

**Department of Social Services**  
**MO HealthNet Division**  
**Fiscal Year 2018 Budget Request**  
**Book 6 of 6**

**Jennifer Tidball, Acting Director**  
**Printed with Governor's Recommendation**

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# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Nursing Facilities

Budget Unit: 90549C

HB Section: 11.470

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request                                                                                                          |                    |                    |                   |                    |   | FY 2018 Governor's Recommendation                                                                                               |                    |                    |                   |                    |   |
|---------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|-------------------|--------------------|---|---------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|-------------------|--------------------|---|
|                                                                                                                                 | GR                 | Federal            | Other             | Total              | E |                                                                                                                                 | GR                 | Federal            | Other             | Total              | E |
| PS                                                                                                                              |                    |                    |                   |                    |   | PS                                                                                                                              |                    |                    |                   |                    |   |
| EE                                                                                                                              |                    |                    |                   |                    |   | EE                                                                                                                              |                    |                    |                   |                    |   |
| PSD                                                                                                                             | 159,835,552        | 386,128,287        | 65,527,432        | 611,491,271        |   | PSD                                                                                                                             | 129,817,455        | 328,821,450        | 56,684,561        | 515,323,466        |   |
| TRF                                                                                                                             |                    |                    |                   |                    |   | TRF                                                                                                                             |                    |                    |                   |                    |   |
| Total                                                                                                                           | <u>159,835,552</u> | <u>386,128,287</u> | <u>65,527,432</u> | <u>611,491,271</u> |   | Total                                                                                                                           | <u>129,817,455</u> | <u>328,821,450</u> | <u>56,684,561</u> | <u>515,323,466</u> |   |
| 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 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. |                    |                    |                   |                    |   |

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Healthy Families Trust Fund (HFTF) (0625)  
Third Party Liability Collections Fund (TPL) (0120)  
Nursing Facility Reimbursement Allowance (NFRA) (0196)

Other Funds Uncompensated Care Fund (UCF) (0108)  
Healthy Families Trust Fund (HFTF) (0625)  
Third Party Liability Collections Fund (TPL) (0120)  
Nursing Facility Reimbursement Allowance (NFRA) (0196)

## 2. CORE DESCRIPTION

This core is for ongoing funding of payments for nursing facility services provided to MO HealthNet participants.

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

Nursing Facilities

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Nursing Facilities

Budget Unit: 90549C

HB Section: 11.470

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |             |             |            |             |   | FY 2018 Governor's Recommendation |             |             |            |             |   |
|------------------------|-------------|-------------|------------|-------------|---|-----------------------------------|-------------|-------------|------------|-------------|---|
|                        | GR          | Federal     | Other      | Total       | E |                                   | GR          | Federal     | Other      | Total       | E |
| PS                     |             |             |            |             |   | PS                                |             |             |            |             |   |
| EE                     |             |             |            |             |   | EE                                |             |             |            |             |   |
| PSD                    | 159,835,552 | 386,128,287 | 65,527,432 | 611,491,271 |   | PSD                               | 129,817,455 | 328,821,450 | 56,684,561 | 515,323,466 |   |
| TRF                    |             |             |            |             |   | TRF                               |             |             |            |             |   |
| Total                  | 159,835,552 | 386,128,287 | 65,527,432 | 611,491,271 |   | Total                             | 129,817,455 | 328,821,450 | 56,684,561 | 515,323,466 |   |
| FTE                    |             |             |            | 0.00        |   | FTE                               |             |             |            | 0.00        |   |

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

Other Funds: Uncompensated Care Fund (UCF) (0108)  
Healthy Families Trust Fund (HFTF) (0625)  
Third Party Liability Collections Fund (TPL) (0120)  
Nursing Facility Reimbursement Allowance (NFRA) (0196)

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

Other Funds Uncompensated Care Fund (UCF) (0108)  
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Nursing Facilities

**CORE DECISION ITEM**

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Nursing Facilities**

**Budget Unit: 90549C**

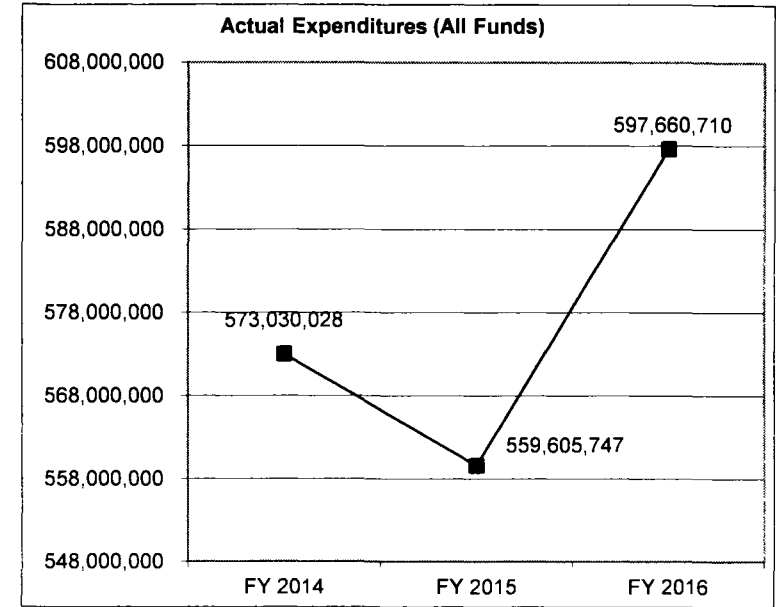
**HB Section: 11.470**

**4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 577,493,965               | 559,605,747               | 611,932,979               | 637,607,510                    |
| Less Reverted (All Funds)       | -                         | 0                         | 0                         | N/A                            |
| Less Restricted (All Funds)     |                           |                           | 0                         |                                |
| Budget Authority (All Funds)    | 577,493,965               | 559,605,747               | 611,932,979               | N/A                            |
| Actual Expenditures (All Funds) | 573,030,028               | 559,605,747               | 597,660,710               | N/A                            |
| Unexpended (All Funds)          | 4,463,937                 | 0                         | 14,272,269                | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 0                         | 0                         | 3,545,477                 | N/A                            |
| Federal                         | 1,870,956                 | 0                         | 10,708,819                | N/A                            |
| Other                           | 2,592,981                 | 0                         | 17,973                    | 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)** FY15 Decrease is due to \$16.7 million transfer to DMH and \$7 million core reallocation to Pharmacy.

**(2)** FY16 \$3,337,442 restricted by the Governor.

# CORE DECISION ITEM

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               | \$170.34               | \$1,102.14      | \$1,988.02 | 15.46%                               | 8.57%                                |
| Seniors           | \$817.87               | \$380.60        | \$1,585.20 | 214.89%                              | 51.59%                               |
| Custodial Parents | \$0.51                 | \$462.53        | \$495.56   | 0.11%                                | 0.10%                                |
| Children*         | \$0.01                 | \$259.53        | \$287.18   | 0.00%                                | 0.00%                                |
| Pregnant Women    | \$0.14                 | \$732.32        | \$748.13   | 0.02%                                | 0.02%                                |

Source: Table 23 Medical Statistics for Fiscal Year 2016 (claims paid data). Add-on payments funded from FRA provider tax not included.

\* CHIP eligibles not included

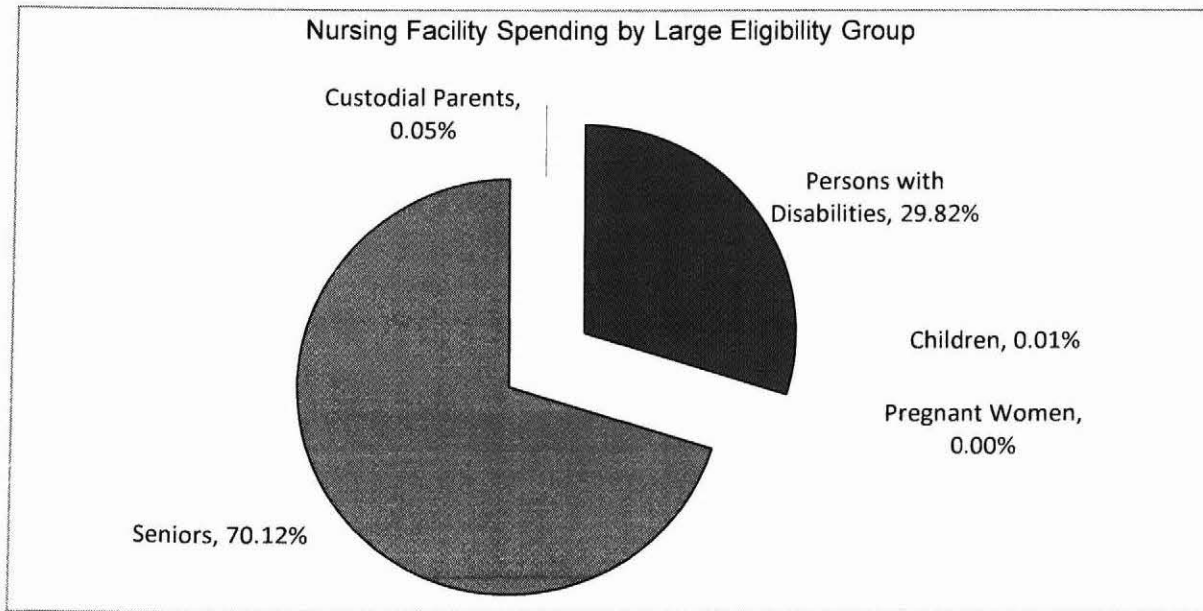
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate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



Source: Table 23 Medical Statistics for Fiscal Year 2016 (claims paid data).

# CORE RECONCILIATION DETAIL

## DEPARTMENT OF SOCIAL SERVICES NURSING FACILITIES

### 5. CORE RECONCILIATION DETAIL

|                                               |           |    |      | Budget<br>Class | FTE         | GR                 | Federal             | Other              | Total               | Explanation                                                             |
|-----------------------------------------------|-----------|----|------|-----------------|-------------|--------------------|---------------------|--------------------|---------------------|-------------------------------------------------------------------------|
| <b>TAFP AFTER VETOES</b>                      |           |    |      |                 |             |                    |                     |                    |                     |                                                                         |
|                                               |           |    |      | PD              | 0.00        | 159,835,552        | 403,109,770         | 74,662,188         | 637,607,510         |                                                                         |
|                                               |           |    |      | <b>Total</b>    | <b>0.00</b> | <b>159,835,552</b> | <b>403,109,770</b>  | <b>74,662,188</b>  | <b>637,607,510</b>  |                                                                         |
| <b>DEPARTMENT CORE ADJUSTMENTS</b>            |           |    |      |                 |             |                    |                     |                    |                     |                                                                         |
| Core Reallocation                             | 248 6473  | PD | 0.00 |                 | 0           | (16,981,483)       |                     | 0                  | (16,981,483)        | Reallocate funds to NFFRA to properly align state and federal earnings. |
| Core Reallocation                             | 248 5654  | PD | 0.00 |                 | 0           |                    | 0                   | (9,134,756)        | (9,134,756)         | Reallocate funds to NFFRA to properly align state and federal earnings. |
| <b>NET DEPARTMENT CHANGES</b>                 |           |    |      |                 | <b>0.00</b> | <b>0</b>           | <b>(16,981,483)</b> | <b>(9,134,756)</b> | <b>(26,116,239)</b> |                                                                         |
| <b>DEPARTMENT CORE REQUEST</b>                |           |    |      |                 |             |                    |                     |                    |                     |                                                                         |
|                                               |           |    |      | PD              | 0.00        | 159,835,552        | 386,128,287         | 65,527,432         | 611,491,271         |                                                                         |
|                                               |           |    |      | <b>Total</b>    | <b>0.00</b> | <b>159,835,552</b> | <b>386,128,287</b>  | <b>65,527,432</b>  | <b>611,491,271</b>  |                                                                         |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |           |    |      |                 |             |                    |                     |                    |                     |                                                                         |
| Core Reduction                                | 1388 6472 | PD | 0.00 |                 | (6,280,436) |                    | 0                   | 0                  | (6,280,436)         | FMAP adjustment                                                         |
| Core Reduction                                | 1777 6472 | PD | 0.00 |                 | (9,259,911) |                    | 0                   | 0                  | (9,259,911)         | FY 18 core reduction                                                    |
| Core Reduction                                | 1777 6473 | PD | 0.00 |                 | 0           | (15,922,051)       |                     | 0                  | (15,922,051)        | FY 18 core reduction                                                    |
| Core Reduction                                | 1777 9888 | PD | 0.00 |                 | 0           | (11,941,539)       |                     | 0                  | (11,941,539)        | FY 18 core reduction                                                    |
| Core Reduction                                | 1777 1875 | PD | 0.00 |                 | (6,944,934) |                    | 0                   | 0                  | (6,944,934)         | FY 18 core reduction                                                    |
| Core Reduction                                | 1784 3709 | PD | 0.00 |                 | 0           |                    | 0                   | (2,425)            | (2,425)             | FY 18 core reduction                                                    |
| Core Reduction                                | 1784 0779 | PD | 0.00 |                 | 0           |                    | 0                   | (7,896,749)        | (7,896,749)         | FY 18 core reduction                                                    |
| Core Reduction                                | 1784 6953 | PD | 0.00 |                 | 0           |                    | 0                   | (943,697)          | (943,697)           | FY 18 core reduction                                                    |

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
NURSING FACILITIES**

**5. CORE RECONCILIATION DETAIL**

|                                               |           | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>           | <b>Federal</b>      | <b>Other</b>       | <b>Total</b>        | <b>Explanation</b>   |
|-----------------------------------------------|-----------|-------------------------|-------------|---------------------|---------------------|--------------------|---------------------|----------------------|
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |           |                         |             |                     |                     |                    |                     |                      |
| Core Reduction                                | 1784 6473 | PD                      | 0.00        | 0                   | (29,443,247)        | 0                  | (29,443,247)        | FY 18 core reduction |
| Core Reduction                                | 1784 6472 | PD                      | 0.00        | (7,532,816)         | 0                   | 0                  | (7,532,816)         | FY 18 core reduction |
| <b>NET GOVERNOR CHANGES</b>                   |           |                         | <b>0.00</b> | <b>(30,018,097)</b> | <b>(57,306,837)</b> | <b>(8,842,871)</b> | <b>(96,167,805)</b> |                      |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |           |                         |             |                     |                     |                    |                     |                      |
|                                               |           | PD                      | 0.00        | 129,817,455         | 328,821,450         | 56,684,561         | 515,323,466         |                      |
| <b>Total</b>                                  |           |                         | <b>0.00</b> | <b>129,817,455</b>  | <b>328,821,450</b>  | <b>56,684,561</b>  | <b>515,323,466</b>  |                      |

## DECISION ITEM SUMMARY

| Budget Unit                           |                      |             |                      |             |                      |             |                      |             |
|---------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| Decision Item                         | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
| Budget Object Summary                 | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |
| Fund                                  | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |
| <b>NURSING FACILITIES</b>             |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>                           |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                      |                      |             |                      |             |                      |             |                      |             |
| GENERAL REVENUE                       | 138,551,538          | 0.00        | 159,835,552          | 0.00        | 159,835,552          | 0.00        | 129,817,455          | 0.00        |
| TITLE XIX-FEDERAL AND OTHER           | 377,718,073          | 0.00        | 403,109,770          | 0.00        | 386,128,287          | 0.00        | 328,821,450          | 0.00        |
| UNCOMPENSATED CARE FUND               | 58,516,478           | 0.00        | 58,516,478           | 0.00        | 58,516,478           | 0.00        | 50,619,729           | 0.00        |
| THIRD PARTY LIABILITY COLLECT         | 6,992,981            | 0.00        | 6,992,981            | 0.00        | 6,992,981            | 0.00        | 6,049,284            | 0.00        |
| NURSING FACILITY FED REIM ALLW        | 9,134,756            | 0.00        | 9,134,756            | 0.00        | 0                    | 0.00        | 0                    | 0.00        |
| TAX AMNESTY FUND                      | 6,746,884            | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        |
| HEALTHY FAMILIES TRUST                | 0                    | 0.00        | 17,973               | 0.00        | 17,973               | 0.00        | 15,548               | 0.00        |
| TOTAL - PD                            | 597,660,710          | 0.00        | 637,607,510          | 0.00        | 611,491,271          | 0.00        | 515,323,466          | 0.00        |
| <b>TOTAL</b>                          | <b>597,660,710</b>   | <b>0.00</b> | <b>637,607,510</b>   | <b>0.00</b> | <b>611,491,271</b>   | <b>0.00</b> | <b>515,323,466</b>   | <b>0.00</b> |
| <b>MHD Cost to Continue - 1886001</b> |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                      |                      |             |                      |             |                      |             |                      |             |
| GENERAL REVENUE                       | 0                    | 0.00        | 0                    | 0.00        | 597,992              | 0.00        | 770,272              | 0.00        |
| TITLE XIX-FEDERAL AND OTHER           | 0                    | 0.00        | 0                    | 0.00        | 1,365,631            | 0.00        | 2,144,693            | 0.00        |
| TOTAL - PD                            | 0                    | 0.00        | 0                    | 0.00        | 1,963,623            | 0.00        | 2,914,965            | 0.00        |
| <b>TOTAL</b>                          | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>1,963,623</b>     | <b>0.00</b> | <b>2,914,965</b>     | <b>0.00</b> |
| <b>FMAP Adjustment - 1886025</b>      |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                      |                      |             |                      |             |                      |             |                      |             |
| TITLE XIX-FEDERAL AND OTHER           | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 6,280,436            | 0.00        |
| TOTAL - PD                            | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 6,280,436            | 0.00        |
| <b>TOTAL</b>                          | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>6,280,436</b>     | <b>0.00</b> |
| <b>GRAND TOTAL</b>                    | <b>\$597,660,710</b> | <b>0.00</b> | <b>\$637,607,510</b> | <b>0.00</b> | <b>\$613,454,894</b> | <b>0.00</b> | <b>\$524,518,867</b> | <b>0.00</b> |

1/30/17 7:19

im\_disummary

# FLEXIBILITY REQUEST FORM

|                                                                                                                       |                                                                     |
|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90549C<br><b>BUDGET UNIT NAME:</b> Nursing Facilities<br><b>HOUSE BILL SECTION:</b> 11.470 | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> 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.**

|                                                                                                                                                                                                                                                                                                                                                                    |               |                    |                    |                |     |               |                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------|--------------------|----------------|-----|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Governor's Recommendation</b>                                                                                                                                                                                                                                                                                                                                   |               |                    |                    |                |     |               |                                                                                                                                                                              |
| <table style="width: 100%;"> <tr> <td style="text-align: right;"><b>Total</b></td> <td style="text-align: right;"><b>% Flex</b></td> <td style="text-align: right;"><b>Flex Amount</b></td> </tr> <tr> <td style="text-align: right;">\$ 524,518,867</td> <td style="text-align: right;">10%</td> <td style="text-align: right;">\$ 52,451,887</td> </tr> </table> | <b>Total</b>  | <b>% Flex</b>      | <b>Flex Amount</b> | \$ 524,518,867 | 10% | \$ 52,451,887 | Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600 |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                       | <b>% Flex</b> | <b>Flex Amount</b> |                    |                |     |               |                                                                                                                                                                              |
| \$ 524,518,867                                                                                                                                                                                                                                                                                                                                                     | 10%           | \$ 52,451,887      |                    |                |     |               |                                                                                                                                                                              |

**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.**

| PRIOR YEAR<br>ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED                                                                                  | BUDGET REQUEST - GOVERNOR'S REC<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| None                                            | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY18                                             |

**3. Please explain how flexibility was used in the prior and/or current years.**

| PRIOR YEAR<br>EXPLAIN ACTUAL USE | CURRENT YEAR<br>EXPLAIN PLANNED USE                                                                                          |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A                              | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |



# DECISION ITEM DETAIL

| Budget Unit               | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
|---------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| 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         |
| <b>NURSING FACILITIES</b> |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>               |                      |             |                      |             |                      |             |                      |             |
| PROGRAM DISTRIBUTIONS     | 597,660,710          | 0.00        | 637,607,510          | 0.00        | 611,491,271          | 0.00        | 515,323,466          | 0.00        |
| TOTAL - PD                | 597,660,710          | 0.00        | 637,607,510          | 0.00        | 611,491,271          | 0.00        | 515,323,466          | 0.00        |
| <b>GRAND TOTAL</b>        | <b>\$597,660,710</b> | <b>0.00</b> | <b>\$637,607,510</b> | <b>0.00</b> | <b>\$611,491,271</b> | <b>0.00</b> | <b>\$515,323,466</b> | <b>0.00</b> |
| GENERAL REVENUE           | \$138,551,538        | 0.00        | \$159,835,552        | 0.00        | \$159,835,552        | 0.00        | \$129,817,455        | 0.00        |
| FEDERAL FUNDS             | \$377,718,073        | 0.00        | \$403,109,770        | 0.00        | \$386,128,287        | 0.00        | \$328,821,450        | 0.00        |
| OTHER FUNDS               | \$81,391,099         | 0.00        | \$74,662,188         | 0.00        | \$65,527,432         | 0.00        | \$56,684,561         | 0.00        |

## PROGRAM DESCRIPTION

**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?

#### **Program Description**

This program provides long-term institutional care for MO HealthNet participants in skilled nursing facilities and intermediate care facilities.

#### **Program Statistics**

An average of 503 nursing facilities were enrolled in the MO HealthNet program in SFY 16 with an average of 24,145 participants utilizing this service per month. While nursing facility users represent 2.36% of the total MO HealthNet participants, the nursing facility program comprises almost 8.29% of the total Medicaid program dollars. The statewide occupancy rate of nursing facilities receiving MO HealthNet reimbursement is 72.5% (calendar year 2015).

#### **Program Goals**

To promote quality of care to MO HealthNet participants in nursing facilities.

#### **Program Objectives**

Provide reasonable reimbursement for nursing facility services to ensure an adequate supply of providers.

To create a safe, sustainable, healthy, and cost effective health care environment for the treatment and residential aspects of MO HealthNet participants in nursing facilities.

#### **Reimbursement Methodology**

Payment is based on a per diem rate established for each nursing facility 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 the Nursing Facility Reimbursement Allowance (NFRA) budget section.

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. Nursing facility rates were last rebased in SFY 2005 using 2001 cost report data trended to 2005. 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. The nursing facility per diem calculation is based on the following components:

- Patient care,
- Ancillary services,
- Administration,
- Capital expenses,
- Working capital allowance,
- Incentives, and
- NFRA rate (*see below for additional per diem calculation details*).

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.470**

**Program Name: Nursing Facilities**

**Program is found in the following core budget(s): Nursing Facilities**

Providers are reimbursed for MO HealthNet participants based on the residents' days of care multiplied by the facility's Title XIX per diem rate, less any patient surplus amount (*see below for patient surplus calculation details*).

Effective 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.

### **Rate History**

Rate increases are funded with GR and NFRA. Following are the recent GR funded rate increases. See NFRA for NFRA-funded rate increases.

FY17 \$2.83 GR

FY16 \$2.09 Tax Amnesty Fund (implemented Jan 2016)

FY14 \$3.72 GR

### **Additional Details**

#### Patient Surplus Calculation

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 nursing home provider is responsible for obtaining the patient surplus from the participant.

The amount of the patient surplus is calculated by the 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.

Effective January 1, 2015, the personal needs allowance increased to \$50.00, the maximum amount authorized in state statute (Section 208.016, RSMo).

#### Per Diem Rate Calculation

The nursing facility per diem rate calculation is based on a cost component system. The cost components are patient care, ancillary, administration and capital. A working capital allowance, incentives and the NFFRA rate are also elements of the total reimbursement rate. MHD encourages spending for direct patient care expenditures by utilizing a reimbursement methodology that allows for higher reimbursement of patient care costs while limiting administration and capital costs.

- Patient care includes medical supplies, nursing, supplies, activities, social services and dietary costs. The patient care ceiling is 120% of the median for the patient care cost center. Ancillary services include therapies, barber and beauty shop services, laundry, and housekeeping. The ancillary ceiling is 120% of the median for the ancillary cost center.
- Administration includes plant operation costs and administrative costs. The administration ceiling is 110% of the median for the administration cost center. *See below for additional limitations on administrative costs.*
- Capital costs are reimbursed through a fair rental value methodology and include rental value, return, computed interest, borrowing costs, and pass-through expenses (property insurance, real estate taxes, and personal property taxes). The pass-through expenses are the only part of the capital component that is trended. *See below for additional limitations on capital costs.*

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.470**

**Program Name: Nursing Facilities**

**Program is found in the following core budget(s): Nursing Facilities**

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 services, and administration cost components multiplied by the prime rate plus 2%.

Incentives 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 NFRA rate is also included in the total reimbursement rate since it is an allowable MO HealthNet cost.

**Limitations on Administration & Capital Costs:**

- Minimum Utilization of 85% is applied to Administration and Capital
- Owners' Compensation is limited based on the total number of beds owned and whether the owner is part of a home office or an administrator
- 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 18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

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

Yes, for people over age 21.

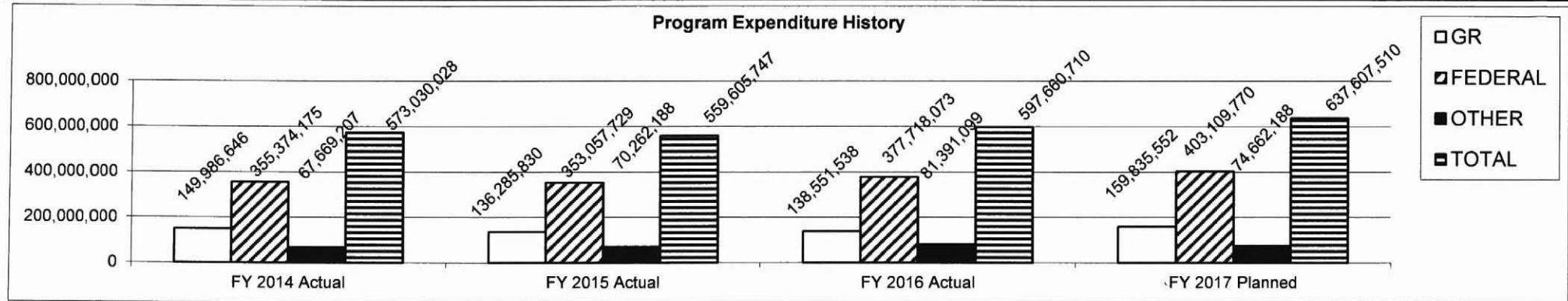
## PROGRAM DESCRIPTION

**Department:** Social Services  
**Program Name:** Nursing Facilities

**HB Section:** 11.470

**Program is found in the following core budget(s):** Nursing Facilities

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

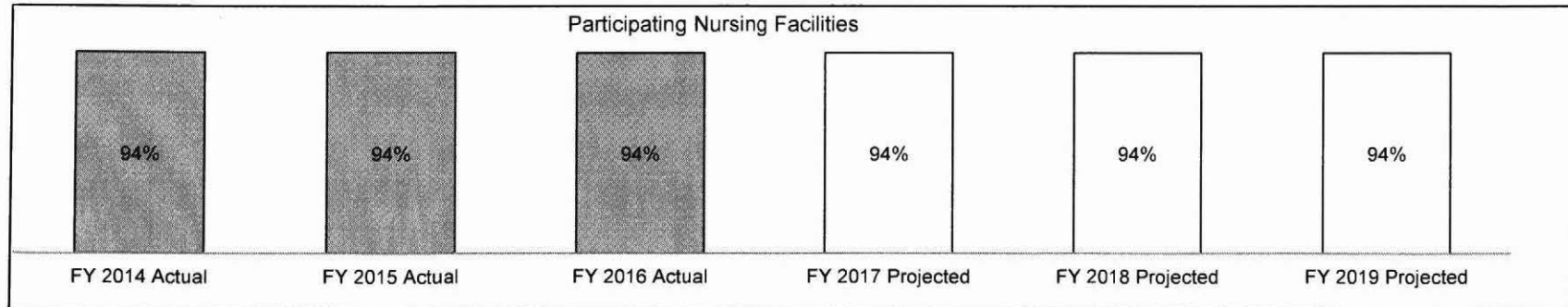


### 6. What are the sources of the "Other" funds?

Uncompensated Care Fund (0108), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625), and Nursing Facilities Federal Reimbursement Allowance Fund (0196)

### 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 94% of licensed nursing facilities in the state participated in the MO HealthNet program.



## PROGRAM DESCRIPTION

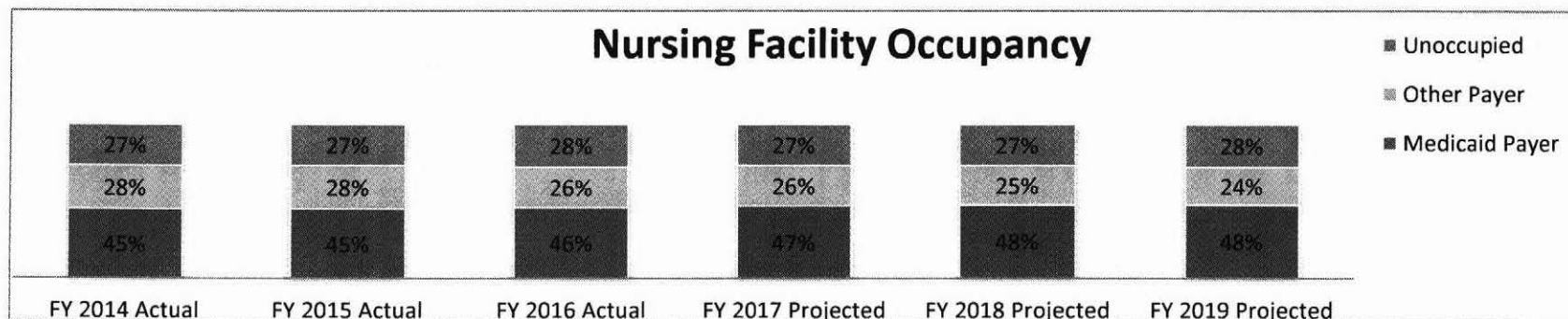
Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

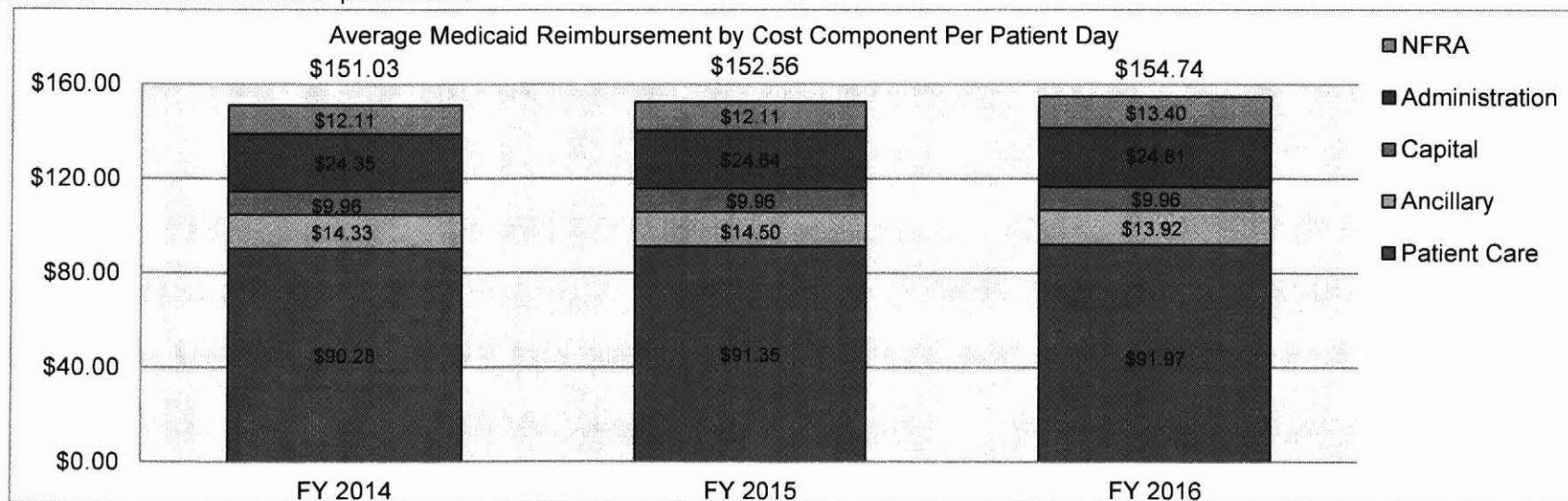
Program is found in the following core budget(s): Nursing Facilities

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.



## PROGRAM DESCRIPTION

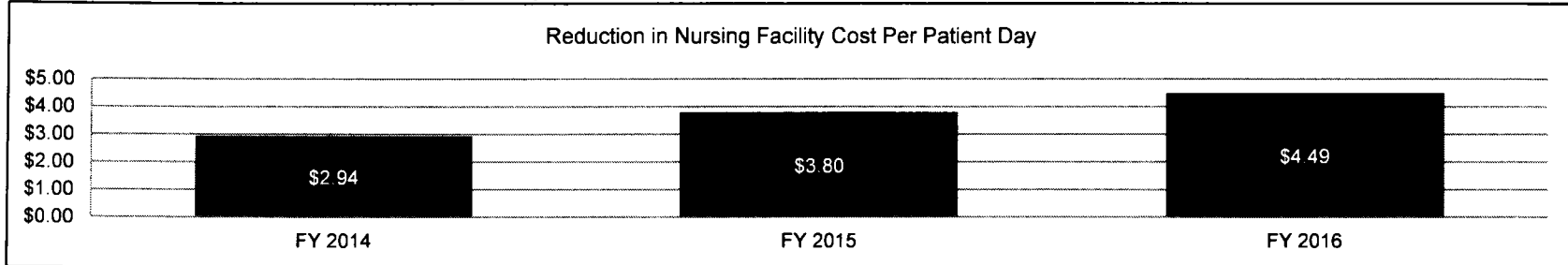
**Department: Social Services**

**HB Section: 11.470**

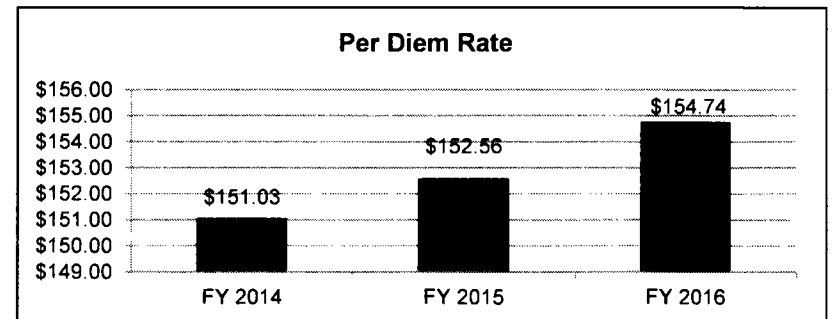
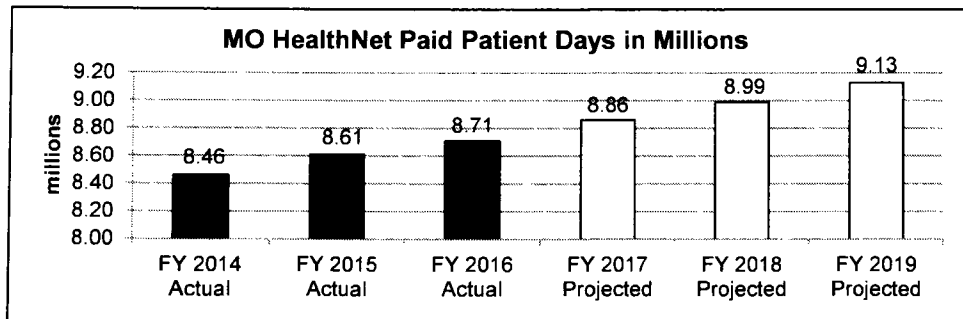
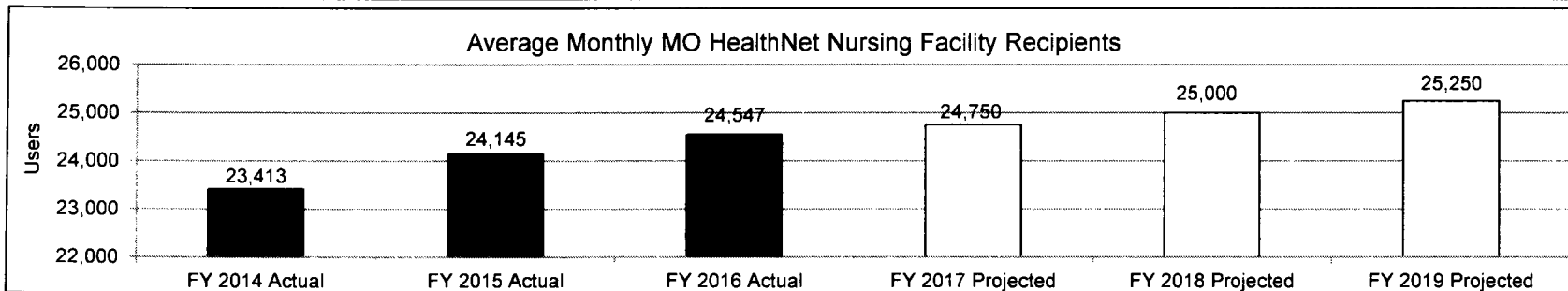
**Program Name: Nursing Facilities**

**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 \$3.74 of nursing facility costs per patient day were disallowed as a result of MHD reviews.



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



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

N/A





# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Home Health

Budget Unit: 90564C

HB Section: 11.470

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |                  |                  |                |                  |   | FY 2018 Governor's Recommendation |                  |                  |                |                  |   |
|------------------------|------------------|------------------|----------------|------------------|---|-----------------------------------|------------------|------------------|----------------|------------------|---|
|                        | GR               | Federal          | Other          | Total            | E |                                   | GR               | Federal          | Other          | Total            | E |
| PS                     |                  |                  |                |                  |   | PS                                |                  |                  |                |                  |   |
| EE                     |                  |                  |                |                  |   | EE                                |                  |                  |                |                  |   |
| PSD                    | 2,552,515        | 4,634,502        | 159,305        | 7,346,322        |   | PSD                               | 2,403,507        | 4,523,466        | 159,305        | 7,086,278        |   |
| TRF                    |                  |                  |                |                  |   | TRF                               |                  |                  |                |                  |   |
| Total                  | <u>2,552,515</u> | <u>4,634,502</u> | <u>159,305</u> | <u>7,346,322</u> |   | Total                             | <u>2,403,507</u> | <u>4,523,466</u> | <u>159,305</u> | <u>7,086,278</u> |   |
| FTE                    |                  |                  |                | 0.00             |   | FTE                               |                  |                  |                | 0.00             |   |

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

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

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

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

## 2. CORE DESCRIPTION

This item funds payments for services provided through the Home Health program for the fee-for-service MO HealthNet population. This program is designed to help MO HealthNet participants remain in their home instead of seeking institutional care through the provision of clinical (or "skilled") medical services. Home Health services are also available through the MO HealthNet Managed Care health plans (*see program description in the Managed Care tab for more*)

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

Home Health Services

# **CORE DECISION ITEM**

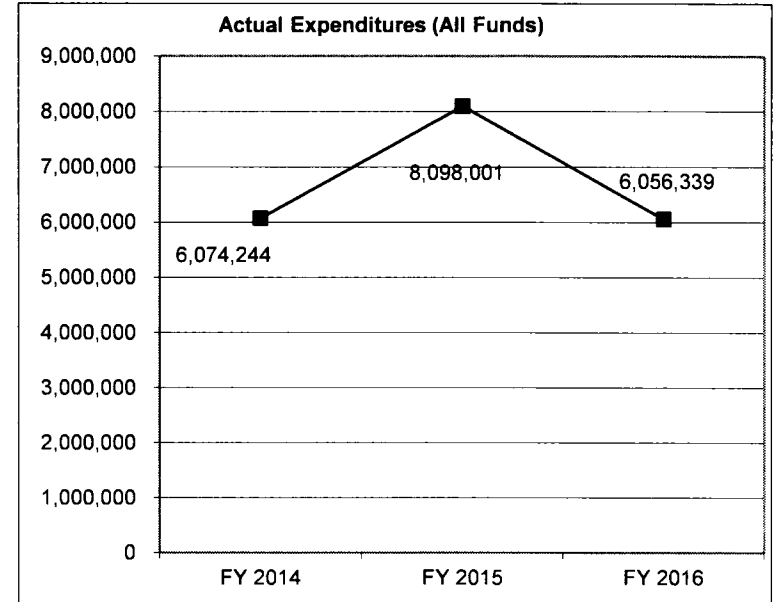
**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Home Health**

**Budget Unit: 90564C**

**HB Section: 11.470**

## **4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 6,463,900                 | 8,170,948                 | 7,254,335                 | 7,346,322                      |
| Less Reverted (All Funds)       | (4,779)                   | (4,779)                   | (4,779)                   | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 6,459,121                 | 8,166,169                 | 7,249,556                 | N/A                            |
| Actual Expenditures (All Funds) | 6,074,244                 | 8,098,001                 | 6,056,339                 | N/A                            |
| Unexpended (All Funds)          | 384,877                   | 68,168                    | 1,193,217                 | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 145,320                   | 0                         | 365,822                   | N/A                            |
| Federal                         | 208,236                   | 0                         | 740,542                   | N/A                            |
| Other                           | 31,321                    | 68,168                    | 86,853                    | 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 HOME HEALTH

#### 5. CORE RECONCILIATION DETAIL

|                                               |           | Budget<br>Class | FTE         | GR               | Federal          | Other          | Total            | Explanation          |
|-----------------------------------------------|-----------|-----------------|-------------|------------------|------------------|----------------|------------------|----------------------|
| <b>TAFP AFTER VETOES</b>                      |           |                 |             |                  |                  |                |                  |                      |
|                                               |           | PD              | 0.00        | 2,552,515        | 4,634,502        | 159,305        | 7,346,322        |                      |
|                                               |           | <b>Total</b>    | <b>0.00</b> | <b>2,552,515</b> | <b>4,634,502</b> | <b>159,305</b> | <b>7,346,322</b> |                      |
| <b>DEPARTMENT CORE REQUEST</b>                |           |                 |             |                  |                  |                |                  |                      |
|                                               |           | PD              | 0.00        | 2,552,515        | 4,634,502        | 159,305        | 7,346,322        |                      |
|                                               |           | <b>Total</b>    | <b>0.00</b> | <b>2,552,515</b> | <b>4,634,502</b> | <b>159,305</b> | <b>7,346,322</b> |                      |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |           |                 |             |                  |                  |                |                  |                      |
| Core Reduction                                | 1387 1797 | PD              | 0.00        | (84,432)         | 0                | 0              | (84,432)         | FMAP adjustment      |
| Core Reduction                                | 1780 1798 | PD              | 0.00        | 0                | (111,036)        | 0              | (111,036)        | FY 18 core reduction |
| Core Reduction                                | 1780 1797 | PD              | 0.00        | (64,576)         | 0                | 0              | (64,576)         | FY 18 core reduction |
| <b>NET GOVERNOR CHANGES</b>                   |           |                 | <b>0.00</b> | <b>(149,008)</b> | <b>(111,036)</b> | <b>0</b>       | <b>(260,044)</b> |                      |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |           |                 |             |                  |                  |                |                  |                      |
|                                               |           | PD              | 0.00        | 2,403,507        | 4,523,466        | 159,305        | 7,086,278        |                      |
|                                               |           | <b>Total</b>    | <b>0.00</b> | <b>2,403,507</b> | <b>4,523,466</b> | <b>159,305</b> | <b>7,086,278</b> |                      |

# DECISION ITEM SUMMARY

| Budget Unit                                     |                    |             |                    |             |                    |             |                    |             |  |
|-------------------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--|
| Decision Item                                   | FY 2016            | FY 2016     | FY 2017            | FY 2017     | FY 2018            | FY 2018     | FY 2018            | FY 2018     |  |
| Budget Object Summary                           | ACTUAL             | ACTUAL      | BUDGET             | BUDGET      | DEPT REQ           | DEPT REQ    | GOV REC            | GOV REC     |  |
| Fund                                            | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         |  |
| <b>HOME HEALTH</b>                              |                    |             |                    |             |                    |             |                    |             |  |
| <b>CORE</b>                                     |                    |             |                    |             |                    |             |                    |             |  |
| PROGRAM-SPECIFIC                                |                    |             |                    |             |                    |             |                    |             |  |
| GENERAL REVENUE                                 | 2,115,294          | 0.00        | 2,552,515          | 0.00        | 2,552,515          | 0.00        | 2,403,507          | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 3,842,698          | 0.00        | 4,634,502          | 0.00        | 4,634,502          | 0.00        | 4,523,466          | 0.00        |  |
| HEALTH INITIATIVES                              | 98,347             | 0.00        | 159,305            | 0.00        | 159,305            | 0.00        | 159,305            | 0.00        |  |
| TOTAL - PD                                      | 6,056,339          | 0.00        | 7,346,322          | 0.00        | 7,346,322          | 0.00        | 7,086,278          | 0.00        |  |
| <b>TOTAL</b>                                    | <b>6,056,339</b>   | <b>0.00</b> | <b>7,346,322</b>   | <b>0.00</b> | <b>7,346,322</b>   | <b>0.00</b> | <b>7,086,278</b>   | <b>0.00</b> |  |
| <b>Asset Limit Increase - HB 1565 - 1886012</b> |                    |             |                    |             |                    |             |                    |             |  |
| PROGRAM-SPECIFIC                                |                    |             |                    |             |                    |             |                    |             |  |
| GENERAL REVENUE                                 | 0                  | 0.00        | 0                  | 0.00        | 60,545             | 0.00        | 33,838             | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                  | 0.00        | 0                  | 0.00        | 104,104            | 0.00        | 60,841             | 0.00        |  |
| TOTAL - PD                                      | 0                  | 0.00        | 0                  | 0.00        | 164,649            | 0.00        | 94,679             | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>164,649</b>     | <b>0.00</b> | <b>94,679</b>      | <b>0.00</b> |  |
| <b>FMAP Adjustment - 1886025</b>                |                    |             |                    |             |                    |             |                    |             |  |
| PROGRAM-SPECIFIC                                |                    |             |                    |             |                    |             |                    |             |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 84,432             | 0.00        |  |
| TOTAL - PD                                      | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 84,432             | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>84,432</b>      | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                              | <b>\$6,056,339</b> | <b>0.00</b> | <b>\$7,346,322</b> | <b>0.00</b> | <b>\$7,510,971</b> | <b>0.00</b> | <b>\$7,265,389</b> | <b>0.00</b> |  |

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### FLEXIBILITY REQUEST FORM

|                                                                                                                |                                                                     |
|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90564C<br><b>BUDGET UNIT NAME:</b> Home Health<br><b>HOUSE BILL SECTION:</b> 11.470 | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> 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.**

#### Governor's Recommendation

|              |               |                    |
|--------------|---------------|--------------------|
| <b>Total</b> | <b>% Flex</b> | <b>Flex Amount</b> |
| \$ 7,265,389 | 10%           | \$ 726,539         |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600

**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.**

| PRIOR YEAR<br>ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED                                                                                  | BUDGET REQUEST - GOVERNOR'S REC<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| None                                            | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY18                                             |

**3. Please explain how flexibility was used in the prior and/or current years.**

| PRIOR YEAR<br>EXPLAIN ACTUAL USE | CURRENT YEAR<br>EXPLAIN PLANNED USE                                                                                          |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A                              | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

# DECISION ITEM DETAIL

| Budget Unit           | FY 2016     | FY 2016 | FY 2017     | FY 2017 | FY 2018     | FY 2018  | FY 2018     | FY 2018 |
|-----------------------|-------------|---------|-------------|---------|-------------|----------|-------------|---------|
| 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     |
| HOME HEALTH           |             |         |             |         |             |          |             |         |
| CORE                  |             |         |             |         |             |          |             |         |
| PROGRAM DISTRIBUTIONS | 6,056,339   | 0.00    | 7,346,322   | 0.00    | 7,346,322   | 0.00     | 7,086,278   | 0.00    |
| TOTAL - PD            | 6,056,339   | 0.00    | 7,346,322   | 0.00    | 7,346,322   | 0.00     | 7,086,278   | 0.00    |
| GRAND TOTAL           | \$6,056,339 | 0.00    | \$7,346,322 | 0.00    | \$7,346,322 | 0.00     | \$7,086,278 | 0.00    |
| GENERAL REVENUE       | \$2,115,294 | 0.00    | \$2,552,515 | 0.00    | \$2,552,515 | 0.00     | \$2,403,507 | 0.00    |
| FEDERAL FUNDS         | \$3,842,698 | 0.00    | \$4,634,502 | 0.00    | \$4,634,502 | 0.00     | \$4,523,466 | 0.00    |
| OTHER FUNDS           | \$98,347    | 0.00    | \$159,305   | 0.00    | \$159,305   | 0.00     | \$159,305   | 0.00    |

## PROGRAM DESCRIPTION

**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. 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; and physical, occupational and speech therapies. Supplies are also covered.

