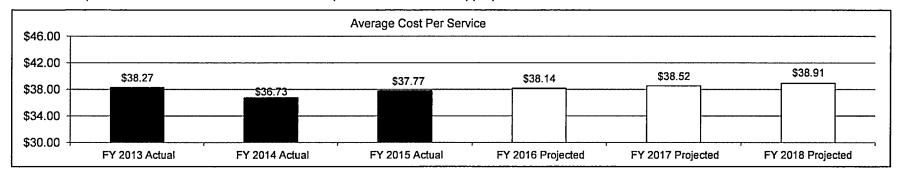
Program Name: Dental

Program is found in the following core budget(s): Dental

HB Section: 11.460

7b. Provide an efficiency measure.

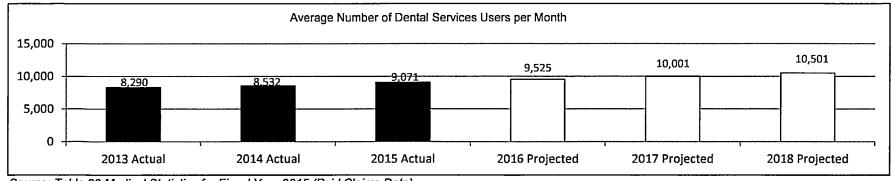
Provide adequate dental services to MO HealthNet recipients with the funds appropriated.



7c. Provide the number of clients/individuals served, if applicable.

Effective September 1, 2005 dental services are available only to children, pregnant women, the blind, and nursing facility residents (including ICF/IID). Dental services are available to other adults if the dental care was related to trauma or a disease/medical condition. Qualified Medicare Beneficiaries (QMB) are not eligible for dental services. In the regions of the state where managed care has been implemented, children and pregnant women have dental services available through the managed care health plans.

SB 577 (2007) provided medically necessary dental services for adults; however, funding was not appropriated until FY 2016 for these services. Coverage for adults for services in tiers 1-6 is funded in FY 2016 with the Tax Amnesty Fund.



Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data)

7d. Provide a customer satisfaction measure, if available.

DECISION ITEM SUMMARY

Budget Unit	· · · · · · · · · · · · · · · · · · ·					· · · · · · · · · · · · · · · · · · ·		
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PREMIUM PAYMENTS								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	70,214,205	0.00	65,720,861	0.00	65,720,861	0.00	64,859,707	0.00
TITLE XIX-FEDERAL AND OTHER	124,358,199	0.00	128,087,018	0.00	128,087,018	0.00	128,087,018	0.00
TOTAL - PD	194,572,404	0.00	193,807,879	0.00	193,807,879	0.00	192,946,725	0.00
TOTAL	194,572,404	0.00	193,807,879	0.00	193,807,879	0.00	192,946,725	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	6,598,374	0.00	9,476,755	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	13,082,283	0.00	17,541,504	0.00
TOTAL - PD	0	0.00	0	0.00	19,680,657	0.00	27,018,259	0.00
TOTAL	0	0.00	0	0.00	19,680,657	0.00	27,018,259	0.00
Premium Increase - 1886006								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	3,196,563	0.00	6,962,621	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	6,260,217	0.00	13,656,472	0.00
TOTAL - PD	0	0.00	0	0.00	9,456,780	0.00	20,619,093	0.00
TOTAL	0	0.00	0	0.00	9,456,780	0.00	20,619,093	0.00
FMAP Adjustment - 1886023								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	861,154	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	861,154	0.00
TOTAL	0	0.00	0	0.00	0	0.00	861,154	0.00
GRAND TOTAL	\$194,572,404	0.00	\$193,807,879	0.00	\$222,945,316	0.00	\$241,445,231	0.00

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im_disummary

Department: Social Services

Budget Unit: 90547C

Division: MO HealthNet Core: Premium Payments

HB Section: 11.465

1. CORE FINANCIAL SUMMARY	·		
	FY 2017	Budget	Request

		FY 2017 Buag	et Request	
	GR	Federal	Other	Total
PS				
EE				
PSD	65,720,861	128,087,018		193,807,879
TRF				
Total	65,720,861	128,087,018		193,807,879

	FY 2017 Governor's Recommendation									
	GR	Federal	Other	Total						
PS										
EE										
PSD	64,859,707	128,087,018		192,946,725						
TRF				•						
Total	64,859,707	128,087,018		192,946,725						

FTE 0.00

Est. Fringe 0 0 0 0 0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	0	0	0	0
Note: Fringe:	s budgeted in Hou	se Bill 5 except	for certain fringe:	s budgeted

directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Other Funds:

FTE

2. CORE DESCRIPTION

This core request is for the ongoing funding for premium payments for health insurance through the following MO HealthNet programs: Medicare Buy-In and the Health Insurance Premium Payment (HIPP) program.

3. PROGRAM LISTING (list programs included in this core funding)

Premium Payments Program:
Medicare Part A and Part B Buy-In
Health Insurance Premium Payment (HIPP) Program

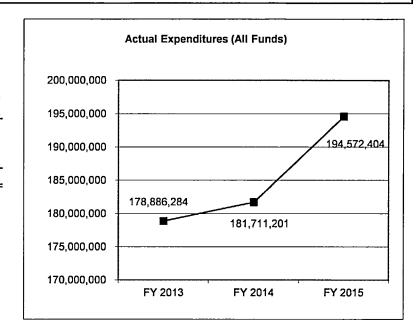
0.00

Department: Social Services Division: MO HealthNet Core: Premium Payments Budget Unit: 90547C

HB Section: 11.465

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	178,886,284	181,712,730	200,219,496	193,807,879
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	178,886,284	181,712,730	200,219,496	N/A
Actual Expenditures (All Funds)	178,886,284	181,711,201	194,572,404	N/A
Unexpended (All Funds)	0	1,529	5,647,092	N/A
Unexpended, by Fund: General Revenue Federal Other	0 0 0	581 948 0	0 5,047,092	N/A N/A N/A
	(1)	(2)		



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

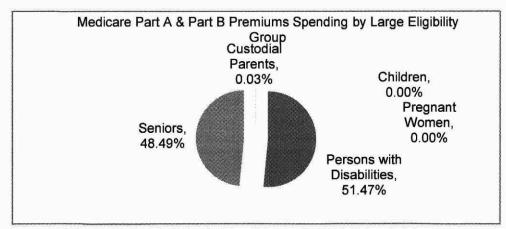
- (1) FY13 Expenditures of \$7,112,098 were paid out of the supplemental pool.
- (2) FY14 Expenditures of \$11,059,968 were paid out of the supplemental pool.

Department: Social Services
Division: MO HealthNet
Core: Premium Payments

Cost Per Eligible - Per Member Per Month (PMPM)

	Premium Payments PMPM*	Acute Care PMPM	Total PMPM	Premium Payments Percentage of Acute	Premium Payments Percentage of Total
PTD	\$52.09	\$1,074.20	\$1,961.17	4.85%	2.66%
Seniors	\$101.88	\$368.96	\$1,565.89	27.61%	6.51%
Custodial Parents	\$0.07	\$473.61	\$507.28	0.01%	0.01%
Children*	\$0.00	\$274.18	\$303.51	0.00%	0.00%
Pregnant Women	\$0.00	\$657.06	\$671.28	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data).



Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data).

Budget Unit: 90547C

HB Section: 11.465

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending. PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for premium payments, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does not include nursing facilities, inhome services, mental health services and state institutions. By comparing the premium payments PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for the Premium Payments core. It provides a snapshot of what eligibility groups participate, as well as the populations impacted by program changes.

^{*} CHIP eligibles not included

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

PREMIUM PAYMENTS

5. CORE RECONCILIATION DETAIL

		Budget	FTF	CD.	Fadaral	Other	Takal	Franks and a se
		Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETO	EŞ							
		PD	0.00	65,720,861	128,087,018	(193,807,87	9
		Total	0.00	65,720,861	128,087,018	(193,807,87	9 =
DEPARTMENT COR	E REQUEST							
		PD	0.00	65,720,861	128,087,018	(193,807,87	9
		Total	0.00	65,720,861	128,087,018	(193,807,87	9
GOVERNOR'S ADDI	ITIONAL COR	E ADJUST	MENTS					
Core Reduction	1789 8200	PD	0.00	(861,154)	0	((861,154	l) FMAP adjustmen
NET GO	OVERNOR CH	ANGES	0.00	(861,154)	0	((861,154	!)
GOVERNOR'S REC	OMMENDED (CORE						
		PD	0.00	64,859,707	128,087,018	(192,946,72	<u>5</u>
		Total	0.00	64,859,707	128,087,018	(192,946,72	<u>5</u>

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90547C		DEPARTM	ENT:	Social Serv	ices
BUDGET UNIT NAME: Premium					
HOUSE BILL SECTION: 11.465		DIVISION:	MO	HealthNet	
Provide the amount by fund of person requesting in dollar and percentage ter provide the amount by fund of flexibilit	ms and explain why the flexib	ility is need	ed. If f	lexibility is be	eing requested among divisions,
	DEPARTMI	ENT REQUES	т		
	Core	% Flex Requested		Requested Amount	
Total Program Request	\$193,807,879 \$193,807,879	10% 25%	\$48,4	9,380,788 451,969.75	
2. Estimate how much flexibility will be Year Budget? Please specify the amou		ow much fle	xibility	was used in t	the Prior Year Budget and the Current
PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USE	CURRENT ESTIMATED AM D FLEXIBILITY THAT I	OUNT OF	D	F	BUDGET REQUEST ESTIMATED AMOUNT OF LEXIBILITY THAT WILL BE USED
None. 3. Please explain how flexibility was used i	H.B. 11 language allows for u between sections 11.410, 11. 11.465, 11.470, 11.485, 11.49 11.550, 11.555, and 11.595 a use of this section for manage	p to 10% flexil 435, 11.455, 1 90, 11.505, 11 and 25% flexib	oility 1.460, .510,	10% flexibility	between sections and 25% flexibility between aged Care is being requested for FY 17.
3. Please explain now flexibility was used i	n the prior and/or current years.				
PRIOR YEA EXPLAIN ACTUA					RRENT YEAR IN PLANNED USE
None.				S to provide con providers or par	tinued Medicaid benefits without an interruption rtial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item Budget Object Class	ACTUAL DOLLAR	ACTUAL FTE	BUDGET DOLLAR	BUDGET FTE	DEPT REQ DOLLAR	DEPT REQ FTE	GOV REC DOLLAR	GOV REC
PREMIUM PAYMENTS	DOLLAR	F1E	DOLLAR	FIE	DOLLAR	FIE	DOLLAR	FTE
CORE								
PROGRAM DISTRIBUTIONS	194,572,404	0.00	193,807,879	0.00	193,807,879	0.00	192,946,725	0.00
TOTAL - PD	194,572,404	0.00	193,807,879	0.00	193,807,879	0.00	192,946,725	0.00
GRAND TOTAL	\$194,572,404	0.00	\$193,807,879	0.00	\$193,807,879	0.00	\$192,946,725	0.00
GENERAL REVENUE	\$70,214,205	0.00	\$65,720,861	0.00	\$65,720,861	0.00	\$64,859,707	0.00
FEDERAL FUNDS	\$124,358,199	0.00	\$128,087,018	0.00	\$128,087,018	0.00	\$128,087,018	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

Department: Social Services HB Section: 11.465

Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

1. What does this program do?

This program pays for health insurance premiums for eligible participants. Payments include premiums for Medicare Part A, Medicare Part B, and group health insurance premiums provided pursuant to the Health Insurance Premium Payment (HIPP) program. Payment of these premiums allows for MO HealthNet to transfer medical costs from the MO HealthNet program to Medicare and other payers.