#### **Program Statistics**

In FY16, there was an average of 971 MO HealthNet fee-for-service participants utilizing home health services each month. The home health program comprises .0007% of the total Medicaid program dollars.

#### **Program Goals**

To provide access to medically-oriented treatment or supervision on an intermittent basis to MO HealthNet participants with an acute illness that can be therapeutically managed at home.

#### **Program Objectives**

Improve the health and wellness of MO HealthNet participants receiving therapeutic care at home.

Ensure adequate supply of home health providers.

Encourage care coordination among providers.

#### **Reimbursement Methodology**

Home health services are reimbursed in the fee-for-service and managed care settings. For managed care participants, Home health services are reimbursed by MO HealthNet through the actuarially sound capitated rate paid to the Managed Care Organizations (MCO's). For those eligible through fee-for-service, 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 \$79.49 (FY 17).

#### **Rate History**

7/1/16: ~2% rate increase to a cap rate of \$79.47

1/1/16: 1% rate increase funded with Tax Amnesty Fund to a cap rate of \$77.93

7/1/15: \$13.01 rate increase for Rate Stabilization to a cap rate of \$77.16

7/1/08: \$0.88 rate increase to a cap rate of \$64.15

7/1/07: \$0.48 rate increase to a cap rate of \$63.27

7/1/06: \$1.00 rate increase to a cap rate of \$62.79

7/1/05: \$1.97 rate increase to a cap rate of \$61.79

#### **Additional Details**

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.

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.

## PROGRAM DESCRIPTION

**Department:** Social Services  
**Program Name:** Home Health  
**Program is found in the following core budget(s):** Home Health

**HB Section: 11.470**

**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

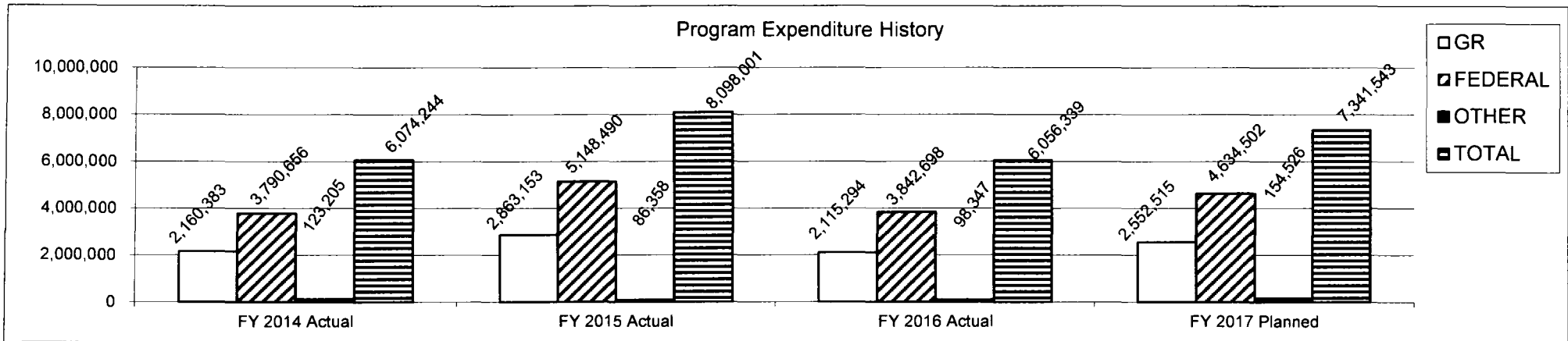
**3. Are there federal matching requirements? If yes, please explain.**

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 FY18 is blended 64.260% federal match. The state matching requirement is 35.740%.

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

Home Health is a mandatory Medicaid program.

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



FY 2017 planned is net of reverted.



## PROGRAM DESCRIPTION

**Department:** Social Services  
**Program Name:** Home Health  
**Program is found in the following core budget(s):** Home Health

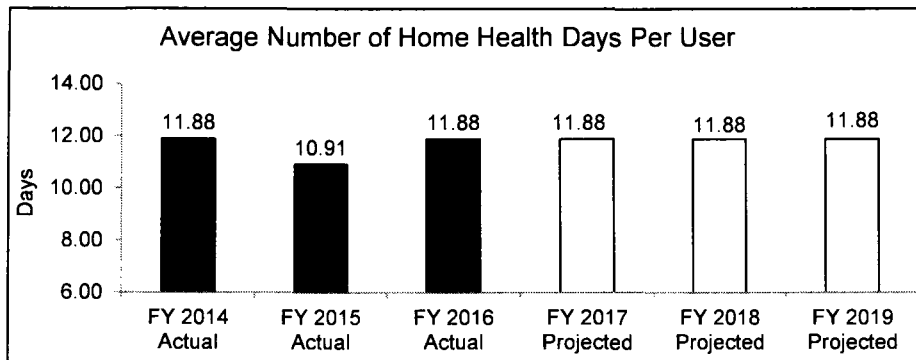
**HB Section:** 11.470

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

Health Initiatives Fund (0275)

### 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 |
| 2014 Actual                  | 6,425 | 59    | 24     | 24   | 6,532 |
| 2015 Actual                  | 6,012 | 8     | 1      | 15   | 6,036 |
| 2016 Actual                  | 6,424 | 4     | 3      | 9    | 6,440 |
| 2017 Projected               | 6,424 | 4     | 3      | 9    | 6,440 |
| 2018 Projected               | 6,424 | 4     | 3      | 9    | 6,440 |
| 2019 Projected               | 6,424 | 4     | 3      | 9    | 6,440 |

### 7b. Provide an efficiency measure.

N/A

## PROGRAM DESCRIPTION

Department: Social Services

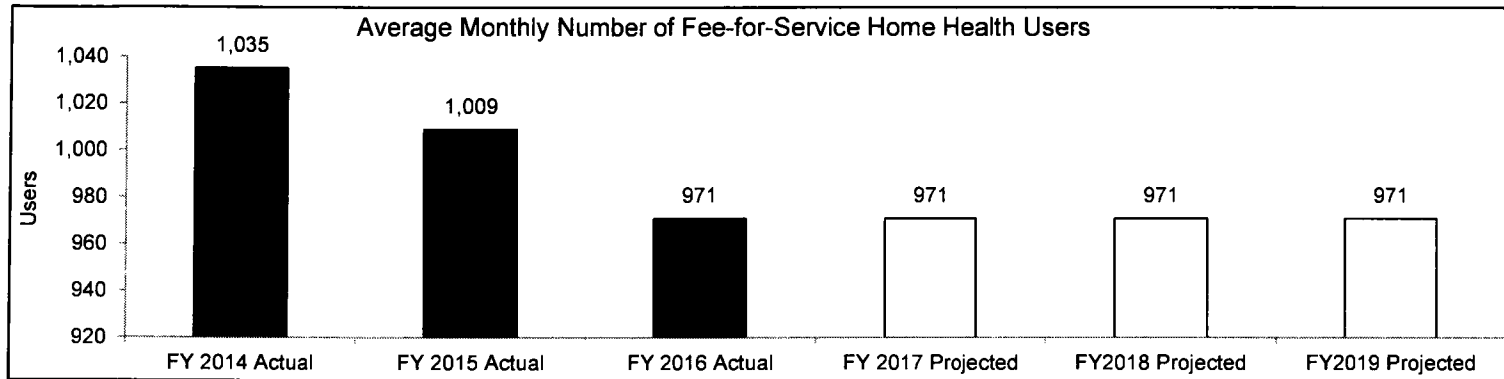
HB Section: 11.470

Program Name: Home Health

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

### 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



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Long Term Support Payments

Budget Unit: 90548C

HB Section: 11.480

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |    |           |           |            | FY 2018 Governor's Recommendation |       |    |           |           |            |   |
|------------------------|----|-----------|-----------|------------|-----------------------------------|-------|----|-----------|-----------|------------|---|
|                        | GR | Federal   | Other     | Total      | E                                 |       | GR | Federal   | Other     | Total      | E |
| PS                     |    |           |           |            |                                   | PS    |    |           |           |            |   |
| EE                     |    |           |           |            |                                   | EE    |    |           |           |            |   |
| PSD                    | 0  | 6,291,672 | 4,659,096 | 10,950,768 |                                   | PSD   | 0  | 6,291,672 | 3,913,804 | 10,205,476 |   |
| TRF                    |    |           |           |            |                                   | TRF   |    |           |           |            |   |
| Total                  | 0  | 6,291,672 | 4,659,096 | 10,950,768 |                                   | Total | 0  | 6,291,672 | 3,913,804 | 10,205,476 |   |
| FTE                    |    |           |           | 0.00       |                                   | FTE   |    |           |           | 0.00       |   |

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

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

Other Funds: Long Term Support UPL (0724)

Other Funds: Long Term Support UPL (0724)

## 2. CORE DESCRIPTION

This program provides a supplemental payment to qualifying public nursing facilities for their unreimbursed cost, subject to the upper payment limit.

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

Long Term Support Payments

# CORE DECISION ITEM

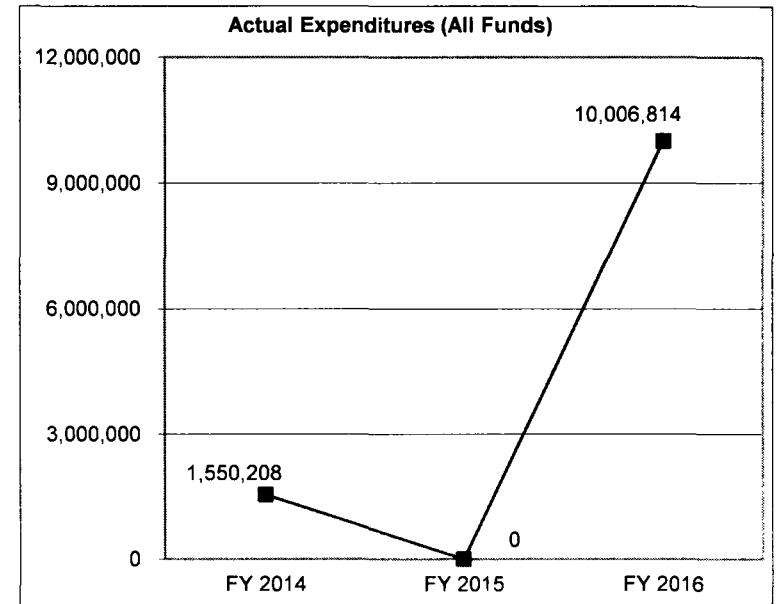
Department: Social Services  
Division: MO HealthNet  
Core: Long Term Support Payments

Budget Unit: 90548C

HB Section: 11.480

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds)       | 45,895,112        | 45,895,112        | 10,950,768        | 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        | 10,950,768        | N/A                    |
| Actual Expenditures (All Funds) | 1,550,208         | 0                 | 10,006,814        | N/A                    |
| Unexpended (All Funds)          | 44,344,904        | 45,895,112        | 943,954           | N/A                    |
| Unexpended, by Fund:            |                   |                   |                   |                        |
| General Revenue                 | 0                 | 0                 | 0                 | N/A                    |
| Federal                         | 27,431,417        | 28,393,011        | 629,282           | N/A                    |
| Other                           | 16,913,487        | 17,502,101        | 314,672           | 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 LONG TERM SUPPORT PAYMENTS

#### 5. CORE RECONCILIATION DETAIL

|                                               |      |      |    | Budget Class | FTE         | GR          | Federal          | Other            | Total             | Explanation     |
|-----------------------------------------------|------|------|----|--------------|-------------|-------------|------------------|------------------|-------------------|-----------------|
| <b>TAFP AFTER VETOES</b>                      |      |      |    | PD           | 0.00        | 0           | 6,291,672        | 4,659,096        | 10,950,768        |                 |
|                                               |      |      |    | <b>Total</b> | <b>0.00</b> | <b>0</b>    | <b>6,291,672</b> | <b>4,659,096</b> | <b>10,950,768</b> |                 |
| <b>DEPARTMENT CORE ADJUSTMENTS</b>            |      |      |    |              |             |             |                  |                  |                   |                 |
| Core Reallocation                             | 230  | 8237 | PD | 0.00         | 0           | 0           | (3,636,028)      | (3,636,028)      |                   |                 |
| Core Reallocation                             | 230  | 8238 | PD | 0.00         | 0           | (1,584,673) | 0                | (1,584,673)      |                   |                 |
| Core Reallocation                             | 230  | 8239 | PD | 0.00         | 0           | 0           | 3,636,028        | 3,636,028        |                   |                 |
| Core Reallocation                             | 230  | 8240 | PD | 0.00         | 0           | (2,376,921) | 0                | (2,376,921)      |                   |                 |
| Core Reallocation                             | 230  | 8236 | PD | 0.00         | 0           | 3,961,594   | 0                | 3,961,594        |                   |                 |
| <b>NET DEPARTMENT CHANGES</b>                 |      |      |    |              | <b>0.00</b> | <b>0</b>    | <b>0</b>         | <b>0</b>         | <b>0</b>          |                 |
| <b>DEPARTMENT CORE REQUEST</b>                |      |      |    | PD           | 0.00        | 0           | 6,291,672        | 4,659,096        | 10,950,768        |                 |
|                                               |      |      |    | <b>Total</b> | <b>0.00</b> | <b>0</b>    | <b>6,291,672</b> | <b>4,659,096</b> | <b>10,950,768</b> |                 |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |      |      |    |              |             |             |                  |                  |                   |                 |
| Core Reduction                                | 1389 | 8239 | PD | 0.00         | 0           | 0           | (745,292)        | (745,292)        |                   | FMAP adjustment |
| <b>NET GOVERNOR CHANGES</b>                   |      |      |    |              | <b>0.00</b> | <b>0</b>    | <b>0</b>         | <b>(745,292)</b> | <b>(745,292)</b>  |                 |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |      |      |    | PD           | 0.00        | 0           | 6,291,672        | 3,913,804        | 10,205,476        |                 |
|                                               |      |      |    | <b>Total</b> | <b>0.00</b> | <b>0</b>    | <b>6,291,672</b> | <b>3,913,804</b> | <b>10,205,476</b> |                 |

# DECISION ITEM SUMMARY

| Budget Unit                       |                     |             |                     |             |                     |             |                     |             |
|-----------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                     | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary             | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                              | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>LONG TERM SUPPORT PAYMENTS</b> |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                       |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                  |                     |             |                     |             |                     |             |                     |             |
| TITLE XIX-FEDERAL AND OTHER       | 6,332,312           | 0.00        | 6,291,672           | 0.00        | 6,291,672           | 0.00        | 6,291,672           | 0.00        |
| LONG-TERM SUPPORT UPL             | 3,674,502           | 0.00        | 4,659,096           | 0.00        | 4,659,096           | 0.00        | 3,913,804           | 0.00        |
| TOTAL - PD                        | 10,006,814          | 0.00        | 10,950,768          | 0.00        | 10,950,768          | 0.00        | 10,205,476          | 0.00        |
| <b>TOTAL</b>                      | <b>10,006,814</b>   | <b>0.00</b> | <b>10,950,768</b>   | <b>0.00</b> | <b>10,950,768</b>   | <b>0.00</b> | <b>10,205,476</b>   | <b>0.00</b> |
| <b>FMAP Adjustment - 1886025</b>  |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                  |                     |             |                     |             |                     |             |                     |             |
| TITLE XIX-FEDERAL AND OTHER       | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 745,292             | 0.00        |
| TOTAL - PD                        | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 745,292             | 0.00        |
| <b>TOTAL</b>                      | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>745,292</b>      | <b>0.00</b> |
| <b>GRAND TOTAL</b>                | <b>\$10,006,814</b> | <b>0.00</b> | <b>\$10,950,768</b> | <b>0.00</b> | <b>\$10,950,768</b> | <b>0.00</b> | <b>\$10,950,768</b> | <b>0.00</b> |

# DECISION ITEM DETAIL

| Budget Unit                | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|----------------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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     |
| LONG TERM SUPPORT PAYMENTS |              |         |              |         |              |          |              |         |
| CORE                       |              |         |              |         |              |          |              |         |
| PROGRAM DISTRIBUTIONS      | 10,006,814   | 0.00    | 10,950,768   | 0.00    | 10,950,768   | 0.00     | 10,205,476   | 0.00    |
| TOTAL - PD                 | 10,006,814   | 0.00    | 10,950,768   | 0.00    | 10,950,768   | 0.00     | 10,205,476   | 0.00    |
| GRAND TOTAL                | \$10,006,814 | 0.00    | \$10,950,768 | 0.00    | \$10,950,768 | 0.00     | \$10,205,476 | 0.00    |
| GENERAL REVENUE            | \$0          | 0.00    | \$0          | 0.00    | \$0          | 0.00     | \$0          | 0.00    |
| FEDERAL FUNDS              | \$6,332,312  | 0.00    | \$6,291,672  | 0.00    | \$6,291,672  | 0.00     | \$6,291,672  | 0.00    |
| OTHER FUNDS                | \$3,674,502  | 0.00    | \$4,659,096  | 0.00    | \$4,659,096  | 0.00     | \$3,913,804  | 0.00    |



## PROGRAM DESCRIPTION

**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 (UPL). The UPL is the maximum a state Medicaid program may pay a provider. The long-term care services and supports UPL is calculated at the Medicare rate. Annual payments are made to the following qualifying public nursing facilities through an approved state plan amendment:

- Caruthersville Nursing Center
- Pemiscot Memorial Hospital
- Truman Medical Center-Lakewood

### Program Statistics

The first supplemental UPL payment for long-term care services and supports was made in FY14.

### Program Goals

To support long-term care services and supports provided at public nursing homes.

### Program Objectives

When appropriate, use IGT as a source of funding to maximize eligible costs for federal Medicaid funds.

### Reimbursement Methodology

MHD contracts with a vendor to collect and review provider cost data and compares actual unreimbursed costs with Medicare reimbursement rates. The qualifying public nursing homes then utilize an intergovernmental transfer (IGT) process to transfer the non-federal share of payments to the state prior to payments being made. The state pays out the total claimable amount including both federal and non-federal share. The state demonstrates that the non-federal share of the payments is transferred to, and under the administrative control of, the MO HealthNet Division before the total computable payment is made to the qualifying public nursing homes.

### Rate History

This program does not utilize a rate reimbursement methodology.

### 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.

## PROGRAM DESCRIPTION

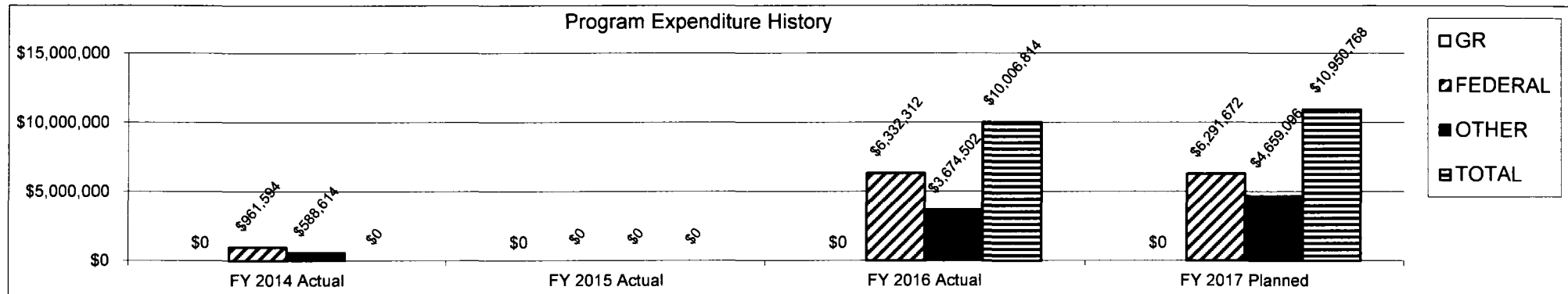
Department: Social Services

HB Section: 11.480

Program Name: Long Term Support Payments

Program is found in the following core budget(s): Long Term Support Payments

**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)

**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



## CORE DECISION ITEM

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Rehab and Specialty Services

**Budget Unit:** 90550C

**HB Section:** 11.485

### 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |            |             |            |             | FY 2018 Governor's Recommendation |       |            |             |            |             |   |
|------------------------|------------|-------------|------------|-------------|-----------------------------------|-------|------------|-------------|------------|-------------|---|
|                        | GR         | Federal     | Other      | Total       | E                                 |       | GR         | Federal     | Other      | Total       | E |
| PS                     |            |             |            |             |                                   | PS    |            |             |            |             |   |
| EE                     | 844,334    | 844,000     |            | 1,688,334   |                                   | EE    | 844,334    | 844,000     |            | 1,688,334   |   |
| PSD                    | 78,463,681 | 153,213,481 | 25,249,629 | 256,926,791 |                                   | PSD   | 76,784,405 | 149,885,322 | 25,249,629 | 251,919,356 |   |
| TRF                    |            |             |            |             |                                   | TRF   |            |             |            |             |   |
| Total                  | 79,308,015 | 154,057,481 | 25,249,629 | 258,615,125 |                                   | Total | 77,628,739 | 150,729,322 | 25,249,629 | 253,607,690 |   |
| FTE                    |            |             |            | 0.00        |                                   | FTE   |            |             |            | 0.00        |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

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

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: Healthy Families Trust Fund (0625)  
 Health Initiatives Fund (HIF) (0275)  
 Nursing Facility Reimbursement Allowance (NFRA) (0196)  
 Ambulance Service Reimbursement Allowance (0958)

Other Funds: Healthy Families Trust Fund (0625)  
 Health Initiatives Fund (HIF) (0275)  
 Nursing Facility Reimbursement Allowance (NFRA) (0196)  
 Ambulance Service Reimbursement Allowance (0958)

### 2. CORE DESCRIPTION

This item funds rehabilitation and specialty services for the fee-for-service MO HealthNet population. The services funded from this core include: audiology/hearing aid; optical; durable medical equipment (DME); ambulance; physical therapy, occupational therapy, speech therapy, and adaptive training for prosthetic/orthotic devices performed in a rehabilitation center; hospice; comprehensive day rehabilitation for individuals with traumatic brain injuries; and children's residential treatment. Rehabilitation and specialty services are also available through the MO HealthNet Managed Care health plans (see program description in the Managed Care tab for more information).

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

Rehabilitation and Specialty Services

**CORE DECISION ITEM**

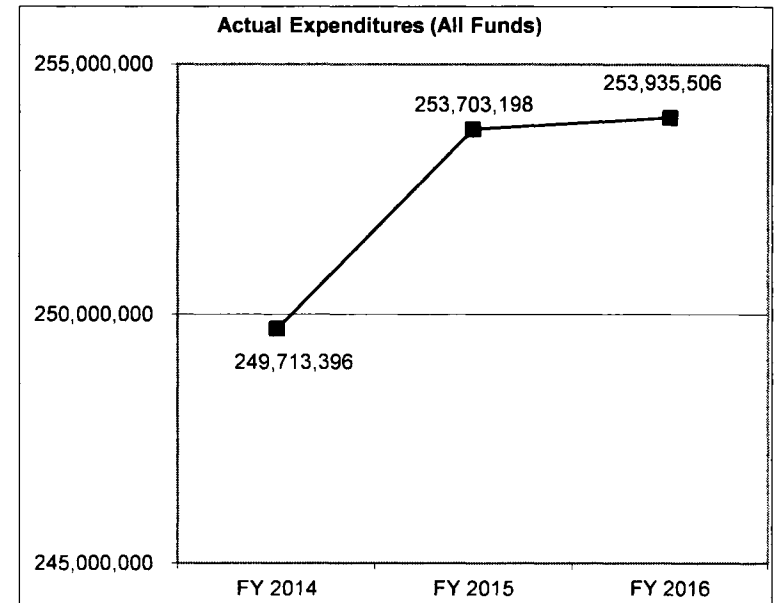
**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Rehab and Specialty Services

**Budget Unit:** 90550C

**HB Section:** 11.485

**4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 270,710,479               | 284,159,971               | 252,982,858               | 259,008,150                    |
| Less Reverted (All Funds)       | (5,846)                   | (5,846)                   | (5,846)                   | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 270,704,633               | 284,154,125               | 252,977,012               | N/A                            |
| Actual Expenditures (All Funds) | 249,713,396               | 253,703,198               | 253,935,506               | N/A                            |
| Unexpended (All Funds)          | 20,991,237                | 30,450,927                | (958,494)                 | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 532,285                   | 59,098                    | 1,494,413                 | N/A                            |
| Federal                         | 19,354,534                | 30,215,239                | 0                         | N/A                            |
| Other                           | 1,104,418                 | 176,590                   | 131,280                   | N/A                            |
|                                 | <b>(1)</b>                | <b>(2)</b>                | <b>(3)</b>                |                                |



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 \$17,342,559 Federal; \$574,328 Other Funds.

**(2)** FY15 \$12,780,114 (\$4,762,424 GR; \$8,017,690 Federal) was transferred to a new section - Complex Rehabilitation Technology.

**(3)** FY16 \$2,584,245 federal fund authority was flexed from the CHIP section to Rehab & Specialty.

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Rehab and Specialty Services

Budget Unit: 90550C

HB Section: 11.485

## Cost Per Eligible - Per Member Per Month (PMPM)

|                   | Rehab & Specialty PMPM | Acute Care PMPM | Total PMPM | Rehab & Specialty Percentage of Acute | Rehab & Specialty Percentage of Total |
|-------------------|------------------------|-----------------|------------|---------------------------------------|---------------------------------------|
| PTD               | \$65.58                | \$1,102.14      | \$1,988.02 | 5.95%                                 | 3.30%                                 |
| Seniors           | \$101.28               | \$380.60        | \$1,585.20 | 26.61%                                | 6.39%                                 |
| Custodial Parents | \$5.20                 | \$462.53        | \$495.56   | 1.12%                                 | 1.05%                                 |
| Children*         | \$3.07                 | \$259.53        | \$287.18   | 1.18%                                 | 1.07%                                 |
| Pregnant Women    | \$6.46                 | \$732.32        | \$748.13   | 0.88%                                 | 0.86%                                 |

Source: Table 23 Medical Statistics for FY 16. (Paid Claims Data)

\* CHIP eligibles not included

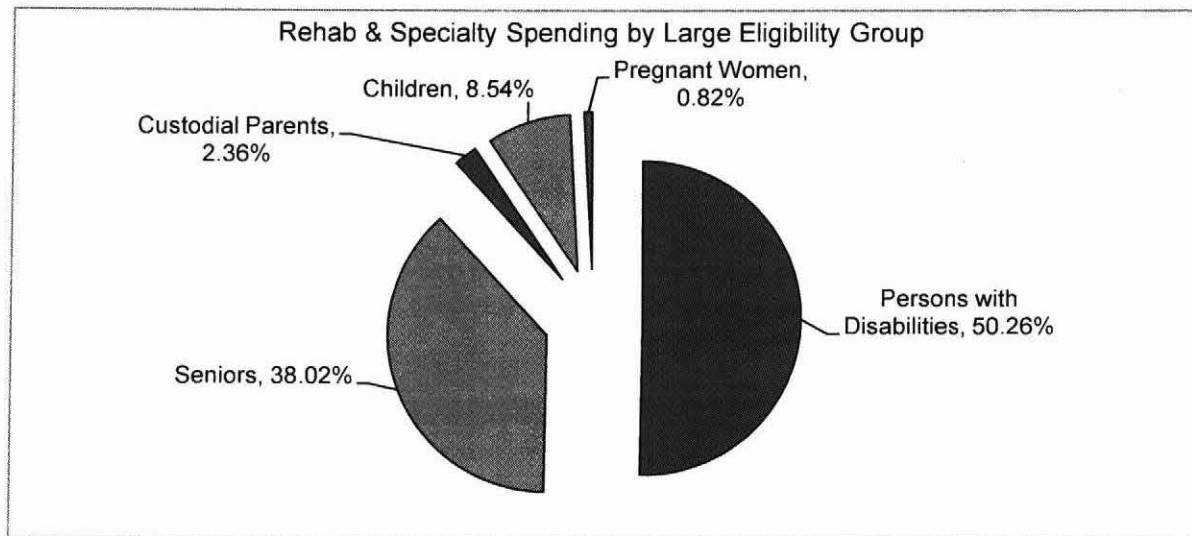
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a 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 rehab 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, 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 rehab and specialty 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 rehab and specialty services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for FY 16. (Paid Claims Data)

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
REHAB AND SPECIALTY SERVICES**

**5. CORE RECONCILIATION DETAIL**

|                                    |     |      |    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>         | <b>Federal</b>     | <b>Other</b>      | <b>Total</b>       | <b>Explanation</b>                                                                                |
|------------------------------------|-----|------|----|-------------------------|-------------|-------------------|--------------------|-------------------|--------------------|---------------------------------------------------------------------------------------------------|
| <b>TAFP AFTER VETOES</b>           |     |      |    |                         |             |                   |                    |                   |                    |                                                                                                   |
|                                    |     |      |    | EE                      | 0.00        | 844,334           | 844,000            | 0                 | 1,688,334          |                                                                                                   |
|                                    |     |      |    | PD                      | 0.00        | 78,836,270        | 153,233,917        | 25,249,629        | 257,319,816        |                                                                                                   |
|                                    |     |      |    | <b>Total</b>            | <b>0.00</b> | <b>79,680,604</b> | <b>154,077,917</b> | <b>25,249,629</b> | <b>259,008,150</b> |                                                                                                   |
| <b>DEPARTMENT CORE ADJUSTMENTS</b> |     |      |    |                         |             |                   |                    |                   |                    |                                                                                                   |
| Core Reduction                     | 243 | 8205 | PD |                         | 0.00        | 0                 | (3,127,157)        | 0                 | (3,127,157)        | Core reduction for one-time federal funds.                                                        |
| Core Reallocation                  | 242 | 5907 | PD |                         | 0.00        | 0                 | 0                  | (9,069,225)       | (9,069,225)        | Core reallocation to align budget with planned spending.                                          |
| Core Reallocation                  | 242 | 7368 | PD |                         | 0.00        | 0                 | 0                  | 9,069,225         | 9,069,225          | Core reallocation to align budget with planned spending.                                          |
| Core Reallocation                  | 622 | 8205 | PD |                         | 0.00        | 0                 | (7,698,564)        | 0                 | (7,698,564)        | Core reallocation to Mgd Care to align the budget.                                                |
| Core Reallocation                  | 622 | 8204 | PD |                         | 0.00        | (6,656,703)       | 0                  | 0                 | (6,656,703)        | Core reallocation to Mgd Care to align the budget.                                                |
| Core Reallocation                  | 627 | 8205 | PD |                         | 0.00        | 0                 | 10,805,285         | 0                 | 10,805,285         | Core reallocation from Residential Treatment for Rehabilitation Services for Children in Custody. |
| Core Reallocation                  | 627 | 8204 | PD |                         | 0.00        | 6,284,114         | 0                  | 0                 | 6,284,114          | Core reallocation from Residential Treatment for Rehabilitation Services for Children in Custody. |
| <b>NET DEPARTMENT CHANGES</b>      |     |      |    |                         | <b>0.00</b> | <b>(372,589)</b>  | <b>(20,436)</b>    | <b>0</b>          | <b>(393,025)</b>   |                                                                                                   |
| <b>DEPARTMENT CORE REQUEST</b>     |     |      |    |                         |             |                   |                    |                   |                    |                                                                                                   |
|                                    |     |      |    | EE                      | 0.00        | 844,334           | 844,000            | 0                 | 1,688,334          |                                                                                                   |
|                                    |     |      |    | PD                      | 0.00        | 78,463,681        | 153,213,481        | 25,249,629        | 256,926,791        |                                                                                                   |
|                                    |     |      |    | <b>Total</b>            | <b>0.00</b> | <b>79,308,015</b> | <b>154,057,481</b> | <b>25,249,629</b> | <b>258,615,125</b> |                                                                                                   |

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES REHAB AND SPECIALTY SERVICES

#### 5. CORE RECONCILIATION DETAIL

|                                               |           |              | Budget<br>Class | FTE         | GR                 | Federal            | Other             | Total              | Explanation                                        |
|-----------------------------------------------|-----------|--------------|-----------------|-------------|--------------------|--------------------|-------------------|--------------------|----------------------------------------------------|
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |           |              |                 |             |                    |                    |                   |                    |                                                    |
| Core Reduction                                | 1390 8205 | PD           |                 | 0.00        | 0                  | (512,235)          | 0                 | (512,235)          | FMAP adjustment                                    |
| Core Reduction                                | 1781 8205 | PD           |                 | 0.00        | 0                  | (2,500,334)        | 0                 | (2,500,334)        | FY 18 core reduction                               |
| Core Reduction                                | 1781 8204 | PD           |                 | 0.00        | (1,454,139)        | 0                  | 0                 | (1,454,139)        | FY 18 core reduction                               |
| Core Reallocation                             | 622 8205  | PD           |                 | 0.00        | 0                  | (315,590)          | 0                 | (315,590)          | Core reallocation to Mgd Care to align the budget. |
| Core Reallocation                             | 622 8204  | PD           |                 | 0.00        | (225,137)          | 0                  | 0                 | (225,137)          | Core reallocation to Mgd Care to align the budget. |
| <b>NET GOVERNOR CHANGES</b>                   |           |              |                 | <b>0.00</b> | <b>(1,679,276)</b> | <b>(3,328,159)</b> | <b>0</b>          | <b>(5,007,435)</b> |                                                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |           |              |                 |             |                    |                    |                   |                    |                                                    |
|                                               |           | EE           |                 | 0.00        | 844,334            | 844,000            | 0                 | 1,688,334          |                                                    |
|                                               |           | PD           |                 | 0.00        | 76,784,405         | 149,885,322        | 25,249,629        | 251,919,356        |                                                    |
|                                               |           | <b>Total</b> |                 | <b>0.00</b> | <b>77,628,739</b>  | <b>150,729,322</b> | <b>25,249,629</b> | <b>253,607,690</b> |                                                    |



## DECISION ITEM SUMMARY

| Budget Unit                            |                    |             |                    |             |                    |             |                    |             |             |
|----------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|-------------|
| Decision Item                          | FY 2016            | FY 2016     | FY 2017            | FY 2017     | FY 2018            | FY 2018     | FY 2018            | FY 2018     | FY 2018     |
| Budget Object Summary                  | ACTUAL             | ACTUAL      | BUDGET             | BUDGET      | DEPT REQ           | DEPT REQ    | GOV REC            | GOV REC     | GOV REC     |
| Fund                                   | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | FTE         |
| <b>REHAB AND SPECIALTY SERVICES</b>    |                    |             |                    |             |                    |             |                    |             |             |
| <b>CORE</b>                            |                    |             |                    |             |                    |             |                    |             |             |
| EXPENSE & EQUIPMENT                    |                    |             |                    |             |                    |             |                    |             |             |
| GENERAL REVENUE                        | 35,411             | 0.00        | 844,334            | 0.00        | 844,334            | 0.00        | 844,334            | 0.00        | 0.00        |
| TITLE XIX-FEDERAL AND OTHER            | 43,249             | 0.00        | 844,000            | 0.00        | 844,000            | 0.00        | 844,000            | 0.00        | 0.00        |
| HEALTH INITIATIVES                     | 6,387              | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 0.00        |
| AMBULANCE SERVICE REIMB ALLOW          | 250,000            | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 0.00        |
| TOTAL - EE                             | 335,047            | 0.00        | 1,688,334          | 0.00        | 1,688,334          | 0.00        | 1,688,334          | 0.00        | 0.00        |
| PROGRAM-SPECIFIC                       |                    |             |                    |             |                    |             |                    |             |             |
| GENERAL REVENUE                        | 76,090,807         | 0.00        | 78,836,270         | 0.00        | 78,463,681         | 0.00        | 76,784,405         | 0.00        | 0.00        |
| TITLE XIX-FEDERAL AND OTHER            | 152,891,874        | 0.00        | 153,233,917        | 0.00        | 153,213,481        | 0.00        | 149,885,322        | 0.00        | 0.00        |
| NURSING FACILITY FED REIM ALLW         | 1,414,043          | 0.00        | 1,414,043          | 0.00        | 1,414,043          | 0.00        | 1,414,043          | 0.00        | 0.00        |
| HEALTH INITIATIVES                     | 142,336            | 0.00        | 194,881            | 0.00        | 194,881            | 0.00        | 194,881            | 0.00        | 0.00        |
| TAX AMNESTY FUND                       | 1,047,875          | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 0.00        |
| HEALTHY FAMILIES TRUST                 | 831,745            | 0.00        | 831,745            | 0.00        | 831,745            | 0.00        | 831,745            | 0.00        | 0.00        |
| AMBULANCE SERVICE REIMB ALLOW          | 21,181,779         | 0.00        | 22,808,960         | 0.00        | 22,808,960         | 0.00        | 22,808,960         | 0.00        | 0.00        |
| TOTAL - PD                             | 253,600,459        | 0.00        | 257,319,816        | 0.00        | 256,926,791        | 0.00        | 251,919,356        | 0.00        | 0.00        |
| <b>TOTAL</b>                           | <b>253,935,506</b> | <b>0.00</b> | <b>259,008,150</b> | <b>0.00</b> | <b>258,615,125</b> | <b>0.00</b> | <b>253,607,690</b> | <b>0.00</b> | <b>0.00</b> |
| <b>MHD Cost to Continue - 1886001</b>  |                    |             |                    |             |                    |             |                    |             |             |
| PROGRAM-SPECIFIC                       |                    |             |                    |             |                    |             |                    |             |             |
| GENERAL REVENUE                        | 0                  | 0.00        | 0                  | 0.00        | 6,189,538          | 0.00        | 5,058,725          | 0.00        | 0.00        |
| TITLE XIX-FEDERAL AND OTHER            | 0                  | 0.00        | 0                  | 0.00        | 7,315,961          | 0.00        | 6,234,005          | 0.00        | 0.00        |
| TOTAL - PD                             | 0                  | 0.00        | 0                  | 0.00        | 13,505,499         | 0.00        | 11,292,730         | 0.00        | 0.00        |
| <b>TOTAL</b>                           | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>13,505,499</b>  | <b>0.00</b> | <b>11,292,730</b>  | <b>0.00</b> | <b>0.00</b> |
| <b>MHD GR Pickup - 1886003</b>         |                    |             |                    |             |                    |             |                    |             |             |
| PROGRAM-SPECIFIC                       |                    |             |                    |             |                    |             |                    |             |             |
| GENERAL REVENUE                        | 0                  | 0.00        | 0                  | 0.00        | 3,127,157          | 0.00        | 3,127,157          | 0.00        | 0.00        |
| TOTAL - PD                             | 0                  | 0.00        | 0                  | 0.00        | 3,127,157          | 0.00        | 3,127,157          | 0.00        | 0.00        |
| <b>TOTAL</b>                           | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>3,127,157</b>   | <b>0.00</b> | <b>3,127,157</b>   | <b>0.00</b> | <b>0.00</b> |
| <b>Hospice Rate Increase - 1886005</b> |                    |             |                    |             |                    |             |                    |             |             |
| PROGRAM-SPECIFIC                       |                    |             |                    |             |                    |             |                    |             |             |

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## DECISION ITEM SUMMARY

| Budget Unit                                     |                      |             |                      |             |                      |             |                      |             |  |
|-------------------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|--|
| Decision Item                                   | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |  |
| Budget Object Summary                           | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |  |
| Fund                                            | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |  |
| <b>REHAB AND SPECIALTY SERVICES</b>             |                      |             |                      |             |                      |             |                      |             |  |
| <b>Hospice Rate Increase - 1886005</b>          |                      |             |                      |             |                      |             |                      |             |  |
| PROGRAM-SPECIFIC                                |                      |             |                      |             |                      |             |                      |             |  |
| GENERAL REVENUE                                 | 0                    | 0.00        | 0                    | 0.00        | 119,922              | 0.00        | 116,553              | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                    | 0.00        | 0                    | 0.00        | 206,042              | 0.00        | 209,411              | 0.00        |  |
| TOTAL - PD                                      | 0                    | 0.00        | 0                    | 0.00        | 325,964              | 0.00        | 325,964              | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>325,964</b>       | <b>0.00</b> | <b>325,964</b>       | <b>0.00</b> |  |
| <b>Asset Limit Increase - HB 1565 - 1886012</b> |                      |             |                      |             |                      |             |                      |             |  |
| PROGRAM-SPECIFIC                                |                      |             |                      |             |                      |             |                      |             |  |
| GENERAL REVENUE                                 | 0                    | 0.00        | 0                    | 0.00        | 845,529              | 0.00        | 470,846              | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                    | 0.00        | 0                    | 0.00        | 2,389,341            | 0.00        | 1,396,385            | 0.00        |  |
| AMBULANCE SERVICE REIMB ALLOW                   | 0                    | 0.00        | 0                    | 0.00        | 544,058              | 0.00        | 305,792              | 0.00        |  |
| TOTAL - PD                                      | 0                    | 0.00        | 0                    | 0.00        | 3,778,928            | 0.00        | 2,173,023            | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>3,778,928</b>     | <b>0.00</b> | <b>2,173,023</b>     | <b>0.00</b> |  |
| <b>FMAP Adjustment - 1886025</b>                |                      |             |                      |             |                      |             |                      |             |  |
| PROGRAM-SPECIFIC                                |                      |             |                      |             |                      |             |                      |             |  |
| GENERAL REVENUE                                 | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 512,235              | 0.00        |  |
| TOTAL - PD                                      | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 512,235              | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>512,235</b>       | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                              | <b>\$253,935,506</b> | <b>0.00</b> | <b>\$259,008,150</b> | <b>0.00</b> | <b>\$279,352,673</b> | <b>0.00</b> | <b>\$271,038,799</b> | <b>0.00</b> |  |

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# FLEXIBILITY REQUEST FORM

|                                                                                                                                 |                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90550C<br><b>BUDGET UNIT NAME:</b> Rehab and Specialty Services<br><b>HOUSE BILL SECTION:</b> 11.480 | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> 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.**

|                                                                                                                                                                                                                                                                                                                                                                    |               |                    |                    |                |     |               |                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------|--------------------|----------------|-----|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Governor's Recommendation</b>                                                                                                                                                                                                                                                                                                                                   |               |                    |                    |                |     |               |                                                                                                                                                                              |
| <table style="width: 100%;"> <tr> <td style="text-align: right;"><b>Total</b></td> <td style="text-align: right;"><b>% Flex</b></td> <td style="text-align: right;"><b>Flex Amount</b></td> </tr> <tr> <td style="text-align: right;">\$ 271,038,799</td> <td style="text-align: right;">10%</td> <td style="text-align: right;">\$ 27,103,880</td> </tr> </table> | <b>Total</b>  | <b>% Flex</b>      | <b>Flex Amount</b> | \$ 271,038,799 | 10% | \$ 27,103,880 | Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600 |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                       | <b>% Flex</b> | <b>Flex Amount</b> |                    |                |     |               |                                                                                                                                                                              |
| \$ 271,038,799                                                                                                                                                                                                                                                                                                                                                     | 10%           | \$ 27,103,880      |                    |                |     |               |                                                                                                                                                                              |

**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.**

| PRIOR YEAR<br>ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED                                                                                  | BUDGET REQUEST - GOVERNOR'S REC<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| None                                            | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY18                                             |

**3. Please explain how flexibility was used in the prior and/or current years.**

| PRIOR YEAR<br>EXPLAIN ACTUAL USE | CURRENT YEAR<br>EXPLAIN PLANNED USE                                                                                          |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A                              | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

# DECISION ITEM DETAIL

| Budget Unit                         | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
|-------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| 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         |
| <b>REHAB AND SPECIALTY SERVICES</b> |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>                         |                      |             |                      |             |                      |             |                      |             |
| PROFESSIONAL SERVICES               | 335,047              | 0.00        | 1,688,334            | 0.00        | 1,688,334            | 0.00        | 1,688,334            | 0.00        |
| TOTAL - EE                          | 335,047              | 0.00        | 1,688,334            | 0.00        | 1,688,334            | 0.00        | 1,688,334            | 0.00        |
| PROGRAM DISTRIBUTIONS               | 253,600,459          | 0.00        | 257,319,816          | 0.00        | 256,926,791          | 0.00        | 251,919,356          | 0.00        |
| TOTAL - PD                          | 253,600,459          | 0.00        | 257,319,816          | 0.00        | 256,926,791          | 0.00        | 251,919,356          | 0.00        |
| <b>GRAND TOTAL</b>                  | <b>\$253,935,506</b> | <b>0.00</b> | <b>\$259,008,150</b> | <b>0.00</b> | <b>\$258,615,125</b> | <b>0.00</b> | <b>\$253,607,690</b> | <b>0.00</b> |
| GENERAL REVENUE                     | \$76,126,218         | 0.00        | \$79,680,604         | 0.00        | \$79,308,015         | 0.00        | \$77,628,739         | 0.00        |
| FEDERAL FUNDS                       | \$152,935,123        | 0.00        | \$154,077,917        | 0.00        | \$154,057,481        | 0.00        | \$150,729,322        | 0.00        |
| OTHER FUNDS                         | \$24,874,165         | 0.00        | \$25,249,629         | 0.00        | \$25,249,629         | 0.00        | \$25,249,629         | 0.00        |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Rehab and Specialty Services**

**Program is found in the following core budget(s): Rehab and Specialty Services**

### 1. What does this program do?

#### **Program Description**

Rehabilitation and specialty services funded from this core include the following:

- Audiology/hearing aid;
- Optical;
- Durable medical equipment (DME);
- Ambulance;
- Physical therapy, occupational therapy, speech therapy, and adaptive training for prosthetic/orthotic devices when performed in a rehabilitation center;
- Hospice;
- Comprehensive day rehabilitation for individuals with traumatic brain injuries; and
- Children's residential treatment.

Unless otherwise noted, rehabilitation and specialty services are covered only for participants who are under the age of 21, pregnant women, the blind, and nursing facility residents (including Independent Care Facilities for individuals with Intellectual Disabilities-ICF/ID).

#### **Program Statistics**

The total number of fee-for-service participants eligible for rehab and specialty services is 494,257 (as of June 2016). The rehab program comprises 3.687% of the total Medicaid program dollars. Based on expenditures in FY 16, hospice is the largest of the rehab programs (32%), followed by ambulance (21%), children's residential treatment (19%), and DME (18%). All other rehab services comprise 10% of the program's expenditures.

#### **Program Goals**

To provide additional supportive services designed to meet a MO HealthNet participant's individual needs regarding therapeutic and adaptive equipment, rehabilitation, emergency medical transportation, and end-of-life care.

#### **Program Objectives**

To ensure proper health care for the general health and well-being of MO HealthNet participants.

To ensure adequate supply of providers.

To increase use of Early and Periodic Screening Diagnosis and Treatment (EPSDT) services, also known as the Healthy Children and Youth (HCY) program, for children.

To encourage care coordination among providers.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Rehab and Specialty Services**

**Program is found in the following core budget(s): Rehab and Specialty Services**

### **Reimbursement Methodology**

The majority of rehabilitation and specialty services 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 are only reimbursable with prior approval.

- All hearing aids and related services must have prior approval except audiometric testing, post-fitting evaluation, post-fitting adjustment, and repairs to hearing aids no longer under warranty. A MO HealthNet audiologist consultant gives prior authorization for the claims MO HealthNet requires pre-certification for optical services provided to MO HealthNet fee-for-service participants through MHD's web tool, CyberAccess<sup>SM</sup>. Pre-certification is similar to prior authorization, but services are authorized through an automated tool while a prior authorization requires approval from a clinical consultant (*see the program description in the Clinical Services tab for more information about pre-certification for rehab and specialty services*).
- Comprehensive day rehabilitation services require prior authorization. Reimbursement is made for either a full day or a half day of services.
- Certain DME items require prior authorization because not all DME classified items may be covered in every instance. MO HealthNet reimbursement is only available if the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part; meets the definition of durable medical equipment or prosthesis; and is used in the participant's home. *See Additional Details for more information about DME prior authorization.*

Rehabilitative therapies such as adaptive training in connection with the receipt of an orthotic or prosthetic device or artificial larynx can be provided in Rehabilitation Centers, outpatient hospital clinics, and home health settings. Physical, occupational, and speech therapies can be provided in Rehabilitation Centers, outpatient hospital clinics, physician-related service facilities, schools, and home health settings. Reimbursement is only made from the Rehab and Specialty Services appropriation when the service is provided by a Rehabilitation Center. *See program descriptions for Hospital, Physician-Related Services, School District Medicaid Claiming, and Home Health for additional reimbursement methodologies for these services.*

A copayment, a portion of the providers' charges paid by the participant, is required for certain rehab and specialty services and is determined in state regulation (13 CSR 70-4.050). *See Physician-Related Services for more information about participant copays.*

### **Ambulance Reimbursement:**

MHD reimburses a base charge at the lesser of billed charges or the MHD maximum fee for patient pickup and transportation to the destination. The base charge may be reimbursed for basic life support (BLS), advanced life support no specialized services rendered, advanced life support level 1 (ALS1), or advanced life support level 2 (ALS2). Another reimburseable ambulance service is mileage. Mileage must be based pursuant to "loaded" mileage from the point of pickup of a participant to arrival at a destination. Loaded mileage is when the participant is present in the ambulance vehicle. MHD also reimburses for ancillary services and supplies provided for a covered service when not included in the base rate. Ancillary services and supplies are not covered when the participant is not transported. Enhanced funding is also available to ambulance service providers through the Ambulance Service Reimbursement Allowance Program. This program assesses a provider tax to all ground ambulance providers for the privilege of doing business in the state. The assessment provides funding to pay enhanced fees to ground ambulance services using the Ambulance Service Reimbursement Allowance Fund as a general revenue equivalent.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Rehab and Specialty Services**

**Program is found in the following core budget(s): Rehab and Specialty Services**

### Hospice Reimbursement:

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages. MO HealthNet rates are calculated based on the annual hospice rates established by Medicare. In addition, Section 1814 (l)(1)(C)(ii) of the Social Security Act provides for an annual increase in the hospice cap amounts. Nursing home room and board is reimbursed to the hospice provider at 95% of the nursing home rate on file. The hospice is responsible for paying the nursing home. Effective January 1, 2016, CMS implemented a new reimbursement methodology for routine home care rates. *See Additional Details for more information on this change.*

### Children's Residential Treatment Reimbursement:

MO HealthNet provides reimbursement for Title XIX eligible expenditures for children served by contracted residential facilities. Reimbursement is made on a per diem basis. The per diem is dependent upon the level of care required for each child. *For more information on Children's Residential Treatment rates, see the Children's Division budget book.*

### **Service Information**

#### Audiology/Hearing Aid

This program only provides hearing aids and related covered services. Covered services include: audiological testing, hearing aids, ear molds, hearing aid fitting, hearing aid dispensing/evaluation, post-fitting evaluation, post-fitting adjustments, and hearing aid repairs. A participant is entitled to one new hearing aid and related services every four years. However, services for children under the EPSDT program are determined to be whatever is medically necessary. The EPSDT claims are reviewed by MO HealthNet's audiologist consultant only if rejected by the computer system. *See the program description in the Physicians-Related Services tab for more information about EPSDT benefits.*

#### Optical

The MO HealthNet Optical Program covers the following types of providers and services:

- Optometrists - eye examinations, eyeglasses, artificial eyes, and special ophthalmological services;
- Physicians - eyeglasses, artificial eyes (physician must be enrolled in the Optical program in order to bill for these services); and
- Opticians - eyeglasses and artificial eyes.

Participants who are age 20 and under or who are pregnant, blind, or in a nursing facility (including ICF/ID) are eligible for an eye exam every twelve months. MO HealthNet participants age 21 and over are eligible for an eye exam every twenty-four months. Participants may be eligible for eye exams within the stated time periods if the participant has a .50 diopter change in one or both eyes. MO HealthNet eligible participants are allowed one pair of complete eye glasses every two years. Participants that have a .50 diopter change within the stated time periods may be eligible to receive a new lens. An optometrist is used as a consultant for this program. The consultant reviews prescriptions that do not meet the program criteria. Services related to trauma or treatment of disease/medical conditions remain a covered benefit for all MO HealthNet participants.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Rehab and Specialty Services**

**Program is found in the following core budget(s): Rehab and Specialty Services**

### Durable Medical Equipment (DME)

MO HealthNet reimburses qualified participating DME providers for certain items of durable medical equipment such as: prosthetics; oxygen and respiratory care equipment; ostomy supplies; wheelchairs; wheelchair accessories; labor and repair codes. These items must be for use in the participant's home when ordered in writing by the participant's physician or nurse practitioner.

The following items are covered for MO HealthNet participants: apnea monitors; artificial larynx and related items; augmentative communications devices; canes; crutches; commodes; bed pans; adult incontinence briefs; urinals; CPAP devices; decubitus care equipment; hospital beds; side rails; humidifiers; BiPAP machines; IPPB machines; insulin pumps and supplies; labor and repair codes; nebulizers; orthotics; ostomy supplies; oxygen and respiratory equipment; patient lifts and trapeze; prosthetics; scooters; suction pumps; total parenteral nutrition mix; supplies and equipment; wheelchairs; wheelchair accessories and walkers.

In addition to children, pregnant women, the blind, and nursing facility residents (including ICF/ID), DME (excluding apnea monitors) is available to adults.

### Ambulance

Emergency medical transportation is provided under the ambulance program. Ambulance services are covered if they are emergency services and transportation is made to the nearest appropriate hospital. Certain specified non-emergency but medically necessary ambulance transports are also covered. Reimbursement is provided for the base charge which includes the following: supplies for BLS services; supplies, medications and specialized services for ALS services; special attendants for the patient while enroute; vehicle operating expenses; waiting time which is the amount of time an ambulance spends waiting to see if the patient is to be admitted to the hospital; unloaded trip mileage from base to point of pickup and from point of destination back to the base; and reusable durable medical equipment. Ambulance services can be provided through ground or air transportation (helicopter/fixed wing) if medically necessary.

All MO HealthNet participants are eligible for ambulance services.

### Rehabilitation Therapies

MO HealthNet funds the following three types of rehabilitation therapies:

- Adaptive training of MO HealthNet participants who have prosthetic/orthotic devices. Covered services include: comprehensive evaluation; stump conditioning; prosthetic training; orthotic training; speech therapy for artificial larynx; and occupational therapy related to the prosthetic/orthotic adaption. These procedures are covered by MO HealthNet even when the prosthetic/orthotic service was not provided through the MO HealthNet program.
- Medically necessary physical, occupational and speech therapy services (only for children under the age of 21) through the EPSDT program.
- Evaluation and training for an augmentative communication device. Augmentative communication devices and accessories are covered through as a DME item and require prior authorization.

### Hospice

The hospice benefit is designed to meet the needs of patients with a life-limiting illness and to help their families cope with the problems and feelings related to this difficult time. Reimbursement is limited to qualified MO HealthNet enrolled hospice providers rendering services to terminally ill patients who have elected hospice benefits. After the participant elects hospice services, the hospice provides for all care, supplies, equipment, and medicines related to the terminal illness. MO HealthNet reimburses the hospice provider who then reimburses the provider of the services if the services are not provided by the hospice provider. However, due to federal regulations, MO HealthNet hospice services for a child (ages 0-20) may be concurrent with the care related to the curative treatment of the child's condition for which a diagnosis of a terminal illness has been made.

All MO HealthNet participants are eligible for hospice services.



## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Rehab and Specialty Services**

**Program is found in the following core budget(s): Rehab and Specialty Services**

### Comprehensive Day Rehabilitation

This program covers services for certain persons with disabling impairments as the result of a traumatic head injury. It provides intensive, comprehensive services designed to prevent and/or minimize chronic disabilities while restoring the individual to an optimal level of physical, cognitive, and behavioral function within the context of the person, family, and community.

The program emphasizes functional living skills, adaptive strategies for cognitive, memory or perceptual deficits, and appropriate interpersonal skills. These services help to train individuals so that the person can leave the rehabilitation center and re-enter society. Services are designed to maintain and improve the participant's ability to function as independently as possible in the community. Services for this program must be provided in a free-standing rehabilitation center or in an acute hospital setting with space dedicated to head injury rehabilitation.

### Children's Residential Treatment

MHD partially funds children's residential treatment services with Title XIX funds. These services cover children who are status offenders and children who have been abused or neglected and/or have emotional or psychological difficulties requiring treatment in a residential environment. There are various levels of residential services available to these youth and children, depending on specific needs. *See the Children's Division budget book for additional information on residential treatment services.*

## **Rate History**

### Audiology/Hearing Aid

07/01/16: ~2% rate increase on all covered services

01/01/16: 1% rate increase on all covered services (funded by the Tax Amnesty Fund)

### Optical

- 07/01/16: ~2% rate increase on all covered services

- 01/01/16: 1% rate increase on all covered services (funded by the Tax Amnesty Fund)

- 07/03/08: \$10.00 rate increase to eight exam codes.

### Durable Medical Equipment (DME)

- 07/01/16 ~2% rate increase on all DME services listed on the fee schedule

- 01/01/16: 1% rate increase on all DME services listed on the fee schedule (funded by the Tax Amnesty Fund)

- 07/01/15: Increase rates for all services to match the 04/01/10 MO HealthNet fee schedule. Increase the rate of reimbursement for complex rehab DME manually priced items: 90% of MSRP for manual and custom wheelchairs and accessories; 95% of MSRP for power wheelchairs, gait trainers/standers, and custom

- 08/12/10: Decrease rates for all services except complex rehab item to 96.5% of the 01/01/10 Medicare fee schedule; oxygen reimbursement methodology revised to increase reimbursement of portable systems and decrease reimbursement of stationary systems

- 04/15/10: Decrease rates to 100% of the 01/01/09 Medicare fee schedule; manually priced wheelchairs and accessories decreased to 80% of Manufacturers Suggested Retail Price (MSRP) for manual and custom wheelchairs and 85% of MSRP for power wheelchairs; revised requirements for eligibility for nursing home wheelchairs to decrease costs

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Rehab and Specialty Services**

**Program is found in the following core budget(s): Rehab and Specialty Services**

### Ambulance

- 7/1/16: \$45 base rate increase for ground ambulance; ~2% rate increase for all ambulance services; and an additional 51% increase for certain helicopter emergency services
- 1/1/16: 1% rate increase for all ambulance services (funded by the Tax Amnesty Fund)
- 7/1/14: \$45 base rate increase for ground ambulance
- 7/1/13: \$45 base rate increase for ground ambulance
- 10/1/11: Ambulance Service Reimbursement Allowance Program begins

### Rehabilitation Therapies

- 07/01/16: ~2% rate increase on all covered services
- 01/01/16: 1% rate increase on all covered services (funded by the Tax Amnesty Fund)

### Hospice (annually adjusted based on hospice rates established under Medicare)

- FY17: 1.80% rate increase
- FY16: 3.94% rate increase
- FY15: 1.95% rate increase
- FY14: 2.25% rate increase
- FY13: 2.56% rate increase
- FY12: 2.81% rate increase

### **Additional Details**

#### Routine Home Care Daily Rate Changes:

CMS issued a final rule that created two routine home care daily payment rates. There is one rate for the first 60 days of care and another rate for care beyond 60 days. The new routine home care policy is effective for dates of service on or after January 1, 2016. Effective for dates of service on or after January 1, 2016, the federal rule also established a new payment rate called the Service Intensity Add-on (SIA). This payment will be made for a visit by a social worker or a registered nurse (RN) when provided during routine home care in the last seven days of a patient's life. The SIA payment is in addition to the routine home care rate. The SIA payment will be equal to the Continuous Home Care hourly rate multiplied by the hours of nursing or social work provided (up to four hours total) on each date of service. The SIA payment is only for those social worker and RN services provided during an in-person visit and does not apply to phone visits.

#### DME Prior Authorization Considerations:

Even though a DME item may serve some useful medical purpose, consideration must be given by the physician and the DME supplier to what extent, if any, it is reasonable for MO HealthNet to pay for the item as opposed to another realistically feasible alternative pattern of care. Consideration should also be given by the physician and the DME provider as to whether the item serves essentially the same purpose as equipment already available to the participant. If two different items each meet the need of the participant, the less expensive item must be employed with all other conditions being equal. Equipment features of an aesthetic or medical nature which are not medically necessary are not reimbursable.

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.485

**Program Name:** Rehab and Specialty Services

**Program is found in the following core budget(s):** Rehab and Specialty Services

**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)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

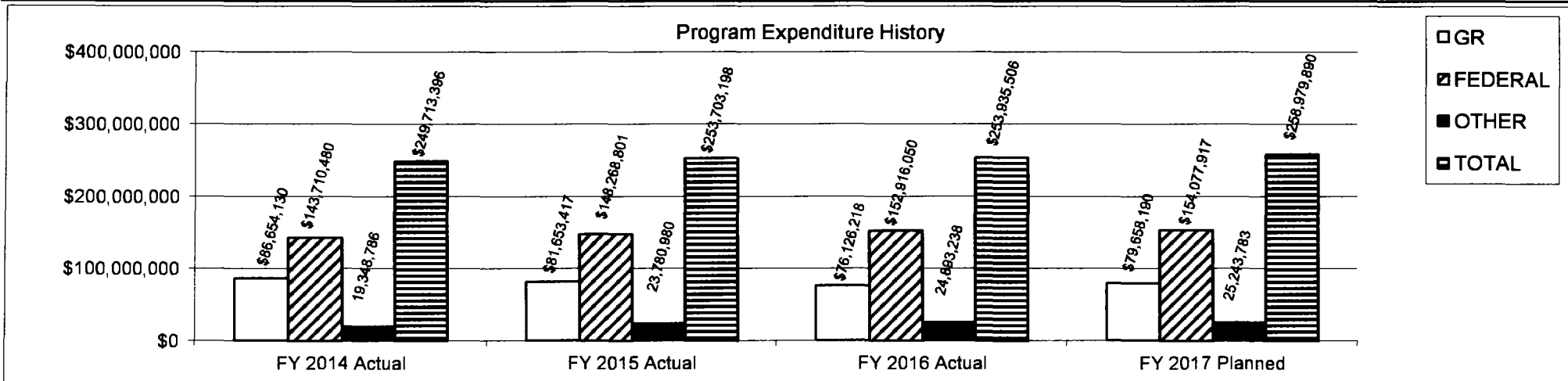
**3. Are there federal matching requirements? If yes, please explain.**

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 FY18 is blended at a 64.260% federal match. The state matching requirement is 35.740%.

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

This program is not mandatory for adults but is mandatory for children.

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



FY 2017 planned is net of reverted and restricted.

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

Health Initiatives Fund (0275), Healthy Families Trust Fund (0625), Nursing Facility Reimbursement Allowance (0196), Ambulance Service Reimbursement Allowance Fund (0958)

## PROGRAM DESCRIPTION

Department: Social Services

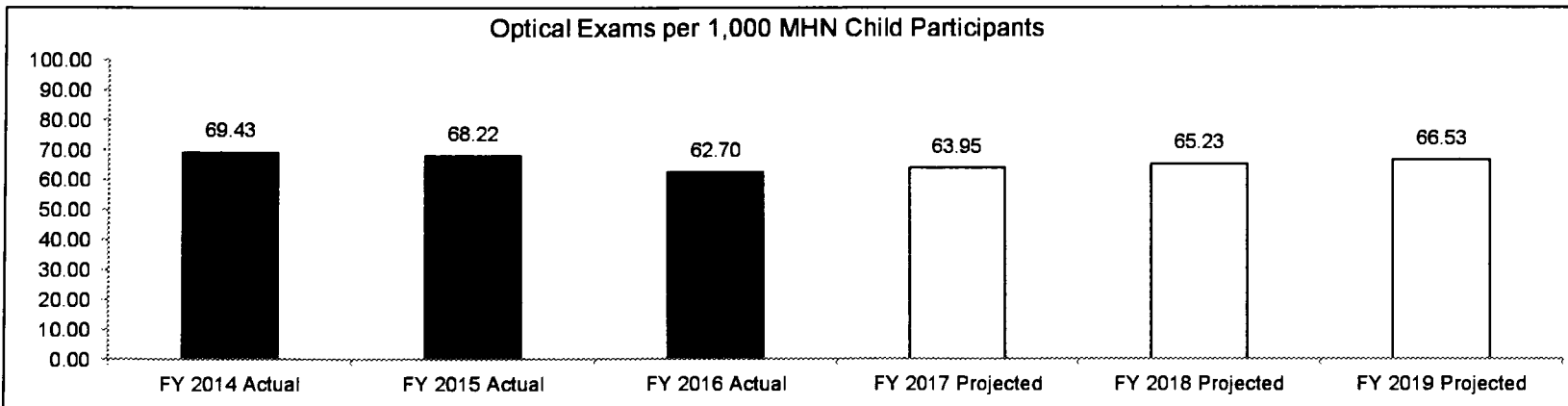
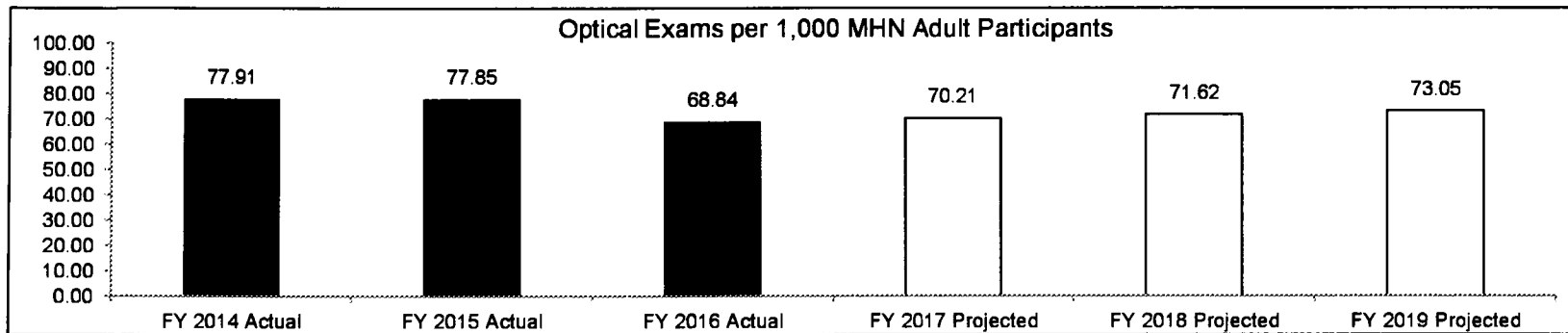
HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

### 7a. Provide an effectiveness measure.

Provide optical exams to MO HealthNet eligibles. Children and adults who are pregnant, blind, or in a nursing facility (including ICF/IDD) are eligible for an eye exam every twelve months. All other adults are eligible for one eye exam every twenty-four months. In state fiscal year 2016, there were over 68 optical examinations for every 1,000 adults, and over 62 optical examinations for every 1,000 children.



### 7b. Provide an efficiency measure.

N/A

## PROGRAM DESCRIPTION

Department: Social Services

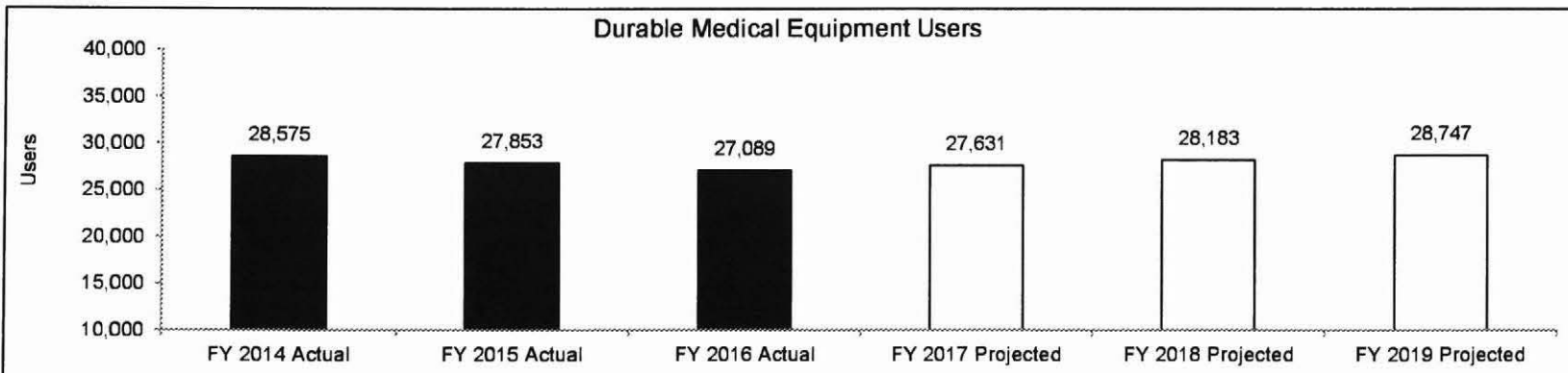
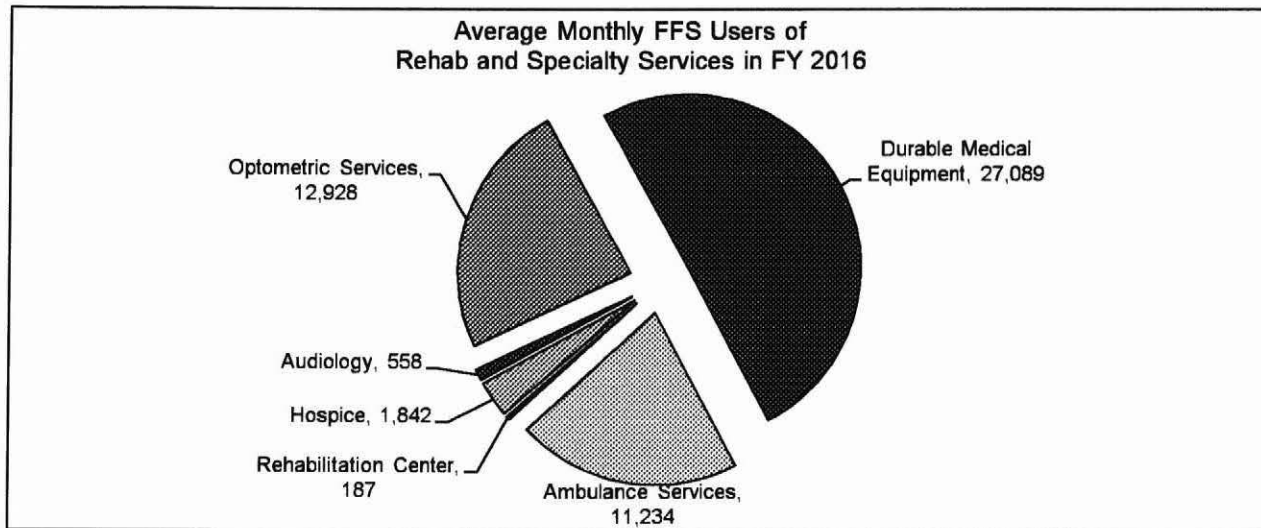
HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

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

In regions of the state with access to MO HealthNet Managed Care, Rehab and Specialty services are available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.



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

N/A

## NEW DECISION ITEM

RANK: 16 OF 26

Department: Social Services  
 Division: MO HealthNet  
 DI Name: Hospice Rate Increase

Budget Unit: 90550C

DI#1886005

HB Section: 11.485

**1. AMOUNT OF REQUEST**

## FY 2018 Budget Request

|       | GR             | Federal        | Other    |                | E |
|-------|----------------|----------------|----------|----------------|---|
| PS    |                |                |          |                |   |
| EE    |                |                |          |                |   |
| PSD   | 119,922        | 206,042        |          | 325,964        |   |
| TRF   |                |                |          |                |   |
| Total | <b>119,922</b> | <b>206,042</b> | <b>0</b> | <b>325,964</b> |   |
| FTE   | 0.00           | 0.00           | 0.00     | 0.00           |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: N/A

## FY 2018 Governor's Recommendation

|       | GR             | Federal        | Other    | Total          | E |
|-------|----------------|----------------|----------|----------------|---|
| PS    |                |                |          |                |   |
| EE    |                |                |          |                |   |
| PSD   | 116,553        | 209,411        |          | 325,964        |   |
| TRF   |                |                |          |                |   |
| Total | <b>116,553</b> | <b>209,411</b> | <b>0</b> | <b>325,964</b> |   |
| FTE   | 0.00           | 0.00           | 0.00     | 0.00           |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: N/A

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

|                                                     |                                                      |                                                |
|-----------------------------------------------------|------------------------------------------------------|------------------------------------------------|
| <input checked="" type="checkbox"/> New Legislation | <input type="checkbox"/> New Program                 | <input type="checkbox"/> Fund Switch           |
| <input checked="" type="checkbox"/> Federal Mandate | <input type="checkbox"/> Program Expansion           | <input type="checkbox"/> Cost to Continue      |
| <input type="checkbox"/> GR Pick-Up                 | <input type="checkbox"/> Space Request               | <input type="checkbox"/> Equipment Replacement |
| <input type="checkbox"/> Pay Plan                   | <input checked="" type="checkbox"/> Other: Inflation |                                                |

**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 apply the annual hospice rate increase as established by Medicare.

These rates are authorized by section 1814(i)(1)(C)(ii) of the Social Security Act (the Act), which also provides for an annual increase in payment rates for hospice care services. Section 1902(a)(13)(B) establishes the minimum rate state Medicaid agencies are required to pay hospice providers.

**NEW DECISION ITEM**

**RANK: 16 OF 26**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: Hospice Rate Increase**

**Budget Unit: 90550C**

**DI# 1886005**

**HB Section: 11.485**

**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.)**

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of the hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages.

An increase of 1.93% is requested. An increase of 4.44% was applied to actual FFY 16 units to arrive at the FFY 18 projected units of service. The projected units of service was multiplied by the projected increase in rates to arrive at the total need.

Hospice rates are adjusted in October which is the beginning of the federal fiscal year and is three months into the state's fiscal year. This request includes the three months of FFY 17 that fall within SFY 18 - estimated impact of \$85,311. The twelve-month estimated increase for the FFY 18 rate adjustment is \$320,870. This total is then multiplied by 9/12 to arrive at the SFY 18 impact of \$240,653. The total request for SFY 18 is \$325,964 (3 months totaling \$85,311 plus 9 months totaling \$240,653).

|                                   | Total            | GR               | Federal          |
|-----------------------------------|------------------|------------------|------------------|
| July 2017 through Sept. 2017 Inc. | 85,311           | 31,386           | 53,925           |
| Oct. 2017 through June 2018 Inc.  | 240,653          | 85,167           | 155,486          |
| <b>Total</b>                      | <b>\$325,964</b> | <b>\$116,553</b> | <b>\$209,411</b> |

FMAP 63.21% Quarter 1 (July through September)  
 FMAP 64.61% Quarters 2-4 (October through June)

**The difference between the Governor's Recommendation and Department Request is due to a change in FMAP.**

## NEW DECISION ITEM

RANK: 16 OF 26

Department: Social Services  
 Division: MO HealthNet  
 DI Name: Hospice Rate Increase

Budget Unit: 90550C

DI# 1886005

HB Section: 11.485

**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<br>DOLLARS | Dept Req<br>GR FTE | Dept Req FED<br>DOLLARS | Dept Req<br>FED FTE | Dept Req<br>OTHER<br>DOLLARS | Dept Req<br>OTHER<br>FTE | Dept Req<br>TOTAL<br>DOLLARS | Dept Req<br>TOTAL<br>FTE | Dept Req<br>One-Time<br>DOLLARS | E |
|-------------------------------|------------------------|--------------------|-------------------------|---------------------|------------------------------|--------------------------|------------------------------|--------------------------|---------------------------------|---|
| Total PS                      | 0                      | 0.0                | 0                       | 0.0                 | 0                            | 0.0                      | 0                            | 0.0                      | 0                               |   |
| Total EE                      | 0                      |                    | 0                       |                     | 0                            |                          | 0                            |                          | 0                               |   |
| Program Distributions         | 119,922                |                    | 206,042                 |                     |                              |                          | 325,964                      |                          |                                 |   |
| Total PSD                     | 119,922                |                    | 206,042                 |                     | 0                            |                          | 325,964                      |                          | 0                               |   |
| Transfers                     |                        |                    |                         |                     |                              |                          | 0                            |                          |                                 |   |
| Total TRF                     | 0                      |                    | 0                       |                     | 0                            |                          | 0                            |                          | 0                               |   |
| Grand Total                   | 119,922                | 0.0                | 206,042                 | 0.0                 | 0                            | 0.0                      | 325,964                      | 0.0                      | 0                               |   |

| Budget Object Class/Job Class | Gov Rec GR<br>DOLLARS | Gov Rec<br>GR FTE | Gov Rec FED<br>DOLLARS | Gov Rec<br>FED FTE | Gov Rec<br>OTHER<br>DOLLARS | Gov Rec<br>OTHER<br>FTE | Gov Rec<br>TOTAL<br>DOLLARS | Gov Rec<br>TOTAL<br>FTE | Gov Rec<br>One-Time<br>DOLLARS | E |
|-------------------------------|-----------------------|-------------------|------------------------|--------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|--------------------------------|---|
| Total PS                      | 0                     | 0.0               | 0                      | 0.0                | 0                           | 0.0                     | 0                           | 0.0                     | 0                              |   |
| Total EE                      | 0                     |                   | 0                      |                    | 0                           |                         | 0                           |                         | 0                              |   |
| Program Distributions         | 116,553               |                   | 209,411                |                    |                             |                         | 325,964                     |                         |                                |   |
| Total PSD                     | 116,553               |                   | 209,411                |                    | 0                           |                         | 325,964                     |                         | 0                              |   |
| Transfers                     |                       |                   |                        |                    |                             |                         | 0                           |                         |                                |   |
| Total TRF                     | 0                     |                   | 0                      |                    | 0                           |                         | 0                           |                         | 0                              |   |
| Grand Total                   | 116,553               | 0.0               | 209,411                | 0.0                | 0                           | 0.0                     | 325,964                     | 0.0                     | 0                              |   |



NEW DECISION ITEM

RANK: 16 OF 26

Department: Social Services  
Division: MO HealthNet  
DI Name: Hospice Rate Increase

DI# 1886005

Budget Unit: 90550C  
HB Section: 11.485

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

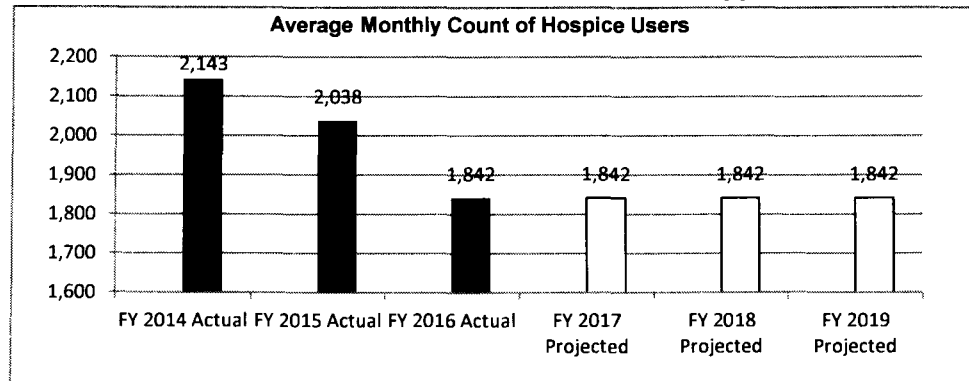
6a. Provide an effectiveness measure.

N/A

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

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

| Budget Unit                         | FY 2016    | FY 2016     | FY 2017    | FY 2017     | FY 2018          | FY 2018     | FY 2018          | FY 2018     |
|-------------------------------------|------------|-------------|------------|-------------|------------------|-------------|------------------|-------------|
| 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         |
| <b>REHAB AND SPECIALTY SERVICES</b> |            |             |            |             |                  |             |                  |             |
| Hospice Rate Increase - 1886005     |            |             |            |             |                  |             |                  |             |
| PROGRAM DISTRIBUTIONS               | 0          | 0.00        | 0          | 0.00        | 325,964          | 0.00        | 325,964          | 0.00        |
| TOTAL - PD                          | 0          | 0.00        | 0          | 0.00        | 325,964          | 0.00        | 325,964          | 0.00        |
| <b>GRAND TOTAL</b>                  | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$325,964</b> | <b>0.00</b> | <b>\$325,964</b> | <b>0.00</b> |
| GENERAL REVENUE                     | \$0        | 0.00        | \$0        | 0.00        | \$119,922        | 0.00        | \$116,553        | 0.00        |
| FEDERAL FUNDS                       | \$0        | 0.00        | \$0        | 0.00        | \$206,042        | 0.00        | \$209,411        | 0.00        |
| OTHER FUNDS                         | \$0        | 0.00        | \$0        | 0.00        | \$0              | 0.00        | \$0              | 0.00        |



# CORE DECISION ITEM

Department: Social Services

Division: MO HealthNet

Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C

HB Section: 11.485

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |            |            |       |            | FY 2018 Governor's Recommendation |       |            |            |       |            |   |
|------------------------|------------|------------|-------|------------|-----------------------------------|-------|------------|------------|-------|------------|---|
|                        | GR         | Federal    | Other | Total      | E                                 |       | GR         | Federal    | Other | Total      | E |
| PS                     |            |            |       |            |                                   | PS    |            |            |       |            |   |
| EE                     |            |            |       |            |                                   | EE    |            |            |       |            |   |
| PSD                    | 14,701,263 | 29,907,769 |       | 44,609,032 |                                   | PSD   | 12,219,667 | 29,515,273 |       | 41,734,940 |   |
| TRF                    |            |            |       |            |                                   | TRF   |            |            |       |            |   |
| Total                  | 14,701,263 | 29,907,769 |       | 44,609,032 |                                   | Total | 12,219,667 | 29,515,273 |       | 41,734,940 |   |
| FTE                    |            |            |       | 0.00       |                                   | FTE   |            |            |       | 0.00       |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

## 2. CORE DESCRIPTION

This core request is to provide funding for payments for non-emergency medical transportation (NEMT) for the fee-for-service program.

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

Non-Emergency Medical Transportation (NEMT)

# CORE DECISION ITEM

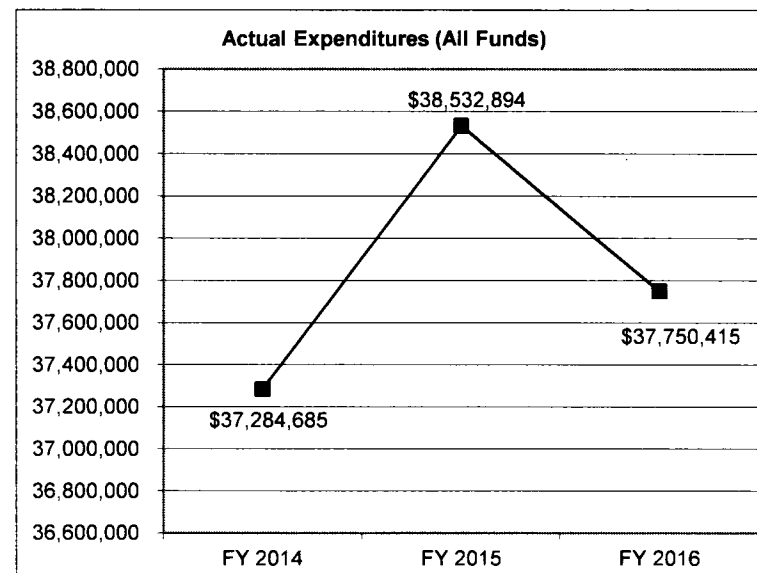
Department: Social Services  
Division: MO HealthNet  
Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C

HB Section: 11.485

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds)       | 41,455,931        | 40,925,194        | 43,757,238        | 46,604,497             |
| Less Reverted (All Funds)       | 0                 | 0                 | 0                 | N/A                    |
| Less Restricted (All Funds)     | 0                 | 0                 | 0                 | N/A                    |
| Budget Authority (All Funds)    | 41,455,931        | 40,925,194        | 43,757,238        | N/A                    |
| Actual Expenditures (All Funds) | 37,284,685        | 38,532,894        | 37,750,415        | N/A                    |
| Unexpended (All Funds)          | 4,171,246         | 2,392,300         | 6,006,823         | N/A                    |
| Unexpended, by Fund:            |                   |                   |                   |                        |
| General Revenue                 | 633,019           | 0                 | 4,553             | N/A                    |
| Federal                         | 3,538,227         | 2,392,300         | 6,002,270         | 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) FY14 Agency Reserve of \$530,737 GR and \$868,018 Federal Funds.