Beneficiary Categories

- Hospital insurance—Medicare Part A—helps pay for inpatient care in a hospital or skilled nursing facility (following a hospital stay), hospice, and some home health care.
- Medical insurance—Medicare Part B—helps pay for doctors' services and many other medical services and supplies that are not otherwise covered by hospital insurance.
- Qualified Medicare Beneficiaries (QMBs) are Medicare recipients whose income is between 85% and 100% of the FPL. MO HealthNet pays both Part B Premiums and some Part A premiums and co-pays and deductibles for Medicare approved services.
- Specified Low Income Medicare Beneficiary (SLMB) is a Medicare recipient whose income is between 100% and 120% of the FPL. MO HealthNet pays only Part B premiums.
- Qualifying Individual (QI) is a Medicare recipient whose income is between 120% and 135% of the FPL. MO HealthNet pays only Part B premiums.

Medicare Buy-In

The purpose of buy-in is to permit the state, as part of its total assistance plan, to provide Medicare protection to certain groups of eligible individuals. The Medicare Buy-in Program allows states to enroll certain groups of eligible individuals in the Medicare Part A and Part B program and pay their premiums to transfer medical costs from the Title XIX Medicaid program to the Medicare program - Title XVIII. This process allows the state to realize cost savings through substitution of Medicare liability for the majority of the medical costs before a provider may seek reimbursement for the remaining uncompensated portion of the services. Missouri holds two types of buy-in agreements - "1634 agreements" and "209b". States with "1634 agreements" have the same Medicaid eligibility standards as the Supplemental Security Income (SSI) program. States with more restrictive eligibility standards for Medicaid are "209b" states. The "209b" states make their own buy-in determinations. Missouri is a "209b" state. The buy-in for Part A began in FY 1990 (September 1989). The Part B buy-in has been a MO HealthNet service since January 1968.

Department: Social Services HB Section: 11.465

Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

Medicare Part A, Part B, and Qualified Individual Premiums (per month)

	Part A	Part B & QI
CY06	\$393.00	\$88.50
CY07	\$410.00	\$93.50
CY08	\$423.00	\$96.40
CY09	\$443.00	\$96.40
CY10	\$461.00	\$110.50
CY11	\$450.00	\$115.40
CY12	\$451.00	\$99.90
CY13	\$441.00	\$104.90
CY14	\$426.00	\$104.90
CY15	\$407.00	\$104.90

Health Insurance Premium Payment

The purpose of the Health Insurance Premium Payment (HIPP) program is to pay for the cost of commercial or employer sponsored health insurance including premiums, coinsurance, and deductibles instead of the full cost of MO HealthNet benefits. The program pays for health insurance for MO HealthNet eligibles when it is determined to be "cost effective". "Cost effective" means that it costs less to buy other health insurance to cover medical care than to pay for the same services with MO HealthNet funds. Cost effectiveness is determined by comparing the cost of the medical coverage (includes premium payments, coinsurance, and deductibles) with the average cost of each MO HealthNet eligible person in the household. The average cost of each MO HealthNet participant is calculated based on the previous year's MO HealthNet expenditures with like demographic data: age; sex; geographic location (county); type of assistance (MO HealthNet for Families - MAF, Old Age Assistance - OAA, and disabled); and the types of services covered by the group insurance. The HIPP program has been a MO HealthNet program since September 1992.

Provisions of Omnibus Budget Reconciliation Act of 1990 (OBRA 90) require states to purchase group health insurance (such as an employer sponsored insurance) for an eligible MO HealthNet participant when it is more cost-effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo 208.153; Federal law: Social Security Act Section 1905(p)(1), 1902(a)(10) and 1906; Federal Regulation: 42 CFR 406.26 and 431.625

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the annual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%. 100% federal funds for QI.

Department: Social Services HB Section: 11.465

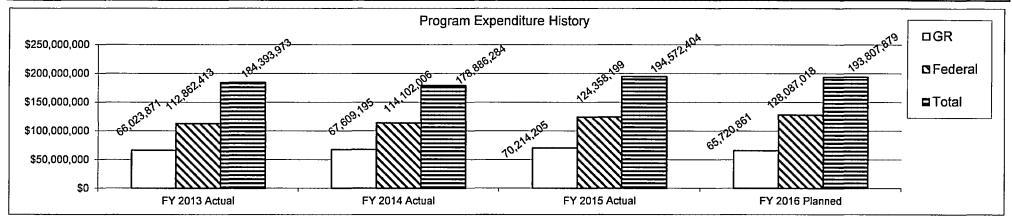
Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

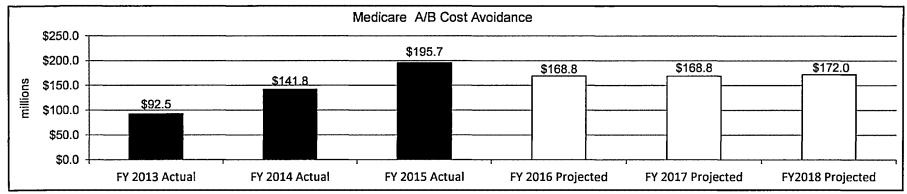
Department: Social Services HB Section: 11.465

Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

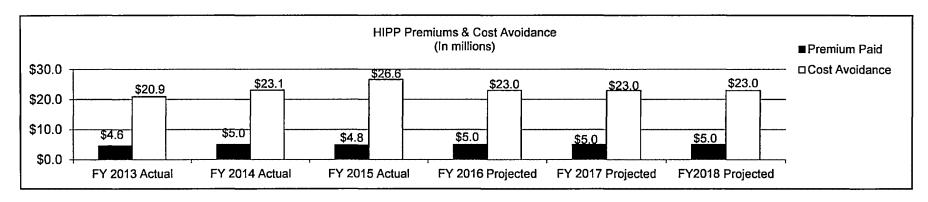
7a. Provide an effectiveness measure.

Increase cost avoidance by paying Medicare premiums for dual eligibles. By paying Medicare premiums for dual eligibles, the MO HealthNet avoided over \$195.7 million in SFY 2015 as shown in the chart below



7b. Provide an efficiency measure.

Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for MO HealthNet eligibles when it is cost effective to do so. In FY15, the MO HealthNet Division paid \$4.8 million for health insurance premiums, coinsurance and deductibles and avoided \$26.6 million in costs.



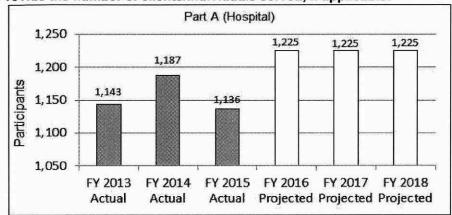
Department: Social Services

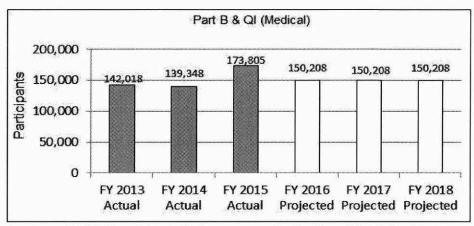
Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

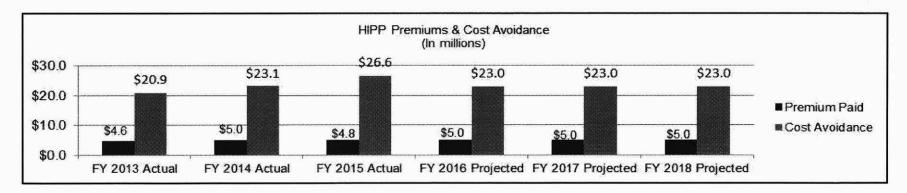
HB Section: 11.465

7c. Provide the number of clients/individuals served, if applicable.





Increase of FY2015 participants is due to processing backlog of Part B Participants.



Participants:

Part A (Hospital) premium payments can be made for Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals.

Part B (Medical) premium payments can be made for Individuals meeting certain income standards, QMBs, and Specified Low-Income Medicare Beneficiaries.

HIPP: Provisions of OBRA 90 require states to purchase group health insurance for a MO HealthNet participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

7d. Provide a customer satisfaction measure, if available.

RANK:

17 OF:

29

Department: Social Services

Budget Unit: 90547C

Division: MO HealthNet

DI Name: Medicare Premium Increases

DI#: 1886006

1. AMOUNT	OF REQUEST		· · · · · · · · · · · · · · · · · · ·	<u></u>			<u> </u>		
		FY 2017 Budg	et Request			FY 2	2017 Governor's	Recommendatio	n
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	0	0	0	EE	0	0	0	0
PSD	3,196,563	6,260,217	0	9,456,780	PSD	6,962,621	13,656,472	0	20,619,093
TRF	0	0	0	0	TRF	0	0	0	0
Total	3,196,563	6,260,217	0	9,456,780	Total	6,962,621	13,656,472	0	20,619,093
	0 s budgeted in Hou DOT, Highway Pa			0.00 0 s budgeted		0 budgeted in Hous ghway Patrol, and		0 certain fringes bu	0.00 O dgeted directly
Other Funds:		ATECODITED A			Other Funds:	·····	····		
Z. THIS REQ	UEST CAN BE CA	A I EGURIZED A	<u>s:</u>						
x	New Legislation Federal Mandate					 n		und Switch cost to Continue	
	GR Pick-Up		_		Program Expansio Space Request	_		quipment Replace	ement
	_Pay Plan			(Other:				

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is requested for anticipated Medicare Part A and Part B increases.

Federal law mandates that the Medicare Part A and Part B premiums cover a certain percentage of the cost of the Medicare program. Medicare Part A and Part B premiums are adjusted each January. Current premium rates (effective January 2015) are \$407 per month for Part A and \$104.90 per month for Part B. MO HealthNet projects the Part A premium to increase \$4 beginning January 2016 and \$5 in January 2017. Part B premium rates are projected to increase \$16.90 beginning January 2016 and another \$5 each in January 2017. This request is for six months of funding for the calendar year 2016 premium increase and six months of funding for the expected premium increase for calendar year 2017.