(2) FY16 \$2,509,258 in NEMT expenditures were paid from the Managed Care Expansion section.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES NON-EMERGENCY TRANSPORT

#### 5. CORE RECONCILIATION DETAIL

|                                               |      |      |    | Budget<br>Class | FTE         | GR                 | Federal            | Other    | Total              | Explanation                                        |
|-----------------------------------------------|------|------|----|-----------------|-------------|--------------------|--------------------|----------|--------------------|----------------------------------------------------|
| <b>TAFP AFTER VETOES</b>                      |      |      |    |                 |             |                    |                    |          |                    |                                                    |
|                                               |      |      |    | PD              | 0.00        | 15,626,583         | 30,977,914         | 0        | 46,604,497         |                                                    |
|                                               |      |      |    | <b>Total</b>    | <b>0.00</b> | <b>15,626,583</b>  | <b>30,977,914</b>  | <b>0</b> | <b>46,604,497</b>  |                                                    |
| <b>DEPARTMENT CORE ADJUSTMENTS</b>            |      |      |    |                 |             |                    |                    |          |                    |                                                    |
| Core Reallocation                             | 623  | 5929 | PD | 0.00            |             | 0                  | (1,070,145)        | 0        | (1,070,145)        | Core reallocation to Mgd Care to align the budget. |
| Core Reallocation                             | 623  | 5928 | PD | 0.00            |             | (925,320)          | 0                  | 0        | (925,320)          | Core reallocation to Mgd Care to align the budget. |
| <b>NET DEPARTMENT CHANGES</b>                 |      |      |    |                 | <b>0.00</b> | <b>(925,320)</b>   | <b>(1,070,145)</b> | <b>0</b> | <b>(1,995,465)</b> |                                                    |
| <b>DEPARTMENT CORE REQUEST</b>                |      |      |    |                 |             |                    |                    |          |                    |                                                    |
|                                               |      |      |    | PD              | 0.00        | 14,701,263         | 29,907,769         | 0        | 44,609,032         |                                                    |
|                                               |      |      |    | <b>Total</b>    | <b>0.00</b> | <b>14,701,263</b>  | <b>29,907,769</b>  | <b>0</b> | <b>44,609,032</b>  |                                                    |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |      |      |    |                 |             |                    |                    |          |                    |                                                    |
| Core Reduction                                | 1392 | 5928 | PD | 0.00            |             | (2,283,234)        | 0                  | 0        | (2,283,234)        | FMAP adjustment                                    |
| Core Reallocation                             | 623  | 5929 | PD | 0.00            |             | 0                  | (392,496)          | 0        | (392,496)          | Core reallocation to Mgd Care to align the budget. |
| Core Reallocation                             | 623  | 5928 | PD | 0.00            |             | (198,362)          | 0                  | 0        | (198,362)          | Core reallocation to Mgd Care to align the budget. |
| <b>NET GOVERNOR CHANGES</b>                   |      |      |    |                 | <b>0.00</b> | <b>(2,481,596)</b> | <b>(392,496)</b>   | <b>0</b> | <b>(2,874,092)</b> |                                                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |      |      |    |                 |             |                    |                    |          |                    |                                                    |
|                                               |      |      |    | PD              | 0.00        | 12,219,667         | 29,515,273         | 0        | 41,734,940         |                                                    |
|                                               |      |      |    | <b>Total</b>    | <b>0.00</b> | <b>12,219,667</b>  | <b>29,515,273</b>  | <b>0</b> | <b>41,734,940</b>  |                                                    |

# DECISION ITEM SUMMARY

| Budget Unit                                     |                   |             |                   |             |                   |             |                   |             |  |
|-------------------------------------------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|--|
| Decision Item                                   | FY 2016           | FY 2016     | FY 2017           | FY 2017     | FY 2018           | FY 2018     | FY 2018           | FY 2018     |  |
| Budget Object Summary                           | ACTUAL            | ACTUAL      | BUDGET            | BUDGET      | DEPT REQ          | DEPT REQ    | GOV REC           | GOV REC     |  |
| Fund                                            | DOLLAR            | FTE         | DOLLAR            | FTE         | DOLLAR            | FTE         | DOLLAR            | FTE         |  |
| <b>NON-EMERGENCY TRANSPORT</b>                  |                   |             |                   |             |                   |             |                   |             |  |
| <b>CORE</b>                                     |                   |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                                |                   |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                                 | 13,421,906        | 0.00        | 15,626,583        | 0.00        | 14,701,263        | 0.00        | 12,219,667        | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 24,328,509        | 0.00        | 30,977,914        | 0.00        | 29,907,769        | 0.00        | 29,515,273        | 0.00        |  |
| TOTAL - PD                                      | 37,750,415        | 0.00        | 46,604,497        | 0.00        | 44,609,032        | 0.00        | 41,734,940        | 0.00        |  |
| <b>TOTAL</b>                                    | <b>37,750,415</b> | <b>0.00</b> | <b>46,604,497</b> | <b>0.00</b> | <b>44,609,032</b> | <b>0.00</b> | <b>41,734,940</b> | <b>0.00</b> |  |
| <b>MHD Cost to Continue - 1886001</b>           |                   |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                                |                   |             |                   |             |                   |             |                   |             |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                 | 0.00        | 0                 | 0.00        | 151,766           | 0.00        | 0                 | 0.00        |  |
| TOTAL - PD                                      | 0                 | 0.00        | 0                 | 0.00        | 151,766           | 0.00        | 0                 | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>          | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>151,766</b>    | <b>0.00</b> | <b>0</b>          | <b>0.00</b> |  |
| <b>NEMT Actuarial Increase - 1886008</b>        |                   |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                                |                   |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                                 | 0                 | 0.00        | 0                 | 0.00        | 906,496           | 0.00        | 881,055           | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                 | 0.00        | 0                 | 0.00        | 1,558,684         | 0.00        | 1,584,125         | 0.00        |  |
| TOTAL - PD                                      | 0                 | 0.00        | 0                 | 0.00        | 2,465,180         | 0.00        | 2,465,180         | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>          | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>2,465,180</b>  | <b>0.00</b> | <b>2,465,180</b>  | <b>0.00</b> |  |
| <b>Asset Limit Increase - HB 1565 - 1886012</b> |                   |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                                |                   |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                                 | 0                 | 0.00        | 0                 | 0.00        | 351,295           | 0.00        | 196,338           | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                 | 0.00        | 0                 | 0.00        | 604,039           | 0.00        | 353,014           | 0.00        |  |
| TOTAL - PD                                      | 0                 | 0.00        | 0                 | 0.00        | 955,334           | 0.00        | 549,352           | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>          | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>955,334</b>    | <b>0.00</b> | <b>549,352</b>    | <b>0.00</b> |  |

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## DECISION ITEM SUMMARY

| Budget Unit                    |                     |             |                     |             |                     |             |                     |             |
|--------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                  | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary          | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                           | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>NON-EMERGENCY TRANSPORT</b> |                     |             |                     |             |                     |             |                     |             |
| FMAP Adjustment - 1886025      |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC               |                     |             |                     |             |                     |             |                     |             |
| TITLE XIX-FEDERAL AND OTHER    | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 2,283,234           | 0.00        |
| TOTAL - PD                     | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 2,283,234           | 0.00        |
| <b>TOTAL</b>                   | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>2,283,234</b>    | <b>0.00</b> |
| <b>GRAND TOTAL</b>             | <b>\$37,750,415</b> | <b>0.00</b> | <b>\$46,604,497</b> | <b>0.00</b> | <b>\$48,181,312</b> | <b>0.00</b> | <b>\$47,032,706</b> | <b>0.00</b> |



# FLEXIBILITY REQUEST FORM

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90561C<br><b>BUDGET UNIT NAME:</b> Non-Emergency Med Transport<br><b>HOUSE BILL SECTION:</b> 11.480                                                                                                                                                                                                                                                                                                                                          | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> MO HealthNet                                                                                                          |                                                                                                  |                                                                                                                                                                              |
| <b>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.</b>                                                 |                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                              |
| <b>Governor's Recommendation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                              |
| <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"> <b>Total      % Flex    Flex Amount</b><br/>           \$ 47,032,706    10%    \$ 4,703,271         </td> <td style="width: 50%; padding-left: 20px;">           Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600         </td> </tr> </table> |                                                                                                                                                                              | <b>Total      % Flex    Flex Amount</b><br>\$ 47,032,706    10%    \$ 4,703,271                  | Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600 |
| <b>Total      % Flex    Flex Amount</b><br>\$ 47,032,706    10%    \$ 4,703,271                                                                                                                                                                                                                                                                                                                                                                                         | Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600 |                                                                                                  |                                                                                                                                                                              |
| <b>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.</b>                                                                                                                                                                                                                                                                                |                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                              |
| <b>PRIOR YEAR<br/>ACTUAL AMOUNT OF FLEXIBILITY USED</b>                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>CURRENT YEAR<br/>ESTIMATED AMOUNT OF<br/>FLEXIBILITY THAT WILL BE USED</b>                                                                                                | <b>BUDGET REQUEST - GOVERNOR'S REC<br/>ESTIMATED AMOUNT OF<br/>FLEXIBILITY THAT WILL BE USED</b> |                                                                                                                                                                              |
| None                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.555, and 11.600                        | 10% flexibility is being requested for FY18                                                      |                                                                                                                                                                              |
| <b>3. Please explain how flexibility was used in the prior and/or current years.</b>                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                              |
| <b>PRIOR YEAR<br/>EXPLAIN ACTUAL USE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>CURRENT YEAR<br/>EXPLAIN PLANNED USE</b>                                                                                                                                  |                                                                                                  |                                                                                                                                                                              |
| N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program.                                                 |                                                                                                  |                                                                                                                                                                              |

# DECISION ITEM DETAIL

| Budget Unit             | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|-------------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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     |
| NON-EMERGENCY TRANSPORT |              |         |              |         |              |          |              |         |
| CORE                    |              |         |              |         |              |          |              |         |
| PROGRAM DISTRIBUTIONS   | 37,750,415   | 0.00    | 46,604,497   | 0.00    | 44,609,032   | 0.00     | 41,734,940   | 0.00    |
| TOTAL - PD              | 37,750,415   | 0.00    | 46,604,497   | 0.00    | 44,609,032   | 0.00     | 41,734,940   | 0.00    |
| GRAND TOTAL             | \$37,750,415 | 0.00    | \$46,604,497 | 0.00    | \$44,609,032 | 0.00     | \$41,734,940 | 0.00    |
| GENERAL REVENUE         | \$13,421,906 | 0.00    | \$15,626,583 | 0.00    | \$14,701,263 | 0.00     | \$12,219,667 | 0.00    |
| FEDERAL FUNDS           | \$24,328,509 | 0.00    | \$30,977,914 | 0.00    | \$29,907,769 | 0.00     | \$29,515,273 | 0.00    |
| OTHER FUNDS             | \$0          | 0.00    | \$0          | 0.00    | \$0          | 0.00     | \$0          | 0.00    |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Non-Emergency Medical Transportation (NEMT)**

**Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)**

### 1. What does this program do?

#### Program Statistics

While NEMT fee-for-service participants represent 52.45% of the total MO HealthNet participants, the NEMT program comprises 0.55% of the total Medicaid program dollars.

#### Program Goals

Provide non-emergency medical transportation to MO HealthNet fee-for-service participants to remove barriers and increase access to health care.

#### Program Objectives

The lack of transportation to needed MO HealthNet services is a barrier to improving participant health; therefore, the purpose of the NEMT program is to make non-emergency medical transportation available to MO HealthNet participants who may not have access to free, appropriate transportation (e.g. free community resources or other free programs) to scheduled MO HealthNet covered services. Missouri's NEMT program utilizes and builds on existing transportation networks within the state to provide the participant with the most appropriate mode of transportation.

#### Reimbursement Methodology

NEMT services are reimbursed in the fee-for-service and managed care settings. For managed care participants, NEMT services are reimbursed by MO HealthNet through the actuarially-sound capitated rate paid to the Managed Care Organizations (MCO's) and are not reimbursed under this line. *See Managed Care tab for more information.* As of November 2005, the service is provided to fee-for-service participants as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT fee-for-service participant based on which of the four regions of the state in which the participant resides. Logisticare has been Missouri's NEMT broker contract, initially awarded July 1, 2013 through June 30, 2014. The current contract was effective August 1, 2016 and will be eligible for renewal July 1, 2017.

Where appropriate and possible, the MO HealthNet Division enters into cooperative agreements to provide matching MO HealthNet funds for state and local general revenue already being used to transport MO HealthNet participants to medical services. Participants are required to use public entity transportation when available. When they do so, the payments are made to public entities on a per trip basis. By working with existing governmental entities and established transportation providers, NEMT is provided in a cost-effective manner and governmental agencies are able to meet the needs of their constituency.

The MO HealthNet Division works with state and local agencies to provide federal matching funds for general revenue used for NEMT services including: the Children's Division for children in state care and custody, the Department of Mental Health, public school districts, St. Louis Metro Call-A-Ride, Kansas City Area Transit Authority, the City of Columbia, City Utilities of Springfield, and the City of Jefferson.

#### Rate History

| <u>Region</u>        | <u>FY 17 PMPM</u> |
|----------------------|-------------------|
| ABD St. Louis Area   | \$11.46           |
| ABD Kansas City Area | \$9.88            |
| ABD Rest of State    | \$14.94           |
| MAFCPW Statewide     | \$0.74            |

\*Participants-Age, Blind and Disabled (ABD); Medical Assistance for Families, Children and Pregnant Women (MAFCPW)

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Non-Emergency Medical Transportation (NEMT)**

**Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)**

**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 regulation: 42 CFR 431.53 and 440.170

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

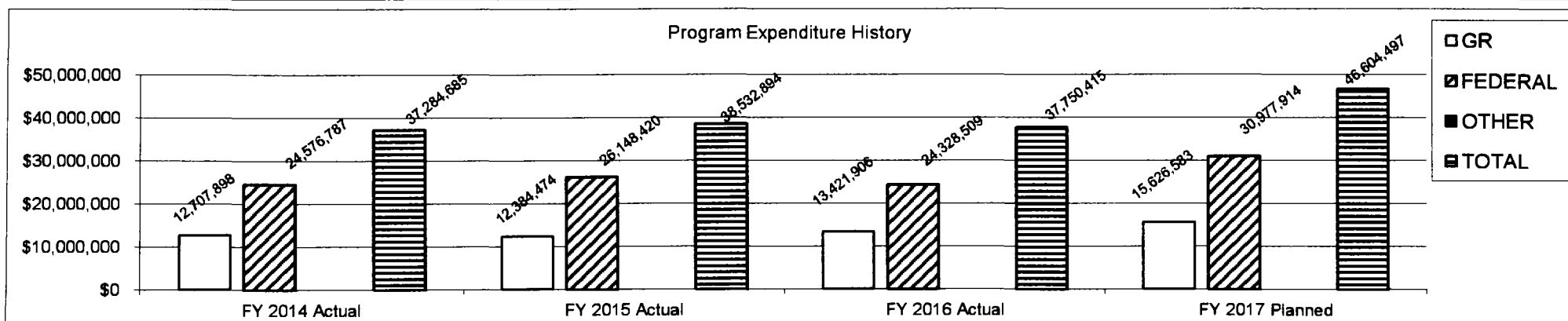
NEMT services receive a federal medical assistance percentage (FMAP) on program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

Services provided through public entities use state and local general revenue to transport MO HealthNet participants. MO HealthNet provides payment of the federal share for these services. These expenditures earn a 50% federal match.

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

Yes, state Medicaid programs must assure availability of medically necessary transportation.

**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

## PROGRAM DESCRIPTION

Department: Social Services

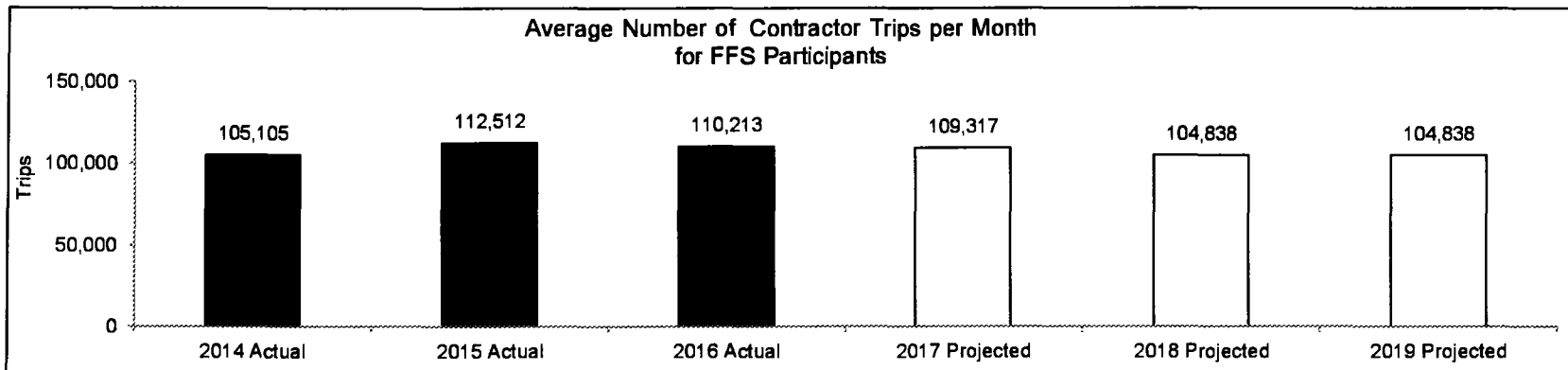
HB Section: 11.485

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

### 7a. Provide an effectiveness measure.

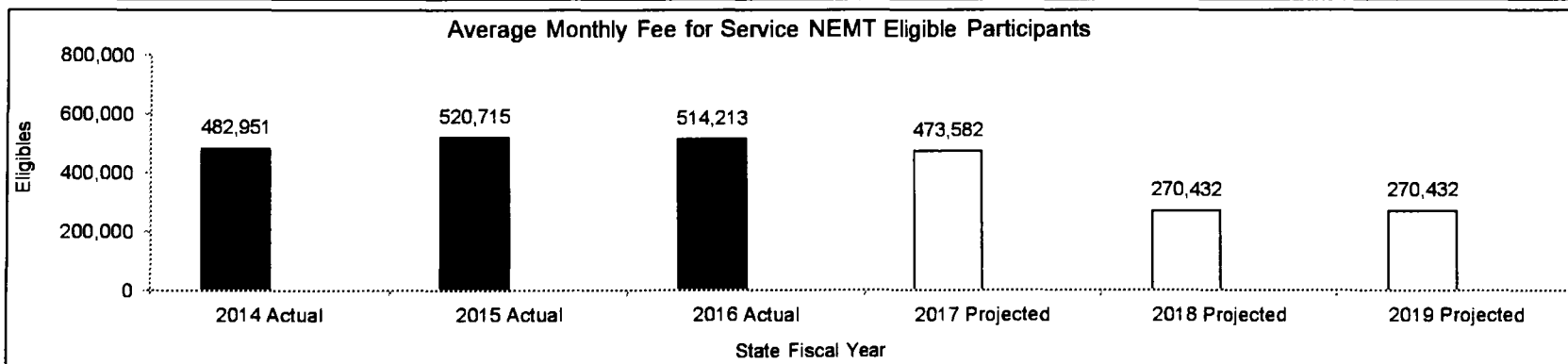
Provide non-emergency medical transportation to MO HealthNet participants to increase access to health care.



### 7b. Provide an efficiency measure.

N/A

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



Non-emergency medical transportation is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in the chart.

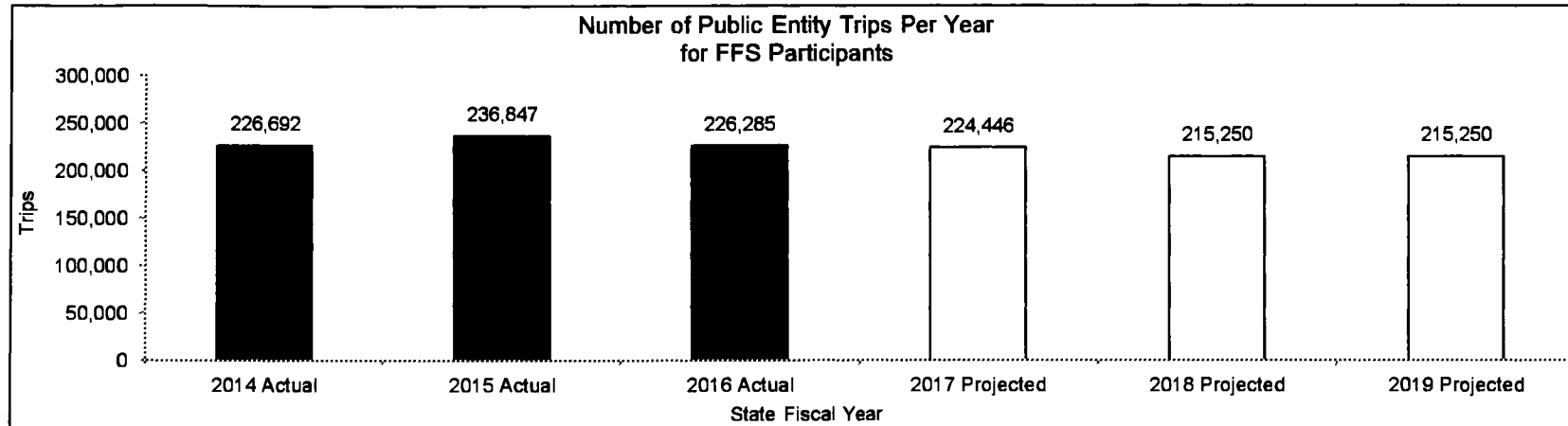
## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.485**

**Program Name: Non-Emergency Medical Transportation (NEMT)**

**Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)**



Public entities have interagency agreements with the MO HealthNet Division to provide access to transportation services for a specific group of participants, such as dialysis patients, persons with disabilities, or the elderly. Public entities use state and local dollars to draw down the federal matching funds.

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

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

#### **NEMT Complaint to Trip Ratio (Contractor Trips)**

|              | Actual    |           |           | Projection |           |           |
|--------------|-----------|-----------|-----------|------------|-----------|-----------|
|              | SFY 2014  | SFY 2015  | SFY 2016  | SFY 2017   | SFY 2018  | SFY 2019  |
| Trips        | 1,261,261 | 1,350,139 | 1,322,565 | 1,311,816  | 1,258,069 | 1,258,069 |
| Complaints   | 3,203     | 3,443     | 3,274     | 3,247      | 3,114     | 3,114     |
| % Complaints | <1%       | <1%       | <1%       | <1%        | <1%       | <1%       |

**NEW DECISION ITEM**  
**RANK: 14                      OF                      26**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: NEMT Actuarial Increase**

**Budget Unit 90561C**  
**DI# 1886008                      HB Section: 11.480**

**1. AMOUNT OF REQUEST**

|              | FY 2018 Budget Request |                  |          |                  |   |
|--------------|------------------------|------------------|----------|------------------|---|
|              | GR                     | Federal          | Other    | Total            | E |
| PS           |                        |                  |          |                  |   |
| EE           |                        |                  |          |                  |   |
| PSD          | 906,496                | 1,558,684        |          | 2,465,180        |   |
| TRF          |                        |                  |          |                  |   |
| <b>Total</b> | <b>906,496</b>         | <b>1,558,684</b> | <b>0</b> | <b>2,465,180</b> |   |

**FTE** **0.00**

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: N/A

|              | FY 2018 Governor's Recommendation |                  |          |                  |   |
|--------------|-----------------------------------|------------------|----------|------------------|---|
|              | GR                                | Federal          | Other    | Total            | E |
| PS           |                                   |                  |          |                  |   |
| EE           |                                   |                  |          |                  |   |
| PSD          | 881,055                           | 1,584,125        |          | 2,465,180        |   |
| TRF          |                                   |                  |          |                  |   |
| <b>Total</b> | <b>881,055</b>                    | <b>1,584,125</b> | <b>0</b> | <b>2,465,180</b> |   |

**FTE** **0.00**

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: N/A

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

|                                          |                                                               |                                                |
|------------------------------------------|---------------------------------------------------------------|------------------------------------------------|
| <input type="checkbox"/> New Legislation | <input type="checkbox"/> New Program                          | <input type="checkbox"/> Fund Switch           |
| <input type="checkbox"/> Federal Mandate | <input type="checkbox"/> Program Expansion                    | <input type="checkbox"/> Cost to Continue      |
| <input type="checkbox"/> GR Pick-Up      | <input type="checkbox"/> Space Request                        | <input type="checkbox"/> Equipment Replacement |
| <input type="checkbox"/> Pay Plan        | <input checked="" type="checkbox"/> 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 for the cost increase of the new Non-Emergency Medical Transportation (NEMT) contract. The cost increase is attributed to the increase in SFY18 actuarially sound rates.*

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants in the fee-for-service program who do not have access to free and appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on eligibility group and which of the four regions of the state the participant resides.

**NEW DECISION ITEM**  
**RANK: 14 OF 26**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: NEMT Actuarial Increase**

**DI# 1886008**

**Budget Unit 90561C**  
**HB Section: 11.485**

**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 NEMT projected need of \$2,465,180 is based on the contract which requires actuarially sound NEMT rates. A trend of 6.4% is estimated for FY18 to maintain actuarial soundness.

|                                                  |                     |
|--------------------------------------------------|---------------------|
| SFY 17 NEMT Appropriation                        | <b>\$40,144,397</b> |
| Additional SFY 18 Need Based on Contract Renewal | <b>\$2,465,180</b>  |

|      | GR        | Federal     | Total       |
|------|-----------|-------------|-------------|
| NEMT | \$881,055 | \$1,584,125 | \$2,465,180 |

The difference between the Governor's Recommendation and Department Request is due to a change in FMAP.

**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<br>DOLLARS | Dept Req<br>GR FTE | Dept Req<br>FED<br>DOLLARS | Dept Req<br>FED FTE | Dept Req<br>OTHER<br>DOLLARS | Dept Req<br>OTHER FTE | Dept Req<br>TOTAL<br>DOLLARS | Dept Req<br>TOTAL<br>FTE | Dept Req<br>One-Time<br>DOLLARS | E |
|-------------------------------|------------------------|--------------------|----------------------------|---------------------|------------------------------|-----------------------|------------------------------|--------------------------|---------------------------------|---|
| <b>Total PS</b>               | 0                      | 0.0                | 0                          | 0.0                 | 0                            | 0.0                   | 0                            | 0.0                      | 0                               |   |
| <b>Total EE</b>               | 0                      |                    | 0                          |                     | 0                            |                       | 0                            |                          | 0                               |   |
| Program Distributions         | 906,496                |                    | 1,558,684                  |                     |                              |                       | 2,465,180                    |                          |                                 |   |
| <b>Total PSD</b>              | <b>906,496</b>         |                    | <b>1,558,684</b>           |                     | 0                            |                       | <b>2,465,180</b>             |                          | 0                               |   |
| Transfers                     |                        |                    |                            |                     |                              |                       | 0                            |                          |                                 |   |
| <b>Total TRF</b>              | 0                      |                    | 0                          |                     | 0                            |                       | 0                            |                          | 0                               |   |
| <b>Grand Total</b>            | <b>906,496</b>         | <b>0.0</b>         | <b>1,558,684</b>           | <b>0.0</b>          | <b>0</b>                     | <b>0.0</b>            | <b>2,465,180</b>             | <b>0.0</b>               | <b>0</b>                        |   |



**NEW DECISION ITEM**  
**RANK: 14 OF 26**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: NEMT Actuarial Increase**

**DI# 1886008**

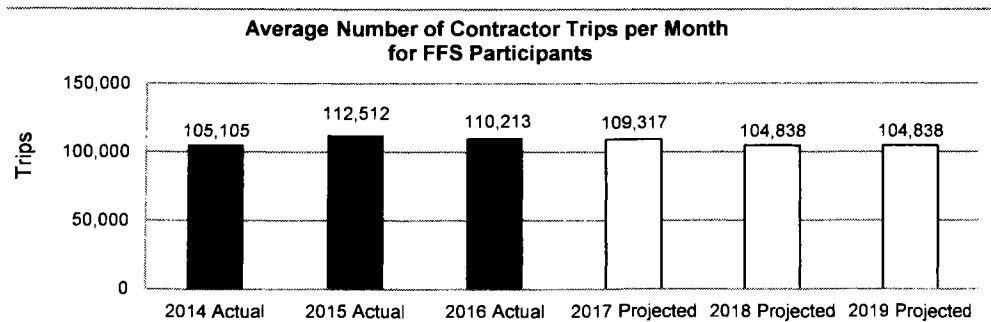
**Budget Unit 90561C**  
**HB Section: 11.485**

| Budget Object Class/Job Class | Gov Rec GR<br>DOLLARS | Gov Rec GR<br>FTE | Gov Rec<br>FED<br>DOLLARS | Gov Rec<br>FED FTE | Gov Rec<br>OTHER<br>DOLLARS | Gov Rec<br>OTHER FTE | Gov Rec<br>TOTAL<br>DOLLARS | Gov Rec<br>TOTAL<br>FTE | Gov Rec<br>One-Time<br>DOLLARS | E |
|-------------------------------|-----------------------|-------------------|---------------------------|--------------------|-----------------------------|----------------------|-----------------------------|-------------------------|--------------------------------|---|
| <b>Total PS</b>               | 0                     | 0.0               | 0                         | 0.0                | 0                           | 0.0                  | 0                           | 0.0                     | 0                              |   |
| <b>Total EE</b>               | 0                     |                   | 0                         |                    | 0                           |                      | 0                           |                         | 0                              |   |
| Program Distributions         | 881,055               |                   | 1,584,125                 |                    |                             |                      | 2,465,180                   |                         |                                |   |
| <b>Total PSD</b>              | <b>881,055</b>        |                   | <b>1,584,125</b>          |                    | <b>0</b>                    |                      | <b>2,465,180</b>            |                         | <b>0</b>                       |   |
| Transfers                     |                       |                   |                           |                    |                             |                      | 0                           |                         |                                |   |
| <b>Total TRF</b>              | <b>0</b>              |                   | <b>0</b>                  |                    | <b>0</b>                    |                      | <b>0</b>                    |                         | <b>0</b>                       |   |
| <b>Grand Total</b>            | <b>881,055</b>        | <b>0.0</b>        | <b>1,584,125</b>          | <b>0.0</b>         | <b>0</b>                    | <b>0.0</b>           | <b>2,465,180</b>            | <b>0.0</b>              | <b>0</b>                       |   |

**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

Provide non-emergency medical transportation (NEMT) to MO HealthNet participants to increase access to health care. There was an average of 110,213 NEMT trips per month provided through the contractor in SFY 2016.

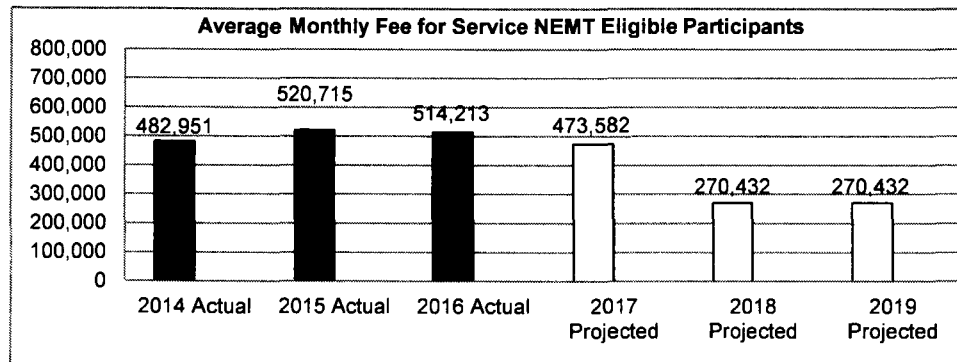
**NEW DECISION ITEM**  
**RANK: 14 OF 26**

**Department: Social Services**  
**Division: MO HealthNet**  
**DI Name: NEMT Actuarial Increase**

**DI# 1886008**

**Budget Unit 90561C**  
**HB Section: 11.485**

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



Non-emergency medical transportation (NEMT) is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in this chart.

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

| NEMT Complaint to Trip Ratio (Contractor Trips) |           |           |           |            |           |           |
|-------------------------------------------------|-----------|-----------|-----------|------------|-----------|-----------|
|                                                 | Actual    |           |           | Projection |           |           |
|                                                 | SFY 2014  | SFY 2015  | SFY 2016  | SFY 2017   | SFY 2018  | SFY 2019  |
| Trips                                           | 1,261,261 | 1,350,139 | 1,322,565 | 1,311,816  | 1,258,069 | 1,258,069 |
| Complaints                                      | 3,203     | 3,443     | 3,274     | 3,247      | 3,114     | 3,114     |
| % Complaints                                    | <1%       | <1%       | <1%       | <1%        | <1%       | <1%       |

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

| Budget Unit                              | FY 2016    | FY 2016     | FY 2017    | FY 2017     | FY 2018            | FY 2018     | FY 2018            | FY 2018     |
|------------------------------------------|------------|-------------|------------|-------------|--------------------|-------------|--------------------|-------------|
| 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         |
| <b>NON-EMERGENCY TRANSPORT</b>           |            |             |            |             |                    |             |                    |             |
| <b>NEMT Actuarial Increase - 1886008</b> |            |             |            |             |                    |             |                    |             |
| PROGRAM DISTRIBUTIONS                    | 0          | 0.00        | 0          | 0.00        | 2,465,180          | 0.00        | 2,465,180          | 0.00        |
| TOTAL - PD                               | 0          | 0.00        | 0          | 0.00        | 2,465,180          | 0.00        | 2,465,180          | 0.00        |
| <b>GRAND TOTAL</b>                       | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$2,465,180</b> | <b>0.00</b> | <b>\$2,465,180</b> | <b>0.00</b> |
| GENERAL REVENUE                          | \$0        | 0.00        | \$0        | 0.00        | \$906,496          | 0.00        | \$881,055          | 0.00        |
| FEDERAL FUNDS                            | \$0        | 0.00        | \$0        | 0.00        | \$1,558,684        | 0.00        | \$1,584,125        | 0.00        |
| OTHER FUNDS                              | \$0        | 0.00        | \$0        | 0.00        | \$0                | 0.00        | \$0                | 0.00        |

# **Community Health Access Programs (CHAPS)**

### CORE DECISION ITEM

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Community Health Access Programs (CHAPs)

**Budget Unit:** 90579C  
**HB Section:** 11.485

#### 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request                                                                                                                 |                |                  |          |                  |   | FY 2018 Governor's Recommendation                                                                                                      |          |          |          |             |   |
|----------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------|----------|------------------|---|----------------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|-------------|---|
|                                                                                                                                        | GR             | Federal          | Other    | Total            | E |                                                                                                                                        | GR       | Federal  | Other    | Total       | E |
| PS                                                                                                                                     |                |                  |          |                  |   | PS                                                                                                                                     |          |          |          |             |   |
| EE                                                                                                                                     |                |                  |          |                  |   | EE                                                                                                                                     |          |          |          |             |   |
| PSD                                                                                                                                    | 600,000        | 1,031,676        | 0        | 1,631,676        |   | PSD                                                                                                                                    | 0        | 0        | 0        | 0           |   |
| TRF                                                                                                                                    |                |                  |          |                  |   | TRF                                                                                                                                    |          |          |          |             |   |
| <b>Total</b>                                                                                                                           | <b>600,000</b> | <b>1,031,676</b> | <b>0</b> | <b>1,631,676</b> |   | <b>Total</b>                                                                                                                           | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b>    |   |
| <b>FTE</b>                                                                                                                             |                |                  |          | <b>0.00</b>      |   | <b>FTE</b>                                                                                                                             |          |          |          | <b>0.00</b> |   |
| <b>Est. Fringe</b>                                                                                                                     | 0              | 0                | 0        | 0                |   | <b>Est. Fringe</b>                                                                                                                     | 0        | 0        | 0        | 0           |   |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> |                |                  |          |                  |   | <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> |          |          |          |             |   |

Other Funds: N/A

Other Funds: N/A

#### 2. CORE DESCRIPTION

This item funds Community Health Access Programs (CHAPs). This specific appropriation funds a new procedure code which would reimburse paramedics for providing treatment on-site to a MO HealthNet participant who would otherwise be transported by ambulance to an emergency department.

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

Community Health Access Programs (CHAPs)

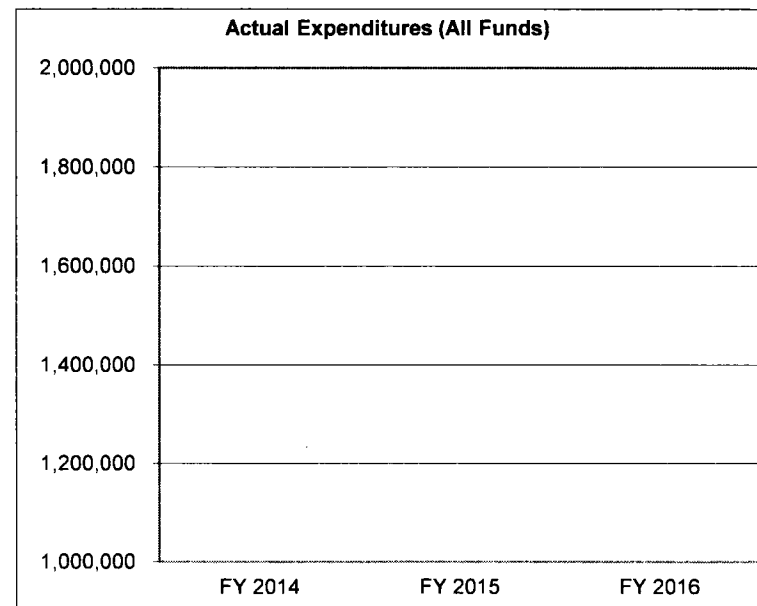
# **CORE DECISION ITEM**

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Community Health Access Programs (CHAPs)**

**Budget Unit: 90579C**  
**HB Section: 11.485**

## **1. CORE FINANCIAL SUMMARY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 0                         | 1,250,000                 | 1,250,000                 | 1,631,676                      |
| Less Reverted (All Funds)       | 0                         | 0                         | 0                         | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 0                         | 1,250,000                 | 1,250,000                 | 1,631,676                      |
| Actual Expenditures (All Funds) | 0                         | 0                         | 0                         | N/A                            |
| Unexpended (All Funds)          | 0                         | 1,250,000                 | 1,250,000                 | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 0                         | 1,250,000                 | 1,250,000                 | N/A                            |
| Federal                         | 0                         | 0                         | 0                         | N/A                            |
| Other                           | 0                         | 0                         | 0                         | N/A                            |
|                                 |                           | <b>(1)</b>                | <b>(1)</b>                |                                |



Reverted includes statutory reserve amounts (when applicable).

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

### **NOTES:**

**(1)** Program in restriction.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES COMMUNITY HEALTH ACCESS PRGRMS

#### 5. CORE RECONCILIATION DETAIL

|                                               | Budget Class | FTE         | GR               | Federal            | Other       | Total              | Explanation                      |
|-----------------------------------------------|--------------|-------------|------------------|--------------------|-------------|--------------------|----------------------------------|
| <b>TAFP AFTER VETOES</b>                      |              |             |                  |                    |             |                    |                                  |
|                                               | PD           | 0.00        | 600,000          | 1,031,676          | 0           | 1,631,676          |                                  |
|                                               | <b>Total</b> | <b>0.00</b> | <b>600,000</b>   | <b>1,031,676</b>   | <b>0</b>    | <b>1,631,676</b>   |                                  |
| <b>DEPARTMENT CORE REQUEST</b>                |              |             |                  |                    |             |                    |                                  |
|                                               | PD           | 0.00        | 600,000          | 1,031,676          | 0           | 1,631,676          |                                  |
|                                               | <b>Total</b> | <b>0.00</b> | <b>600,000</b>   | <b>1,031,676</b>   | <b>0</b>    | <b>1,631,676</b>   |                                  |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |              |             |                  |                    |             |                    |                                  |
| Core Reduction                                | 1615 2093    | PD          | 0.00             | 0                  | (1,031,676) | 0                  | (1,031,676) FY 18 core reduction |
| Core Reduction                                | 1615 2092    | PD          | 0.00             | (600,000)          | 0           | 0                  | (600,000) FY 18 core reduction   |
| <b>NET GOVERNOR CHANGES</b>                   |              | <b>0.00</b> | <b>(600,000)</b> | <b>(1,031,676)</b> | <b>0</b>    | <b>(1,631,676)</b> |                                  |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |              |             |                  |                    |             |                    |                                  |
|                                               | PD           | 0.00        | 0                | 0                  | 0           | 0                  |                                  |
|                                               | <b>Total</b> | <b>0.00</b> | <b>0</b>         | <b>0</b>           | <b>0</b>    | <b>0</b>           |                                  |

## DECISION ITEM SUMMARY

| Budget Unit                           |            |             |                    |             |                    |             |            |             |  |
|---------------------------------------|------------|-------------|--------------------|-------------|--------------------|-------------|------------|-------------|--|
| Decision Item                         | FY 2016    | FY 2016     | FY 2017            | FY 2017     | FY 2018            | FY 2018     | FY 2018    | FY 2018     |  |
| Budget Object Summary                 | ACTUAL     | ACTUAL      | BUDGET             | BUDGET      | DEPT REQ           | DEPT REQ    | GOV REC    | GOV REC     |  |
| Fund                                  | DOLLAR     | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR     | FTE         |  |
| <b>COMMUNITY HEALTH ACCESS PRGRMS</b> |            |             |                    |             |                    |             |            |             |  |
| <b>CORE</b>                           |            |             |                    |             |                    |             |            |             |  |
| PROGRAM-SPECIFIC                      |            |             |                    |             |                    |             |            |             |  |
| GENERAL REVENUE                       | 0          | 0.00        | 600,000            | 0.00        | 600,000            | 0.00        | 0          | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER           | 0          | 0.00        | 1,031,676          | 0.00        | 1,031,676          | 0.00        | 0          | 0.00        |  |
| TOTAL - PD                            | 0          | 0.00        | 1,631,676          | 0.00        | 1,631,676          | 0.00        | 0          | 0.00        |  |
| <b>TOTAL</b>                          | <b>0</b>   | <b>0.00</b> | <b>1,631,676</b>   | <b>0.00</b> | <b>1,631,676</b>   | <b>0.00</b> | <b>0</b>   | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                    | <b>\$0</b> | <b>0.00</b> | <b>\$1,631,676</b> | <b>0.00</b> | <b>\$1,631,676</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> |  |



# DECISION ITEM DETAIL

| Budget Unit                    | FY 2016 | FY 2016 | FY 2017     | FY 2017 | FY 2018     | FY 2018  | FY 2018 | FY 2018 |
|--------------------------------|---------|---------|-------------|---------|-------------|----------|---------|---------|
| 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     |
| COMMUNITY HEALTH ACCESS PRGRMS |         |         |             |         |             |          |         |         |
| CORE                           |         |         |             |         |             |          |         |         |
| PROGRAM DISTRIBUTIONS          | 0       | 0.00    | 1,631,676   | 0.00    | 1,631,676   | 0.00     | 0       | 0.00    |
| TOTAL - PD                     | 0       | 0.00    | 1,631,676   | 0.00    | 1,631,676   | 0.00     | 0       | 0.00    |
| GRAND TOTAL                    | \$0     | 0.00    | \$1,631,676 | 0.00    | \$1,631,676 | 0.00     | \$0     | 0.00    |
| GENERAL REVENUE                | \$0     | 0.00    | \$600,000   | 0.00    | \$600,000   | 0.00     |         | 0.00    |
| FEDERAL FUNDS                  | \$0     | 0.00    | \$1,031,676 | 0.00    | \$1,031,676 | 0.00     |         | 0.00    |
| OTHER FUNDS                    | \$0     | 0.00    | \$0         | 0.00    | \$0         | 0.00     |         | 0.00    |

## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Community Health Access Programs (CHAPs)

Program is found in the following core budget(s): Community Health Access Programs (CHAPs)

### 1. What does this program do?

This program funds a new procedure code which would reimburse paramedics for providing treatment on-site to a MO HealthNet participant who would otherwise be transported by ambulance to an emergency department.

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

Federal Regulations: 42 CFR, 447.272

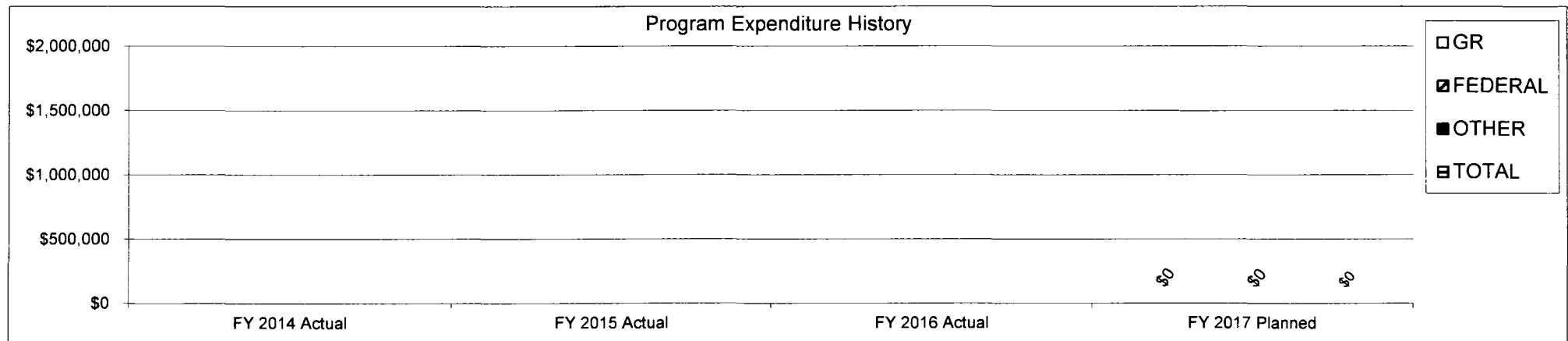
### 3. Are there federal matching requirements? If yes, please explain.

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.



FY 2017 planned is net of restricted and reserve.

## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Community Health Access Programs (CHAPs)

Program is found in the following core budget(s): Community Health Access Programs (CHAPs)

**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



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Complex Rehab Technology

Budget Unit: 90577C

HB Section: 11.490

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |           |           |       |            |   | FY 2018 Governor's Recommendation |           |           |       |            |   |
|------------------------|-----------|-----------|-------|------------|---|-----------------------------------|-----------|-----------|-------|------------|---|
|                        | GR        | Federal   | Other | Total      | E |                                   | GR        | Federal   | Other | Total      | E |
| PS                     |           |           |       |            |   | PS                                |           |           |       |            |   |
| EE                     |           |           |       |            |   | EE                                |           |           |       |            |   |
| PSD                    | 4,178,400 | 7,488,569 |       | 11,666,969 |   | PSD                               | 4,056,967 | 7,289,000 |       | 11,345,967 |   |
| TRF                    |           |           |       |            |   | TRF                               |           |           |       |            |   |
| Total                  | 4,178,400 | 7,488,569 | 0     | 11,666,969 |   | Total                             | 4,056,967 | 7,289,000 |       | 11,345,967 |   |
| FTE                    |           |           |       | 0.00       |   | FTE                               |           |           |       | 0.00       |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

## 2. CORE DESCRIPTION

This core funds items classified within the Medicare program as durable medical equipment (DME) that are individually configured for individuals to meet their specific and unique medical, physical, and functional needs.

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

Complex Rehab Technology

### FLEXIBILITY REQUEST FORM

|                                                                                                                                   |                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90577C<br><b>BUDGET UNIT NAME:</b> Complex Rehab Technlgy Product<br><b>HOUSE BILL SECTION:</b> 11.490 | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> 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.**

#### Governor's Recommendation

|               |               |                    |
|---------------|---------------|--------------------|
| <b>Total</b>  | <b>% Flex</b> | <b>Flex Amount</b> |
| \$ 11,496,719 | 10%           | \$ 1,149,672       |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600

**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.**

| PRIOR YEAR<br>ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED                                                                                  | BUDGET REQUEST - GOVERNOR'S REC<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| None                                            | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY18                                             |

**3. Please explain how flexibility was used in the prior and/or current years.**

| PRIOR YEAR<br>EXPLAIN ACTUAL USE | CURRENT YEAR<br>EXPLAIN PLANNED USE                                                                                          |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A                              | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

# DECISION ITEM DETAIL

| Budget Unit                            | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|----------------------------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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     |
| <b>COMPLEX REHAB TECHNLOGY PRDUCTS</b> |              |         |              |         |              |          |              |         |
| <b>CORE</b>                            |              |         |              |         |              |          |              |         |
| PROGRAM DISTRIBUTIONS                  | 10,169,454   | 0.00    | 11,666,969   | 0.00    | 11,666,969   | 0.00     | 11,345,967   | 0.00    |
| TOTAL - PD                             | 10,169,454   | 0.00    | 11,666,969   | 0.00    | 11,666,969   | 0.00     | 11,345,967   | 0.00    |
| GRAND TOTAL                            | \$10,169,454 | 0.00    | \$11,666,969 | 0.00    | \$11,666,969 | 0.00     | \$11,345,967 | 0.00    |
| GENERAL REVENUE                        | \$3,929,896  | 0.00    | \$4,178,400  | 0.00    | \$4,178,400  | 0.00     | \$4,056,967  | 0.00    |
| FEDERAL FUNDS                          | \$6,186,081  | 0.00    | \$7,488,569  | 0.00    | \$7,488,569  | 0.00     | \$7,289,000  | 0.00    |
| OTHER FUNDS                            | \$53,477     | 0.00    | \$0          | 0.00    | \$0          | 0.00     | \$0          | 0.00    |

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.490

**Program Name:** Complex Rehab Technology

**Program is found in the following core budget(s):** Complex Rehab Technology

### 1. What does this program do?

#### Program Description

The Complex Rehab Technology program includes items classified within the Medicare program as durable medical equipment (DME) that are individually configured for individuals to meet their specific and unique medical, physical, and functional capacities for basic and instrumental activities of daily living to prevent hospitalization and/or institutionalization of a patient with complex needs. Such items must be identified as medically necessary and include, but are not limited to, complex rehabilitation power wheelchairs, highly configurable manual wheelchairs, adaptive seating and positioning seats, and other specialized equipment such as standing frames and gait trainers.