The Federal Authority is Social Security Act Section 1905(p)(1), 1902(a)(10), and 1906 and Federal Regulations 42 CFR 406.26 and 431.625. The State Authority is RSMo 208.153.

RANK: 17 OF: 29

Department: Social Services Budget Unit: 90547C

Division: MO HealthNet

DI Name: Medicare Premium Increases DI#: 1886006

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Projected participants are based on historical data. The projected premium increases are based on the average increases in premiums for the last few years as well as other information sources. The federal matching rate used is the blended FY16 FMAP of 63.32%. States are only required to pay the federal share for QIs (Qualified Individual). A QI is an individual with income between 120% and 135% of the federal poverty level with assets of \$6,000 per individual and \$9,000 per couple indexed each year according to Consumer Price Index.

Department Request:		Part A	Part B	QI	Governor's Recommendation	on:	Part A	Part B	QI
Eligibles per month (FY	′16)	1,179	144,076	12,358	Eligibles per month (FY16)	-	1,179	144,076	12,358
Premium Increase (1/1	6)	\$5.00	\$5.00	\$5.00	Premium Increase (1/16)		\$4.00	\$16.90	\$16.90
. Premium Increase (1/1	7)	\$5.00	\$5.00	\$5.00	Premium Increase (1/17)		\$5.00	\$5.00	\$5.00
Calendar Year 2016 Inc	crease:				Calendar Year 2016 Increase	<u>:</u>			
Average eligibles per m	nonth	1,179	144,076	12,358	Average eligibles per month		1,179	144,076	12,358
Premium increase for 2	2016	\$5.00	\$5.00	\$5.00	Premium increase for 2016		\$4.00	\$16.90	\$16.90
Number of months to in	ncrease	6	6	6	Number of months to increas	e	6	6	6
Projected increase 7/16	5 - 12/16 —	35,370	4,322,280	370,740	Projected increase 7/16 - 12/	16	28,296	14,609,306	1,253,101
Calendar Year 2017 Inc	crease:				Calendar Year 2017 Increase	<u>ı:</u>			
Average eligibles per m	nonth	1,179	144,076	12,358	Average eligibles per month	_	1,179	144,076	12,358
Premium increase for 2	2017	\$5.00	\$5.00	\$5.00	Premium increase for 2017		\$5.00	\$5.00	\$5.00
Number of months to in	ncrease	6	6	6	Number of months to increase	e	6	6	6
Projected increase 1/17	7 - 6/17	35,370	4,322,280	370,740	Projected increase 1/17 - 6/1	7	35,370	4,322,280	370,740
Total		\$70,740	\$8,644,560	\$741,480	Total		\$63,666	\$18,931,586	\$1,623,841
Г	Total	GR	Federal			Total	GR	Federal	
Part A Request	70,740	25,950	44,790		Part A Request	63,666	\$23,358	\$40,308	
Part B Request	8,644,560	3,170,613	5,473,947		Part B Request	18,931,586	\$6,939,263	\$11,992,323	
Part B QI	741,480		741,480	Fed. only	Part B QI	1,623,841	\$0	\$1,623,841	Fed. only
Total	\$9,456,780	\$3,196,563	\$6,260,217		Total	20,619,093	\$6,962,621	\$13,656,472	

RANK:

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OF:

29

Department: Social Services

Budget Unit: 90547C

Division: MO HealthNet

DI Name: Medicare Premium Increases

DI#: 1886006

5. BREAK DOWN THE REQUEST I	BY BUDGET OF	SJECT CLASS,	JOB CLASS, A	ND FUND SC	OURCE. IDENT	TIFY ONE-TIME	COSTS.		
Durturat Object Observation Observation			Dept Req FED		Dept Req OTHER	Dept Req	Dept Req TOTAL	Dept Req	Dept Req One-Time
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FED FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0	•	0	- !	0	-	0
Program Distributions Total PSD	3,196,563 3,196,563		6,260,217 6,260,217		0 0		9,456,780 9,456,780		0
Transfers									
Total TRF	0	•	0	•	0	•	0	-	0
Grand Total	3,196,563	0.0	6,260,217	0.0	0	0.0	9,456,780	0.0	0
5. BREAK DOWN THE REQUEST I	BY BUDGET OF	SJECT CLASS,	JOB CLASS, A	ND FUND SC	URCE. IDENT	TIFY ONE-TIME	COSTS.		
			Gov Rec		Gov Rec		Gov Rec		Gov Rec
	Gov Rec GR	Gov Rec GR	FED	Gov Rec	OTHER	Gov Rec	TOTAL	Gov Rec	One-Time
Budget Object Class/Job Class	DOLLARS	FTE	DOLLARS	FED FTE	DOLLARS	OTHER FTE	DOLLARS	TOTAL FTE	DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0	•	0	-	0	•	0	-	0
Program Distributions Total PSD	6,962,621 6,962,621		13,656,472 13,656,472	-	0		20,619,093 20,619,093		
Transfers Total TRF	0		0		0		0		0
Grand Total	6,962,621	0.0	13,656,472	0.0	0	0.0	20,619,093	0.0	0

RANK: 17 OF: 29

Department: Social Services

Budget Unit: 90547C

Division: MO HealthNet

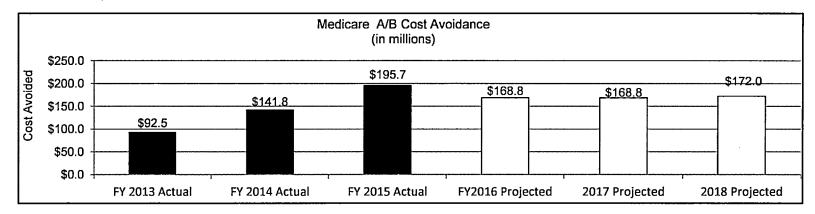
DI Name: Medicare Premium Increases

DI#: 1886006

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

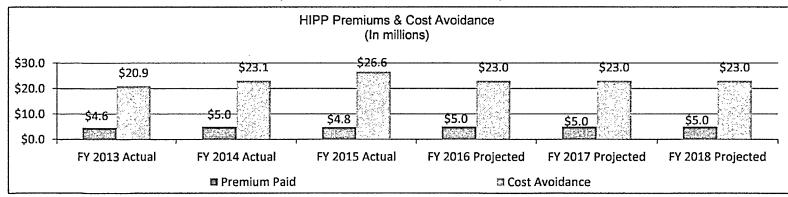
6a. Provide an effectiveness measure.

Effectiveness Measure: Increase cost avoidance by paying Medicare premiums for dual eligible's. By paying Medicare premiums for dual eligible's, the MO HealthNet avoided over \$195.7 million in SFY 2015 as shown in the chart below.



6b. Provide an efficiency measure.

Efficiency Measure: Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for Mo HealthNet eligible's when it is cost effective to do so. In FY15, the MO HealthNet Division paid \$4.8 million for health insurance premiums, coinsurance and deductibles and avoided \$26.6 million in costs.



RANK:

17

OF:

29

Department: Social Services

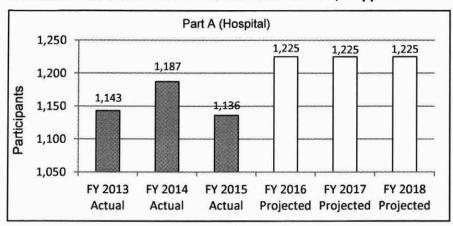
Division: MO HealthNet

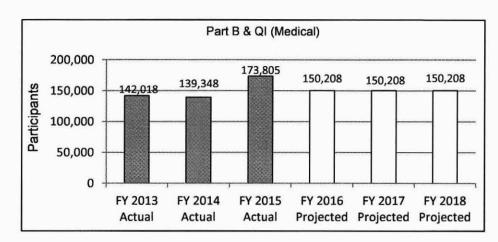
DI Name: Medicare Premium Increases

Budget Unit: 90547C

DI#: 1886006

6c. Provide the number of clients/individuals served, if applicable.





Participants: Part A (Hospital) premium payments can be made for: Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals. Part B

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item Budget Object Class	ACTUAL ACTUAL BUDGET BUDGET DEPT REQ DEPT REQ GOV RE DOLLAR FTE DOLLAR FTE DOLLAR FTE DOLLAR		DOLLAR	GOV REC FTE				
PREMIUM PAYMENTS								
Premium Increase - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	9,456,780	0.00	20,619,093	0.00
TOTAL - PD	0	0.00	0	0.00	9,456,780	0.00	20,619,093	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$9,456,780	0.00	\$20,619,093	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,196,563	0.00	\$6,962,621	0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$6,260,217	0.00	\$13,656,472	0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00

DECISION ITEM SUMMARY

Budget Unit				·				·
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
NURSING FACILITIES								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	136,285,830	0.00	142,097,015	0.00	142,097,015	0.00	142,097,015	0.00
TITLE XIX-FEDERAL AND OTHER	353,057,729	0.00	388,426,892	0.00	388,426,892	0.00	375,246,180	0.00
UNCOMPENSATED CARE FUND	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00
THIRD PARTY LIABILITY COLLECT	2,592,981	0.00	6,992,981	0.00	6,992,981	0.00	6,992,981	0.00
NURSING FACILITY FED REIM ALLW	9,134,756	0.00	9,134,756	0.00	9,134,756	0.00	9,134,756	0.00
TAX AMNESTY FUND	0	0.00	6,746,884	0.00	6,746,884	0.00	0	0.00
HEALTHY FAMILIES TRUST	17,973	0.00	17,973	0.00	17,973	0.00	17,973	0.00
TOTAL - PD	559,605,747	0.00	611,932,979	0.00	611,932,979	0.00	592,005,383	0.00
TOTAL	559,605,747	0.00	611,932,979	0.00	611,932,979	0.00	592,005,383	0.00
Tax Amnesty Fund Replacement - 0000016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	9,259,911	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	15,922,051	0.00
TOTAL - PD	0	0.00		0.00	0	0.00	25,181,962	0.00
TOTAL	0	0.00	0	0.00	0	0.00	25,181,962	0.00
FMAP Adjustment - 1886023								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,533,692	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	1,533,692	0.00
TOTAL	0	0.00	0	0.00	0	0.00	1,533,692	0.00
GRAND TOTAL	\$559,605,747	0.00	\$611,932,979	0.00	\$611,932,979	0.00	\$618,721,037	0.00

im_disummary

Department: Social Services

Budget Unit: 90549C

Division: MO HealthNet Core: Nursing Facilities

HB Section: 11.470

I. CORE FII	NANCIAL SUMMA	FY 2017 Budg	et Request			FY	2017 Governor's	Recommendat	ion
	GR	Federal	Other	Total	İ	GR	Federal	Other	Total
PS EE PSD	142,097,015	388,426,892	81,409,072	611,932,979	PS EE PSD	142,097,015	375,246,180	74,662,188	592,005,383
TRF Total	142,097,015	388,426,892	81,409,072	611,932,979	TRF Total	142,097,015	375,246,180	74,662,188	592,005,383
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
	s budgeted in Hous lighway Patrol, and		certain fringes bu	idgeted directly		•	use Bill 5 except Patrol, and Conser	~	s budgeted
Other Funds: Uncompensated Care Fund (UCF) (0108) Healthy Families Trust Fund (HFTF) (0625) Third Party Liability Collections Fund (TPL) (0120) Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)						Uncompensated Healthy Families	Care Fund (UCF)		

2. CORE DESCRIPTION

This core is for ongoing funding for payments for long-term nursing care for MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Tax Amnesty Fund (0470)

Nursing Facilities

Department: Social Services Division: MO HealthNet

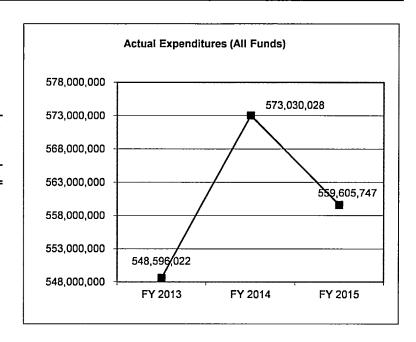
Budget Unit: 90549C

HB Section: 11.470

4. FINANCIAL HISTORY

Core: Nursing Facilities

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds) Less Reverted (All Funds)	552,824,449 -	577,493,965 0	559,605,747 0	611,932,979 N/A
Less Restricted (All Funds)				
Budget Authority (All Funds)	552,824,449	577,493,965	559,605,747	N/A
Actual Expenditures (All Funds)	548,596,022	573,030,028	559,605,747	N/A
Unexpended (All Funds)	4,228,427	4,463,937	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	2,239,957	1,870,956	0	N/A
Other	1,988,470	2,592,981	0	N/A
			(1)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 Decrease is due to \$16.7 million transfer to DMH and \$7 million core realloction to Pharmacy.

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

Budget Unit: 90549C

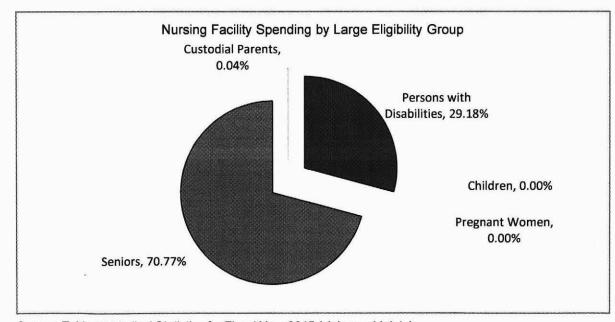
HB Section: 11.470

Cost Per Eligible - Per Member Per Month (PMPM)

	Nursing Facility PMPM*	Acute Care PMPM	Total PMPM	Nursing Facility Percentage of Acute	Nursing Facility Percentage of Total
PTD	\$163.33	\$1,074.20	\$1,961.17	15.20%	8.33%
Seniors	\$822.48	\$368.96	\$1,565.89	222.92%	52.52%
Custodial Parents	\$0.47	\$473.61	\$507.28	0.10%	0.09%
Children*	\$0.00	\$274.18	\$303.51	0.00%	0.00%
Pregnant Women	\$0.00	\$657.06	\$671.28	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (claims paid data). Add-on payments funded from FRA provider tax not included.

^{*} CHIP eligibles not included



Source: Table 23 Medical Statistics for Fiscal Year 2015 (claims paid data).

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES NURSING FACILITIES

5. CORE RECONCILIATION DETAIL

		Budget						
		Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VET	OES							
		PD	0.00	142,097,015	388,426,892	81,409,072	611,932,979	
		Total	0.00	142,097,015	388,426,892	81,409,072	611,932,979	-
DEPARTMENT CO	RE REQUEST							<u>.</u>
		PD	0.00	142,097,015	388,426,892	81,409,072	611,932,979	
		Total	0.00	142,097,015	388,426,892	81,409,072	611,932,979	-
GOVERNOR'S AD	DITIONAL COR	E ADJUST	MENTS					•
Core Reduction	1618 9888	PD	0.00	0	(11,647,020)	0	(11,647,020)	Redux of one-time funding for FY16 rate increase
Core Reduction	1618 9887	PD	0.00	0	0	(6,746,884)	(6,746,884)	Redux of one-time funding for FY16 rate increase
Core Reduction	1797 6473	PD	0.00	0	(1,533,692)	0	(1,533,692)	FMAP adjustment
NET G	SOVERNOR CH	ANGES	0.00	0	(13,180,712)	(6,746,884)	(19,927,596)	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	142,097,015	375,246,180	74,662,188	592,005,383	_
		Total	0.00	142,097,015	375,246,180	74,662,188	592,005,383	•

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 905	49C	DEPARTMENT:	Social Services			
BUDGET UNIT NAME: Nur	rsing Facilities					
HOUSE BILL SECTION: 11.4	470	DIVISION: MO	HealthNet			
requesting in dollar and percenta	age terms and explain why the fle	xibility is needed. If fl	expense and equipment flexibility you are lexibility is being requested among divisions, ms and explain why the flexibility is needed.			
	DEPAR	TMENT REQUEST				
	Core		Requested Amount			
Total Program F	Request \$593,539,075 \$593,539,075		9,353,908 8,384,769			
2. Estimate how much flexibility Year Budget? Please specify the	- -	How much flexibility	was used in the Prior Year Budget and the Current			
PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILI	ESTIMATED	NT YEAR AMOUNT OF AT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED			
None.	H.B. 11 language allows for between sections 11.410, 11.465, 11.470, 11.485, 1 11.550, 11.555, and 11.59 use of this section for mar	11.435, 11.455, 11.460, 1.490, 11.505, 11.510, 95 and 25% flexibility for naged care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.			
3. Please explain how flexibility was	s used in the prior and/or current year	rs.				
	OR YEAR ACTUAL USE		CURRENT YEAR EXPLAIN PLANNED USE			
None.			s to provide continued Medicaid benefits without an interruption providers or partial payments.			

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
NURSING FACILITIES								
CORE								
PROGRAM DISTRIBUTIONS	559,605,747	0.00	611,932,979	0.00	611,932,979	0.00	592,005,383	0.00
TOTAL - PD	559,605,747	0.00	611,932,979	0.00	611,932,979	0.00	592,005,383	0.00
GRAND TOTAL	\$559,605,747	0.00	\$611,932,979	0.00	\$611,932,979	0.00	\$592,005,383	0.00
GENERAL REVENUE	\$136,285,830	0.00	\$142,097,015	0.00	\$142,097,015	0.00	\$142,097,015	0.00
FEDERAL FUNDS	\$353,057,729	0.00	\$388,426,892	0.00	\$388,426,892	0.00	\$375,246,180	0.00
OTHER FUNDS	\$70,262,188	0.00	\$81,409,072	0.00	\$81,409,072	0.00	\$74,662,188	0.00

Department: Social Services HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

1. What does this program do?

This program provides long-term institutional care for MO HealthNet participants. An average of 504 nursing facilities were enrolled in the MO HealthNet program in SFY 15 with an average of 24,145 participants utilizing this service per month. While nursing facility users represent 2.53% of the total MO HealthNet participants, the nursing facility program comprises almost 13.69% of the total Medicaid program dollars.

Payment is based on a per diem rate established for each nursing home by the Institutional Reimbursement Unit (IRU) of the MO HealthNet Division. A portion of the per diem rate is paid from both the nursing facilities budget section and a portion from the Nursing Facilities Federal Reimbursement Allowance (NFFRA) section.

Providers are reimbursed for MO HealthNet participants based on the residents' days of care multiplied by the facility's Title XIX per diem rate, taking out any patient surplus amount. The amount of money the MO HealthNet participant contributes to his or her own nursing home care is called patient surplus. The patient surplus is based upon the participant's income and expenses. The amount of the patient surplus is calculated by Family Support Division. The gross income (usually a Social Security benefit check) of the participant is adjusted for the personal needs allowance, an allotment of money allocated for use by the community spouse or dependent children and medical deductions (Medicare premiums or private medical insurance premiums that the participant pays for his own medical coverage). The remainder is the patient surplus. The participant and the nursing facility are notified of the amount of the patient surplus by the Family Support Division. The nursing home provider is responsible for obtaining the patient surplus from the participant.

Rate Increase History: FY16 \$2.81 (funding dependent on tax amnesty); FY14 \$3.72; (See NFFRA for all other rate increases).

The nursing facility per diem calculation is based on a cost component system. The components are patient care, ancillary, administration and capital. A working capital allowance, incentives and the NFFRA are also elements of the total reimbursement rate. Patient care includes medical supplies, nursing, supplies, activities, social services and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry and housekeeping. Administration includes plant operation costs and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes rental value, return, computed interest, borrowing costs and pass-through expenses. Property insurance and real estate and personal property taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. There are three incentives which are paid to qualified facilities to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half of the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem rate are between 60 - 80% of total per diem rate. An additional amount is allowed for facilities with high MO HealthNet utilization. The current NFFRA is also included in the total reimbursement rate since it is an allowable MO HealthNet cost.

Nursing facilities are reimbursed prospectively. When the rate is established on a particular cost report year, it will not change until the rates are rebased on another cost report year. This rate may be adjusted for global per diem rate adjustments, such as trends, which are granted to the industry as a whole and are applied to the previously established rate.

Effective for dates of service beginning April 1, 2010, MHD does not automatically reimburse the coinsurance or cost sharing amount determined by Medicare or the Medicare Advantage Plan for inpatient nursing facility services. MHD now determines the MO HealthNet reimbursement for the coinsurance or cost sharing amount of crossover claims which is limited to fee-for-service amount that would be paid by MHD for those services.

Department: Social Services HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

Since January 1, 2010 (HB 395) the personal needs allowance must be increased by an amount equal to the product of the percentage of the Social Security benefit cost-of-living adjustment and the average amount that MO HealthNet participants are required to contribute to their cost of care, not to exceed \$5.00 in any year. When the allowance reaches \$50, there will be no further increases unless authorized by annual appropriation. There was a Social Security cost-of-living adjustment for 2013 which increased the personal needs allowance by the maximum amount of \$5.00. The personal needs allowance has increased to \$50.00 effective January 1, 2015.

MHD encourages spending for direct patient care expense by utilizing a reimbursement methodology that allows for higher reimbursement of patient care costs while limiting administration and capital costs. The ceilings for the cost components related to patient care (patient care and ancillary) are 120% of the median. Various limitations are applied to administration and capital costs, some of which are identified below.