#### Program Statistics

The Complex Rehab Technology program comprises 0.136% of the total Medicaid program dollars and provided 17,300 units of service in FY 2015. Prior to FY15, all DME items, including complex rehabilitation items, were included in the Rehab and Specialty Services appropriations.

#### Program Goals

To provide access to individually configured complex rehab durable medical equipment for complex needs patients to improve their abilities to perform basic and instrumental activities of daily living and to decrease the instances of hospitalization or institutionalization.

#### Program Objectives

- Improve the overall health of complex needs MO HealthNet participants through access to individually configured complex rehab durable medical equipment.
- Improve complex needs patients' their abilities to perform basic and instrumental activities of daily living.
- Ensure adequate supply of complex rehab durable medical equipment providers.

#### Reimbursement Methodology

Some complex DME items 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 DME items require prior authorization because not all DME classified items may be covered in every instance. MO HealthNet reimbursement is only available if the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part; meets the definition of durable medical equipment or prosthesis; and is used in the participant's home. *See the Rehab and Specialty Services tab for more information about DME prior authorization.*

#### Rate History

07/01/16: ~2% rate increase on all DME services listed on the fee schedule

01/01/16: 1% rate increase on all DME services listed on the fee schedule (funded by the Tax Amnesty Fund)

07/01/15: Increase rates to 100% of the 04/01/10 Medicare fee schedule; manually priced wheelchairs and accessories increased to 90% of MSRP for manual and custom wheelchairs and 95% of MSRP for power wheelchairs. A portion of this increase was funded with the Tax Amnesty Fund.

08/12/10: Decrease rates for all services except complex rehab item to 96.5% of the 01/01/10 Medicare fee schedule; oxygen reimbursement methodology revised to increase reimbursement of portable systems and decrease reimbursement of stationary systems.

04/15/10: Decrease rates to 100% of the 01/01/09 Medicare fee schedule; manually priced wheelchairs and accessories decreased to 80% of MSRP for manual and custom wheelchairs and 85% of MSRP for power wheelchairs; revised requirements for eligibility for nursing home wheelchairs to decrease costs.



## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.490**

**Program Name: Complex Rehab Technology**

**Program is found in the following core budget(s): Complex Rehab Technology**

### 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)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

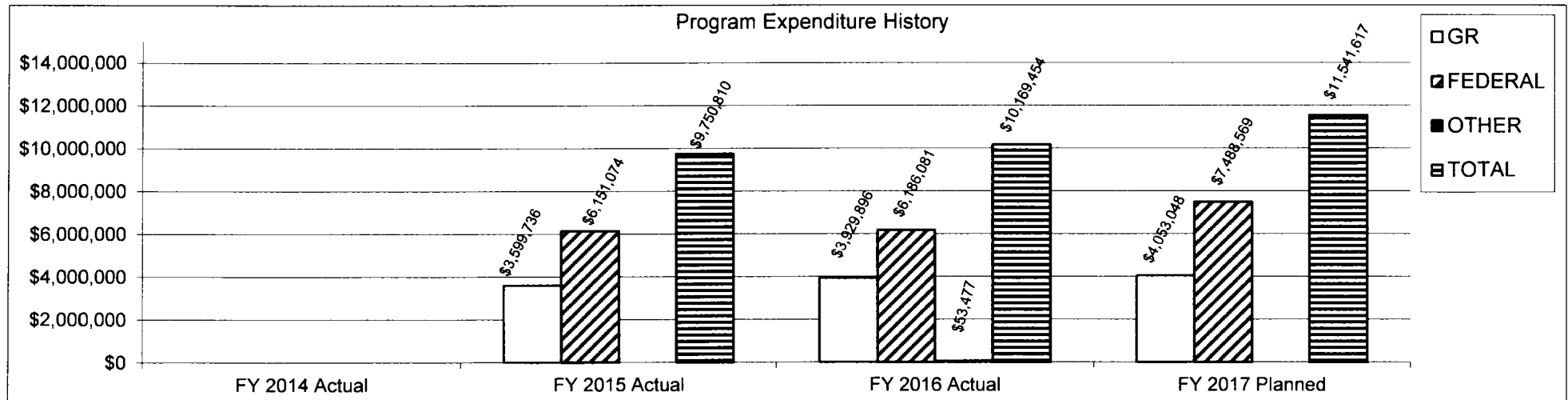
### 3. Are there federal matching requirements? If yes, please explain.

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 FY18 is blended at a 64.260% federal match. The state matching requirement is 35.740%.

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

This program is not mandatory for adults but is mandatory for children.

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



Prior to FY15, all DME items, including complex rehabilitation items, were included in the Rehab and Specialty Services appropriations.  
FY 2017 Planned is net of reverted.

## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology

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

Tax Amnesty Fund (0470)

### 7a. Provide an effectiveness measure.

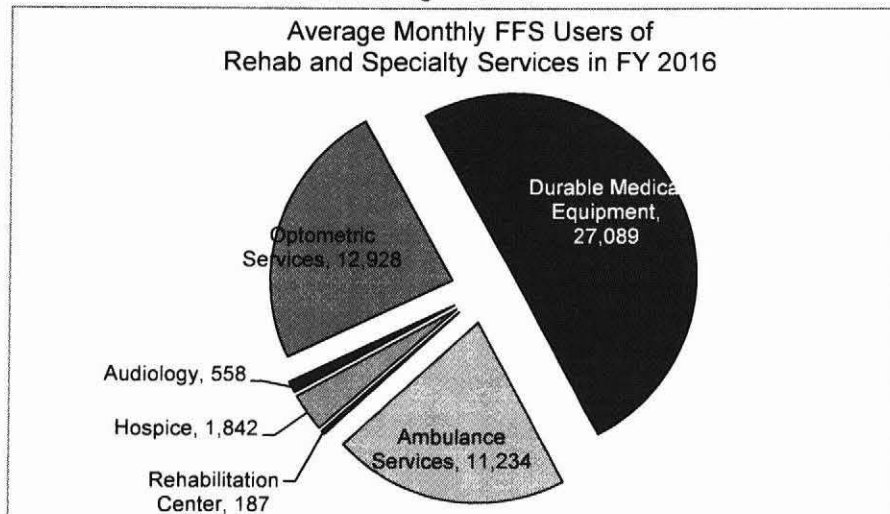
N/A

### 7b. Provide an efficiency measure.

N/A

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

In regions of the state with access to MO HealthNet Managed Care, complex rehab technology is available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.



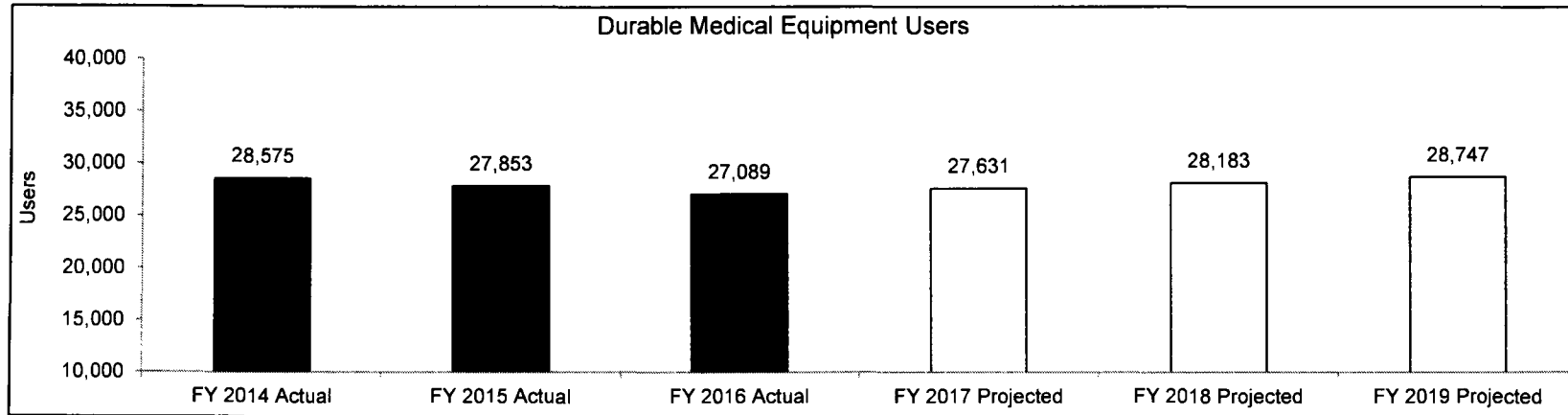
## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology



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

N/A



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Managed Care

Budget Unit: 90551C

HB Section: 11.505

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |                    |                      |                    |                      |   | FY 2018 Governor's Recommendation |                    |                      |                    |                      |   |
|------------------------|--------------------|----------------------|--------------------|----------------------|---|-----------------------------------|--------------------|----------------------|--------------------|----------------------|---|
|                        | GR                 | Federal              | Other              | Total                | E |                                   | GR                 | Federal              | Other              | Total                | E |
| PS                     |                    |                      |                    |                      |   | PS                                |                    |                      |                    |                      |   |
| EE                     |                    |                      |                    |                      |   | EE                                |                    |                      |                    |                      |   |
| PSD                    | 530,880,875        | 1,396,218,158        | 275,061,973        | 2,202,161,006        |   | PSD                               | 494,291,847        | 1,423,276,692        | 278,761,661        | 2,196,330,200        |   |
| TRF                    |                    |                      |                    |                      |   | TRF                               |                    |                      |                    |                      |   |
| Total                  | <b>530,880,875</b> | <b>1,396,218,158</b> | <b>275,061,973</b> | <b>2,202,161,006</b> |   | Total                             | <b>494,291,847</b> | <b>1,423,276,692</b> | <b>278,761,661</b> | <b>2,196,330,200</b> |   |
| FTE                    |                    |                      |                    | 0.00                 |   | FTE                               |                    |                      |                    | 0.00                 |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: Health Initiatives Fund (HIF) (0275)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Life Sciences Research Trust Fund (0763)  
Healthy Families Trust Fund (0625)  
Ambulance Service Reimb Allowance Fund (0958)  
Uncompensated Care Fund (0108)  
Premium Fund (0885)

Other Funds: Health Initiatives Fund (HIF) (0275)  
Federal Reimbursement Allowance Fund (FRA) (0142)  
Life Sciences Research Trust Fund (0763)  
Healthy Families Trust Fund (0625)  
Ambulance Service Reimb Allowance Fund (0958)  
Uncompensated Care Fund (0108)  
Premium Fund (0885)

## 2. CORE DESCRIPTION

This funds the MO HealthNet Managed Care program to provide health care services to the MO HealthNet Managed Care population.

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

Managed Care

# **CORE DECISION ITEM**

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Managed Care**

**Budget Unit: 90551C**

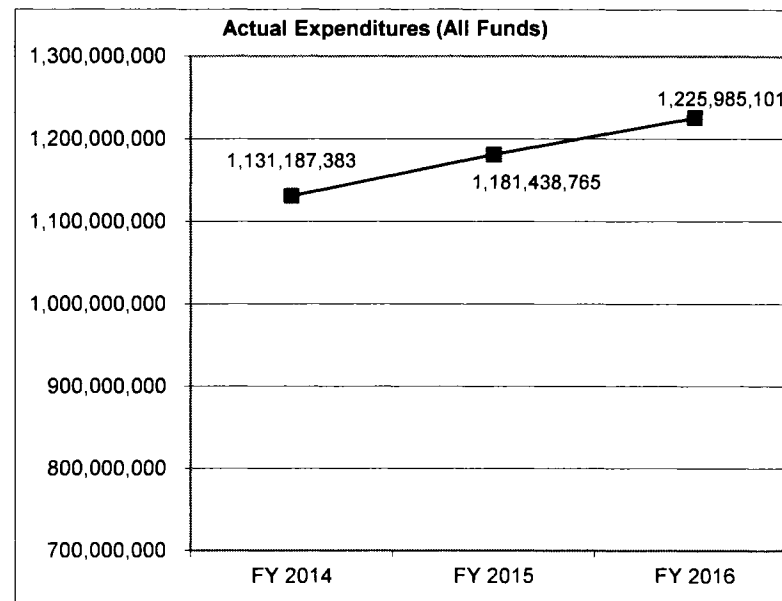
**HB Section: 11.505**

## **4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 1,186,760,062             | 1,194,884,629             | 1,232,355,587             | 1,888,226,425                  |
| Less Reverted (All Funds)       | (241,652)                 | (241,652)                 | (241,652)                 | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 1,186,518,410             | 1,194,642,977             | 1,232,113,935             | N/A                            |
| Actual Expenditures (All Funds) | 1,131,187,383             | 1,181,438,765             | 1,225,985,101             | N/A                            |
| Unexpended (All Funds)          | 55,331,027                | 13,204,212                | 6,128,834                 | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 9,355,043                 | 0                         | 102,319                   | N/A                            |
| Federal                         | 34,591,478                | 12,853,351                | 176,328                   | N/A                            |
| Other                           | 11,384,506                | 350,861                   | 5,850,187                 | 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)** FY 2016 actual appropriations and expenditures include those from the Statewide Managed Care Expansion section.

**(2)** For FY 2017 the statewide managed care expansion appropriations have been reallocated to the managed care section and are included in the total.

## CORE DECISION ITEM

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Managed Care**

**Budget Unit: 90551C**

**HB Section: 11.505**

### Cost Per Eligible - Per Member Per Month (PMPM)

|                   | Managed Care PMPM** | Acute Care PMPM*** | Total PMPM | Managed Care Percentage of Acute | Managed Care Percentage of Total |
|-------------------|---------------------|--------------------|------------|----------------------------------|----------------------------------|
| PTD               | \$0.00              | \$1,102.14         | \$1,988.02 | 0.00%                            | 0.00%                            |
| Seniors           | \$0.00              | \$380.60           | \$1,585.20 | 0.00%                            | 0.00%                            |
| Custodial Parents | \$207.20            | \$462.53           | \$495.56   | 44.80%                           | 41.81%                           |
| Children*         | \$123.17            | \$259.53           | \$287.18   | 47.46%                           | 42.89%                           |
| Pregnant Women    | \$315.27            | \$732.32           | \$748.13   | 43.05%                           | 42.14%                           |

Source: Table 23 Medical Statistics for Fiscal Year 2016 (Paid Claims Data). Does not include add-on payments.

\* CHIP eligibles not included.

\*\* Includes EPSDT services.

\*\*\* Acute Care PMPM includes Managed Care and all Managed Care carve out services, such as Pharmacy.

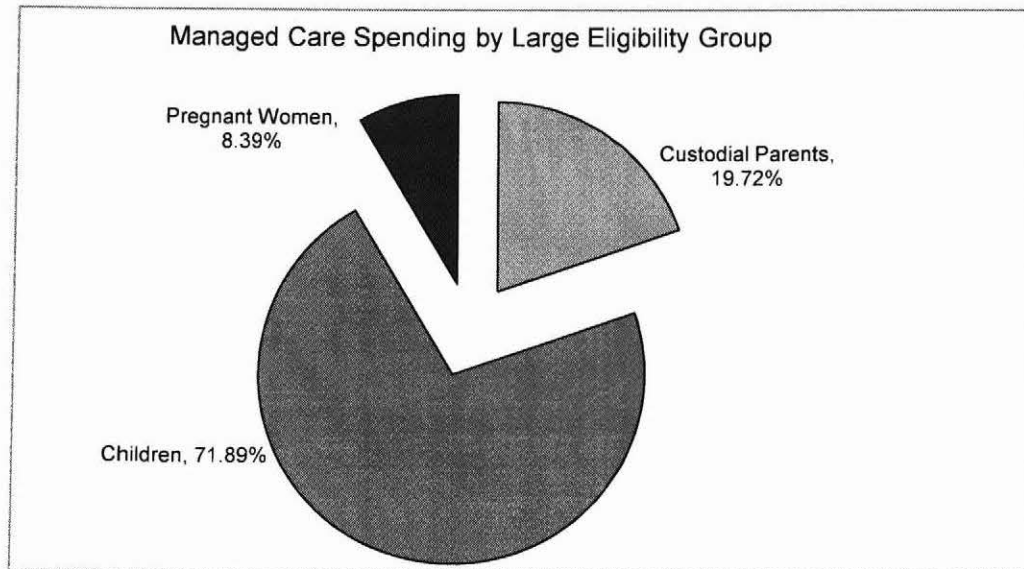
See 4th paragraph on the right for complete list of services included in Acute Care PMPM.

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 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.

The PMPM table reflects the PMPM amounts for managed 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, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MO HealthNet. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the managed care PMPM to the acute care PMPM, MO HealthNet management can monitor the progress of interventions controlled by MO HealthNet management.

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



Source: Table 23 Medical Statistics for Fiscal Year 2016 (Paid Claims Data). Persons with Disabilities and Seniors are excluded from managed care.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
MANAGED CARE**

**5. CORE RECONCILIATION DETAIL**

|                                    |      |      |    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>          | <b>Federal</b>       | <b>Other</b>       | <b>Total</b>         | <b>Explanation</b>                                                                                                                                                      |
|------------------------------------|------|------|----|-------------------------|-------------|--------------------|----------------------|--------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>TAFP AFTER VETOES</b>           |      |      |    |                         |             |                    |                      |                    |                      |                                                                                                                                                                         |
|                                    |      |      |    | PD                      | 0.00        | 467,559,953        | 1,235,543,176        | 185,123,296        | 1,888,226,425        |                                                                                                                                                                         |
|                                    |      |      |    | <b>Total</b>            | <b>0.00</b> | <b>467,559,953</b> | <b>1,235,543,176</b> | <b>185,123,296</b> | <b>1,888,226,425</b> |                                                                                                                                                                         |
| <b>DEPARTMENT CORE ADJUSTMENTS</b> |      |      |    |                         |             |                    |                      |                    |                      |                                                                                                                                                                         |
| Core Reduction                     | 244  | 1784 | PD | 0.00                    |             | 0                  | (18,299,340)         | 0                  | (18,299,340)         | Core reduction for one-time federal funds.                                                                                                                              |
| Core Reduction                     | 1118 | 9204 | PD | 0.00                    |             | 0                  | 0                    | (5,000)            | (5,000)              | Core reduction of one time funds that utilized fund balance.                                                                                                            |
| Core Reallocation                  | 624  | 1783 | PD | 0.00                    |             | 63,320,922         | 0                    | 0                  | 63,320,922           | Reallocation of Fee for Service funds to Managed Care.                                                                                                                  |
| Core Reallocation                  | 624  | 1784 | PD | 0.00                    |             | 0                  | 178,974,322          | 0                  | 178,974,322          | Reallocation of Fee for Service funds to Managed Care.                                                                                                                  |
| Core Reallocation                  | 624  | 0198 | PD | 0.00                    |             | 0                  | 0                    | 91,432,487         | 91,432,487           | Reallocation of Fee for Service funds to Managed Care.                                                                                                                  |
| Core Reallocation                  | 1273 | 1185 | PD | 0.00                    |             | 0                  | 0                    | (907,611)          | (907,611)            | Reallocating Pharmacy FRA (0144) and Pharmacy Rebates (0114) funding to Pharmacy for Pharmacy expenditures. Previously reallocated to Managed Care Expansion from CHIP. |
| Core Reallocation                  | 1273 | 1184 | PD | 0.00                    |             | 0                  | 0                    | (581,199)          | (581,199)            | Reallocating Pharmacy FRA (0144) and Pharmacy Rebates (0114) funding to Pharmacy for Pharmacy expenditures. Previously reallocated to Managed Care Expansion from CHIP. |
| <b>NET DEPARTMENT CHANGES</b>      |      |      |    |                         | <b>0.00</b> | <b>63,320,922</b>  | <b>160,674,982</b>   | <b>89,938,677</b>  | <b>313,934,581</b>   |                                                                                                                                                                         |



## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES MANAGED CARE

#### 5. CORE RECONCILIATION DETAIL

|                                               |      |      | Budget<br>Class | FTE         | GR                  | Federal              | Other              | Total                | Explanation                                            |
|-----------------------------------------------|------|------|-----------------|-------------|---------------------|----------------------|--------------------|----------------------|--------------------------------------------------------|
| <b>DEPARTMENT CORE REQUEST</b>                |      |      |                 |             |                     |                      |                    |                      |                                                        |
|                                               |      |      | PD              | 0.00        | 530,880,875         | 1,396,218,158        | 275,061,973        | 2,202,161,006        |                                                        |
|                                               |      |      | <b>Total</b>    | <b>0.00</b> | <b>530,880,875</b>  | <b>1,396,218,158</b> | <b>275,061,973</b> | <b>2,202,161,006</b> |                                                        |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |      |      |                 |             |                     |                      |                    |                      |                                                        |
| Core Reduction                                | 1394 | 1783 | PD              | 0.00        | (28,704,413)        | 0                    | 0                  | (28,704,413)         | FMAP adjustment                                        |
| Core Reduction                                | 1720 | 1783 | PD              | 0.00        | (17,455,620)        | 0                    | 0                  | (17,455,620)         | FY 18 core reduction                                   |
| Core Reallocation                             | 624  | 1784 | PD              | 0.00        | 0                   | 27,058,534           | 0                  | 27,058,534           | Reallocation of Fee for Service funds to Managed Care. |
| Core Reallocation                             | 624  | 1783 | PD              | 0.00        | 9,571,005           | 0                    | 0                  | 9,571,005            | Reallocation of Fee for Service funds to Managed Care. |
| Core Reallocation                             | 624  | 0198 | PD              | 0.00        | 0                   | 0                    | 3,699,688          | 3,699,688            | Reallocation of Fee for Service funds to Managed Care. |
| <b>NET GOVERNOR CHANGES</b>                   |      |      |                 | <b>0.00</b> | <b>(36,589,028)</b> | <b>27,058,534</b>    | <b>3,699,688</b>   | <b>(5,830,806)</b>   |                                                        |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |      |      |                 |             |                     |                      |                    |                      |                                                        |
|                                               |      |      | PD              | 0.00        | 494,291,847         | 1,423,276,692        | 278,761,661        | 2,196,330,200        |                                                        |
|                                               |      |      | <b>Total</b>    | <b>0.00</b> | <b>494,291,847</b>  | <b>1,423,276,692</b> | <b>278,761,661</b> | <b>2,196,330,200</b> |                                                        |

## DECISION ITEM SUMMARY

| Budget Unit                                 |                      |             |                      |             |                      |             |                      |             |
|---------------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| Decision Item                               | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
| Budget Object Summary                       | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |
| Fund                                        | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |
| <b>MANAGED CARE</b>                         |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>                                 |                      |             |                      |             |                      |             |                      |             |
| EXPENSE & EQUIPMENT                         |                      |             |                      |             |                      |             |                      |             |
| GENERAL REVENUE                             | 427,776              | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        |
| TOTAL - EE                                  | 427,776              | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        |
| PROGRAM-SPECIFIC                            |                      |             |                      |             |                      |             |                      |             |
| GENERAL REVENUE                             | 314,949,896          | 0.00        | 467,559,953          | 0.00        | 530,880,875          | 0.00        | 494,291,847          | 0.00        |
| TITLE XIX-FEDERAL AND OTHER                 | 782,279,262          | 0.00        | 1,235,543,176        | 0.00        | 1,396,218,158        | 0.00        | 1,423,276,692        | 0.00        |
| UNCOMPENSATED CARE FUND                     | 0                    | 0.00        | 33,848,436           | 0.00        | 33,848,436           | 0.00        | 33,848,436           | 0.00        |
| PHARMACY REBATES                            | 0                    | 0.00        | 581,199              | 0.00        | 0                    | 0.00        | 0                    | 0.00        |
| FEDERAL REIMBURSEMENT ALLOWANCE             | 97,394,117           | 0.00        | 97,394,117           | 0.00        | 188,826,604          | 0.00        | 192,526,292          | 0.00        |
| PHARMACY REIMBURSEMENT ALLOWAN              | 0                    | 0.00        | 907,611              | 0.00        | 0                    | 0.00        | 0                    | 0.00        |
| MO HEALTHNET MANAGED CARE ORG               | 3,926                | 0.00        | 5,000                | 0.00        | 0                    | 0.00        | 0                    | 0.00        |
| HEALTH INITIATIVES                          | 7,813,428            | 0.00        | 18,314,722           | 0.00        | 18,314,722           | 0.00        | 18,314,722           | 0.00        |
| HEALTHY FAMILIES TRUST                      | 4,000,000            | 0.00        | 4,094,848            | 0.00        | 4,094,848            | 0.00        | 4,094,848            | 0.00        |
| LIFE SCIENCES RESEARCH TRUST                | 17,663,585           | 0.00        | 21,443,750           | 0.00        | 21,443,750           | 0.00        | 21,443,750           | 0.00        |
| PREMIUM                                     | 0                    | 0.00        | 7,080,502            | 0.00        | 7,080,502            | 0.00        | 7,080,502            | 0.00        |
| AMBULANCE SERVICE REIMB ALLOW               | 1,453,111            | 0.00        | 1,453,111            | 0.00        | 1,453,111            | 0.00        | 1,453,111            | 0.00        |
| TOTAL - PD                                  | 1,225,557,325        | 0.00        | 1,888,226,425        | 0.00        | 2,202,161,006        | 0.00        | 2,196,330,200        | 0.00        |
| <b>TOTAL</b>                                | <b>1,225,985,101</b> | <b>0.00</b> | <b>1,888,226,425</b> | <b>0.00</b> | <b>2,202,161,006</b> | <b>0.00</b> | <b>2,196,330,200</b> | <b>0.00</b> |
| <b>MHD GR Pickup - 1886003</b>              |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                            |                      |             |                      |             |                      |             |                      |             |
| GENERAL REVENUE                             | 0                    | 0.00        | 0                    | 0.00        | 18,299,340           | 0.00        | 18,299,340           | 0.00        |
| TOTAL - PD                                  | 0                    | 0.00        | 0                    | 0.00        | 18,299,340           | 0.00        | 18,299,340           | 0.00        |
| <b>TOTAL</b>                                | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>18,299,340</b>    | <b>0.00</b> | <b>18,299,340</b>    | <b>0.00</b> |
| <b>FY 2018 Managed Care Rates - 1886009</b> |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                            |                      |             |                      |             |                      |             |                      |             |
| GENERAL REVENUE                             | 0                    | 0.00        | 0                    | 0.00        | 6,976,674            | 0.00        | 7,292,142            | 0.00        |
| TITLE XIX-FEDERAL AND OTHER                 | 0                    | 0.00        | 0                    | 0.00        | 11,996,115           | 0.00        | 13,111,166           | 0.00        |
| TOTAL - PD                                  | 0                    | 0.00        | 0                    | 0.00        | 18,972,789           | 0.00        | 20,403,308           | 0.00        |
| <b>TOTAL</b>                                | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>18,972,789</b>    | <b>0.00</b> | <b>20,403,308</b>    | <b>0.00</b> |

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# DECISION ITEM SUMMARY

| Budget Unit                                    |                        |             |                        |             |                        |             |                        |             |  |
|------------------------------------------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|--|
| Decision Item                                  | FY 2016                | FY 2016     | FY 2017                | FY 2017     | FY 2018                | FY 2018     | FY 2018                | FY 2018     |  |
| Budget Object Summary                          | ACTUAL                 | ACTUAL      | BUDGET                 | BUDGET      | DEPT REQ               | DEPT REQ    | GOV REC                | GOV REC     |  |
| Fund                                           | DOLLAR                 | FTE         | DOLLAR                 | FTE         | DOLLAR                 | FTE         | DOLLAR                 | FTE         |  |
| <b>MANAGED CARE</b>                            |                        |             |                        |             |                        |             |                        |             |  |
| <b>Statewide Mgd Care Transition - 1886011</b> |                        |             |                        |             |                        |             |                        |             |  |
| PROGRAM-SPECIFIC                               |                        |             |                        |             |                        |             |                        |             |  |
| GENERAL REVENUE                                | 0                      | 0.00        | 0                      | 0.00        | 36,476,582             | 0.00        | 35,124,286             | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                    | 0                      | 0.00        | 0                      | 0.00        | 62,720,041             | 0.00        | 63,712,886             | 0.00        |  |
| TOTAL - PD                                     | 0                      | 0.00        | 0                      | 0.00        | 99,196,623             | 0.00        | 98,837,172             | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>               | <b>0.00</b> | <b>0</b>               | <b>0.00</b> | <b>99,196,623</b>      | <b>0.00</b> | <b>98,837,172</b>      | <b>0.00</b> |  |
| <b>FMAP Adjustment - 1886025</b>               |                        |             |                        |             |                        |             |                        |             |  |
| PROGRAM-SPECIFIC                               |                        |             |                        |             |                        |             |                        |             |  |
| TITLE XIX-FEDERAL AND OTHER                    | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 28,704,413             | 0.00        |  |
| TOTAL - PD                                     | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 28,704,413             | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>               | <b>0.00</b> | <b>0</b>               | <b>0.00</b> | <b>0</b>               | <b>0.00</b> | <b>28,704,413</b>      | <b>0.00</b> |  |
| <b>Other Fund Offset - 1886032</b>             |                        |             |                        |             |                        |             |                        |             |  |
| PROGRAM-SPECIFIC                               |                        |             |                        |             |                        |             |                        |             |  |
| TITLE XIX-FEDERAL AND OTHER                    | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 10,000,000             | 0.00        |  |
| HEALTH INITIATIVES                             | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 275,658                | 0.00        |  |
| HEALTHY FAMILIES TRUST                         | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 2,763,506              | 0.00        |  |
| LIFE SCIENCES RESEARCH TRUST                   | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 780,547                | 0.00        |  |
| PREMIUM                                        | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 3,635,909              | 0.00        |  |
| TOTAL - PD                                     | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 17,455,620             | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>               | <b>0.00</b> | <b>0</b>               | <b>0.00</b> | <b>0</b>               | <b>0.00</b> | <b>17,455,620</b>      | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                             | <b>\$1,225,985,101</b> | <b>0.00</b> | <b>\$1,888,226,425</b> | <b>0.00</b> | <b>\$2,338,629,758</b> | <b>0.00</b> | <b>\$2,380,030,053</b> | <b>0.00</b> |  |

# DECISION ITEM DETAIL

| Budget Unit           | FY 2016                | FY 2016     | FY 2017                | FY 2017     | FY 2018                | FY 2018     | FY 2018                | FY 2018     |
|-----------------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|
| 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         |
| <b>MANAGED CARE</b>   |                        |             |                        |             |                        |             |                        |             |
| <b>CORE</b>           |                        |             |                        |             |                        |             |                        |             |
| PROFESSIONAL SERVICES | 427,776                | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        |
| TOTAL - EE            | 427,776                | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        |
| PROGRAM DISTRIBUTIONS | 1,225,557,325          | 0.00        | 1,888,226,425          | 0.00        | 2,202,161,006          | 0.00        | 2,196,330,200          | 0.00        |
| TOTAL - PD            | 1,225,557,325          | 0.00        | 1,888,226,425          | 0.00        | 2,202,161,006          | 0.00        | 2,196,330,200          | 0.00        |
| <b>GRAND TOTAL</b>    | <b>\$1,225,985,101</b> | <b>0.00</b> | <b>\$1,888,226,425</b> | <b>0.00</b> | <b>\$2,202,161,006</b> | <b>0.00</b> | <b>\$2,196,330,200</b> | <b>0.00</b> |
| GENERAL REVENUE       | \$315,377,672          | 0.00        | \$467,559,953          | 0.00        | \$530,880,875          | 0.00        | \$494,291,847          | 0.00        |
| FEDERAL FUNDS         | \$782,279,262          | 0.00        | \$1,235,543,176        | 0.00        | \$1,396,218,158        | 0.00        | \$1,423,276,692        | 0.00        |
| OTHER FUNDS           | \$128,328,167          | 0.00        | \$185,123,296          | 0.00        | \$275,061,973          | 0.00        | \$278,761,661          | 0.00        |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.505**

**Program Name: Managed Care**

**Program is found in the following core budget(s): Managed Care**

### 1. What does this program do?

#### **Program Description**

The MO HealthNet Division operates an HMO-style managed care program known as MO HealthNet Managed Care. Effective May 1, 2017, statewide participation in MO HealthNet Managed Care is mandatory for the following MO HealthNet eligibility groups:

- MO HealthNet for Families - Adults and Children;
- MO HealthNet for Children;
- Refugees;
- MO HealthNet for Pregnant Women;
- Children's Health Insurance Program (CHIP);
- Children in state care and custody; and
- Show Me Healthy Babies Program (SMHB).

Those participants who receive Supplemental Security Income (SSI), meet the SSI medical disability definition, or get adoption subsidy benefits may stay in MO HealthNet Managed Care or may choose to "opt out" and receive services on a fee-for-service basis instead.

#### **Program Statistics**

While Managed Care participants represent 47.55% of the total MO HealthNet participants, the Managed Care program comprises 18.12% of the total MO HealthNet program dollars. As of June 2016, there were 465,587 individuals enrolled in Managed Care. MHD estimates an additional 243,781 individuals will receive managed care services after May 1, 2017.

#### **Program Goals**

To improve the accessibility and quality of health care services for MO HealthNet participants and state aid eligible populations, while reducing the costs of providing that care.

#### **Program Objectives**

Objectives of the MO HealthNet Managed Care program include cost effectiveness, improved quality of care, contract compliance, and member satisfaction.

#### **Reimbursement Methodology**

MO HealthNet Managed Care health plans contract with the state and are paid a monthly capitation payment for providing services for each enrollee. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166 require capitation payments made on behalf of managed care participants to be actuarially sound. Therefore, MO HealthNet must maintain capitation rates at a sufficient level to ensure continued health plan and provider participation.

#### **Rate History**

Following are the prior year managed care actuarial increases received:

FY 2017 \$21,266,346  
FY 2016 \$11,192,155  
FY 2015 \$54,573,006  
FY 2014 \$52,666,128  
FY 2012 \$72,840,071  
FY 2010 \$66,701,815

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.505**

**Program Name: Managed Care**

**Program is found in the following core budget(s): Managed Care**

### **Additional Details**

The MO HealthNet Managed Care program is subject to an approved CHIP State Plan Amendment and an approved federal 1915(b) waiver. An independent evaluation of the MO HealthNet Managed Care program is required by the Centers for Medicare and Medicaid Services (CMS) with respect to access to care and quality of services. At the end of the waiver period or at prescribed intervals within the waiver period, the state must demonstrate that their waiver cost projections and budget neutrality projections are reasonable and consistent with statute, regulation and guidance.

### History

The MO HealthNet Managed Care program has operated in the Eastern Region since September 1, 1995, in the Central Region since March 1, 1996, and in the Western Region since January 1, 1997. Effective January 1, 2008 the state introduced the MO HealthNet Managed Care program in seventeen counties contiguous to the original existing three MO HealthNet Managed Care regions. The State of Missouri issued a Request for Proposal (RFP) on April 29, 2016 to begin the process of moving Missouri's Medicaid system to a statewide managed care system for current managed care eligible participants. Consistent with the new RFP, the current Eastern and Western regions will remain geographically the same while the Central region will expand, and, a new Southwestern region will be created. Contracts will be awarded in early October, 2016; statewide Managed Care will begin effective May 1, 2017.

### *Managed Care Rebid*

Effective July 1, 2015, three health plans contracted with the state to provide services in the three MO HealthNet Managed Care regions. In 2015, authority was granted to extend the Managed Care program into then-existing fee-for-service counties for the current Managed Care eligibility groups. Therefore, the Managed Care contract was rebid in SFY 16 and contracts will be awarded in early October 2016; statewide Managed Care for these limited eligibility groups will begin effective May 1, 2017.

### Services

In MO HealthNet Managed Care, enrollees receive the majority of their services through the managed care benefit. Examples of services included in the capitation payment paid to health plans are: hospital; physician; emergency medical services; EPSDT services; family planning services; dental; optical; audiology; personal care; and mental health services. Services provided on a fee-for-service basis outside of the capitation payment include: pharmacy services; transplants; school-based therapy; Department of Health and Senior Services newborn screening services; certain mental health services, including ICF/MR; community psychiatric rehabilitation services; CSTAR services; smoking cessation; and mental health services for children in the care and custody of the state.

MO HealthNet Managed Care is intended to provide MO HealthNet participants a number of advantages over traditional fee-for-service MO HealthNet. Each MO HealthNet Managed Care participant chooses a MO HealthNet Managed Care health plan and a primary care provider from within the network of the health plan. Managed Care participants are guaranteed access to primary care and other services as needed.

MO HealthNet Managed Care health plans are required by contract to ensure that routine exams are scheduled within thirty days, urgent care within twenty-four hours, and emergency services must be available at all times. Behavioral health appointments for routine care with behavioral symptoms are required by contract to be scheduled within one week or five business days, whichever is earlier, urgent care within twenty-four hours, and after care appointments following hospitalizations must be within seven days of discharge. MO HealthNet Managed Care health plans are required by contract to ensure that children receive all EPSDT exams (complete physicals on a regular schedule), are fully immunized, and receive any medically necessary service. MO HealthNet Managed Care health plans are also required by contract to provide care management to ensure that enrollee services, especially those provided to children and pregnant women, are properly coordinated. The Division monitors performance of the health plans and assists them with improvement.

MO HealthNet Managed Care most importantly provides the means to ensure access, manage and coordinate benefits, and monitor quality of care and outcomes while controlling costs.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.505**

**Program Name: Managed Care**

**Program is found in the following core budget(s): Managed Care**

### Quality Assessment

The purpose of quality assessment is to assess the quality of services in the MO HealthNet Managed Care program. Quality assessment utilizes a variety of methods and tools to measure outcomes of services provided. The goal is to monitor health care services provided to MO HealthNet Managed Care members by the MO HealthNet Managed Care health plans, and comply with federal, state and contract requirements. The MO HealthNet Managed Care health plans are required to meet program standards for quality improvement, systems, member services, provider services, recordkeeping, organizational structure, adequacy of personnel, access standards, and data reporting as outlined in the MO HealthNet Managed Care contracts. Quality assessment measures are taken from the Healthcare Effectiveness Data Information Set (HEDIS) and other internally developed measurements. HEDIS is a strong public/private effort that includes a standardized set of measures to assess and encourage the continual improvement in the quality of health care. Specifically, Medicaid HEDIS includes additional quality and access measures which respond more directly to needs of women and children who make up the majority of MO HealthNet Managed Care participants. HEDIS is intended to be used collaboratively by the state agency and the MO HealthNet Managed Care health plans to:

- Provide the state agency with information on the performance of the contracted MO HealthNet Managed Care health plans;
- Assist health plans in quality improvement efforts;
- Support emerging efforts to inform MO HealthNet clients about managed care plan performance; and
- Promote standardization of health plan reporting across the public and private sectors.

An annual report is provided with significant outcomes measured including the following:

- Member complaints and grievances including actions taken and reasons for members changing MO HealthNet Managed Care health plans;
- Utilization review including inpatient/outpatient visits for both physical and mental health;
- Outcome indicators such as diabetes, asthma, low birth weight and mortality;
- EPSDT activities (children's health services) such as the number of well child visits provided;
- Prenatal activities and services provided; and
- Behavioral health activities and services provided

### National Committee for Quality Assurance (NCQA) Accreditation

Effective October 1, 2011, the Managed Care health plans were required to be NCQA accredited at a level of "accredited" or better to be eligible to receive a contract in the MO HealthNet program. The Managed Care health plans must maintain such accreditation thereafter and throughout the duration of the contract.

### Contract Compliance

Along with quality assessment, monitoring MO HealthNet Managed Care health plan compliance with contractual requirements is a primary method to measure whether the goals of managed care are being met. Contractual compliance monitoring begins with the issuance of the Request for Proposal (RFP) and continues throughout the contract. Contract compliance is measured through a variety of methods. The MO HealthNet Division has a relationship with the Missouri Department of Insurance, Financial Institutions and Professional Registration to analyze MO HealthNet Managed Care health plan provider networks in accordance with 20 CSR 400-7.095 to ensure that the network is adequate to meet the needs of enrollees.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.505**

**Program Name: Managed Care**

**Program is found in the following core budget(s): Managed Care**

### Member Satisfaction

Member satisfaction with the MO HealthNet Managed Care health plans is another method for measuring success of the MO HealthNet Managed Care program. An initial measurement is how many members actually choose their MO HealthNet Managed Care health plan versus the Division assigning them to MO HealthNet Managed Care health plans. MO HealthNet Managed Care has a high voluntary choice percentage. Since the inception of the MO HealthNet Managed Care program, approximately 12.6% of enrollees are randomly assigned by the Division. Reporting has been developed to continuously monitor how many participants initially choose their MO HealthNet Managed Care health plans as well as which health plans are chosen. Other reporting monitors participants' transfer requests among MO HealthNet Managed Care health plans to identify health plans that have particular problems keeping their participants. MO HealthNet also looks at the number of calls coming into the participant and provider hotlines to assess problem areas with health plans. MO HealthNet Managed Care health plans submit enrollee satisfaction data to the Department of Health and Senior Services in accordance with 19 CSR 10-5.010.

### **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; Federal law: Social Security Act Sections 1902(a)(4), 1903(m), 1915(b), 1932; Federal Regulations: 42 CFR 438 and 412.106.

### **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 FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

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

MO HealthNet Managed Care covers most services available to fee-for-service participants. As such, both mandatory and non-mandatory services are included. Services not included in MO HealthNet Managed Care are available on a fee-for-service basis as specified in the FFS cores.

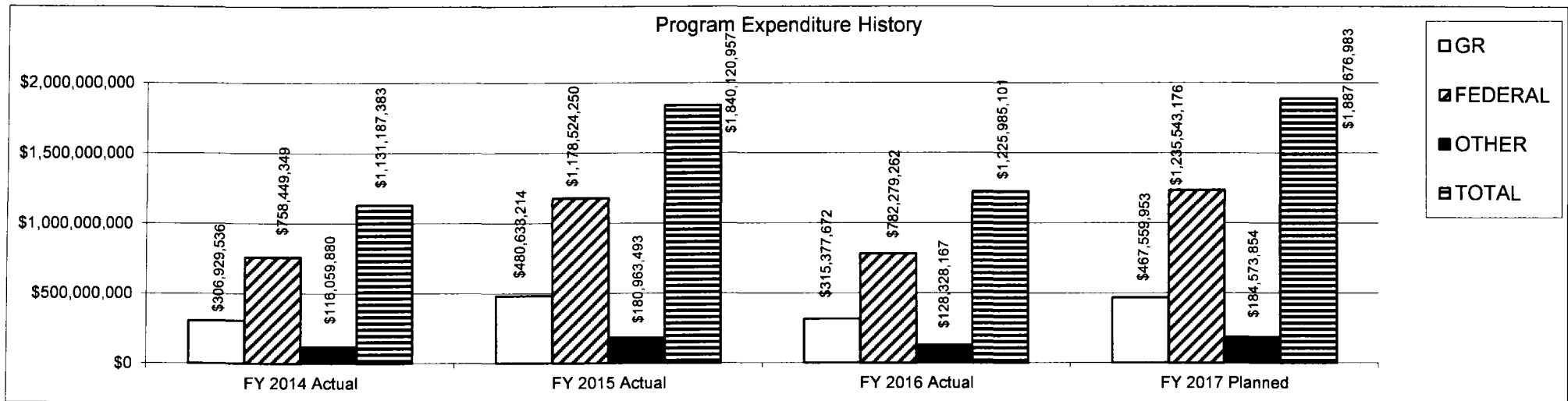


## PROGRAM DESCRIPTION

**Department:** Social Services  
**Program Name:** Managed Care  
**Program is found in the following core budget(s):** Managed Care

**HB Section:** 11.505

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



FY16 expenditures include expenditures made from the Statewide Managed Care Expansion appropriations. FY17 planned expenditures are net of reverted.

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

Federal Reimbursement Allowance Fund (0142), Mo HealthNet Managed Care Org Fund (0160), Health Initiatives Fund (0275), Healthy Families Trust (0625), Life Sciences Research Trust Fund (0763), Ambulance Service Reimbursement Fund (0958), Uncompensated Care (0108), Premium Fund (0885), Pharmacy Rebates (0114), and Pharmacy Reimbursement Allowance (0144).