Cost Component Ceilings

Patient Care 120% of median Ancillary 120% of median Administration 110% of median

Limitations on Administration & Capital Costs

- Minimum Utilization of 85% applied to Administration and Capital
- · Owners' Compensation is limited
- Home office costs are limited to 7% of gross revenues less contractual allowance
- Related party transactions are limited to the cost incurred by the related party
- Fair rental value calculation is used to determine the capital cost component which limits excessive real estate costs.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153, 208.159; 208.201 Federal law: Social Security Act Section 1905(a)(4); Federal regulations: 42CFR 440.40 and 440.210

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

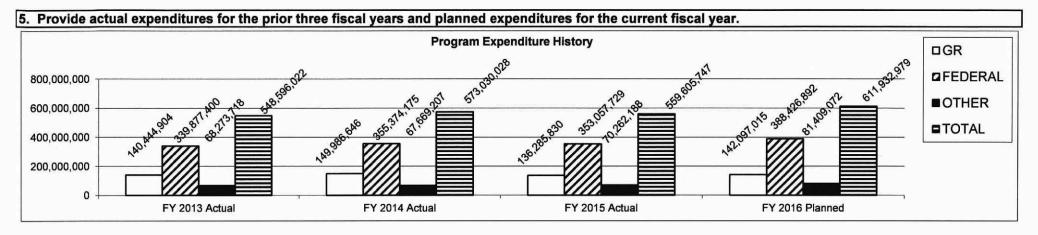
Yes, for people over age 21.

Department: Social Services

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

HB Section: 11.470

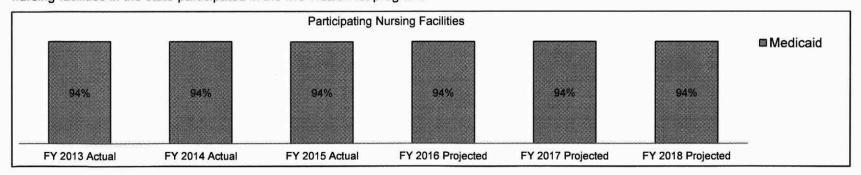


6. What are the sources of the "Other " funds?

Uncompensated Care Fund (0108), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625), Nursing Facilities Federal Reimbursement Allowance Fund (0196), and Tax Amnesty Fund (0470)

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.

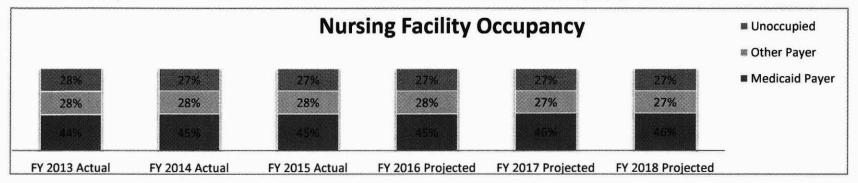


Department: Social Services

Program is found in the following core budget(s): Nursing Facilities

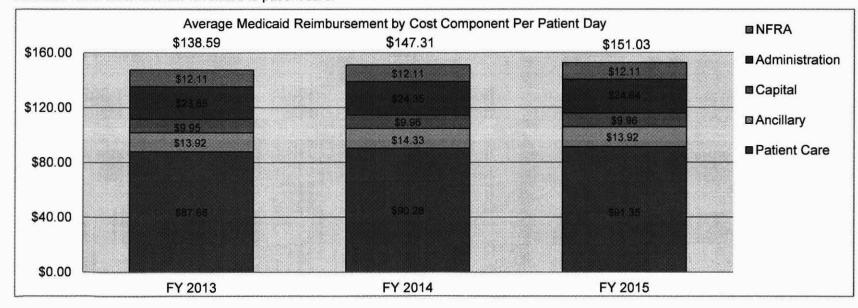
HB Section: 11.470 **Program Name: Nursing Facilities**

Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 27% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.



7b. Provide an efficiency measure.

Target and encourage quality patient care through the nursing facility reimbursement methodology. In the past three state fiscal years, more than 50% of the average Medicaid reimbursement rate is related to patient care.

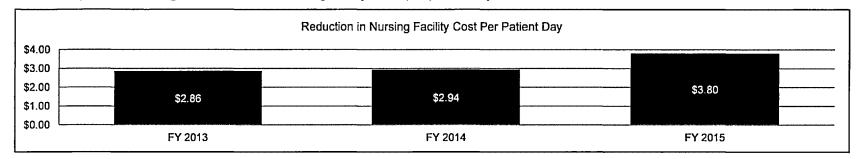


Department: Social Services HB Section: 11.470

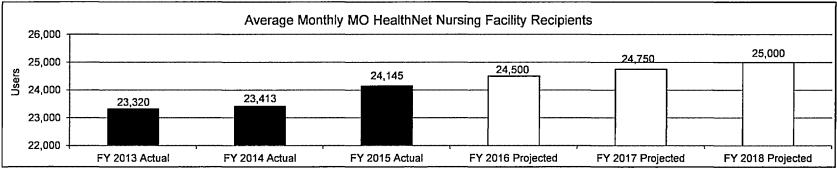
Program Name: Nursing Facilities

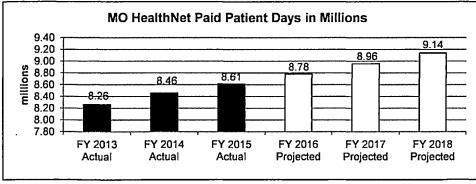
Program is found in the following core budget(s): Nursing Facilities

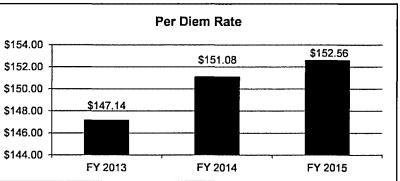
Ensure nursing facility costs included in determining MO HealthNet reimbursement are allowable by performing audits of the provider's cost reports. During the past three state fiscal years, an average of over \$3.10 of nursing facility costs per patient day were disallowed as a result of MHD audits.



7c. Provide the number of clients/individuals served, if applicable.







Department: Social Services HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

7d. Provide a customer satisfaction measure, if available.

N/A

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	<u>FTE</u>	DOLLAR_	FTE
HOME HEALTH								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	2,863,153	0.00	2,445,442	0.00	2,445,442	0.00	2,445,442	0.00
TITLE XIX-FEDERAL AND OTHER	5,148,490	0.00	4,550,056	0.00	4,550,056	0.00	4,490,282	0.00
HEALTH INITIATIVES	86,358	0.00	159,305	0.00	159,305	0.00	159,305	0.00
TAX AMNESTY FUND	0	0.00	30,674	0.00	30,674	0.00	0	0.00
TOTAL - PD	8,098,001	0.00	7,185,477	0.00	7,185,477	0.00	7,095,029	0.00
TOTAL	8,098,001	0.00	7,185,477	0.00	7,185,477	0.00	7,095,029	0.00
Tax Amnesty Fund Replacement - 0000016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	64,576	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	Ö	0.00	ő	0.00	111,036	0.00
TOTAL - PD		0.00		0.00		0.00	175,612	0.00
TOTAL	0	0.00	0	0.00		0.00	175,612	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	35,674	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	33,184	0.00
TOTAL - PD		0.00		0.00		0.00	68,858	0.00
TOTAL		0.00		0.00		0.00	68,858	0.00
	•		_		_		33,333	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	3,059	0.00	3,071	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	8,002	0.00	7,990	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	1,576	0.00	1,576	0.00
TOTAL - PD	0	0.00	0	0.00	12,637	0.00	12,637	0.00
TOTAL		0.00	0	0.00	12,637	0.00	12,637	0.00

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DECISION ITEM SUMMARY

GRAND TOTAL	\$8,098,00	1 0.00	\$7,185,477	0.00	\$7,198,114	0.00	\$7,358,959	0.00
TOTAL		0.00	0	0.00	0	0.00	6,823	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	6,823	0.00
PROGRAM-SPECIFIC GENERAL REVENUE		0 0.00	0	0.00	0	0.00	6,823	0.00
FMAP Adjustment - 1886023								
HOME HEALTH					 _			
Budget Object Summary Fund	ACTUAL DOLLAR	ACTUAL FTE	BUDGET DOLLAR	BUDGET FTE	DEPT REQ DOLLAR	DEPT REQ FTE	GOV REC DOLLAR	GOV REC FTE
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Unit								

Department: Social Services

Division: MO HealthNet Core: Home Health

Budget Unit: 90564C

Tax Amnesty Fund (0470)

		FY 2017 Budge	et Request		· 	FY 2	017 Governor's	Recommendation	n
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS	-	- -		
EE					EE				
PSD	2,445,442	4,550,056	189,979	7,185,477	PSD	2,445,442	4,490,282	159,305	7,095,029
TRF					TRF				
Total _	2,445,442	4,550,056	189,979	7,185,477	Total	2,445,442	4,490,282	159,305	7,095,029
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
Note: Fringes	budgeted in House	Bill 5 except for	certain fringes bud	geted directly	Note: Fringes	budgeted in Hou	ise Bill 5 except fo	or certain fringes l	budgeted
to MoDOT His	hway Patrol, and (Conservation.			directly to MoD	OT, Highway Pa	atrol, and Conserv	ation.	

2. CORE DESCRIPTION

This core request is for on-going funding for payments for services provided through the Home Health program for the fee-for-service MO HealthNet population. This program is designed to help a MO HealthNet participants remain in their home instead of seeking institutional care. In those regions of the state where MO HealthNet Managed Care has been implemented, participants have Home Health services available through the MO HealthNet Managed Care health plans.

3. PROGRAM LISTING (list programs included in this core funding)

Tax Amnesty Fund (0470)

Home Health Services

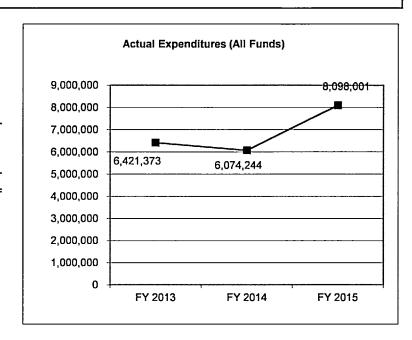
Department: Social Services Division: MO HealthNet

Core: Home Health

Budget Unit: 90564C

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds) Less Reverted (All Funds) Less Restricted (All Funds)	7,369,496 (4,779) 0	6,463,900 (4,779) 0	8,170,948 (4,779) 0	7,185,477 N/A N/A
Budget Authority (All Funds)	7,364,717	6,459,121	8,166,169	N/A
Actual Expenditures (All Funds)	6,421,373	6,074,244	8,098,001	N/A
Unexpended (All Funds)	91,995	943,344	0	N/A
Unexpended, by Fund:				
General Revenue	0	145,320	0	N/A
Federal	943,344	208,236	0	N/A
Other	0	31,321	68,168	N/A
		(1)	(2)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

- (1) FY14 Agency Reserve of \$31,321 Other Funds
- (2) FY15 lapse of Health Initiatives Fund.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

HOME HEALTH

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VET)FS							
IAIT AITEN VEIN		PD	0.00	2,445,442	4,550,056	189,979	7,185,477	
		Total	0.00	2,445,442	4,550,056	189,979	7,185,477	•
DEPARTMENT CO	RE REQUEST			· -				•
		PD	0.00	2,445,442	4,550,056	189,979	7,185,477	
		Total	0.00	2,445,442	4,550,056	189,979	7,185,477	
GOVERNOR'S AD	DITIONAL COR	E ADJUST	MENTS			<u> </u>		•
Core Reduction	1620 9890	PD	0.00	0	(52,951)	0	(52,951)	Redux of one-time funding for FY16 rate increase
Core Reduction	1620 9889	PD	0.00	0	0	(30,674)	(30,674)	Redux of one-time funding for FY16 rate increase
Core Reduction	1796 1798	PD	0.00	0	(6,823)	0	(6,823)	FMAP adjustment
NET G	OVERNOR CH	ANGES	0.00	0	(59,774)	(30,674)	(90,448)	
GOVERNOR'S RE	COMMENDED (CORE						
		PD	_0.00_	2,445,442	4,490,282	159,305	7,095,029	
		Total	0.00	2,445,442	4,490,282	159,305	7,095,029	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90564C DEPARTMENT: **Social Services BUDGET UNIT NAME:** Home Health HOUSE BILL SECTION: 11.470 DIVISION: MO HealthNet 1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. **DEPARTMENT REQUEST** % Flex Flex Requested Core Requested Amount Total Program Request \$7,101,852 10% \$710,185 \$7,101,852 25% \$1,775,463 2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount. **CURRENT YEAR BUDGET REQUEST PRIOR YEAR ESTIMATED AMOUNT OF ESTIMATED AMOUNT OF ACTUAL AMOUNT OF FLEXIBILITY USED** FLEXIBILITY THAT WILL BE USED **FLEXIBILITY THAT WILL BE USED** 10% flexibility between sections and 25% flexibility between None. H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, FFS and Managed Care is being requested for FY 17. 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care. 3. Please explain how flexibility was used in the prior and/or current years. **PRIOR YEAR CURRENT YEAR EXPLAIN ACTUAL USE EXPLAIN PLANNED USE** None. Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
HOME HEALTH				 				
CORE								
PROGRAM DISTRIBUTIONS	8,098,001	0.00	7,185,477	0.00	7,185,477	0.00	7,095,029	0.00
TOTAL - PD	8,098,001	0.00	7,185,477	0.00	7,185,477	0.00	7,095,029	0.00
GRAND TOTAL	\$8,098,001	0.00	\$7,185,477	0.00	\$7,185,477	0.00	\$7,095,029	0.00
GENERAL REVENUE	\$2,863,153	0.00	\$2,445,442	0.00	\$2,445,442	0.00	\$2,445,442	0.00
FEDERAL FUNDS	\$5,148,490	0.00	\$4,550,056	0.00	\$4,550,056	0.00	\$4,490,282	0.00
OTHER FUNDS	\$86,358	0.00	\$189,979	0.00	\$189,979	0.00	\$159,305	0.00

Department: Social Services HB Section: 11.470

Program Name: Home Health

Program is found in the following core budget(s): Home Health

1. What does this program do?

Home health services primarily provide medically oriented treatment or supervision on an intermittent basis to individuals with an acute illness which can be therapeutically managed at home. Prior to October 1, 2010, individuals were required to be homebound to receive Home Health Program services. The homebound requirement was removed effective October 1, 2010. Home health care follows a written plan of treatment established and reviewed every 60 days by a physician. Services included in the home health benefit are skilled nursing; home health aide; physical, occupational and speech therapies. Supplies are also covered. Effective September 1, 2005, only participants who are eligible under aid categories for children, pregnant women, or blind individuals are eligible for physical, occupational and speech therapy provided through home health. Therapy is limited and must be reasonable and necessary for restoration to an optimal level of functioning following an injury or illness.

Home health services are reimbursed per visit. A visit is defined in part as a personal contact for a period of time not to exceed three hours in a client's home. Payment for the visit is the lower of the provider's actual billed charge or the state MO HealthNet agency established capped amount. The current MO HealthNet cap is \$77.16. Home health is a mandatory service added to the MO HealthNet program in July 1972. The program serves participants throughout the state.

Rate Change History:

- 07/01/05: \$1.97 rate increase to a cap rate of \$61.79
- 07/01/06: \$1.00 rate increase to a cap rate of \$62.79
- 07/01/07: \$0.48 rate increase to a cap rate of \$63.27
- 07/01/08: \$0.88 rate increase to a cap rate of \$64.15
- 07/01/15: \$13.01 rate increase to a cap rate of \$77.16
- 01/01/16: 3% increase funded with Tax Amnesty Fund

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(24), 1905(a)(7) and 1915(c);

Federal Regulations: 42 CFR 440.170(f), 440.210, 440.130 and 440.180 and 460. Social Security Act Sections: 1894, 1905(a) and 1934

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

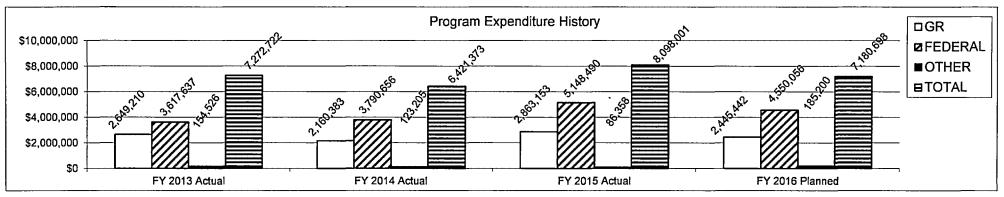
Home Health is a mandatory Medicaid program.

Department: Social Services HB Section: 11.470

Program Name: Home Health

Program is found in the following core budget(s): Home Health

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



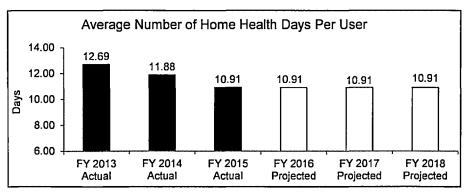
FY 2016 planned is net of reverted.

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275) and Tax Amnesty Fund (0470)

7a. Provide an effectiveness measure.

Home health plans are reviewed every 60 days. Providing health care at home is less costly than providing care in the hospital.



User Count by Number of Days

FY	0-60	61-90	91-120	121+	Total
2013 Actual	6,795	72	33	48	6,948
2014 Actual	6,425	59	24	24	6,532
2015 Actual	6,012	8	1	15	6,036
2016 Projected	6,012	8	1	15	6,036
2017 Projected	6,012	8	1	15	6,036
2018 Projected	6,012	8	1	15	6,036

Department: Social Services HB Section: 11.470

Program Name: Home Health

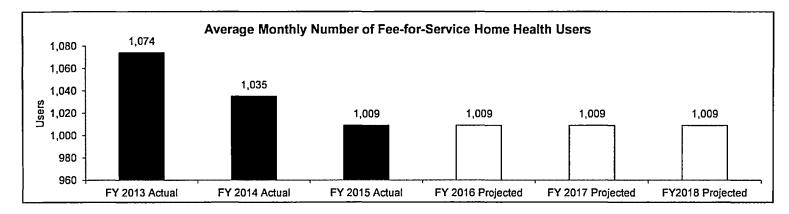
Program is found in the following core budget(s): Home Health

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Home Health skilled nurse visits and home health aid services are available to all MO HealthNet population.



7d. Provide a customer satisfaction measure, if available.

N/A

DECISION ITEM SUMMARY

Budget Unit	_		·	<u> </u>				
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR_	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
PACE								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	2,531,934	0.00	2,979,470	0.00	2,979,470	0.00	2,605,392	0.00
TITLE XIX-FEDERAL AND OTHER	4,416,247	0.00	5,127,145	0.00	5,127,145	0.00	4,453,050	0.00
TAX AMNESTY FUND	0	0.00	40,445	0.00	40,445	0.00	0	0.00
TOTAL - PD	6,948,181	0.00	8,147,060	0.00	8,147,060	0.00	7,058,442	0.00
TOTAL	6,948,181	0.00	8,147,060	0.00	8,147,060	0.00	7,058,442	0.00
Tax Amnesty Fund Replacement - 0000016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	81,270	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	139,741	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	221,011	0.00
TOTAL	0	0.00	0	0.00	0	0.00	221,011	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	50,165	0.00	25,165	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	173,156	0.00	83,432	0.00
TOTAL - PD	0	0.00	0	0.00	223,321	0.00	108,597	0.00
TOTAL	0	0.00	0	0.00	223,321	0.00	108,597	0.00
FMAP Adjustment - 1886023								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	24,078	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	24,078	0.00
TOTAL	0	0.00	0	0.00	0	0.00	24,078	0.00
GRAND TOTAL	\$6,948,181	0.00	\$8,147,060	0.00	\$8,370,381	0.00	\$7,412,128	0.00

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im_disummary

Department: Social Services Budget Unit: 90568C Division: MO HealthNet Core: Programs for All-Inclusive Care for the Elderly (PACE) **HB Section: 11.470** 1. CORE FINANCIAL SUMMARY FY 2017 Budget Request FY 2017 Governor's Recommendation GR **Federal** Other Total GR Federal Other Total PS PS ΕE EE **PSD** 2,979,470 5,127,145 40,445 8,147,060 **PSD** 2.605.392 4.453.050 7,058,442 TRF **TRF** 2,979,470 5,127,145 8,147,060 40,445 2,605,392 4,453,050 0 7.058,442 Total Total 0.00 FTE FTE Est. Fringe Est. Fringe Ó 0 0 0 0 0 Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. to MoDOT, Highway Patrol, and Conservation. Other Funds: Other Funds: Tax Amnesty Fund (0470) 2. CORE DESCRIPTION This core request is for on-going funding for services provided through the PACE program. This program is designed to help a MO HealthNet participant remain in their home instead of seeking institutional care. 3. PROGRAM LISTING (list programs included in this core funding) Programs for All-Inclusive Care for the Elderly (PACE)