## PROGRAM DESCRIPTION

Department: Social Services

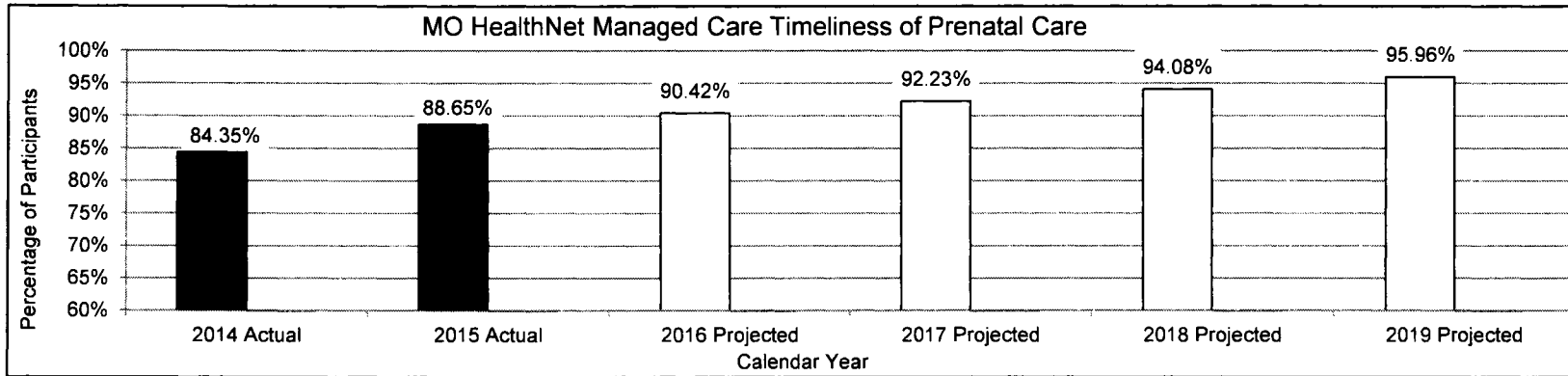
HB Section: 11.505

Program Name: Managed Care

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

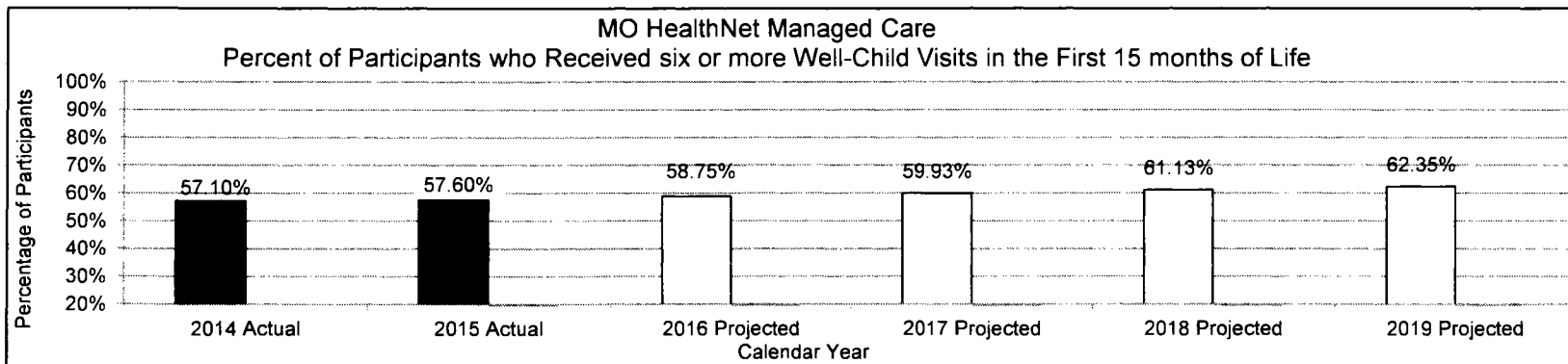
### 7a. Provide an effectiveness measure.

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.



*CY2015 data is the most recent data available*

Effectiveness Measure 1: Increase the percentage of women receiving early 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 88.65% in 2015.



*CY2015 data is the most recent data*

Effectiveness Measure 2: Increase the percentage of participants who receive six or more well-child visits in the first 15 months of life. The percentage of participants who received services were 57.6% in 2015.

## PROGRAM DESCRIPTION

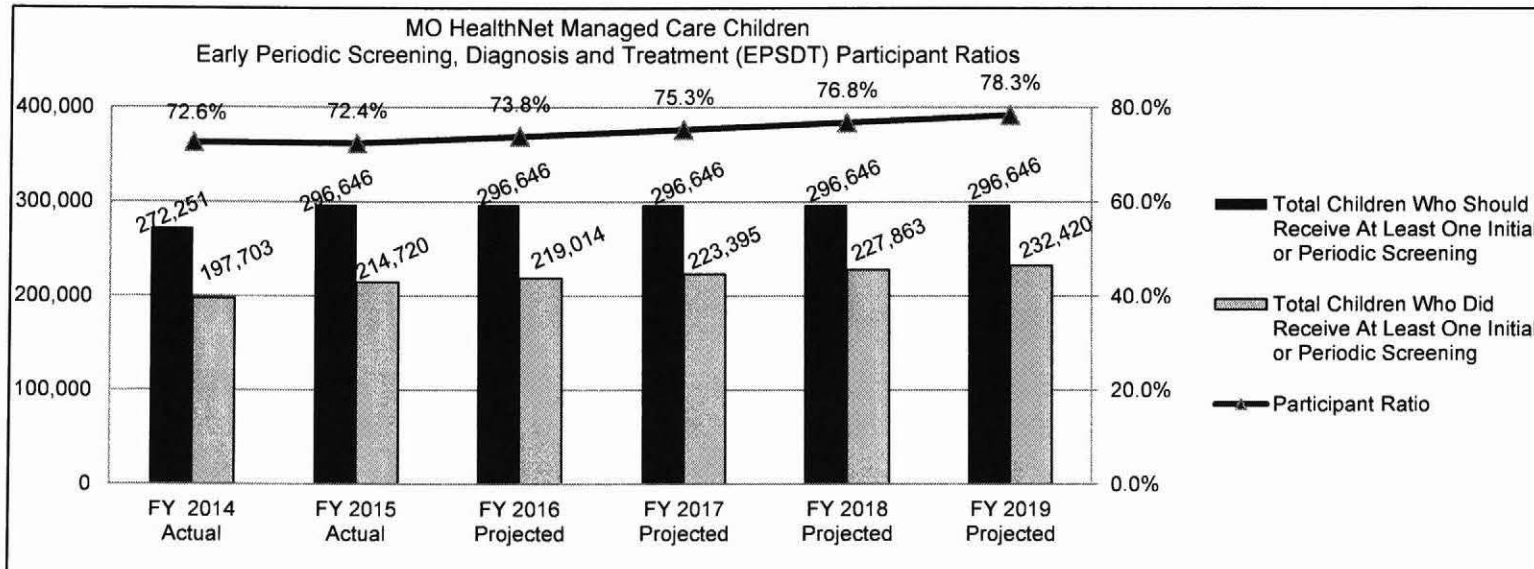
**Department:** Social Services  
**Program Name:** Managed Care  
**Program is found in the following core budget(s):** Managed Care

**HB Section: 11.505**

### 7b. 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.

**Efficiency Measure:** Increase the ratio of children who receive an EPSDT service.



\*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.

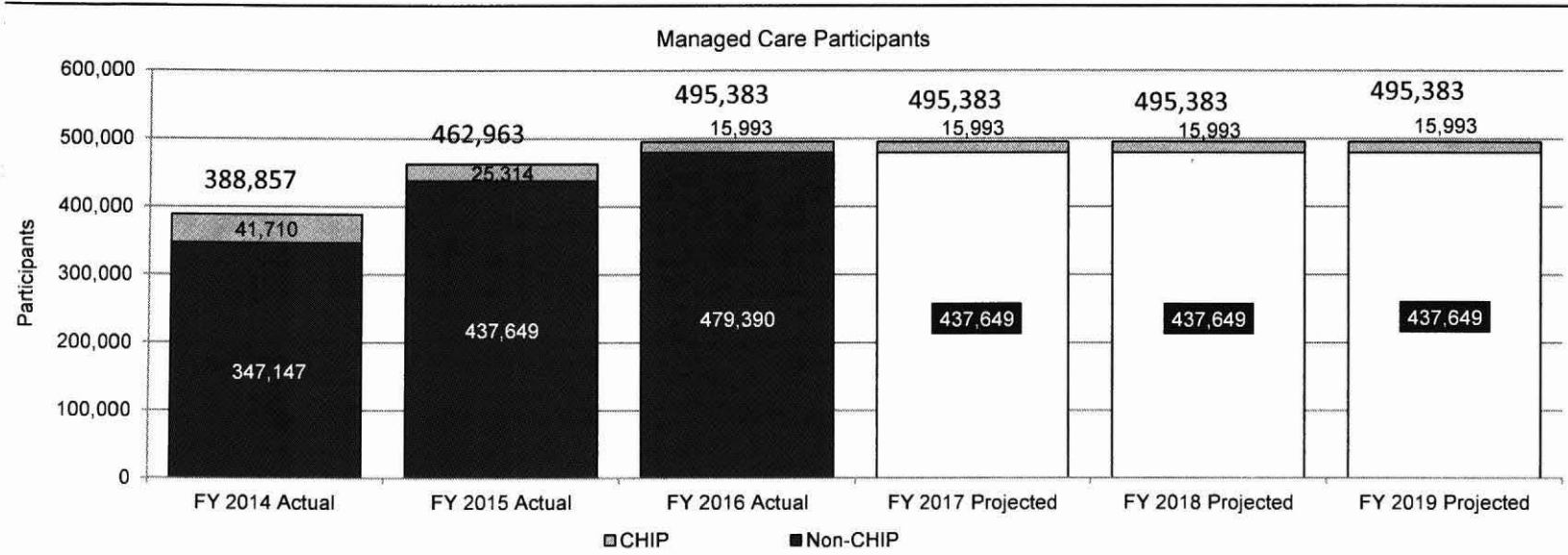
FY 2015 data is the most recent data available (data only available in March of the following fiscal year)

## PROGRAM DESCRIPTION

**Department:** Social Services  
**Program Name:** Managed Care  
**Program is found in the following core budget(s):** Managed Care

**HB Section:** 11.505

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



Participation in MO HealthNet Managed Care for those areas of the state where it is available is mandatory for these eligibility categories:

- MO HealthNet for Families - Adults and Children;
- MO HealthNet for Children;
- Refugees;
- MO HealthNet for Pregnant Women;
- Children Health Insurance Program (CHIP);
- Children in state care and custody; and
- Show Me Health Babies Program (SMHB)

Statewide Managed Care for these limited eligibility groups will begin effective May 1, 2017.

## PROGRAM DESCRIPTION

Department: Social Services

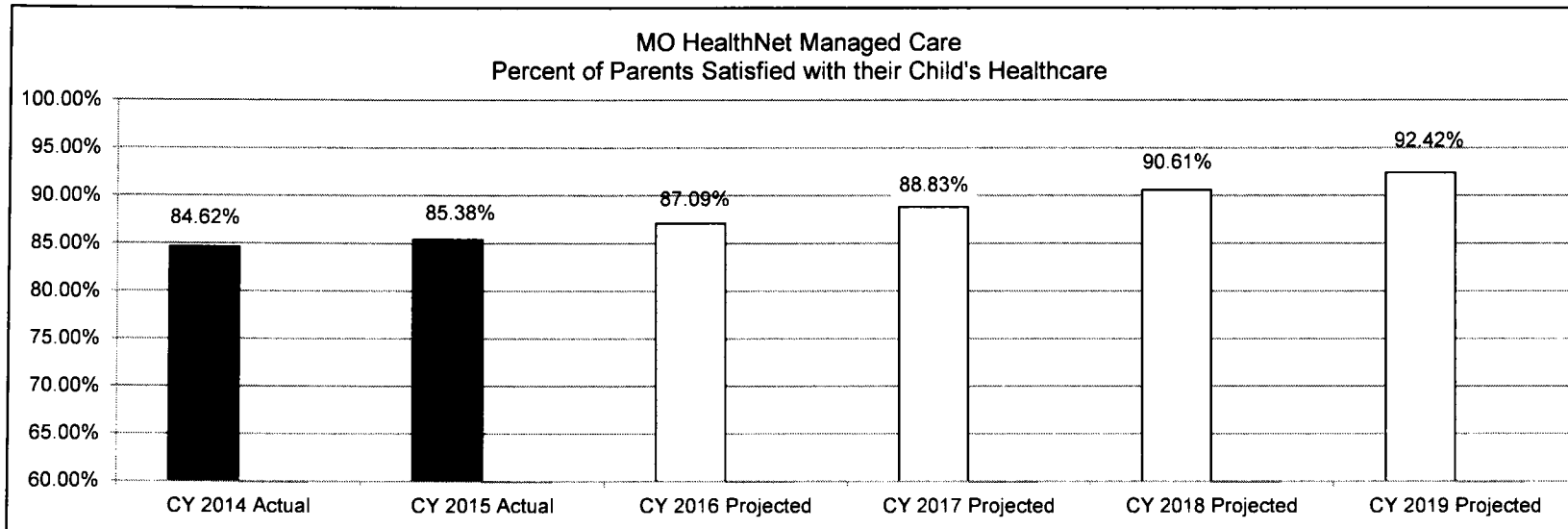
HB Section: 11.505

Program Name: Managed Care

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

### 7d. 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, over 84% responded that they were satisfied in 2014.



*CY2015 data is the most recent data available*

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

**NEW DECISION ITEM**  
**RANK: 999**

**Department: Social Services**

**Division: MO HealthNet**

**DI Name: Other Fund Offset**

**DI# 1886032**

**Budget Unit 90551C**

**HB Section 11.505**

**1. AMOUNT OF REQUEST**

|              | FY 2018 Budget Request |             |             |             |   |
|--------------|------------------------|-------------|-------------|-------------|---|
|              | GR                     | Federal     | Other       | Total       | E |
| PS           | 0                      | 0           | 0           | 0           |   |
| EE           | 0                      | 0           | 0           | 0           |   |
| PSD          | 0                      | 0           | 0           | 0           |   |
| TRF          | 0                      | 0           | 0           | 0           |   |
| <b>Total</b> | <b>0</b>               | <b>0</b>    | <b>0</b>    | <b>0</b>    |   |
| <b>FTE</b>   | <b>0.00</b>            | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: N/A

|              | FY 2018 Governor's Recommendation |                   |                  |                   |   |
|--------------|-----------------------------------|-------------------|------------------|-------------------|---|
|              | GR                                | Federal           | Other            | Total             | E |
| PS           | 0                                 | 0                 | 0                | 0                 |   |
| EE           | 0                                 | 0                 | 0                | 0                 |   |
| PSD          | 0                                 | 10,000,000        | 7,455,620        | 17,455,620        |   |
| TRF          | 0                                 | 0                 | 0                | 0                 |   |
| <b>Total</b> | <b>0</b>                          | <b>10,000,000</b> | <b>7,455,620</b> | <b>17,455,620</b> |   |
| <b>FTE</b>   | <b>0.00</b>                       | <b>0.00</b>       | <b>0.00</b>      | <b>0.00</b>       |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: Premium Fund (0885)  
 Health Initiatives Fund (0275)  
 Healthy Families Trust Fund (0625)  
 Life Sciences Research Trust Fund (0763)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

|                                          |                                            |                                                 |
|------------------------------------------|--------------------------------------------|-------------------------------------------------|
| <input type="checkbox"/> New Legislation | <input type="checkbox"/> New Program       | <input checked="" type="checkbox"/> Fund Switch |
| <input type="checkbox"/> Federal Mandate | <input type="checkbox"/> Program Expansion | <input type="checkbox"/> Cost to Continue       |
| <input type="checkbox"/> GR Pick-Up      | <input type="checkbox"/> Space Request     | <input type="checkbox"/> Equipment Replacement  |
| <input type="checkbox"/> Pay Plan        | <input type="checkbox"/> 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.**

This decision item funds the Managed Care program with other funding sources in lieu of General Revenue.

\$10,000,000 of one-time cash from CHIP earnings will be used in lieu of General Revenue. \$7,455,620 of one-time use of cash balances from the Premium Fund, Health Initiatives Fund, Healthy Families Trust Fund, and Life Sciences Research Trust Fund are also used in lieu of General Revenue.

**NEW DECISION ITEM**

**RANK:** 999

**Department:** Social Services

**Budget Unit** 90551C

**Division:** MO HealthNet

**DI Name:** Other Fund Offset **DI#** 1886032

**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.)**

This decision item funds the Managed Care program with other funding sources in lieu of General Revenue.

\$10,000,000 of one-time cash from CHIP earnings will be used in lieu of General Revenue. \$7,455,620 of one-time use of cash balances from the Premium Fund, Health Initiatives Fund, Healthy Families Trust Fund, and Life Sciences Research Trust Fund are also used in lieu of General Revenue.

**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<br>GR<br>DOLLARS | Dept Req<br>GR<br>FTE | Dept Req<br>FED<br>DOLLARS | Dept Req<br>FED<br>FTE | Dept Req<br>OTHER<br>DOLLARS | Dept Req<br>OTHER<br>FTE | Dept Req<br>TOTAL<br>DOLLARS | Dept Req<br>TOTAL<br>FTE | Dept Req<br>One-Time<br>DOLLARS | E |
|-------------------------------|---------------------------|-----------------------|----------------------------|------------------------|------------------------------|--------------------------|------------------------------|--------------------------|---------------------------------|---|
| Total PS                      | 0                         | 0.0                   | 0                          | 0.0                    | 0                            | 0.0                      | 0                            | 0.0                      | 0                               |   |
| Total EE                      | 0                         |                       | 0                          |                        | 0                            |                          | 0                            |                          | 0                               |   |
| Total PSD                     | 0                         |                       | 0                          |                        | 0                            |                          | 0                            |                          | 0                               |   |
| Total TRF                     | 0                         |                       | 0                          |                        | 0                            |                          | 0                            |                          | 0                               |   |
| Grand Total                   | 0                         | 0.0                   | 0                          | 0.0                    | 0                            | 0.0                      | 0                            | 0.0                      | 0                               |   |

| Budget Object Class/Job Class | Gov Rec<br>GR<br>DOLLARS | Gov Rec<br>GR<br>FTE | Gov Rec<br>FED<br>DOLLARS | Gov Rec<br>FED<br>FTE | Gov Rec<br>OTHER<br>DOLLARS | Gov Rec<br>OTHER<br>FTE | Gov Rec<br>TOTAL<br>DOLLARS | Gov Rec<br>TOTAL<br>FTE | Gov Rec<br>One-Time<br>DOLLARS | E |
|-------------------------------|--------------------------|----------------------|---------------------------|-----------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|--------------------------------|---|
| Total PS                      | 0                        | 0.0                  | 0                         | 0.0                   | 0                           | 0.0                     | 0                           | 0.0                     | 0                              |   |
| Total EE                      | 0                        |                      | 0                         |                       | 0                           |                         | 0                           |                         | 0                              |   |
| Program Distributions         |                          |                      | 10,000,000                |                       | 7,455,620                   |                         | 17,455,620                  |                         |                                |   |
| Total PSD                     | 0                        |                      | 10,000,000                |                       | 7,455,620                   |                         | 17,455,620                  |                         | 0                              |   |
| Total TRF                     | 0                        |                      | 0                         |                       | 0                           |                         | 0                           |                         | 0                              |   |
| Grand Total                   | 0                        | 0.0                  | 10,000,000                | 0.0                   | 7,455,620                   | 0.0                     | 17,455,620                  | 0.0                     | 0                              |   |

**NEW DECISION ITEM**

**RANK:** 999

**Department:** Social Services

**Budget Unit** 90551C

**Division:** MO HealthNet

**DI Name:** Other Fund Offset

**DI#** 1886032

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

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**6a. Provide an effectiveness measure.**

N/A

**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

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**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

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N/A



# DECISION ITEM DETAIL

| Budget Unit                 | FY 2016    | FY 2016     | FY 2017    | FY 2017     | FY 2018    | FY 2018     | FY 2018             | FY 2018     |
|-----------------------------|------------|-------------|------------|-------------|------------|-------------|---------------------|-------------|
| 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         |
| <b>MANAGED CARE</b>         |            |             |            |             |            |             |                     |             |
| Other Fund Offset - 1886032 |            |             |            |             |            |             |                     |             |
| PROGRAM DISTRIBUTIONS       | 0          | 0.00        | 0          | 0.00        | 0          | 0.00        | 17,455,620          | 0.00        |
| TOTAL - PD                  | 0          | 0.00        | 0          | 0.00        | 0          | 0.00        | 17,455,620          | 0.00        |
| <b>GRAND TOTAL</b>          | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$17,455,620</b> | <b>0.00</b> |
| 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        | \$10,000,000        | 0.00        |
| OTHER FUNDS                 | \$0        | 0.00        | \$0        | 0.00        | \$0        | 0.00        | \$7,455,620         | 0.00        |



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Hospital Care

Budget Unit: 90552C

HB Section: 11.510

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |            |             |             |             |   |
|------------------------|------------|-------------|-------------|-------------|---|
|                        | GR         | Federal     | Other       | Total       | E |
| PS                     |            |             |             |             |   |
| EE                     | 150,000    | 365,000     | 215,000     | 730,000     |   |
| PSD                    | 17,564,623 | 244,108,758 | 126,534,421 | 388,207,802 |   |
| TRF                    |            |             |             |             |   |
| Total                  | 17,714,623 | 244,473,758 | 126,749,421 | 388,937,802 |   |
| FTE                    |            |             |             | 0.00        |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Healthy Families Trust Fund (0625)  
Pharmacy Reimbursement Allowance (0144)

| FY 2018 Governor's Recommendation |           |             |             |             |   |
|-----------------------------------|-----------|-------------|-------------|-------------|---|
|                                   | GR        | Federal     | Other       | Total       | E |
| PS                                |           |             |             |             |   |
| EE                                | 0         | 215,000     | 215,000     | 430,000     |   |
| PSD                               | 8,747,383 | 231,607,152 | 122,834,733 | 363,189,268 |   |
| TRF                               |           |             |             |             |   |
| Total                             | 8,747,383 | 231,822,152 | 123,049,733 | 363,619,268 |   |
| FTE                               |           |             |             | 0.00        |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Healthy Families Trust Fund (0625)  
Pharmacy Reimbursement Allowance (0144)

## 2. CORE DESCRIPTION

This item provides funding to reimburse hospitals for services provided to fee-for-service MO HealthNet participants

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

Inpatient and Outpatient hospital services.

# **CORE DECISION ITEM**

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Hospital Care**

**Budget Unit: 90552C**

**HB Section: 11.510**

## **4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 854,135,689               | 800,060,069               | 634,988,208               | 605,406,682                    |
| Less Reverted (All Funds)       | (285,630)                 | (275,130)                 | 0                         | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 853,850,059               | 799,784,939               | 634,988,208               | N/A                            |
| Actual Expenditures (All Funds) | 788,785,637               | 798,079,002               | 632,366,715               | N/A                            |
| Unexpended (All Funds)          | 65,064,422                | 1,705,937                 | 2,621,493                 | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 3,501,885                 | 0                         | 1,492,813                 | N/A                            |
| Federal                         | 20,473,087                | 120,164                   | 883,195                   | N/A                            |
| Other                           | 41,089,450                | 1,585,773                 | 245,485                   | N/A                            |
|                                 | (1)                       | (2)                       |                           |                                |

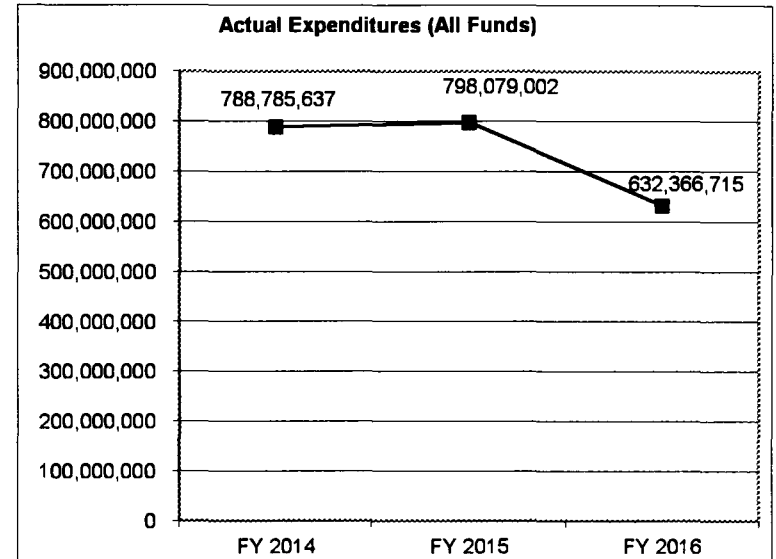
Reverted includes statutory reserve amounts (when applicable).

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

### **NOTES:**

(1) FY14 Supplemental budget of \$30,365,444 GR. Agency Reserves of \$100,000 Federal and \$40,486,106

(2) FY15 Expenditures of \$35,449,532 from the FRA appropriation. Restricted funds are from the Health Families Trust Fund (0625).



## CORE DECISION ITEM

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Hospital Care**

**Budget Unit: 90552C**

**HB Section: 11.510**

### Cost Per Eligible - Per Member Per Month (PMPM)

|                   | Hospital PMPM | Acute Care PMPM | Total PMPM | Hospital Percentage of Acute | Hospital Percentage of Total |
|-------------------|---------------|-----------------|------------|------------------------------|------------------------------|
| PTD               | \$412.69      | \$1,102.14      | \$1,988.02 | 37.44%                       | 20.76%                       |
| Seniors           | \$72.34       | \$380.60        | \$1,585.20 | 19.01%                       | 4.56%                        |
| Custodial Parents | \$92.90       | \$462.53        | \$495.56   | 20.09%                       | 18.75%                       |
| Children*         | \$41.67       | \$259.53        | \$287.18   | 16.06%                       | 14.51%                       |
| Pregnant Women    | \$191.02      | \$732.32        | \$748.13   | 26.08%                       | 25.53%                       |

Source: Table 23 Medical Statistics for FY 16. (Paid Claims Data)

\* CHIP eligibles not included

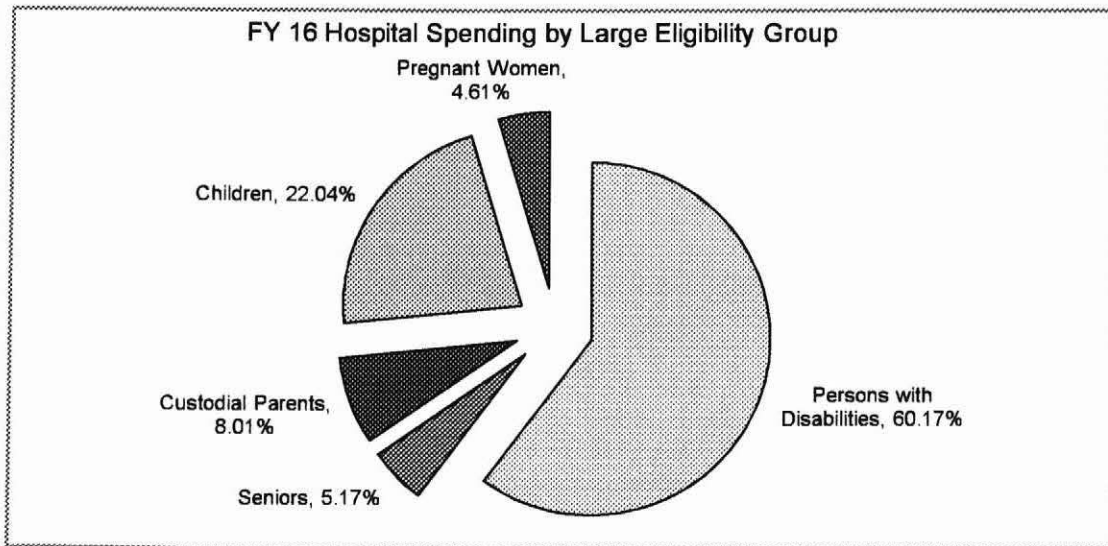
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a 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 hospital 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 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 hospital 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 hospitals. It provides a snapshot of what eligibility groups are receiving hospital services as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for FY 16. (Paid Claims Data)

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
HOSPITAL CARE**

**5. CORE RECONCILIATION DETAIL**

|                                               |           |    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>           | <b>Federal</b>       | <b>Other</b>        | <b>Total</b>         | <b>Explanation</b>                                 |
|-----------------------------------------------|-----------|----|-------------------------|-------------|---------------------|----------------------|---------------------|----------------------|----------------------------------------------------|
| <b>TAFP AFTER VETOES</b>                      |           |    |                         |             |                     |                      |                     |                      |                                                    |
|                                               |           |    | EE                      | 0.00        | 150,000             | 365,000              | 215,000             | 730,000              |                                                    |
|                                               |           |    | PD                      | 0.00        | 35,823,431          | 350,886,343          | 217,966,908         | 604,676,682          |                                                    |
|                                               |           |    | <b>Total</b>            | <b>0.00</b> | <b>35,973,431</b>   | <b>351,251,343</b>   | <b>218,181,908</b>  | <b>605,406,682</b>   |                                                    |
| <b>DEPARTMENT CORE ADJUSTMENTS</b>            |           |    |                         |             |                     |                      |                     |                      |                                                    |
| Core Reduction                                | 245 6471  | PD | 0.00                    |             | 0                   | (1,525,425)          | 0                   | (1,525,425)          | Core reduction of one-time federal funds.          |
| Core Reallocation                             | 618 1432  | PD | 0.00                    |             | (18,258,808)        | 0                    | 0                   | (18,258,808)         | Core reallocation to Mgd Care to align the budget. |
| Core Reallocation                             | 618 6471  | PD | 0.00                    |             | 0                   | (105,252,160)        | 0                   | (105,252,160)        | Core reallocation to Mgd Care to align the budget. |
| Core Reallocation                             | 618 0776  | PD | 0.00                    |             | 0                   | 0                    | (91,432,487)        | (91,432,487)         | Core reallocation to Mgd Care to align the budget. |
| <b>NET DEPARTMENT CHANGES</b>                 |           |    |                         | <b>0.00</b> | <b>(18,258,808)</b> | <b>(106,777,585)</b> | <b>(91,432,487)</b> | <b>(216,468,880)</b> |                                                    |
| <b>DEPARTMENT CORE REQUEST</b>                |           |    |                         |             |                     |                      |                     |                      |                                                    |
|                                               |           |    | EE                      | 0.00        | 150,000             | 365,000              | 215,000             | 730,000              |                                                    |
|                                               |           |    | PD                      | 0.00        | 17,564,623          | 244,108,758          | 126,534,421         | 388,207,802          |                                                    |
|                                               |           |    | <b>Total</b>            | <b>0.00</b> | <b>17,714,623</b>   | <b>244,473,758</b>   | <b>126,749,421</b>  | <b>388,937,802</b>   |                                                    |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |           |    |                         |             |                     |                      |                     |                      |                                                    |
| Core Reduction                                | 1395 1432 | PD | 0.00                    |             | (7,678,423)         | 0                    | 0                   | (7,678,423)          | FMAP adjustment                                    |
| Core Reduction                                | 1616 3361 | EE | 0.00                    |             | (150,000)           | 0                    | 0                   | (150,000)            | FY 18 core reduction                               |
| Core Reduction                                | 1616 6745 | EE | 0.00                    |             | 0                   | (150,000)            | 0                   | (150,000)            | FY 18 core reduction                               |
| Core Reduction                                | 1616 6739 | PD | 0.00                    |             | 0                   | (400,000)            | 0                   | (400,000)            | FY 18 core reduction                               |

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES HOSPITAL CARE

#### 5. CORE RECONCILIATION DETAIL

|                                               |      |      | Budget<br>Class | FTE         | GR                 | Federal             | Other              | Total               | Explanation                                        |
|-----------------------------------------------|------|------|-----------------|-------------|--------------------|---------------------|--------------------|---------------------|----------------------------------------------------|
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |      |      |                 |             |                    |                     |                    |                     |                                                    |
| Core Reduction                                | 1616 | 4424 | PD              | 0.00        | (400,000)          | 0                   | 0                  | (400,000)           | FY 18 core reduction                               |
| Core Reallocation                             | 618  | 6471 | PD              | 0.00        | 0                  | (12,101,606)        | 0                  | (12,101,606)        | Core reallocation to Mgd Care to align the budget. |
| Core Reallocation                             | 618  | 1432 | PD              | 0.00        | (738,817)          | 0                   | 0                  | (738,817)           | Core reallocation to Mgd Care to align the budget. |
| Core Reallocation                             | 618  | 0776 | PD              | 0.00        | 0                  | 0                   | (3,699,688)        | (3,699,688)         | Core reallocation to Mgd Care to align the budget. |
| <b>NET GOVERNOR CHANGES</b>                   |      |      |                 | <b>0.00</b> | <b>(8,967,240)</b> | <b>(12,651,606)</b> | <b>(3,699,688)</b> | <b>(25,318,534)</b> |                                                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |      |      |                 |             |                    |                     |                    |                     |                                                    |
|                                               |      |      | EE              | 0.00        | 0                  | 215,000             | 215,000            | 430,000             |                                                    |
|                                               |      |      | PD              | 0.00        | 8,747,383          | 231,607,152         | 122,834,733        | 363,189,268         |                                                    |
|                                               |      |      | <b>Total</b>    | <b>0.00</b> | <b>8,747,383</b>   | <b>231,822,152</b>  | <b>123,049,733</b> | <b>363,619,268</b>  |                                                    |

## DECISION ITEM SUMMARY

| Budget Unit                                     |                    |             |                    |             |                    |             |                    |             |  |
|-------------------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--|
| Decision Item                                   | FY 2016            | FY 2016     | FY 2017            | FY 2017     | FY 2018            | FY 2018     | FY 2018            | FY 2018     |  |
| Budget Object Summary                           | ACTUAL             | ACTUAL      | BUDGET             | BUDGET      | DEPT REQ           | DEPT REQ    | GOV REC            | GOV REC     |  |
| Fund                                            | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         |  |
| <b>HOSPITAL CARE</b>                            |                    |             |                    |             |                    |             |                    |             |  |
| <b>CORE</b>                                     |                    |             |                    |             |                    |             |                    |             |  |
| EXPENSE & EQUIPMENT                             |                    |             |                    |             |                    |             |                    |             |  |
| GENERAL REVENUE                                 | 0                  | 0.00        | 150,000            | 0.00        | 150,000            | 0.00        | 0                  | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 2,157,019          | 0.00        | 365,000            | 0.00        | 365,000            | 0.00        | 215,000            | 0.00        |  |
| FEDERAL REIMBURSEMENT ALLOWANCE                 | 1,223,755          | 0.00        | 215,000            | 0.00        | 215,000            | 0.00        | 215,000            | 0.00        |  |
| TOTAL - EE                                      | 3,380,774          | 0.00        | 730,000            | 0.00        | 730,000            | 0.00        | 430,000            | 0.00        |  |
| PROGRAM-SPECIFIC                                |                    |             |                    |             |                    |             |                    |             |  |
| GENERAL REVENUE                                 | 39,486,081         | 0.00        | 35,823,431         | 0.00        | 17,564,623         | 0.00        | 8,747,383          | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 372,787,192        | 0.00        | 350,886,343        | 0.00        | 244,108,758        | 0.00        | 231,607,152        | 0.00        |  |
| FEDERAL REIMBURSEMENT ALLOWANCE                 | 176,331,515        | 0.00        | 177,585,755        | 0.00        | 86,153,268         | 0.00        | 82,453,580         | 0.00        |  |
| PHARMACY REIMBURSEMENT ALLOWAN                  | 15,709             | 0.00        | 15,709             | 0.00        | 15,709             | 0.00        | 15,709             | 0.00        |  |
| HEALTHY FAMILIES TRUST                          | 40,365,444         | 0.00        | 40,365,444         | 0.00        | 40,365,444         | 0.00        | 40,365,444         | 0.00        |  |
| TOTAL - PD                                      | 628,985,941        | 0.00        | 604,676,682        | 0.00        | 388,207,802        | 0.00        | 363,189,268        | 0.00        |  |
| <b>TOTAL</b>                                    | <b>632,366,715</b> | <b>0.00</b> | <b>605,406,682</b> | <b>0.00</b> | <b>388,937,802</b> | <b>0.00</b> | <b>363,619,268</b> | <b>0.00</b> |  |
| <b>MHD Cost to Continue - 1886001</b>           |                    |             |                    |             |                    |             |                    |             |  |
| PROGRAM-SPECIFIC                                |                    |             |                    |             |                    |             |                    |             |  |
| GENERAL REVENUE                                 | 0                  | 0.00        | 0                  | 0.00        | 35,879,365         | 0.00        | 32,678,768         | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                  | 0.00        | 0                  | 0.00        | 86,808,612         | 0.00        | 94,589,621         | 0.00        |  |
| TOTAL - PD                                      | 0                  | 0.00        | 0                  | 0.00        | 122,687,977        | 0.00        | 127,268,389        | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>122,687,977</b> | <b>0.00</b> | <b>127,268,389</b> | <b>0.00</b> |  |
| <b>MHD GR Pickup - 1886003</b>                  |                    |             |                    |             |                    |             |                    |             |  |
| PROGRAM-SPECIFIC                                |                    |             |                    |             |                    |             |                    |             |  |
| GENERAL REVENUE                                 | 0                  | 0.00        | 0                  | 0.00        | 1,525,425          | 0.00        | 1,525,425          | 0.00        |  |
| TOTAL - PD                                      | 0                  | 0.00        | 0                  | 0.00        | 1,525,425          | 0.00        | 1,525,425          | 0.00        |  |
| <b>TOTAL</b>                                    | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>1,525,425</b>   | <b>0.00</b> | <b>1,525,425</b>   | <b>0.00</b> |  |
| <b>Asset Limit Increase - HB 1565 - 1886012</b> |                    |             |                    |             |                    |             |                    |             |  |
| PROGRAM-SPECIFIC                                |                    |             |                    |             |                    |             |                    |             |  |
| GENERAL REVENUE                                 | 0                  | 0.00        | 0                  | 0.00        | 88,726             | 0.00        | 17,806             | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                     | 0                  | 0.00        | 0                  | 0.00        | 17,445,205         | 0.00        | 10,195,371         | 0.00        |  |

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# DECISION ITEM SUMMARY

| Budget Unit                                     |                      |             |                      |             |                      |             |                      |             |
|-------------------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| Decision Item                                   | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
| Budget Object Summary                           | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |
| Fund                                            | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |
| <b>HOSPITAL CARE</b>                            |                      |             |                      |             |                      |             |                      |             |
| <b>Asset Limit Increase - HB 1565 - 1886012</b> |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                                |                      |             |                      |             |                      |             |                      |             |
| FEDERAL REIMBURSEMENT ALLOWANCE                 | 0                    | 0.00        | 0                    | 0.00        | 10,057,017           | 0.00        | 5,652,636            | 0.00        |
| TOTAL - PD                                      | 0                    | 0.00        | 0                    | 0.00        | 27,590,948           | 0.00        | 15,865,813           | 0.00        |
| <b>TOTAL</b>                                    | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>27,590,948</b>    | <b>0.00</b> | <b>15,865,813</b>    | <b>0.00</b> |
| <b>FMAP Adjustment - 1886025</b>                |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                                |                      |             |                      |             |                      |             |                      |             |
| TITLE XIX-FEDERAL AND OTHER                     | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 7,678,423            | 0.00        |
| TOTAL - PD                                      | 0                    | 0.00        | 0                    | 0.00        | 0                    | 0.00        | 7,678,423            | 0.00        |
| <b>TOTAL</b>                                    | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>7,678,423</b>     | <b>0.00</b> |
| <b>GRAND TOTAL</b>                              | <b>\$632,366,715</b> | <b>0.00</b> | <b>\$605,406,682</b> | <b>0.00</b> | <b>\$540,742,152</b> | <b>0.00</b> | <b>\$515,957,318</b> | <b>0.00</b> |

## FLEXIBILITY REQUEST FORM

|                                                                                                                  |                                                                     |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90552C<br><b>BUDGET UNIT NAME:</b> Hospital Care<br><b>HOUSE BILL SECTION:</b> 11.510 | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> 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.**

### Governor's Recommendation

|                |               |                    |
|----------------|---------------|--------------------|
| <b>Total</b>   | <b>% Flex</b> | <b>Flex Amount</b> |
| \$ 515,957,318 | 10%           | \$ 51,595,732      |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600

**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.**

| PRIOR YEAR<br>ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED                                                                                  | BUDGET REQUEST - GOVERNOR'S REC<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| None                                            | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY18                                             |

**3. Please explain how flexibility was used in the prior and/or current years.**

| PRIOR YEAR<br>EXPLAIN ACTUAL USE | CURRENT YEAR<br>EXPLAIN PLANNED USE                                                                                          |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A                              | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

# DECISION ITEM DETAIL

| Budget Unit           | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
|-----------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| 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         |
| <b>HOSPITAL CARE</b>  |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>           |                      |             |                      |             |                      |             |                      |             |
| PROFESSIONAL SERVICES | 3,380,774            | 0.00        | 730,000              | 0.00        | 730,000              | 0.00        | 430,000              | 0.00        |
| TOTAL - EE            | 3,380,774            | 0.00        | 730,000              | 0.00        | 730,000              | 0.00        | 430,000              | 0.00        |
| PROGRAM DISTRIBUTIONS | 628,985,941          | 0.00        | 604,676,682          | 0.00        | 388,207,802          | 0.00        | 363,189,268          | 0.00        |
| TOTAL - PD            | 628,985,941          | 0.00        | 604,676,682          | 0.00        | 388,207,802          | 0.00        | 363,189,268          | 0.00        |
| <b>GRAND TOTAL</b>    | <b>\$632,366,715</b> | <b>0.00</b> | <b>\$605,406,682</b> | <b>0.00</b> | <b>\$388,937,802</b> | <b>0.00</b> | <b>\$363,619,268</b> | <b>0.00</b> |
| GENERAL REVENUE       | \$39,486,081         | 0.00        | \$35,973,431         | 0.00        | \$17,714,623         | 0.00        | \$8,747,383          | 0.00        |
| FEDERAL FUNDS         | \$374,944,211        | 0.00        | \$351,251,343        | 0.00        | \$244,473,758        | 0.00        | \$231,822,152        | 0.00        |
| OTHER FUNDS           | \$217,936,423        | 0.00        | \$218,181,908        | 0.00        | \$126,749,421        | 0.00        | \$123,049,733        | 0.00        |

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.510

**Program Name:** Hospital Care

**Program is found in the following core budget(s):** Hospital Care

### 1. What does this program do?

#### Program Description

Since 1967, MO HealthNet has provided payment for 1) inpatient hospital and 2) outpatient hospital services for fee-for-service participants. These services are mandatory Medicaid-covered services and are provided statewide.

- 1) Inpatient hospital services are medical services provided in a hospital acute or psychiatric care setting for the care and treatment of MO HealthNet participants.
- 2) Outpatient hospital services include preventive, diagnostic, emergency, therapeutic, rehabilitative, or palliative services provided in an outpatient setting.

Examples of outpatient services are emergency room services, physical therapy, ambulatory surgery, or any service or procedure performed prior to admission.

#### Program Statistics

The hospital program comprises 12.382% of the total Medicaid program dollars. As of July 2016, there were 145 hospitals enrolled in MO HealthNet. In FY 2016, approximately 47.31% of hospital expenditures were for inpatient services and 52.69% were for outpatient services.

#### Program Goals

To maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation in the MO HealthNet program.

#### Program Objectives

- Provide accurate reimbursement to hospital providers through auditing of cost reports and determination of per diem rates.
- Maximize reimbursement by determining hospital disproportionate share (DSH) payments, Direct MO HealthNet add-on payments and other special payments, and Federal Reimbursement Allowance (FRA) provider assessments. *See the FRA tab for more information about these financing mechanisms.*

#### Reimbursement Methodology

##### Inpatient Services

Reimbursement for inpatient hospital stays, also known as a "per diem rate," is determined by a prospective reimbursement plan. The Missouri state plan provides for an inpatient hospital reimbursement rate based on the 1995 cost report to reimburse for a specified admission diagnosis. Total reimbursement is calculated based upon an individual participant's inpatient length of stay. To determine an inpatient length of stay, MO HealthNet calculates the lesser of:

- The number of days certified as medically necessary by MHD's authorized utilization review agent;
- The number of days billed by the provider for the participant's length of stay; or
- The number of days allowed for any diagnosis not subject to review and certification by the utilization review agent. Such diagnoses are listed in the table found at: <http://dss.mo.gov/mhd/providers/pdf/exempt-diagnosis-table.pdf>.

A hospital is eligible for a special per diem rate increase if it meets prescribed requirements concerning new inpatient health services or new hospital construction.

##### Outpatient Services

Outpatient services, excluding certain diagnostic laboratory procedures and radiology procedures, are paid on a prospective outpatient reimbursement methodology.

- The prospective outpatient payment percentage is calculated using the MO HealthNet overall outpatient cost-to-charge ratio from the fourth, fifth, and sixth year cost reports regressed to the current state fiscal year.
- The prospective outpatient payment percentage cannot exceed 100% and cannot be less than 20%.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.510**

**Program Name: Hospital Care**

**Program is found in the following core budget(s): Hospital Care**

- New MO HealthNet providers that do not have fourth, fifth, and sixth prior year cost reports are set at 75% for the first three fiscal years in which the hospital operates and will have a cost settlement calculated for three years.
- A prospective outpatient rate is then calculated and used for the fourth and subsequent years of operation. The weighted average prospective outpatient rate is 27% for FY 2017.

Hospitals may also receive reimbursement using funding from the Federal Reimbursement Allowance (FRA) program. The FRA program is a funding source for, but not limited to, inpatient and outpatient services. *For a more detailed description of the FRA program, see the FRA narrative.*

### **Additional Details**

MHD has also implemented some initiatives to help control hospital costs. One tool used is to require certification of inpatient hospital stays to ensure clinical appropriateness. In addition, MO HealthNet, in conjunction with Xerox (formerly ACS-Heritage) operates a quality-based Radiology Benefit Management Program (RBM). The RBM requires pre-certifications for high-tech radiology procedures including MRIs and CTs of the brain, head, chest and spine. *For more information about these cost containment initiatives, see the Clinical Management Services Program tab.*

### **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; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);  
Federal regulations: 42 CFR 440.10 and 440.20

### **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 18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

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

Yes, if the state elects to have a Medicaid program.