Department: Social Services

Budget Unit: 90568C

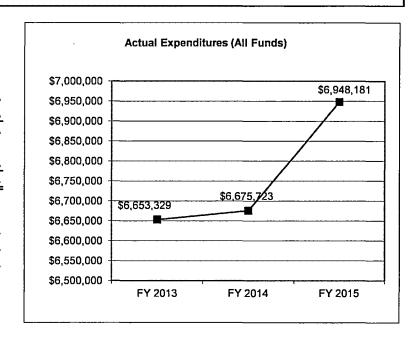
Division: MO HealthNet

HB Section: 11.470

Core: Programs for All-Inclusive Care for the Elderly (PACE)

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	6,875,723	6,675,723	6,948,181	8,147,060
Less Reverted (All Funds)	(200,000)	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	6,675,723	6,675,723	6,948,181	N/A
Actual Expenditures (All Funds)	6,653,329	6,675,723	6,948,181	N/A
Unexpended (All Funds)	22,394	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	22,394	0	0	N/A
Other	0	0	0	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

PACE

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETO	DES		-	-		- ·- ·-	<u> </u>	
		PD	0.00	2,979,470	5,127,145	40,445	8,147,060	
		Total	0.00	2,979,470	5,127,145	40,445	8,147,060	
DEPARTMENT CO	RE REQUEST	*				- <u> </u>		-
		PD	0.00	2,979,470	5,127,145	40,445	8,147,060	1
		Total	0.00	2,979,470	5,127,145	40,445	8,147,060	
GOVERNOR'S ADI	DITIONAL COR	E ADJUST	MENTS			<u> </u>		-
Core Reduction	1619 9892	PD	0.00	0	(69,819)	0	(69,819)	Redux of one-time funding for FY16 rate increase
Core Reduction	1619 9891	PD	0.00	0	0	(40,445)	(40,445)	Redux of one-time funding for FY16 rate increase
Core Reduction	1756 9898	PD	0.00	(350,000)	0	0	(350,000)	Governor core reduction
Core Reduction	1756 9899	PD	0.00	0	(604,276)	0	(604,276)	Governor core reduction
Core Reduction	1790 4422	PD	0.00	(24,078)	0	0	(24,078)	FMAP adjustment
NET G	OVERNOR CH	ANGES	0.00	(374,078)	(674,095)	(40,445)	(1,088,618)	
GOVERNOR'S REC	COMMENDED	CORE						
		PD	0.00	2,605,392	4,453,050	0	7,058,442	<u>!</u>
		Total	0.00	2,605,392	4,453,050	0	7,058,442	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 908	568C		DEPARTM	ENT:	Social Servi	ices
BUDGET UNIT NAME: PA	CE					
HOUSE BILL SECTION: 11.	.470		DIVISION:	MO	HealthNet	
	tage terms a	and explain why the flexil	oility is need	ed. If f	lexibility is be	l equipment flexibility you are eing requested among divisions, ain why the flexibility is needed.
		DEPARTM	ENT REQUES	ST		
		Core	% Flex Requested		Requested Amount	
To	tal Request	\$11,535,570 \$11,535,570	10% 25%		,153,557 ,883,893	
Estimate how much flexibility Year Budget? Please specify th		ed for the budget year. H	ow much fle	xibility	was used in t	the Prior Year Budget and the Current
PRIOR YEAR ACTUAL AMOUNT OF FLEXIBIL	ITY USED	CURRENT ESTIMATED AN FLEXIBILITY THAT	OUNT OF	D	F	BUDGET REQUEST ESTIMATED AMOUNT OF LEXIBILITY THAT WILL BE USED
None.		H.B. 11 language allows for the between sections 11.410, 11 11.465, 11.470, 11.485, 11.4 11.550, 11.555, and 11.595 and this section for manage	up to 10% flexi .435, 11.455, 1 90, 11.505, 11 and 25% flexib	p to 10% flexibility 435, 11.455, 11.460, 90, 11.505, 11.510, nd 25% flexibility for		between sections and 25% flexibility between aged Care is being requested for FY 17.
3. Please explain how flexibility wa	s used in the					
	OR YEAR ACTUAL US	SE				RRENT YEAR IN PLANNED USE
None.			S to provide cont providers or par	tinued Medicaid benefits without an interruption rtial payments.		

DECISION ITEM DETAIL

Budget Unit Decision Item Pudget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ	FY 2017 GOV REC	FY 2017 GOV REC
Budget Object Class PACE	DOLLAR	FIE	DOLLAR	FTE	DULLAR	FTE	DOLLAR	FTE
CORE								
PROGRAM DISTRIBUTIONS	6,948,181	0.00	8,147,060	0.00	8,147,060	0.00	7,058,442	0.00
TOTAL - PD	6,948,181	0.00	8,147,060	0.00	8,147,060	0.00	7,058,442	0.00
GRAND TOTAL	\$6,948,181	0.00	\$8,147,060	0.00	\$8,147,060	0.00	\$7,058,442	0.00
GENERAL REVENUE	\$2,531,934	0.00	\$2,979,470	0.00	\$2,979,470	0.00	\$2,605,392	0.00
FEDERAL FUNDS	\$4,416,247	0.00	\$5,127,145	0.00	\$5,127,145	0.00	\$4,453,050	0.00
OTHER FUNDS	\$0	0.00	\$40,445	0.00	\$40,445	0.00	\$0	0.00

Department: Social Services HB Section: 11.470

Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE

1. What does this program do?

The goal of the PACE program is to maximize each participant's potential and continued residence in the home and community by providing preventive primary care and supports to the individual while in the home and community. The PACE program is intended to help the participant stay as independent as possible through a PACE organization which acts as the individual's sole source provider guaranteeing access to services. Funding was also received in FY16 to begin a PACE program in the Kansas City region. The Division is currently working to develop this program.

The PACE organization provides a full range of preventive, primary, acute, and long-term care services 24 hours per day, 7 days per week. The PACE Center is open Monday through Friday 8 AM to 5 PM to offer services on-site in an adult day health center setting. The PACE organization also provides in-home services as deemed necessary by the PACE Interdisciplinary Team (IDT). All medical services the individual requires while enrolled in the PACE program are the financial responsibility of the PACE provider.

PACE combines adult day settings, home care, interdisciplinary teams, transportation systems, and capitated payment systems so that providers can respond to the unique needs of each frail, elderly individual served.

The MO HealthNet Division is the state administering agency for the PACE program.

To be eligible to enroll in the PACE program, participants must be at least 55 years old, live in the PACE service area, have been certified by the Missouri Department of Health and Senior Services to have met the nursing home level of care of 21 points or higher, and be recommended by the PACE staff for PACE program services as the best option for their care.

At the time of enrollment, a participant must be able to live in a community setting without jeopardizing his or her health or safety.

Enrollment in the PACE program is always voluntary and participants have the option to return to the fee-for-service system at any time. Eligibility to enroll in the PACE program is not restricted to Medicare beneficiaries or MO HealthNet participants. A potential PACE enrollee may, but is not required to be entitled to Medicare Part A, enrolled under Medicare Part B, or eligible for MO HealthNet.

Rate Change History: FY 2012 \$750.00 per month per participant (effective January 1, 2012).

Attendance at the PACE center is determined by the interdisciplinary team and based on the needs and preferences of the participants. Some participants attend every day and some only 2-3 times per week. The PACE organization provides transportation to and from the PACE center each day the participant is scheduled to attend. Monthly rates for PACE are either a dual rate of \$2,812 for Medicaid/Medicare participants or a MO HealthNet only rate of \$4,284. On average 81% of participants are at the dual rate.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152 and 208.168; Federal Regulations: 42 CFR 460

Department: Social Services HB Section: 11.470

Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE

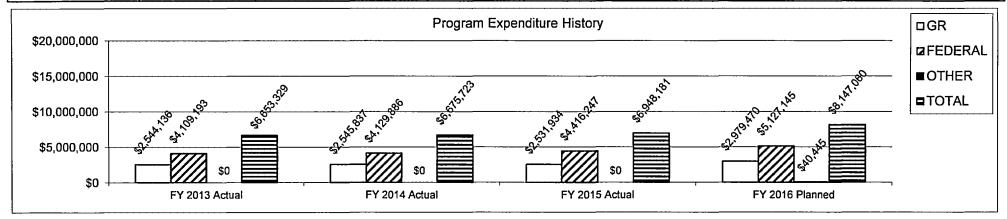
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is blended 63.323% federal match. The state matching requirement is 36.677%

4. Is this a federally mandated program? If yes, please explain.

PACE is an optional program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

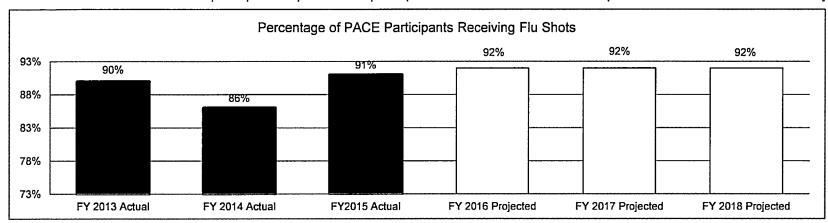
Department: Social Services HB Section: 11.470

Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE

7a. Provide an effectiveness measure.

PACE offers flu shots to all of their participants to protect their participants from the flu and the serious problems it creates for the frail elderly.



7b. Provide an efficiency measure.

The PACE program helps MO HealthNet participants remain in their homes instead of seeking institutional care under the fee-for-service program by helping them stay as independent as possible. While some PACE participants need to move into a nursing home, the participants remain enrolled in PACE, and the PACE provider is responsible for all services provided to these participants. A significant portion of PACE participants continue to live at home and receive services under the PACE program.

PACE Participants

SFY	Users	Reside in Nursing Facilites	Reside in Their Home	% Reside in Home
FY 2013 Actual	186	17	169	91%
FY 2014 Actual	192	18	174	91%
FY 2015 Actual	199	24	175	88%
FY 2016 Projected	200	25	175	83%
FY 2017 Projected	201	26	175	81%
FY 2018 Projected	202	27	175	80%

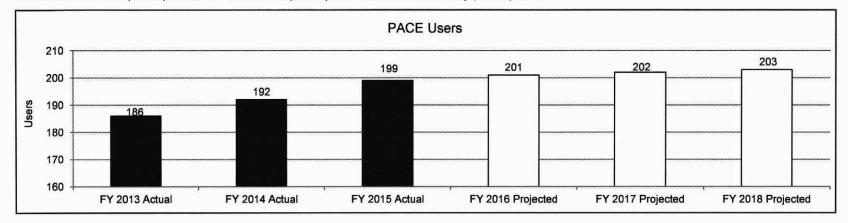
Department: Social Services

Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE

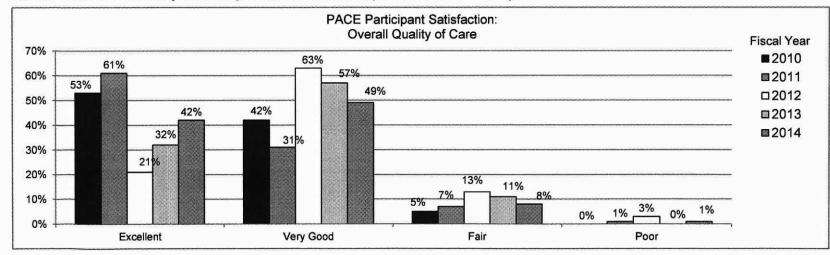
7c. Provide the number of clients/individuals served, if applicable.

Users include dual participants, MO HealthNet participants and Medicare-only participants.



7d. Provide a customer satisfaction measure, if available.

Alexian Brothers Community Services performs annual Participant Satisfaction Surveys.

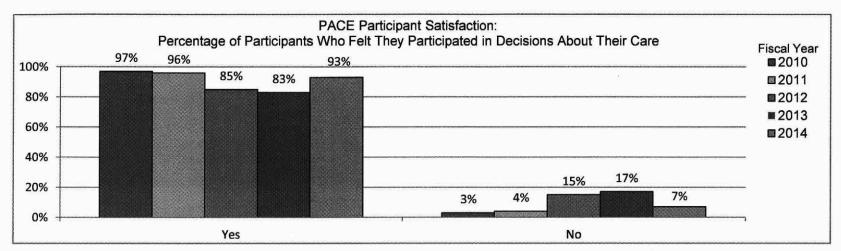


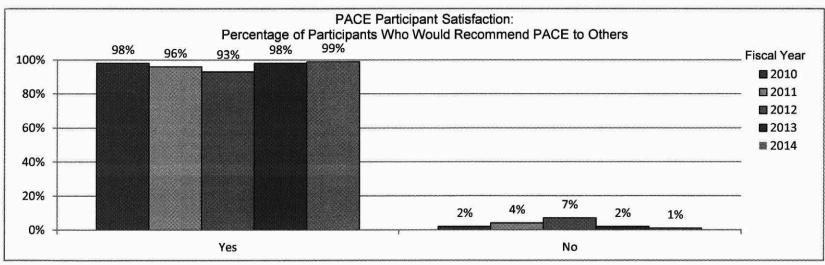
HB Section: 11.470

Department: Social Services

Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE





HB Section: 11.470

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	GOV REC	GOV REC
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE
LONG TERM SUPPORT PAYMENTS								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER		0.00	6,961,594	0.00	6,961,594	0.00	6,291,672	0.00
LONG-TERM SUPPORT UPL		0.00	3,989,174	0.00	3,989,174	0.00	3,989,174	0.00
TOTAL - PD		0.00	10,950,768	0.00	10,950,768	0.00	10,280,846	0.00
TOTAL		0.00	10,950,768	0.00	10,950,768	0.00	10,280,846	0.00
FMAP Adjustment - 1886023								
PROGRAM-SPECIFIC								
LONG-TERM SUPPORT UPL		0.00	0	0.00	0	0.00	669,922	0.00
TOTAL - PD		0.00	0	0.00	0	0.00	669,922	0.00
TOTAL		0.00	0	0.00	0	0.00	669,922	0.00
GRAND TOTAL	\$	0.00	\$10,950,768	0.00	\$10,950,768	0.00	\$10,950,768	0.00

	Social Services			-	Budget Unit:	90548C		· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·
Division: MC Core: Long) HealthNet Term Support Pay	ments			HB Section:	11.480			
1. CORE FIN	NANCIAL SUMMAR						···		
		FY 2017 Budge					2017 Governor's		
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS 				
EE					EE				
PSD	0	6,961,594	3,989,174	10,950,768	PSD		6,291,672	3,989,174	10,280,846
TRF					TRF				
Total	0	6,961,594	3,989,174	10,950,768	Total	0	6,291,672	3,989,174	10,280,846
FTE				0.00	FTE				
Est. Fringe	0	0	0	0	Est. Fringe	0	0	0	0
to MoDOT, H	s budgeted in Hous ighway Patrol, and Long Term Suppor	Conservation.	seriam innigeo su	agoloù direoliy	directly to Mo	•	use Bill 5 except fo atrol, and Conserva oort UPL (0724)	•	
2. CORE DES	SCRIPTION								
	provides a suppler	nental payment to	qualifying public	nursing facilities	or their unreimb	ursed cost, subje	ct to the upper pay	ment limit.	
	M LISTING (list pro	ograms included	in this core fund	ding)				· · · · · · · · · · · · · · · · · · ·	
Long Term Si	upport Payments								

Department: Social Services

Budget Unit: 90548C

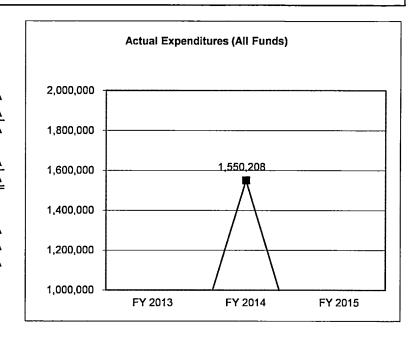
Division: MO HealthNet

HB Section: 11.480

Core: Long Term Support Payments

1. CORE FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	45,895,112	45,895,112	45,895,112	10,950,768
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	45,895,112	45,895,112	45,895,112	N/A
Actual Expenditures (All Funds)	0	1,550,208	0	N/A
Unexpended (All Funds)	0	45,895,112	45,895,112	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	28,393,011	27,431,417	28,393,011	N/A
Other	17,502,101	16,913,487	17,502,101	N/A
	(1)			



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Program was added

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES LONG TERM SUPPORT PAYMENTS

5. CORE RECONCILIATION DETAIL

		Budget		0.0			.		
		Class	FTE	GR		Federal	Other	Total	Explanation
TAFP AFTER VETO	ES								
		PD	0.00		0	6,961,594	3,989,174	10,950,768	3_
		Total	0.00		0_	6,961,594	3,989,174	10,950,768	} =
DEPARTMENT COR	RE REQUEST								
		PD	0.00		0	6,961,594	3,989,174	10,950,768	3
		Total	0.00		0	6,961,594	3,989,174	10,950,768	3 =
GOVERNOR'S ADD	ITIONAL COR	E ADJUST	MENTS						
Core Reduction	1798 8236	PD	0.00		0	(669,922)	0	(669,922)) FMAP adjustmen
NET GO	OVERNOR CH	ANGES	0.00		0	(669,922)	0	(669,922))
GOVERNOR'S REC	OMMENDED (CORE							
		PD	0.00		0	6,291,672	3,989,174	10,280,846	3_
		Total	0.00		0	6,291,672	3,989,174	10,280,846	<u>.</u>

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90548C		DEPARTN	ENT:	Social Servi	ces
BUDGET UNIT NAME: Long Term Sup	port UPL	1			
HOUSE BILL SECTION: 11.480		DIVISION:	MO F	lealthNet	
1. Provide the amount by fund of personal requesting in dollar and percentage terms provide the amount by fund of flexibility yo	and explain why the flexil	bility is need	ed. If fl	exibility is be	ing requested among divisions,
	DEPARTM	ENT REQUES	ST		
	Core	% Flex	Flex I	Requested	
	Core	Requested	Α	mount	
Total Program Request	\$10,950,768 \$10,950,768	10% 25%	•	095,077 737,692	
Estimate how much flexibility will be us Year Budget? Please specify the amount.		ow much fle	xibility	was used in t	he Prior Year Budget and the Current
	CURRENT	YEAR			BUDGET REQUEST
PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	ESTIMATED AN FLEXIBILITY THAT				ESTIMATED AMOUNT OF LEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for the			10% flexibility	between sections and 25% flexibility between
	between sections 11.410, 11			FFS and Mana	aged Care is being requested for FY 17.
	11.465, 11.470, 11.485, 11.4				
	11.550, 11.555, and 11.595 ause of this section for manage		ility for		
3. Please explain how flexibility was used in the		jeu care.		1	
,					
PRIOR YEAR				CIII	RRENT YEAR
EXPLAIN ACTUAL U	SE				N PLANNED USE
None.			to provide cont providers or part	inued Medicaid benefits without an interruption tial payments.	

DECISION ITEM DETAIL

Budget Unit Decision Item Budget Object Class	FY 2015 ACTUAL DOLLAR	FY 2015 ACTUAL FTE	FY 2016 BUDGET DOLLAR	FY 2016 BUDGET FTE	FY 2017 DEPT REQ DOLLAR	FY 2017 DEPT REQ FTE	FY 2017 GOV REC DOLLAR	FY 2017 GOV REC FTE
LONG TERM SUPPORT PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	10,950,768	0.00	10,950,768	0.00	10,280,846	0.00
TOTAL - PD	0	0.00	10,950,768	0.00	10,950,768	0.00	10,280,846	0.00
GRAND TOTAL	\$0	0.00	\$10,950,768	0.00	\$10,950,768	0.00	\$10,280,846	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00	\$0	0.00
FEDERAL FUNDS	\$0	0.00	\$6,961,594	0.00	\$6,961,594	0.00	\$6,291,672	0.00
OTHER FUNDS	\$0	0.00	\$3,989,174	0.00	\$3,989,174	0.00	\$3,989,174	0.00

Department: Social Services HB Section: 11.480

Program Name: Long Term Support Payments

Program is found in the following core budget(s): Long Term Support Payments

1. What does this program do?

This program provides a supplemental payment to qualifying public nursing facilities for their unreimbursed cost, subject to the upper payment limit.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Federal Regulations: 42 CFR, 447.272

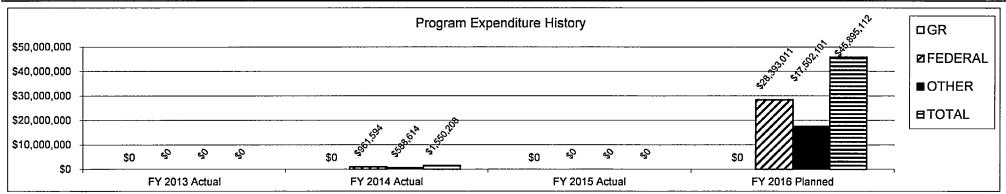
3. Are there federal matching requirements? If yes, please explain.

There will be federal matching requirements for allowable medicaid expenses.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



New program in FY 2013.

6. What are the sources of the "Other" funds?

Long Term Support UPL Fund (0724)

Department: Social Services
Program Name: Long Term Support Payments
Program is found in the following core budget(s): Long Term Support Payments

| 7a. Provide an effectiveness measure.
| N/A |
| 7b. Provide an efficiency measure.
| N/A |
| 7c. Provide the number of clients/individuals served, if applicable.
| N/A |
| 7d. Provide a customer satisfaction measure, if available.

N/A