## PROGRAM DESCRIPTION

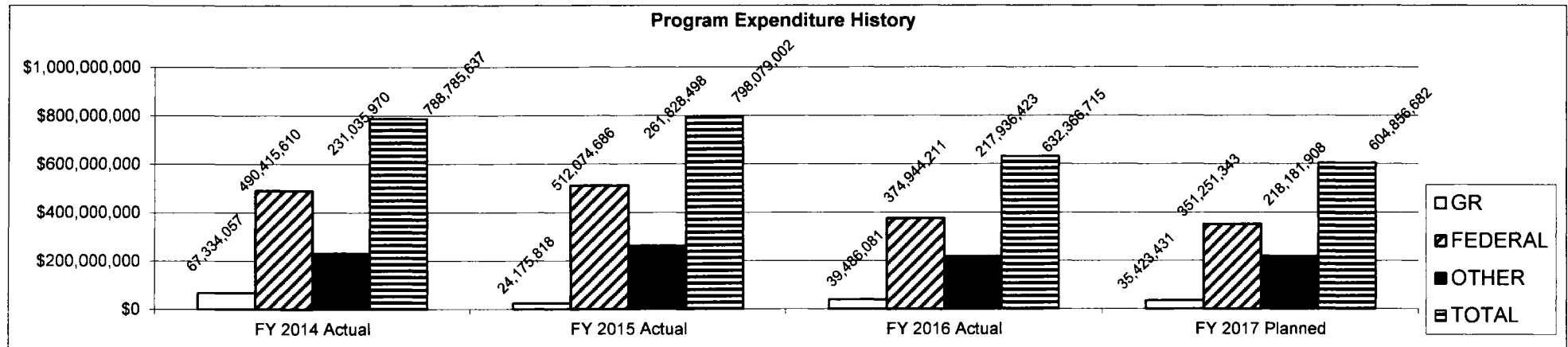
Department: Social Services

HB Section: 11.510

Program Name: Hospital Care

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

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



FY 2017 is net of restricted.

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

Uncompensated Care Fund (0108), Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Third Party Liability Collections Fund (0120),

## PROGRAM DESCRIPTION

**Department: Social Services**

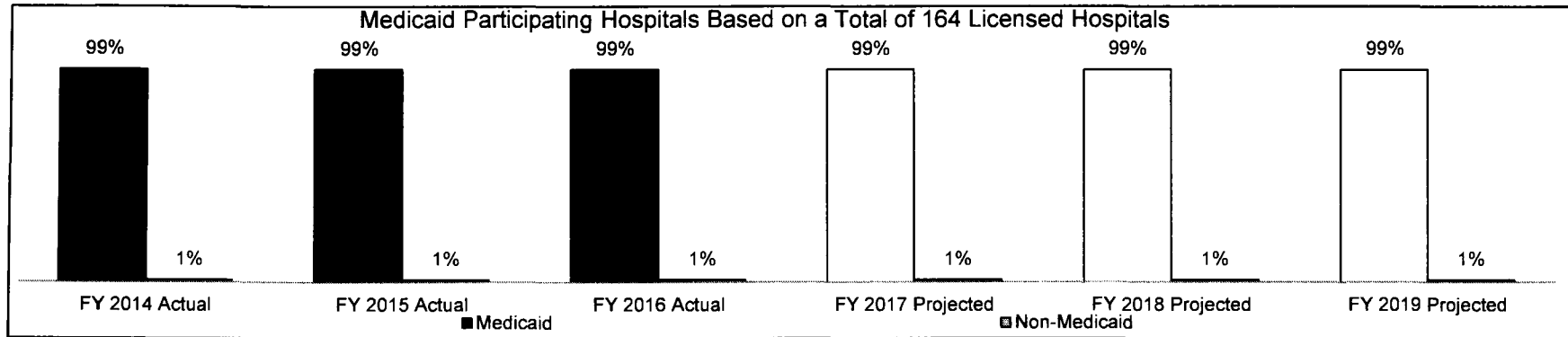
**HB Section: 11.510**

**Program Name: Hospital Care**

**Program is found in the following core budget(s): Hospital Care**

### 7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure hospitals enroll in the MO HealthNet program. In SFY 2016, 99% of licensed hospitals in the state participated in the MO HealthNet program.



Note: The number of licensed hospitals includes separate licensing for hospitals with multiple sites.

Inpatient and outpatient services are available to all fee-for-service MO HealthNet participants. In regions of the state where Managed Care has been implemented, participants have hospital services available through the Managed Care health plans

| SFY  | No. of Inpatient Days |         | No. of Outpatient Services |            |
|------|-----------------------|---------|----------------------------|------------|
|      | Projected             | Actual  | Projected                  | Actual     |
| 2014 | 641,191               | 757,361 | 15,126,479                 | 14,978,990 |
| 2015 | 757,361               | 940,279 | 14,978,990                 | 15,299,836 |
| 2016 | 940,279               | 937,560 | 15,299,836                 | 13,901,976 |
| 2017 | 937,560               |         | 13,901,976                 |            |
| 2018 | 937,560               |         | 13,901,976                 |            |
| 2019 | 937,560               |         | 13,901,976                 |            |

## PROGRAM DESCRIPTION

Department: Social Services

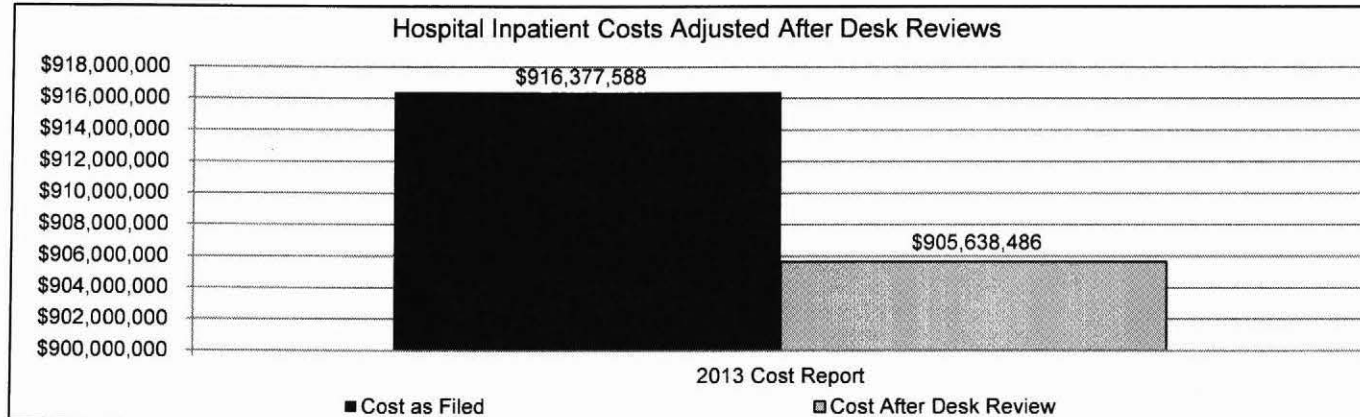
HB Section: 11.510

Program Name: Hospital Care

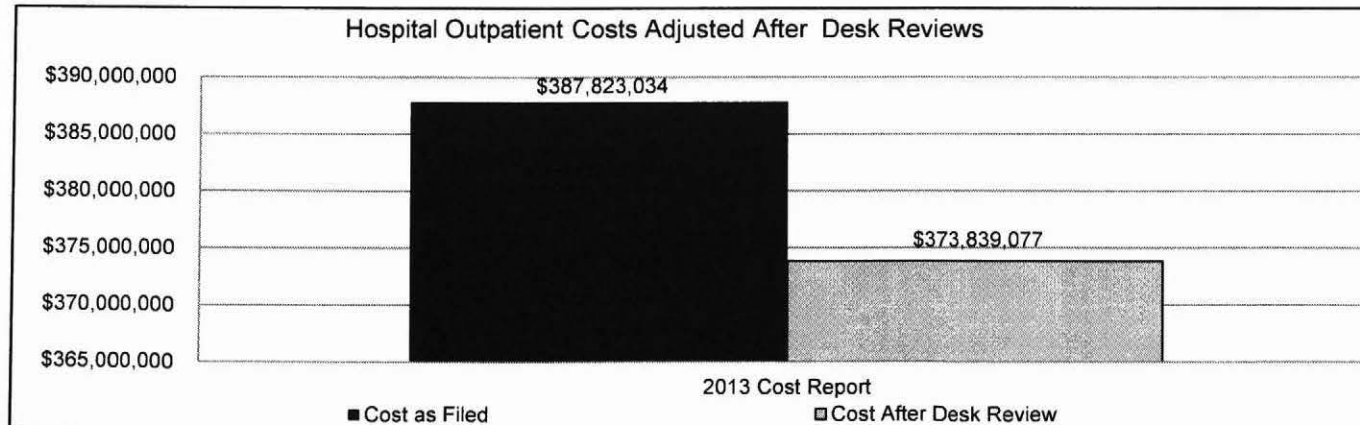
Program is found in the following core budget(s): Hospital Care

### 7b. Provide an efficiency measure.

Ensure hospital inpatient Medicaid costs included in determining MO HealthNet inpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2013 fiscal year cost report desk reviews, over \$10 million of hospital costs were disallowed as a result of MHD desk reviews. Note: Not all of the cost reports for 2013 had been desk reviewed as of the date this information was provided. 2014 cost reports will be available in January.



Ensure hospital outpatient Medicaid costs included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2013 fiscal year desk reviews, over \$13 million of hospital costs were disallowed as a result of MHD desk reviews. Note: Not all of the cost reports for 2013 had been desk reviewed as of the date this information was provided. 2014 cost reports will be available in January.





## PROGRAM DESCRIPTION

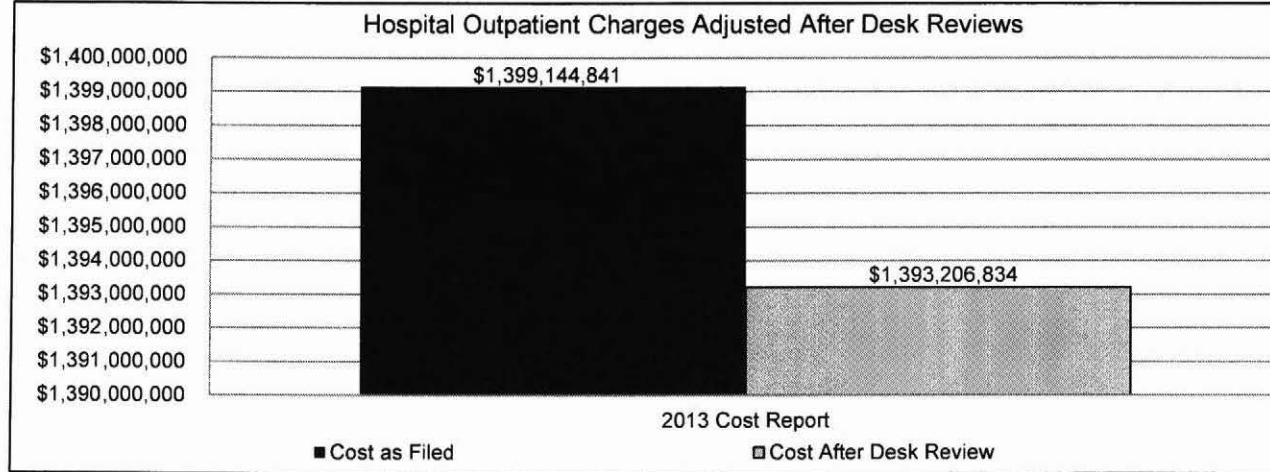
**Department: Social Services**

**HB Section: 11.510**

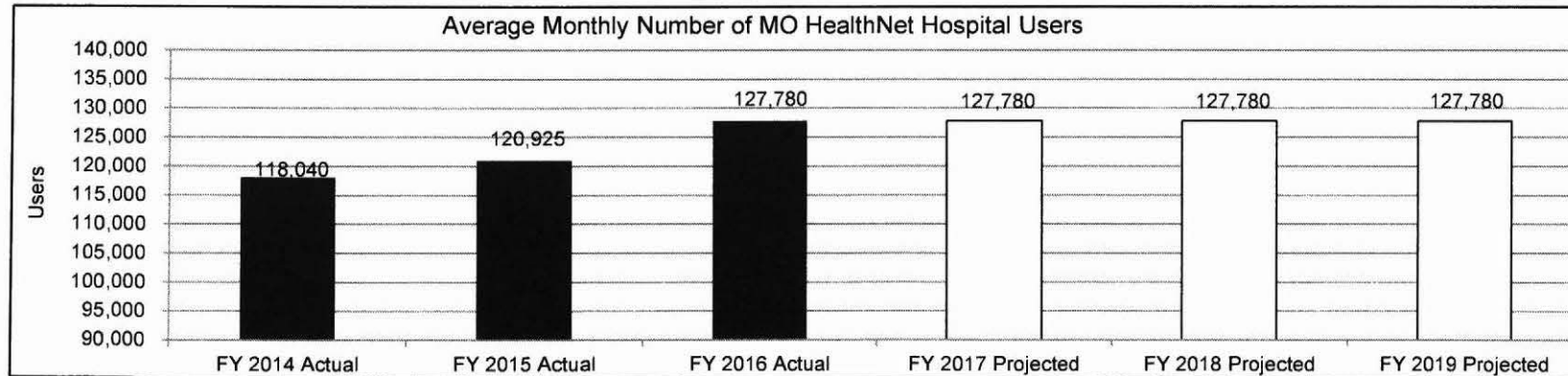
**Program Name: Hospital Care**

**Program is found in the following core budget(s): Hospital Care**

Ensure hospital outpatient Medicaid charges included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2013 fiscal year, over \$5 million of hospital charges were disallowed as a result of MHD desk reviews. Note: Not all of the cost reports for 2013 had been desk reviewed as of the date this information was provided. 2014 cost reports will be available in January.



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



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

N/A



# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Physician Payments for Safety Net Hospitals

Budget Unit: 90558C  
 HB Section: 11.515

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |    |           |       |           |
|------------------------|----|-----------|-------|-----------|
|                        | GR | Federal   | Other | Total     |
| PS                     |    |           |       |           |
| EE                     |    |           |       |           |
| PSD                    |    | 8,000,000 |       | 8,000,000 |
| TRF                    |    |           |       |           |
| Total                  |    | 8,000,000 |       | 8,000,000 |

FTE 0.00

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

| FY 2018 Governor's Recommendation |    |           |       |           |
|-----------------------------------|----|-----------|-------|-----------|
|                                   | GR | Federal   | Other | Total     |
| PS                                |    |           |       |           |
| EE                                |    |           |       |           |
| PSD                               |    | 8,000,000 |       | 8,000,000 |
| TRF                               |    |           |       |           |
| Total                             |    | 8,000,000 |       | 8,000,000 |

FTE 0.00

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

## 2. CORE DESCRIPTION

Safety net hospitals are critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to provide quality services. This item funds enhanced physician payments to Truman Medical Center and University of Missouri-Kansas City.

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

Physician Payments for Safety Net

# CORE DECISION ITEM

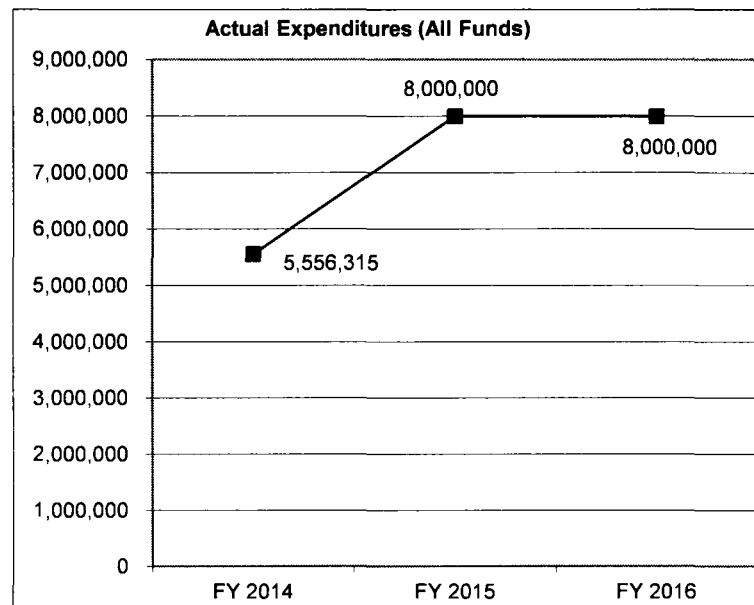
Department: Social Services  
Division: MO HealthNet  
Core: Physician Payments for Safety Net Hospitals

Budget Unit: 90558C

HB Section: 11.515

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds)       | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000              |
| Less Reverted (All Funds)       | 0                 | 0                 | 0                 | N/A                    |
| Less Restricted (All Funds)     | 0                 | 0                 | 0                 | N/A                    |
| Budget Authority (All Funds)    | 8,000,000         | 8,000,000         | 8,000,000         | N/A                    |
| Actual Expenditures (All Funds) | 5,556,315         | 8,000,000         | 8,000,000         | N/A                    |
| Unexpended (All Funds)          | 2,443,685         | 0                 | 0                 | N/A                    |
| Unexpended, by Fund:            |                   |                   |                   |                        |
| General Revenue                 | 0                 | 0                 | 0                 | N/A                    |
| Federal                         | 2,443,685         | 0                 | 0                 | 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) FY 14 Lapse of \$2,443,685 in excess federal authority.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
PHYSICIAN PAYMENTS SAFETY NET**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b> | <b>Federal</b>   | <b>Other</b> | <b>Total</b>     | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-----------|------------------|--------------|------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |           |                  |              |                  |                    |
|                                    | PD                      | 0.00        | 0         | 8,000,000        | 0            | 8,000,000        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>8,000,000</b> | <b>0</b>     | <b>8,000,000</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |           |                  |              |                  |                    |
|                                    | PD                      | 0.00        | 0         | 8,000,000        | 0            | 8,000,000        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>8,000,000</b> | <b>0</b>     | <b>8,000,000</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |           |                  |              |                  |                    |
|                                    | PD                      | 0.00        | 0         | 8,000,000        | 0            | 8,000,000        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>8,000,000</b> | <b>0</b>     | <b>8,000,000</b> |                    |

## DECISION ITEM SUMMARY

| Budget Unit                                    |                    |             |                    |             |                    |             |                     |             |  |
|------------------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|---------------------|-------------|--|
| Decision Item                                  | FY 2016            | FY 2016     | FY 2017            | FY 2017     | FY 2018            | FY 2018     | FY 2018             | FY 2018     |  |
| Budget Object Summary                          | ACTUAL             | ACTUAL      | BUDGET             | BUDGET      | DEPT REQ           | DEPT REQ    | GOV REC             | GOV REC     |  |
| Fund                                           | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR              | FTE         |  |
| <b>PHYSICIAN PAYMENTS SAFETY NET</b>           |                    |             |                    |             |                    |             |                     |             |  |
| <b>CORE</b>                                    |                    |             |                    |             |                    |             |                     |             |  |
| PROGRAM-SPECIFIC                               |                    |             |                    |             |                    |             |                     |             |  |
| TITLE XIX-FEDERAL AND OTHER                    | 8,000,000          | 0.00        | 8,000,000          | 0.00        | 8,000,000          | 0.00        | 8,000,000           | 0.00        |  |
| TOTAL - PD                                     | 8,000,000          | 0.00        | 8,000,000          | 0.00        | 8,000,000          | 0.00        | 8,000,000           | 0.00        |  |
| <b>TOTAL</b>                                   | <b>8,000,000</b>   | <b>0.00</b> | <b>8,000,000</b>   | <b>0.00</b> | <b>8,000,000</b>   | <b>0.00</b> | <b>8,000,000</b>    | <b>0.00</b> |  |
| <b>Physician Payments Safety Net - 1886029</b> |                    |             |                    |             |                    |             |                     |             |  |
| PROGRAM-SPECIFIC                               |                    |             |                    |             |                    |             |                     |             |  |
| TITLE XIX-FEDERAL AND OTHER                    | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 5,722,792           | 0.00        |  |
| TOTAL - PD                                     | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 5,722,792           | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>5,722,792</b>    | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                             | <b>\$8,000,000</b> | <b>0.00</b> | <b>\$8,000,000</b> | <b>0.00</b> | <b>\$8,000,000</b> | <b>0.00</b> | <b>\$13,722,792</b> | <b>0.00</b> |  |

# DECISION ITEM DETAIL

| Budget Unit                   | FY 2016     | FY 2016 | FY 2017     | FY 2017 | FY 2018     | FY 2018  | FY 2018     | FY 2018 |
|-------------------------------|-------------|---------|-------------|---------|-------------|----------|-------------|---------|
| 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 PAYMENTS SAFETY NET |             |         |             |         |             |          |             |         |
| CORE                          |             |         |             |         |             |          |             |         |
| PROGRAM DISTRIBUTIONS         | 8,000,000   | 0.00    | 8,000,000   | 0.00    | 8,000,000   | 0.00     | 8,000,000   | 0.00    |
| TOTAL - PD                    | 8,000,000   | 0.00    | 8,000,000   | 0.00    | 8,000,000   | 0.00     | 8,000,000   | 0.00    |
| GRAND TOTAL                   | \$8,000,000 | 0.00    | \$8,000,000 | 0.00    | \$8,000,000 | 0.00     | \$8,000,000 | 0.00    |
| GENERAL REVENUE               | \$0         | 0.00    | \$0         | 0.00    | \$0         | 0.00     | \$0         | 0.00    |
| FEDERAL FUNDS                 | \$8,000,000 | 0.00    | \$8,000,000 | 0.00    | \$8,000,000 | 0.00     | \$8,000,000 | 0.00    |
| OTHER FUNDS                   | \$0         | 0.00    | \$0         | 0.00    | \$0         | 0.00     | \$0         | 0.00    |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.515**

**Program Name: Physician Payments for Safety Net Hospitals**

**Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals**

### 1. What does this program do?

#### **Program Description**

Provides enhanced physician reimbursement payments for services provided to MO HealthNet participants by certain hospitals designated as safety net hospitals. Services provided by physicians, dentists, and podiatrists not employed by the state who are actively engaged in the training of physicians when the training takes place in a safety net hospital are also eligible for enhanced physician payments. There are two entities which currently qualify as safety net hospitals--Truman Medical Center and University of Missouri Kansas City. Safety net hospitals traditionally see a high volume of Medicaid and uninsured patients, therefore this program was established to provide a mechanism to fund enhanced payments to these hospitals.

#### **Program Statistics**

Appropriated funding is based on the following:

- Enhanced Payment for Truman Medical Center Physicians - \$3,000,000
- Enhanced Payment for University of Missouri-Kansas City Physicians - \$5,000,000

#### **Program Goals**

- To support safety net hospitals which are critical providers of care to the Medicaid and uninsured populations
- To assist safety net hospitals in attracting and maintaining a sufficient supply of qualified physicians in order to provide quality services

#### **Program Objectives**

- To provide timely and accurate enhanced payments to safety net hospitals

#### **Reimbursement Methodology**

Enhanced physician payments are made in addition to the amount established under the MO HealthNet fee schedule. The additional payment is equal to the lower of the difference between the MO HealthNet allowable reimbursement for the service and 1) the Medicare allowable reimbursement or 2) the provider's actual charge for the service.

#### **Rate History**

This program does not utilize a rate reimbursement methodology.

#### **Additional Details**

To qualify as a safety net hospital, entities must meet the following requirements as specified in 13 CSR 70-15.010(6)(B):

- Offer non-emergency obstetric services; and
- Have a Medicaid inpatient utilization rate above the state's mean or a low-income utilization rate greater than 25%; and
- Operate less than 50 licensed inpatient beds and have an unsponsored care ratio of at least 65%; or
- Operate at least 50 licensed inpatient beds, have an unsponsored care ratio of at least 65%, and an occupancy rate greater than 40%; or
- Be owned or operated by the University of Missouri Board of Curators; or
- Be a public hospital operated by DMH.



## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.515**

**Program Name: Physician Payments for Safety Net Hospitals**

**Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals**

### 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; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);

Federal regulations: 42 CFR 440.10 and 440.20

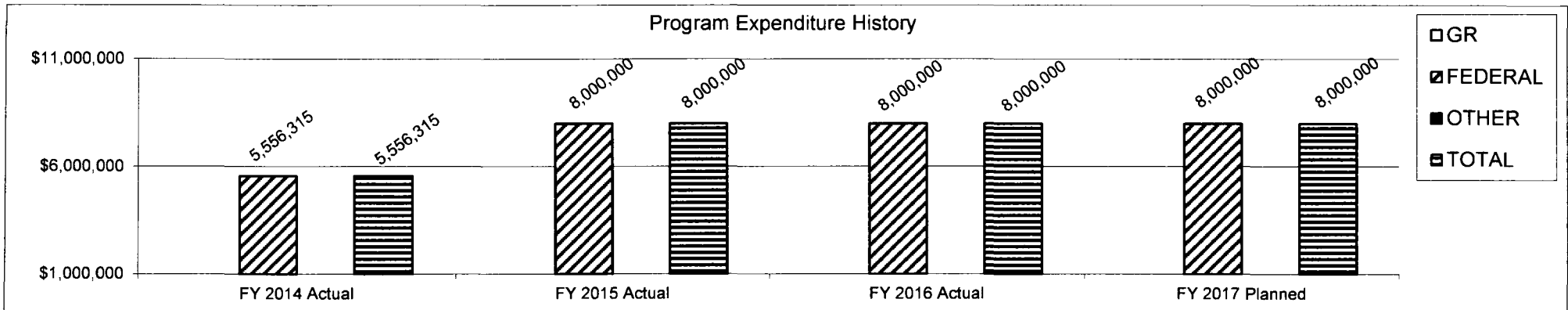
### 3. Are there federal matching requirements? If yes, please explain.

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 FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

### 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.



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

N/A

**PROGRAM DESCRIPTION**

**Department: Social Services**

**HB Section: 11.515**

**Program Name: Physician Payments for Safety Net Hospitals**

**Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals**

**7a. Provide an effectiveness measure.**

**FY 16 Comparison of Enhanced Reimbursement to Fee Schedule Rates**

| Facility                           | Actual Reimbursement | Reimbursement Based on Fee Schedule | Enhanced Reimbursement |
|------------------------------------|----------------------|-------------------------------------|------------------------|
| Truman Medical Center              | \$4,393,221.09       | \$2,605,271.44                      | \$1,787,949.65         |
| University of Missouri-Kansas City | \$4,108,852.40       | \$2,238,275.87                      | \$1,870,576.53         |

**7b. Provide an efficiency measure.**

**FY 16 Participating Physicians**

|                                    |     |
|------------------------------------|-----|
| Truman Medical Center              | 176 |
| University of Missouri-Kansas City | 150 |

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

**FY 16 MO HealthNet Participants Served**

|                                    |        |
|------------------------------------|--------|
| Truman Medical Center              | 12,792 |
| University of Missouri-Kansas City | 8,299  |

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

N/A

## NEW DECISION ITEM

RANK: 999Department: Social ServicesBudget Unit: 90558CDivision: MO HealthNetDI Name: Physician Payments Safety NetDI# 1886029HB Section: 11.515**1. AMOUNT OF REQUEST**

|       | FY 2018 Budget Request |          |          |             |   |
|-------|------------------------|----------|----------|-------------|---|
|       | GR                     | Federal  | Other    | Total       | E |
| PS    |                        |          |          |             |   |
| EE    |                        |          |          |             |   |
| PSD   |                        |          |          |             |   |
| TRF   |                        |          |          |             |   |
| Total | <u>0</u>               | <u>0</u> | <u>0</u> | <u>0</u>    |   |
| FTE   |                        |          |          | <u>0.00</u> |   |

|                    |          |          |          |          |
|--------------------|----------|----------|----------|----------|
| <b>Est. Fringe</b> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
|--------------------|----------|----------|----------|----------|

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

Other Funds:

|       | FY 2018 Governor's Recommendation |                  |          |                  |   |
|-------|-----------------------------------|------------------|----------|------------------|---|
|       | GR                                | Federal          | Other    | Total            | E |
| PS    |                                   |                  |          |                  |   |
| EE    |                                   |                  |          |                  |   |
| PSD   |                                   | 5,722,792        |          | 5,722,792        |   |
| TRF   |                                   |                  |          |                  |   |
| Total | <u>0</u>                          | <u>5,722,792</u> | <u>0</u> | <u>5,722,792</u> |   |
| FTE   |                                   |                  |          | <u>0.00</u>      |   |

|                    |          |          |          |          |
|--------------------|----------|----------|----------|----------|
| <b>Est. Fringe</b> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
|--------------------|----------|----------|----------|----------|

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

Other Funds:

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

☐ New Legislation  
☐ Federal Mandate  
☐ GR Pick-Up  
☐ Pay Plan

☐ New Program  
☐ Program Expansion  
☐ Space Request  
☒ Other: Additional Authority

☐ Fund Switch  
☐ Cost to Continue  
☐ Equipment Replacement

**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.**

These are enhanced physician reimbursement payments for services provided to MO HealthNet participants by certain hospitals designated as safety net hospitals (i.e. Truman Medical Center and University of Missouri Kansas City). Additional federal authority is needed to meet anticipated spending levels in FY18.

## NEW DECISION ITEM

RANK: 999

Department: Social Services

Budget Unit: 90558C

Division: MO HealthNet

DI Name: Physician Payments Safety Net

DI# 1886029

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.)

Additional federal authority is needed to meet FY18 anticipated expenditures for enhanced physician safety net payments.

|                       |              |
|-----------------------|--------------|
| FY 18 Projected Expd  | (13,722,792) |
| FY17 Approp Authority | 8,000,000    |
| Shortfall             | (5,722,792)  |

|       |    |           |           |
|-------|----|-----------|-----------|
|       | GR | Fed       | Total     |
|       | 0  | 5,722,792 | 5,722,792 |
| Total | 0  | 5,722,792 | 5,722,792 |

## 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<br>GR<br>DOLLARS | Dept Req<br>GR<br>FTE | Dept Req<br>FED<br>DOLLARS | Dept Req<br>FED<br>FTE | Dept Req<br>OTHER<br>DOLLARS | Dept Req<br>OTHER<br>FTE | Dept Req<br>TOTAL<br>DOLLARS | Dept Req<br>TOTAL<br>FTE | Dept Req<br>One-Time<br>DOLLARS | E |
|-------------------------------|---------------------------|-----------------------|----------------------------|------------------------|------------------------------|--------------------------|------------------------------|--------------------------|---------------------------------|---|
| Total PS                      | 0                         | 0.0                   | 0                          | 0.0                    | 0                            | 0.0                      | 0                            | 0.0                      | 0                               |   |
| Total EE                      | 0                         |                       | 0                          |                        | 0                            |                          | 0                            |                          | 0                               |   |
| Total PSD                     | 0                         |                       | 0                          |                        | 0                            |                          | 0                            |                          | 0                               |   |
| Grand Total                   | 0                         | 0.0                   | 0                          | 0.0                    | 0                            | 0.0                      | 0                            | 0.0                      | 0                               |   |

| Budget Object Class/Job Class | Gov Rec<br>GR<br>DOLLARS | Gov Rec<br>GR<br>FTE | Gov Rec<br>FED<br>DOLLARS | Gov Rec<br>FED<br>FTE | Gov Rec<br>OTHER<br>DOLLARS | Gov Rec<br>OTHER<br>FTE | Gov Rec<br>TOTAL<br>DOLLARS | Gov Rec<br>TOTAL<br>FTE | Gov Rec<br>One-Time<br>DOLLARS | E |
|-------------------------------|--------------------------|----------------------|---------------------------|-----------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|--------------------------------|---|
| Total PS                      | 0                        | 0.0                  | 0                         | 0.0                   | 0                           | 0.0                     | 0                           | 0.0                     | 0                              |   |
| Total EE                      | 0                        |                      | 0                         |                       | 0                           |                         | 0                           |                         | 0                              |   |
| Program Distributions         |                          |                      | 5,722,792                 |                       |                             |                         | 5,722,792                   |                         |                                |   |
| Total PSD                     | 0                        |                      | 5,722,792                 |                       | 0                           |                         | 5,722,792                   |                         | 0                              |   |
| Grand Total                   | 0                        | 0.0                  | 5,722,792                 | 0.0                   | 0                           | 0.0                     | 5,722,792                   | 0.0                     | 0                              |   |

**NEW DECISION ITEM**

**RANK:** 999

**Department:** Social Services

**Budget Unit:** 90558C

**Division:** MO HealthNet

**DI Name:** Physician Payments Safety Net **DI#** 1886029

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

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**6a. Provide an effectiveness measure.**

See program description for Physician Payments for Safety Net Hospitals.

**6b. Provide an efficiency measure.**

See program description for Physician Payments for Safety Net Hospitals.

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

See program description for Physician Payments for Safety Net Hospitals.

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

N/A

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**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

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N/A

# DECISION ITEM DETAIL

| Budget Unit                             | FY 2016    | FY 2016     | FY 2017    | FY 2017     | FY 2018    | FY 2018     | FY 2018            | FY 2018     |
|-----------------------------------------|------------|-------------|------------|-------------|------------|-------------|--------------------|-------------|
| 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         |
| <b>PHYSICIAN PAYMENTS SAFETY NET</b>    |            |             |            |             |            |             |                    |             |
| Physician Payments Safety Net - 1886029 |            |             |            |             |            |             |                    |             |
| PROGRAM DISTRIBUTIONS                   | 0          | 0.00        | 0          | 0.00        | 0          | 0.00        | 5,722,792          | 0.00        |
| TOTAL - PD                              | 0          | 0.00        | 0          | 0.00        | 0          | 0.00        | 5,722,792          | 0.00        |
| <b>GRAND TOTAL</b>                      | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$5,722,792</b> | <b>0.00</b> |
| 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        | \$5,722,792        | 0.00        |
| OTHER FUNDS                             | \$0        | 0.00        | \$0        | 0.00        | \$0        | 0.00        | \$0                | 0.00        |



# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Federally Qualified Health Centers (FQHC) Distribution

Budget Unit: 90559C  
 HB Section: 11.520

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |           |           |       |            |   |
|------------------------|-----------|-----------|-------|------------|---|
|                        | GR        | Federal   | Other | Total      | E |
| PS                     |           |           |       |            |   |
| EE                     |           |           |       |            |   |
| PSD                    | 6,183,830 | 8,759,115 |       | 14,942,945 |   |
| TRF                    |           |           |       |            |   |
| Total                  | 6,183,830 | 8,759,115 | 0     | 14,942,945 |   |
| FTE                    |           |           |       | 0.00       |   |

|                                                                                                                                 |   |   |   |   |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| <b>Est. Fringe</b>                                                                                                              | 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: N/A

| FY 2018 Governor's Recommendation |           |           |       |            |   |
|-----------------------------------|-----------|-----------|-------|------------|---|
|                                   | GR        | Federal   | Other | Total      | E |
| PS                                |           |           |       |            |   |
| EE                                |           |           |       |            |   |
| PSD                               | 6,108,559 | 6,103,688 |       | 12,212,247 |   |
| TRF                               |           |           |       |            |   |
| Total                             | 6,108,559 | 6,103,688 | 0     | 12,212,247 |   |
| FTE                               |           |           |       | 0.00       |   |

|                                                                                                                                 |   |   |   |   |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| <b>Est. Fringe</b>                                                                                                              | 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: N/A

## 2. CORE DESCRIPTION

This item funds Federally Qualified Health Center (FQHCs) services provided to fee-for-service MO HealthNet participants and Health Home payments.

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

Federally Qualified Health Centers (FQHC)



# **CORE DECISION ITEM**

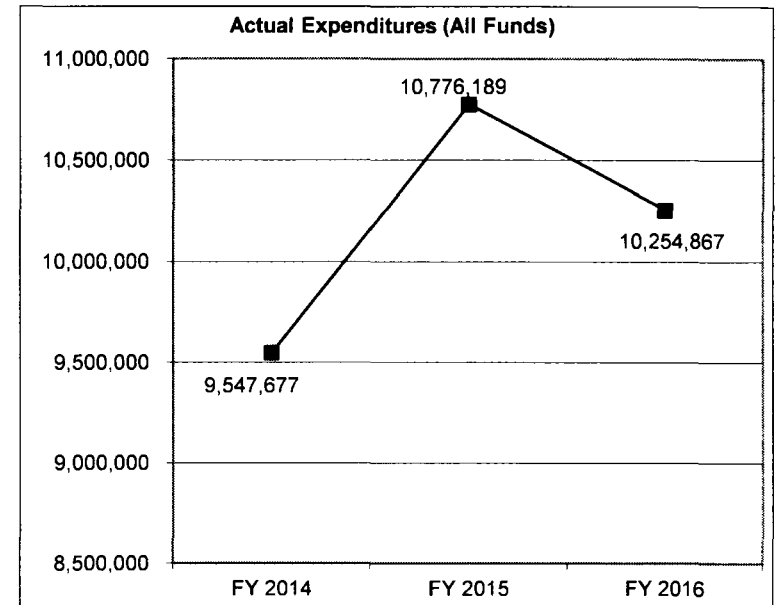
**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Federally Qualified Health Centers (FQHC) Distribution**

**Budget Unit: 90559C**

**HB Section: 11.520**

## **4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 15,570,000                | 14,449,149                | 13,842,985                | 14,942,945                     |
| Less Reverted (All Funds)       | (143,100)                 | (204,584)                 | (184,410)                 | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 15,426,900                | 14,244,565                | 13,658,575                | N/A                            |
| Actual Expenditures (All Funds) | 9,547,677                 | 10,776,189                | 10,254,867                | N/A                            |
| Unexpended (All Funds)          | 5,879,223                 | 3,468,376                 | 3,403,708                 | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 0                         | 147,735                   | 66,634                    | N/A                            |
| Federal                         | 5,879,223                 | 3,320,641                 | 3,299,810                 | N/A                            |
| Other                           | 0                         | 0                         | 37,264                    | N/A                            |
|                                 | <b>(1)</b>                | <b>(2)</b>                | <b>(3)</b>                |                                |



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 \$5,700,000 Federal due to mid year FMAP revision from a 90/10 split to regular FMAP.

**(2)** FY15 lapse due to excess federal authority.

**(3)** FY16 lapse due to excess federal authority.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
FQHC DISTRIBUTION**

**5. CORE RECONCILIATION DETAIL**

|                                               |           |    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>        | <b>Federal</b>     | <b>Other</b> | <b>Total</b>       | <b>Explanation</b>   |
|-----------------------------------------------|-----------|----|-------------------------|-------------|------------------|--------------------|--------------|--------------------|----------------------|
| <b>TAFP AFTER VETOES</b>                      |           |    |                         |             |                  |                    |              |                    |                      |
|                                               |           |    | PD                      | 0.00        | 6,183,830        | 8,759,115          | 0            | 14,942,945         |                      |
|                                               |           |    | <b>Total</b>            | <b>0.00</b> | <b>6,183,830</b> | <b>8,759,115</b>   | <b>0</b>     | <b>14,942,945</b>  |                      |
| <b>DEPARTMENT CORE REQUEST</b>                |           |    |                         |             |                  |                    |              |                    |                      |
|                                               |           |    | PD                      | 0.00        | 6,183,830        | 8,759,115          | 0            | 14,942,945         |                      |
|                                               |           |    | <b>Total</b>            | <b>0.00</b> | <b>6,183,830</b> | <b>8,759,115</b>   | <b>0</b>     | <b>14,942,945</b>  |                      |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |           |    |                         |             |                  |                    |              |                    |                      |
| Core Reduction                                | 1396 7933 | PD | 0.00                    |             | 0                | (2,526,002)        | 0            | (2,526,002)        | FMAP adjustment      |
| Core Reduction                                | 1783 7933 | PD | 0.00                    |             | 0                | (129,425)          | 0            | (129,425)          | FY 18 core reduction |
| Core Reduction                                | 1783 4868 | PD | 0.00                    |             | (75,271)         | 0                  | 0            | (75,271)           | FY 18 core reduction |
| <b>NET GOVERNOR CHANGES</b>                   |           |    |                         | <b>0.00</b> | <b>(75,271)</b>  | <b>(2,655,427)</b> | <b>0</b>     | <b>(2,730,698)</b> |                      |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |           |    |                         |             |                  |                    |              |                    |                      |
|                                               |           |    | PD                      | 0.00        | 6,108,559        | 6,103,688          | 0            | 12,212,247         |                      |
|                                               |           |    | <b>Total</b>            | <b>0.00</b> | <b>6,108,559</b> | <b>6,103,688</b>   | <b>0</b>     | <b>12,212,247</b>  |                      |

# DECISION ITEM SUMMARY

| Budget Unit                               |                     |             |                     |             |                     |             |                     |             |
|-------------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                             | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary                     | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                                      | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>FQHC DISTRIBUTION</b>                  |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                               |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                          |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                           | 5,858,668           | 0.00        | 6,183,830           | 0.00        | 6,183,830           | 0.00        | 6,108,559           | 0.00        |
| TITLE XIX-FEDERAL AND OTHER               | 4,396,199           | 0.00        | 8,759,115           | 0.00        | 8,759,115           | 0.00        | 6,103,688           | 0.00        |
| TOTAL - PD                                | 10,254,867          | 0.00        | 14,942,945          | 0.00        | 14,942,945          | 0.00        | 12,212,247          | 0.00        |
| <b>TOTAL</b>                              | <b>10,254,867</b>   | <b>0.00</b> | <b>14,942,945</b>   | <b>0.00</b> | <b>14,942,945</b>   | <b>0.00</b> | <b>12,212,247</b>   | <b>0.00</b> |
| <b>MHD Cost to Continue - 1886001</b>     |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                          |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                           | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 57,369              | 0.00        |
| TITLE XIX-FEDERAL AND OTHER               | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 1,657               | 0.00        |
| TOTAL - PD                                | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 59,026              | 0.00        |
| <b>TOTAL</b>                              | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>59,026</b>       | <b>0.00</b> |
| <b>Primary Care HH Rate Inc - 1886014</b> |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                          |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                           | 0                   | 0.00        | 0                   | 0.00        | 58,486              | 0.00        | 19,155              | 0.00        |
| TITLE XIX-FEDERAL AND OTHER               | 0                   | 0.00        | 0                   | 0.00        | 100,564             | 0.00        | 34,971              | 0.00        |
| TOTAL - PD                                | 0                   | 0.00        | 0                   | 0.00        | 159,050             | 0.00        | 54,126              | 0.00        |
| <b>TOTAL</b>                              | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>159,050</b>      | <b>0.00</b> | <b>54,126</b>       | <b>0.00</b> |
| <b>GRAND TOTAL</b>                        | <b>\$10,254,867</b> | <b>0.00</b> | <b>\$14,942,945</b> | <b>0.00</b> | <b>\$15,101,995</b> | <b>0.00</b> | <b>\$12,325,399</b> | <b>0.00</b> |

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# DECISION ITEM DETAIL

| Budget Unit           | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|-----------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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     |
| FQHC DISTRIBUTION     |              |         |              |         |              |          |              |         |
| CORE                  |              |         |              |         |              |          |              |         |
| PROGRAM DISTRIBUTIONS | 10,254,867   | 0.00    | 14,942,945   | 0.00    | 14,942,945   | 0.00     | 12,212,247   | 0.00    |
| TOTAL - PD            | 10,254,867   | 0.00    | 14,942,945   | 0.00    | 14,942,945   | 0.00     | 12,212,247   | 0.00    |
| GRAND TOTAL           | \$10,254,867 | 0.00    | \$14,942,945 | 0.00    | \$14,942,945 | 0.00     | \$12,212,247 | 0.00    |
| GENERAL REVENUE       | \$5,858,668  | 0.00    | \$6,183,830  | 0.00    | \$6,183,830  | 0.00     | \$6,108,559  | 0.00    |
| FEDERAL FUNDS         | \$4,396,199  | 0.00    | \$8,759,115  | 0.00    | \$8,759,115  | 0.00     | \$6,103,688  | 0.00    |
| OTHER FUNDS           | \$0          | 0.00    | \$0          | 0.00    | \$0          | 0.00     | \$0          | 0.00    |

## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

### 1. What does this program do?

#### Program Description

Federally Qualified Health Centers: FQHCs are community health centers that provide comprehensive primary care to low-income and medically under-served urban and rural communities. Because of an inadequate number of providers, Missourians have found it difficult to find health care providers and are subject to lengthy delays in receiving health care services. In rural areas, these issues are more pronounced as people must frequently travel to larger cities in order to receive necessary care.

Therefore, this core request provides a state grant to assist the FQHCs with infrastructure and personnel development so the uninsured and under-insured population will have increased access to health care, especially in medically under-served areas.

Funding is for equipment and infrastructure in the FQHC and to cover the expense of providing health care services in the FQHC setting.

The Community Health Worker Initiative, which was newly appropriated in FY17, will utilize existing FQHC state grants to leverage additional federal funds to identify, facilitate, and provide support to medically and socially complex higher cost, higher utilizer Medicaid populations with support, resources and interventions needed to improve and maintain their health status. *For more information, see Additional Details.*

Health Homes: Section 2703 of the ACA provides MO HealthNet the option to pay providers to coordinate care through a "health home" for individuals with chronic conditions. MO HealthNet operates the Primary Care Health Home Program for participants diagnosed with two chronic conditions or diagnosed with one chronic condition and at-risk for development of a second. Most of the primary care sites in the Health Home Program are FQHC sites. Clinical care management per member per month (PMPM) payments are made for the reimbursement of required contracted services and the cost of staff primarily responsible for delivery of these specified health home services that are not covered by other MO HealthNet reimbursement methodologies. This core request funds PMPM payments made to health homes operated by FQHCs.

#### Program Statistics

As of June 2016, there were a total of 202 FQHC sites, comprised of 37 base sites and 165 satellite sites enrolled in MO HealthNet. Twenty-one (21) FQHCs operated health homes in FY16 serving 9,596 MO HealthNet participants (based on paid month-June 2016).

#### Program Goals

Offer services to all persons regardless of the person's ability to pay and serve a medically underserved area or population. Provide intensive care coordination and care management as well as address social determinants of health for a medically complex population.

#### Program Objectives

##### FQHC Grants

- Support nontraditional hours of operation (weekend and special evening hours) because many Missourians do not have the luxury of accessing care during normal business hours
- Meet the federal requirement for FQHCs to defray the costs of caring for the uninsured by accepting uninsured patients and insured patients
- Fund staff and infrastructure to provide services not usually accessible to FQHC patients such as dental services
- Fund loan forgiveness/loan repayment program to offset student loan debt or tuition costs for healthcare practitioners who are committed to working FQHC's.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.520**

**Program Name: Federally Qualified Health Centers (FQHC) Distribution**

**Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution**

### Health Home

- Achieve accessible, high quality primary care
- Demonstrate cost-effectiveness in order to validate and support the sustainability and spread of the model
- Support primary care practices by increasing available resources and improving care coordination thus improving the quality of clinician work life and patient outcomes

### **Reimbursement Methodology**

DSS contracts with the Missouri Primary Care Association (MPCA) to act as a fiscal intermediary for the distribution of the FQHC grants, assuring accurate and timely payments to the subcontractors, and to act as a central data collection point for evaluating program impact and outcomes. MPCA is recognized as Missouri's single primary care association by the Federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, reducing disparities in health status between majority and minority populations.

Health home sites receive per member per month (PMPM) payments for the additional services they are required to perform. FQHCs that are enrolled in MO HealthNet's Primary Care Health Home Program receive a per-member, per month (PMPM) reimbursement for each eligible health home patient enrolled in the program who receives health home services in a given month. The funding for the current FQHC distribution contract is used as the state share for MO HealthNet primary care health home payments. These payments started in March 2012 for services performed in January 2012. In accordance with the state plan amendment approved by the Centers for Medicare and Medicaid Services (CMS), MO HealthNet may adjust the PMPM rate annually based on the consumer price index (CPI).

### **Rate History**

| <b>Primary Care PMPM Rate</b> | <b>Effective with Service Month</b> |
|-------------------------------|-------------------------------------|
| \$63.72                       | January 2016                        |
| \$62.47                       | January 2015                        |
| \$61.25                       | January 2014                        |
| \$60.05                       | March 2013                          |
| \$58.87                       | January 2012                        |

### **Additional Details**

A primary care health home can be operated by an FQHC, hospital-based clinic, or other facility. Health home PMPMs are funded from the FQHC Distribution program when operated by an FQHC. Health home PMPMs are funded through Federal Reimbursement Allowance (FRA) when operated by a hospital-based clinic or intergovernmental transfers when operated by a public entity (*see the program description in the IGT Health Care Home tab for more information*). Other facility health home PMPMs are funded in the Physicians-Related Services program (*see the program description in the Physicians-Related Services tab for more information*).

### Community Health Worker Initiative

Building upon the success of the Health Home Program, the Community Health Worker Initiative will recruit local health workers to provide an intervention which hopes to more quickly reduce the dependence on in-patient hospital and emergency department use by targeted focus on addressing social determinants of health and enhancing stabilization of health status in a less costly outpatient basis. The initiative will include an evaluation component consistent with the existing Health Home Program.

## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

**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, 208.201, 660.026; Federal law: Social Security Act Section 1905(a)(2); Federal regulation: 42 CFR 440.210

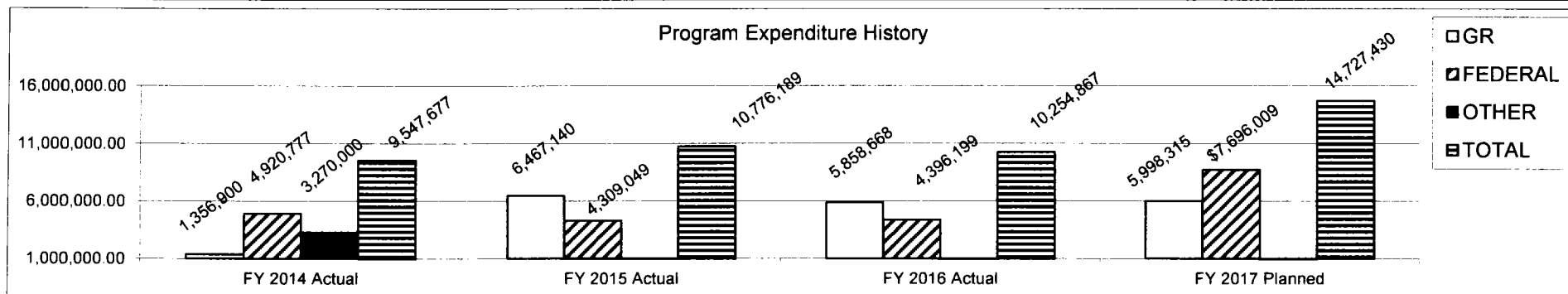
**3. Are there federal matching requirements? If yes, please explain.**

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. 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 FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

**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.**



FY17 planned is net of reserve and reverted.

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

MO Senior Services Protection Fund (0421) in FY14 only.

## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

### 7a. Provide an effectiveness measure.

State grants funded with this appropriation assist in leveraging federal funds from the Federal Bureau of Primary Health Care. The total amount of state grants and federal funds leveraged in calendar year 2015 was \$4,026,900 and \$80,886,840, respectively.

#### State Grants

| Calendar Year | Total Economic Impact |
|---------------|-----------------------|
| 2012          | \$3,269,238           |
| 2013          | \$3,215,867           |
| 2014          | \$4,026,900           |
| 2015          | \$4,026,900           |

#### Total Funds Leveraged for Missouri FQHCs

| Calendar Year | Total Economic Impact |
|---------------|-----------------------|
| 2012          | \$48,990,941          |
| 2013          | \$52,154,746          |
| 2014          | \$65,047,601          |
| 2015          | \$80,886,840          |

Source: Bureau of Primary Health Care, [bphc.hrsa.gov](http://bphc.hrsa.gov)  
CY2016 HRSA data is not currently available.

### 7b. Provide an efficiency measure.

FQHCs provide primary health care for the uninsured in their local communities. Missouri FQHCs provided primary health care to uninsured individuals in their local communities at a cost of \$751 per user in calendar year 2015.

#### Cost per User

| Calendar Year | Cost  |
|---------------|-------|
| 2012          | \$658 |
| 2013          | \$685 |
| 2014          | \$735 |
| 2015          | \$751 |

Source: Bureau of Primary Health Care, [bphc.hrsa.gov](http://bphc.hrsa.gov)  
CY2016 HRSA data is not currently available.



## PROGRAM DESCRIPTION

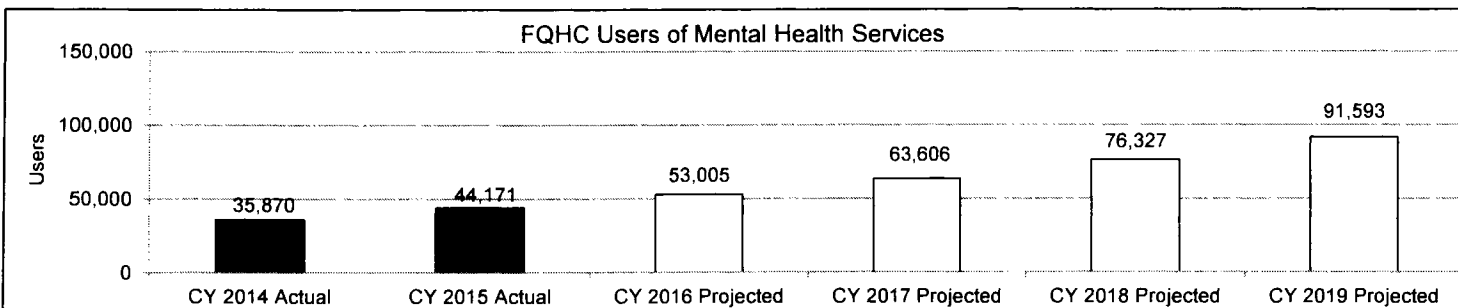
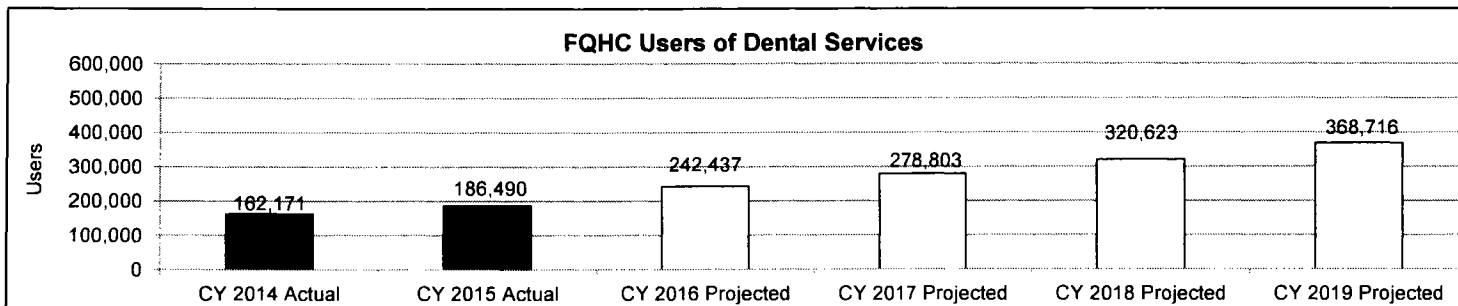
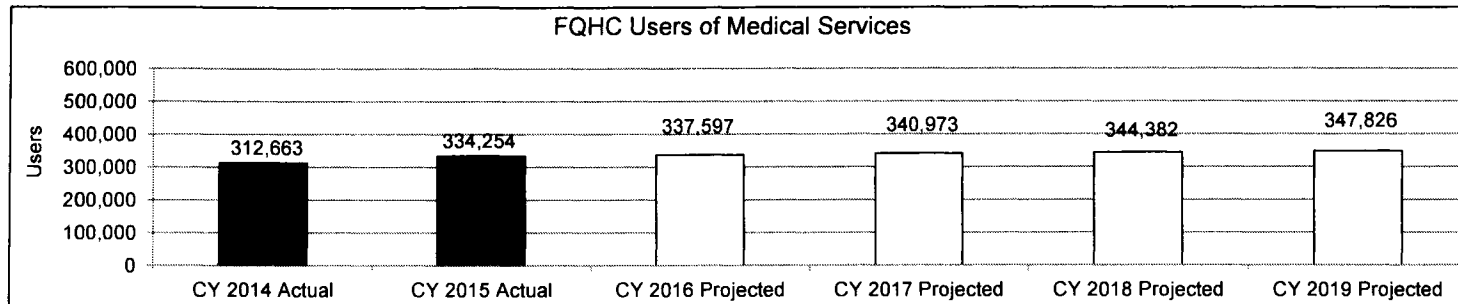
Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

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



Source: Bureau of Primary Health Care ([bphc.hrsa.gov](http://bphc.hrsa.gov))

CY2016 HRSA data is not currently available.

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

N/A



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: FRA Health Care Home

Budget Unit: 90574C

HB Section: 11.525

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |    |           |           |           |
|------------------------|----|-----------|-----------|-----------|
|                        | GR | Federal   | Other     | Total     |
| PS                     |    |           |           |           |
| EE                     |    |           |           |           |
| PSD                    |    | 4,900,000 | 1,853,934 | 6,753,934 |
| TRF                    |    |           |           |           |
| Total                  |    | 4,900,000 | 1,853,934 | 6,753,934 |
| FTE                    |    |           |           | 0.00      |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: Federal Reimbursement Allowance (0142)

| FY 2018 Governor's Recommendation |    |           |           |           |
|-----------------------------------|----|-----------|-----------|-----------|
|                                   | GR | Fed       | Other     | Total     |
| PS                                |    |           |           |           |
| EE                                |    |           |           |           |
| PSD                               |    | 4,340,078 | 1,853,934 | 6,194,012 |
| TRF                               |    |           |           |           |
| Total                             |    | 4,340,078 | 1,853,934 | 6,194,012 |
| FTE                               |    |           |           | 0.00      |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: Federal Reimbursement Allowance (0142)

## 2. CORE DESCRIPTION

The item funds per member per month (PMPM) payments for health home sites affiliated with public entities or hospital-based clinics. These health home sites utilize the Federal Reimbursement Allowance Fund (FRA) as the state share to draw down federal matching funds.

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

FRA Health Home

# **CORE DECISION ITEM**

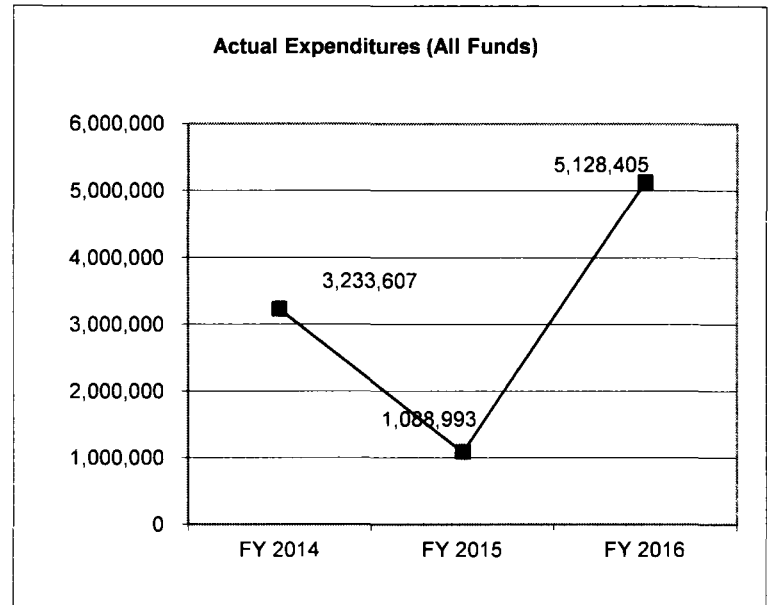
**Department: Social Services**  
**Division: MO HealthNet**  
**Core: FRA Health Care Home**

**Budget Unit: 90574C**

**HB Section: 11.525**

## **4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 7,600,000                 | 7,600,000                 | 9,353,934                 | 7,353,934                      |
| Less Reverted (All Funds)       | 0                         | 0                         | 0                         | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 7,600,000                 | 7,600,000                 | 9,353,934                 | N/A                            |
| Actual Expenditures (All Funds) | 3,233,607                 | 1,088,993                 | 5,128,405                 | N/A                            |
| Unexpended (All Funds)          | 4,366,393                 | 6,511,007                 | 4,225,529                 | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 0                         | 0                         | 0                         | N/A                            |
| Federal                         | 4,366,393                 | 6,000,000                 | 3,625,529                 | N/A                            |
| Other                           | 0                         | 511,007                   | 600,000                   | 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

STATE

FRA HEALTH CARE HOME

### 5. CORE RECONCILIATION DETAIL

|                                               |              | Budget<br>Class | FTE         | GR       | Federal          | Other            | Total            | Explanation                                               |
|-----------------------------------------------|--------------|-----------------|-------------|----------|------------------|------------------|------------------|-----------------------------------------------------------|
| <b>TAFP AFTER VETOES</b>                      |              |                 |             |          |                  |                  |                  |                                                           |
|                                               | PD           |                 | 0.00        | 0        | 4,900,000        | 2,453,934        | 7,353,934        |                                                           |
|                                               | <b>Total</b> |                 | <b>0.00</b> | <b>0</b> | <b>4,900,000</b> | <b>2,453,934</b> | <b>7,353,934</b> |                                                           |
| <b>DEPARTMENT CORE ADJUSTMENTS</b>            |              |                 |             |          |                  |                  |                  |                                                           |
| Core Reduction                                | 1240 8108    | PD              | 0.00        | 0        | 0                | (600,000)        | (600,000)        | Core reduction to align budget with planned expenditures. |
| <b>NET DEPARTMENT CHANGES</b>                 |              |                 | <b>0.00</b> | <b>0</b> | <b>0</b>         | <b>(600,000)</b> | <b>(600,000)</b> |                                                           |
| <b>DEPARTMENT CORE REQUEST</b>                |              |                 |             |          |                  |                  |                  |                                                           |
|                                               | PD           |                 | 0.00        | 0        | 4,900,000        | 1,853,934        | 6,753,934        |                                                           |
|                                               | <b>Total</b> |                 | <b>0.00</b> | <b>0</b> | <b>4,900,000</b> | <b>1,853,934</b> | <b>6,753,934</b> |                                                           |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |              |                 |             |          |                  |                  |                  |                                                           |
| Core Reduction                                | 1397 8260    | PD              | 0.00        | 0        | (559,922)        | 0                | (559,922)        | FMAP adjustment                                           |
| <b>NET GOVERNOR CHANGES</b>                   |              |                 | <b>0.00</b> | <b>0</b> | <b>(559,922)</b> | <b>0</b>         | <b>(559,922)</b> |                                                           |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |              |                 |             |          |                  |                  |                  |                                                           |
|                                               | PD           |                 | 0.00        | 0        | 4,340,078        | 1,853,934        | 6,194,012        |                                                           |
|                                               | <b>Total</b> |                 | <b>0.00</b> | <b>0</b> | <b>4,340,078</b> | <b>1,853,934</b> | <b>6,194,012</b> |                                                           |

# DECISION ITEM SUMMARY

| Budget Unit                                |                    |             |                    |             |                    |             |                    |             |             |
|--------------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|-------------|
| Decision Item                              | FY 2016            | FY 2016     | FY 2017            | FY 2017     | FY 2018            | FY 2018     | FY 2018            | FY 2018     | FY 2018     |
| Budget Object Summary                      | ACTUAL             | ACTUAL      | BUDGET             | BUDGET      | DEPT REQ           | DEPT REQ    | GOV REC            | GOV REC     | GOV REC     |
| Fund                                       | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | FTE         |
| <b>FRA HEALTH CARE HOME</b>                |                    |             |                    |             |                    |             |                    |             |             |
| <b>CORE</b>                                |                    |             |                    |             |                    |             |                    |             |             |
| PROGRAM-SPECIFIC                           |                    |             |                    |             |                    |             |                    |             |             |
| TITLE XIX-FEDERAL AND OTHER                | 3,274,471          | 0.00        | 4,900,000          | 0.00        | 4,900,000          | 0.00        | 4,340,078          | 0.00        | 0.00        |
| INTERGOVERNMENTAL TRANSFER                 | 0                  | 0.00        | 600,000            | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 0.00        |
| FEDERAL REIMBURSEMENT ALLOWANCE            | 1,853,934          | 0.00        | 1,853,934          | 0.00        | 1,853,934          | 0.00        | 1,853,934          | 0.00        | 0.00        |
| TOTAL - PD                                 | 5,128,405          | 0.00        | 7,353,934          | 0.00        | 6,753,934          | 0.00        | 6,194,012          | 0.00        | 0.00        |
| <b>TOTAL</b>                               | <b>5,128,405</b>   | <b>0.00</b> | <b>7,353,934</b>   | <b>0.00</b> | <b>6,753,934</b>   | <b>0.00</b> | <b>6,194,012</b>   | <b>0.00</b> | <b>0.00</b> |
| <b>Primary Care HH Rate Inc - 1886014</b>  |                    |             |                    |             |                    |             |                    |             |             |
| PROGRAM-SPECIFIC                           |                    |             |                    |             |                    |             |                    |             |             |
| TITLE XIX-FEDERAL AND OTHER                | 0                  | 0.00        | 0                  | 0.00        | 119,065            | 0.00        | 34,686             | 0.00        | 0.00        |
| FEDERAL REIMBURSEMENT ALLOWANCE            | 0                  | 0.00        | 0                  | 0.00        | 69,246             | 0.00        | 18,999             | 0.00        | 0.00        |
| TOTAL - PD                                 | 0                  | 0.00        | 0                  | 0.00        | 188,311            | 0.00        | 53,685             | 0.00        | 0.00        |
| <b>TOTAL</b>                               | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>188,311</b>     | <b>0.00</b> | <b>53,685</b>      | <b>0.00</b> | <b>0.00</b> |
| <b>FMAP Adjustment - 1886025</b>           |                    |             |                    |             |                    |             |                    |             |             |
| PROGRAM-SPECIFIC                           |                    |             |                    |             |                    |             |                    |             |             |
| FEDERAL REIMBURSEMENT ALLOWANCE            | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 559,922            | 0.00        | 0.00        |
| TOTAL - PD                                 | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 559,922            | 0.00        | 0.00        |
| <b>TOTAL</b>                               | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>559,922</b>     | <b>0.00</b> | <b>0.00</b> |
| <b>FRA Health Home Authority - 1886030</b> |                    |             |                    |             |                    |             |                    |             |             |
| PROGRAM-SPECIFIC                           |                    |             |                    |             |                    |             |                    |             |             |
| TITLE XIX-FEDERAL AND OTHER                | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 833,804            | 0.00        | 0.00        |
| FEDERAL REIMBURSEMENT ALLOWANCE            | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 463,743            | 0.00        | 0.00        |
| TOTAL - PD                                 | 0                  | 0.00        | 0                  | 0.00        | 0                  | 0.00        | 1,297,547          | 0.00        | 0.00        |
| <b>TOTAL</b>                               | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>1,297,547</b>   | <b>0.00</b> | <b>0.00</b> |
| <b>GRAND TOTAL</b>                         | <b>\$5,128,405</b> | <b>0.00</b> | <b>\$7,353,934</b> | <b>0.00</b> | <b>\$6,942,245</b> | <b>0.00</b> | <b>\$8,105,166</b> | <b>0.00</b> | <b>0.00</b> |

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# DECISION ITEM DETAIL

| Budget Unit           | FY 2016     | FY 2016 | FY 2017     | FY 2017 | FY 2018     | FY 2018  | FY 2018     | FY 2018 |
|-----------------------|-------------|---------|-------------|---------|-------------|----------|-------------|---------|
| 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     |
| FRA HEALTH CARE HOME  |             |         |             |         |             |          |             |         |
| CORE                  |             |         |             |         |             |          |             |         |
| PROGRAM DISTRIBUTIONS | 5,128,405   | 0.00    | 7,353,934   | 0.00    | 6,753,934   | 0.00     | 6,194,012   | 0.00    |
| TOTAL - PD            | 5,128,405   | 0.00    | 7,353,934   | 0.00    | 6,753,934   | 0.00     | 6,194,012   | 0.00    |
| GRAND TOTAL           | \$5,128,405 | 0.00    | \$7,353,934 | 0.00    | \$6,753,934 | 0.00     | \$6,194,012 | 0.00    |
| GENERAL REVENUE       | \$0         | 0.00    | \$0         | 0.00    | \$0         | 0.00     | \$0         | 0.00    |
| FEDERAL FUNDS         | \$3,274,471 | 0.00    | \$4,900,000 | 0.00    | \$4,900,000 | 0.00     | \$4,340,078 | 0.00    |
| OTHER FUNDS           | \$1,853,934 | 0.00    | \$2,453,934 | 0.00    | \$1,853,934 | 0.00     | \$1,853,934 | 0.00    |

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.525

**Program Name:** FRA Health Care Home

**Program is found in the following core budget(s):** FRA Health Care Home

### 1. What does this program do?

#### Program Description

Section 2703 of the Affordable Care Act (ACA) gives MO HealthNet the option to pay providers to coordinate care through a "health home" for individuals with chronic conditions. MO HealthNet operates the Primary Care Health Home Program for participants diagnosed with two chronic conditions or diagnosed with one chronic condition and at-risk for development of a second. Clinical care management per member per month (PMPM) payments are made for the reimbursement of required contracted services and the cost of staff primarily responsible for delivery of these specified health home services that are not covered by other MO HealthNet reimbursement methodologies. This core request funds PMPM payments made to health homes operated by a hospital-based clinic.

#### Program Statistics

Nine hospital-based clinics operated health homes in FY16 serving 8,014 MO HealthNet participants (based on paid month-June 2016).

#### Program Goals

Provide intensive care coordination and care management as well as address social determinants of health for a medically complex population.

#### Program Objectives

- Achieve accessible, high quality primary care
- Demonstrate cost-effectiveness in order to validate and support the sustainability and spread of the model
- Support primary care practices by increasing available resources and improving care coordination thus improving the quality of clinician work life and patient outcomes

#### Reimbursement Methodology

Hospital-based clinics that are enrolled in MO HealthNet's Primary Care Health Home Program receive a per-member, per month (PMPM) reimbursement for each eligible health home patient enrolled in the program who receives health home services in a given month. These health home sites utilize FRA as the state share to draw down federal match. These payments started in March 2012 for services performed in January 2012. In accordance with the state plan amendment approved by the Centers for Medicare and Medicaid Services (CMS), MO HealthNet may adjust the PMPM rate annually based on the consumer price index (CPI).

#### Rate History

| Primary Care PMPM Rate | Effective with Service Month |
|------------------------|------------------------------|
| \$63.72                | January-16                   |
| \$62.47                | January-15                   |
| \$61.25                | January-14                   |
| \$60.05                | March-13                     |
| \$58.87                | January-12                   |



## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.525

**Program Name:** FRA Health Care Home

**Program is found in the following core budget(s):** FRA Health Care Home

### Additional Details

A primary care health home can be operated by an FQHC, hospital-based clinic, or other facility. Health home PMPMs are funded through Federal Reimbursement Allowance (FRA) when operated by a hospital-based clinic. Health home PMPMs are funded from the FQHC Distribution program when operated by an FQHC (see the program description in the FQHC Distribution tab for more information). Other facility health home PMPMs are funded in the Physicians-Related Services program (see the program description in the Physicians-Related Services tab for more information).

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

Federal law: ACA Section 2703; Section 1945 of Title XIX of the Social Security Act

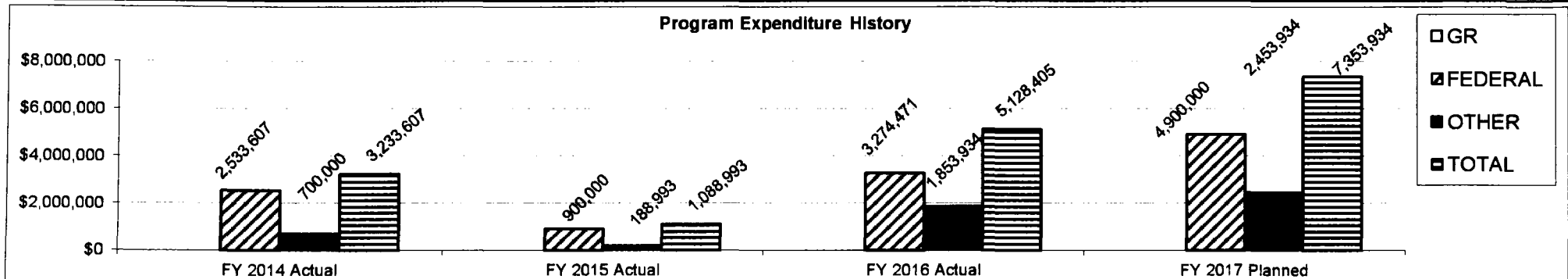
### 3. Are there federal matching requirements? If yes, please explain.

Since December 2013, expenditures are matched at Missouri's FMAP. Generally, Missouri's FMAP for FY 18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

### 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 DESCRIPTION**

**Department: Social Services**

**HB Section: 11.525**

**Program Name: FRA Health Care Home**

**Program is found in the following core budget(s): FRA Health Care Home**

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

Federal Reimbursement Allowance Fund (0142)

**7a. Provide an effectiveness measure.**

**Health Home Providers**

|                                                                            |     |
|----------------------------------------------------------------------------|-----|
| Number of Medical Organizations Participating in Primary Care Health Homes | 37  |
| Number of Medical Sites Participating in Primary Care Health Homes         | 155 |

**7b. Provide an efficiency measure.**

N/A

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

|                                                 |        |
|-------------------------------------------------|--------|
| Number of Primary Care Health Home Participants | 25,000 |
|-------------------------------------------------|--------|

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

N/A

**NEW DECISION ITEM**

**RANK: 999**

**Department: Social Services**

**Budget Unit: 90574C**

**Division: MO HealthNet**

**DI Name: FRA Health Home Authority**

**DI# 1886030**

**HB Section: 11.525**

**1. AMOUNT OF REQUEST**

|              | FY 2018 Budget Request |             |             |             |   |
|--------------|------------------------|-------------|-------------|-------------|---|
|              | GR                     | Federal     | Other       | Total       | E |
| PS           | 0                      | 0           | 0           | 0           |   |
| EE           | 0                      | 0           | 0           | 0           |   |
| PSD          | 0                      | 0           | 0           | 0           |   |
| TRF          | 0                      | 0           | 0           | 0           |   |
| <b>Total</b> | <b>0</b>               | <b>0</b>    | <b>0</b>    | <b>0</b>    |   |
| <b>FTE</b>   | <b>0.00</b>            | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: N/A

|              | FY 2018 Governor's Recommendation |                |                |                  |   |
|--------------|-----------------------------------|----------------|----------------|------------------|---|
|              | GR                                | Federal        | Other          | Total            | E |
| PS           | 0                                 | 0              | 0              | 0                |   |
| EE           | 0                                 | 0              | 0              | 0                |   |
| PSD          | 0                                 | 833,804        | 463,743        | 1,297,547        |   |
| TRF          | 0                                 | 0              | 0              | 0                |   |
| <b>Total</b> | <b>0</b>                          | <b>833,804</b> | <b>463,743</b> | <b>1,297,547</b> |   |
| <b>FTE</b>   | <b>0.00</b>                       | <b>0.00</b>    | <b>0.00</b>    | <b>0.00</b>      |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: Federal Reimbursement Allowance Fund (0142)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

|                                          |                                                                 |                                                |
|------------------------------------------|-----------------------------------------------------------------|------------------------------------------------|
| <input type="checkbox"/> New Legislation | <input type="checkbox"/> New Program                            | <input type="checkbox"/> Fund Switch           |
| <input type="checkbox"/> Federal Mandate | <input type="checkbox"/> Program Expansion                      | <input type="checkbox"/> Cost to Continue      |
| <input type="checkbox"/> GR Pick-Up      | <input type="checkbox"/> Space Request                          | <input type="checkbox"/> Equipment Replacement |
| <input type="checkbox"/> Pay Plan        | <input checked="" type="checkbox"/> Other: Additional Authority |                                                |

**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.**

This increase in Federal Reimbursement Allowance (FRA) fund authority is needed to continue making payments to health home sites affiliated with hospital-based clinics. Current appropriation authority is insufficient to meet anticipated needs in FY18 to make per member per month (PMPM) payments on behalf of enrollees participating in the primary care health home program. This would align the budget with anticipated spending needs.

**NEW DECISION ITEM**

**RANK:** 999

**Department:** Social Services

**Budget Unit:** 90574C

**Division:** MO HealthNet

**DI Name:** FRA Health Home Authority

**DI#** 1886030

**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.)**

This would align the FRA (Federal Reimbursement Allowance) Health Home budget with anticipated spending.

|                                         |             |
|-----------------------------------------|-------------|
| FRA Health Home Estimated FY18 Spending | (8,105,166) |
| FRA Health Home Authority FY18          | 6,807,619   |
| Shortfall                               | (1,297,547) |

|              |                |                |                  |
|--------------|----------------|----------------|------------------|
|              | <b>FRA</b>     | <b>Fed</b>     | <b>Total</b>     |
|              | 463,743        | 833,804        | 1,297,547        |
| <b>Total</b> | <b>463,743</b> | <b>833,804</b> | <b>1,297,547</b> |

**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<br>GR<br>DOLLARS | Dept Req<br>GR<br>FTE | Dept Req<br>FED<br>DOLLARS | Dept Req<br>FED<br>FTE | Dept Req<br>OTHER<br>DOLLARS | Dept Req<br>OTHER<br>FTE | Dept Req<br>TOTAL<br>DOLLARS | Dept Req<br>TOTAL<br>FTE | Dept Req<br>One-Time<br>DOLLARS | E |
|-------------------------------|---------------------------|-----------------------|----------------------------|------------------------|------------------------------|--------------------------|------------------------------|--------------------------|---------------------------------|---|
| Total PS                      | 0                         | 0.0                   | 0                          | 0.0                    | 0                            | 0.0                      | 0                            | 0.0                      | 0                               |   |
| Total EE                      | 0                         |                       | 0                          |                        | 0                            |                          | 0                            |                          | 0                               |   |
| Total PSD                     | 0                         |                       | 0                          |                        | 0                            |                          | 0                            |                          | 0                               |   |
| <b>Grand Total</b>            | <b>0</b>                  | <b>0.0</b>            | <b>0</b>                   | <b>0.0</b>             | <b>0</b>                     | <b>0.0</b>               | <b>0</b>                     | <b>0.0</b>               | <b>0</b>                        |   |
| Budget Object Class/Job Class | Gov Rec<br>GR<br>DOLLARS  | Gov Rec<br>GR<br>FTE  | Gov Rec<br>FED<br>DOLLARS  | Gov Rec<br>FED<br>FTE  | Gov Rec<br>OTHER<br>DOLLARS  | Gov Rec<br>OTHER<br>FTE  | Gov Rec<br>TOTAL<br>DOLLARS  | Gov Rec<br>TOTAL<br>FTE  | Gov Rec<br>One-Time<br>DOLLARS  | E |
| Program Distributions         |                           |                       | 833,804                    |                        | 463,743                      |                          | 1,297,547                    |                          |                                 |   |
| Total PSD                     | 0                         |                       | 833,804                    |                        | 463,743                      |                          | 1,297,547                    |                          | 0                               |   |
| <b>Grand Total</b>            | <b>0</b>                  | <b>0.0</b>            | <b>833,804</b>             | <b>0.0</b>             | <b>463,743</b>               | <b>0.0</b>               | <b>1,297,547</b>             | <b>0.0</b>               | <b>0</b>                        |   |

**NEW DECISION ITEM****RANK:** 999**Department:** Social Services**Budget Unit:** 90574C**Division:** MO HealthNet**DI Name:** FRA Health Home Authority **DI#** 1886030**6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional****6a. Provide an effectiveness measure.**

N/A

**6b. Provide an efficiency measure.**

N/A

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

| FY       | IGT/FRA Health Home<br>Participants* | IGT/FRA Health Home<br>Providers* |
|----------|--------------------------------------|-----------------------------------|
| FY12     | 810                                  | 3                                 |
| FY13     | 978                                  | 3                                 |
| FY14     | 945                                  | 3                                 |
| FY15     | 5,811                                | 9                                 |
| FY16     | 8,014                                | 9                                 |
| FY17 Est | 10,324                               | 9                                 |
| FY18 Est | 10,324                               | 9                                 |

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

N/A

\*Represents number of clients and providers served in April of each fiscal year.

**7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:**

N/A

# DECISION ITEM DETAIL

| Budget Unit                                | FY 2016    | FY 2016     | FY 2017    | FY 2017     | FY 2018    | FY 2018     | FY 2018            | FY 2018     |
|--------------------------------------------|------------|-------------|------------|-------------|------------|-------------|--------------------|-------------|
| 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         |
| <b>FRA HEALTH CARE HOME</b>                |            |             |            |             |            |             |                    |             |
| <b>FRA Health Home Authority - 1886030</b> |            |             |            |             |            |             |                    |             |
| PROGRAM DISTRIBUTIONS                      | 0          | 0.00        | 0          | 0.00        | 0          | 0.00        | 1,297,547          | 0.00        |
| TOTAL - PD                                 | 0          | 0.00        | 0          | 0.00        | 0          | 0.00        | 1,297,547          | 0.00        |
| <b>GRAND TOTAL</b>                         | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$1,297,547</b> | <b>0.00</b> |
| 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        | \$833,804          | 0.00        |
| OTHER FUNDS                                | \$0        | 0.00        | \$0        | 0.00        | \$0        | 0.00        | \$463,743          | 0.00        |



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Regional Care Coordination Model

Budget Unit: 90578C  
HB Section: 11.527

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |         |           |       |           |   |
|------------------------|---------|-----------|-------|-----------|---|
|                        | GR      | Federal   | Other | Total     | E |
| PS                     |         |           |       |           |   |
| EE                     |         |           |       |           |   |
| PSD                    | 200,000 | 1,800,000 |       | 2,000,000 |   |
| TRF                    |         |           |       |           |   |
| Total                  | 200,000 | 1,800,000 | 0     | 2,000,000 |   |
| FTE                    |         |           |       | 0.00      |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

| FY 2018 Governor's Recommendation |    |         |       |       |   |
|-----------------------------------|----|---------|-------|-------|---|
|                                   | GR | Federal | Other | Total | E |
| PS                                |    |         |       |       |   |
| EE                                |    |         |       |       |   |
| PSD                               | 0  | 0       |       | 0     |   |
| TRF                               |    |         |       |       |   |
| Total                             | 0  | 0       | 0     | 0     |   |
| FTE                               |    |         |       | 0.00  |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

## 2. CORE DESCRIPTION

This item funds a regional care coordination model in St. Louis County.

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

Regional Care Coordination Model



# **CORE DECISION ITEM**

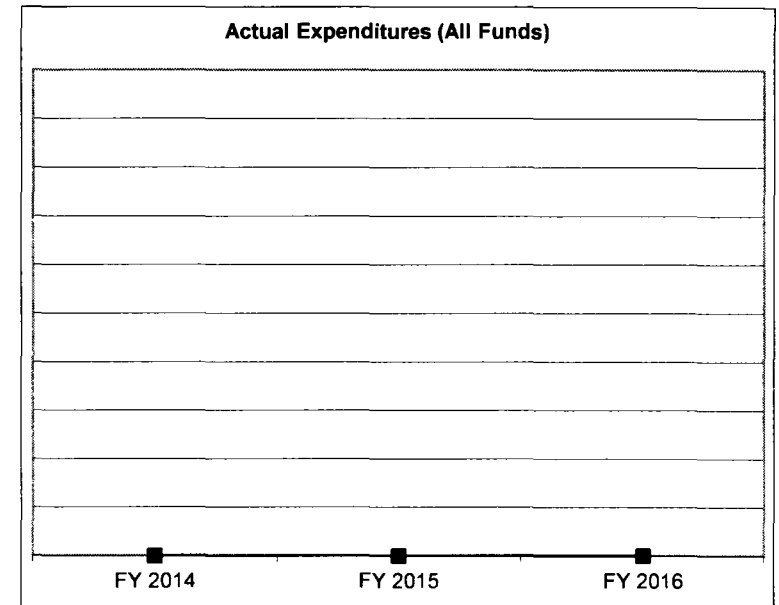
**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Regional Care Coordination Model**

**Budget Unit: 90578C**

**HB Section: 11.527**

## **4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 0                         | 5,000,000                 | 2,000,000                 | 2,000,000                      |
| Less Reverted (All Funds)       | 0                         | 0                         | 0                         | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 0                         | 5,000,000                 | 2,000,000                 | N/A                            |
| Actual Expenditures (All Funds) | 0                         | 0                         | 0                         | N/A                            |
| Unexpended (All Funds)          | 0                         | 5,000,000                 | 2,000,000                 | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 0                         | 500,000                   | 200,000                   | N/A                            |
| Federal                         | 0                         | 4,500,000                 | 1,800,000                 | N/A                            |
| Other                           | 0                         | 0                         | 0                         | N/A                            |
|                                 |                           | <b>(1)</b>                | <b>(2)</b>                |                                |



Reverted includes statutory reserve amounts (when applicable).

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

### **NOTES:**

**(1)** Funding appropriated in FY15 but initially restricted. Timeliness of the release did not allow for implementation of the program.

**(2)** Funding appropriated in FY16 was restricted.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
REGIONAL CARE COORDINATION**

**5. CORE RECONCILIATION DETAIL**

|                                               |           |    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>        | <b>Federal</b>     | <b>Other</b> | <b>Total</b>       | <b>Explanation</b>   |
|-----------------------------------------------|-----------|----|-------------------------|-------------|------------------|--------------------|--------------|--------------------|----------------------|
| <b>TAFP AFTER VETOES</b>                      |           |    |                         |             |                  |                    |              |                    |                      |
|                                               |           |    | PD                      | 0.00        | 200,000          | 1,800,000          | 0            | 2,000,000          |                      |
|                                               |           |    | <b>Total</b>            | <b>0.00</b> | <b>200,000</b>   | <b>1,800,000</b>   | <b>0</b>     | <b>2,000,000</b>   |                      |
| <b>DEPARTMENT CORE REQUEST</b>                |           |    |                         |             |                  |                    |              |                    |                      |
|                                               |           |    | PD                      | 0.00        | 200,000          | 1,800,000          | 0            | 2,000,000          |                      |
|                                               |           |    | <b>Total</b>            | <b>0.00</b> | <b>200,000</b>   | <b>1,800,000</b>   | <b>0</b>     | <b>2,000,000</b>   |                      |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |           |    |                         |             |                  |                    |              |                    |                      |
| Core Reduction                                | 1398 2688 | PD | 0.00                    |             | 0                | (1,440,403)        | 0            | (1,440,403)        | FMAP adjustment.     |
| Core Reduction                                | 1619 8997 | PD | 0.00                    |             | (200,000)        | 0                  | 0            | (200,000)          | FY 18 core reduction |
| Core Reduction                                | 1619 2688 | PD | 0.00                    |             | 0                | (359,597)          | 0            | (359,597)          | FY 18 core reduction |
| <b>NET GOVERNOR CHANGES</b>                   |           |    |                         | <b>0.00</b> | <b>(200,000)</b> | <b>(1,800,000)</b> | <b>0</b>     | <b>(2,000,000)</b> |                      |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |           |    |                         |             |                  |                    |              |                    |                      |
|                                               |           |    | PD                      | 0.00        | 0                | 0                  | 0            | 0                  |                      |
|                                               |           |    | <b>Total</b>            | <b>0.00</b> | <b>0</b>         | <b>0</b>           | <b>0</b>     | <b>0</b>           |                      |

## DECISION ITEM SUMMARY

| Budget Unit                       |            |             |                    |             |                    |             |            |             |  |
|-----------------------------------|------------|-------------|--------------------|-------------|--------------------|-------------|------------|-------------|--|
| Decision Item                     | FY 2016    | FY 2016     | FY 2017            | FY 2017     | FY 2018            | FY 2018     | FY 2018    | FY 2018     |  |
| Budget Object Summary             | ACTUAL     | ACTUAL      | BUDGET             | BUDGET      | DEPT REQ           | DEPT REQ    | GOV REC    | GOV REC     |  |
| Fund                              | DOLLAR     | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR     | FTE         |  |
| <b>REGIONAL CARE COORDINATION</b> |            |             |                    |             |                    |             |            |             |  |
| <b>CORE</b>                       |            |             |                    |             |                    |             |            |             |  |
| PROGRAM-SPECIFIC                  |            |             |                    |             |                    |             |            |             |  |
| GENERAL REVENUE                   | 0          | 0.00        | 200,000            | 0.00        | 200,000            | 0.00        | 0          | 0.00        |  |
| DEPT OF SOC SERV FEDERAL & OTH    | 0          | 0.00        | 1,800,000          | 0.00        | 1,800,000          | 0.00        | 0          | 0.00        |  |
| TOTAL - PD                        | 0          | 0.00        | 2,000,000          | 0.00        | 2,000,000          | 0.00        | 0          | 0.00        |  |
| <b>TOTAL</b>                      | <b>0</b>   | <b>0.00</b> | <b>2,000,000</b>   | <b>0.00</b> | <b>2,000,000</b>   | <b>0.00</b> | <b>0</b>   | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                | <b>\$0</b> | <b>0.00</b> | <b>\$2,000,000</b> | <b>0.00</b> | <b>\$2,000,000</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> |  |

# DECISION ITEM DETAIL

| Budget Unit                | FY 2016 | FY 2016 | FY 2017     | FY 2017 | FY 2018     | FY 2018  | FY 2018 | FY 2018 |
|----------------------------|---------|---------|-------------|---------|-------------|----------|---------|---------|
| 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     |
| REGIONAL CARE COORDINATION |         |         |             |         |             |          |         |         |
| CORE                       |         |         |             |         |             |          |         |         |
| PROGRAM DISTRIBUTIONS      | 0       | 0.00    | 2,000,000   | 0.00    | 2,000,000   | 0.00     | 0       | 0.00    |
| TOTAL - PD                 | 0       | 0.00    | 2,000,000   | 0.00    | 2,000,000   | 0.00     | 0       | 0.00    |
| GRAND TOTAL                | \$0     | 0.00    | \$2,000,000 | 0.00    | \$2,000,000 | 0.00     | \$0     | 0.00    |
| GENERAL REVENUE            | \$0     | 0.00    | \$200,000   | 0.00    | \$200,000   | 0.00     |         | 0.00    |
| FEDERAL FUNDS              | \$0     | 0.00    | \$1,800,000 | 0.00    | \$1,800,000 | 0.00     |         | 0.00    |
| OTHER FUNDS                | \$0     | 0.00    | \$0         | 0.00    | \$0         | 0.00     |         | 0.00    |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.527**

**Program Name: Regional Care Coordination Model**

**Program is found in the following core budget(s): Regional Care Coordination Model**

### 1. What does this program do?

This model will coordinate care in the emergency room for MO HealthNet participants in St. Louis County who are high utilizers of emergency room services or have had multiple admissions.

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

N/A

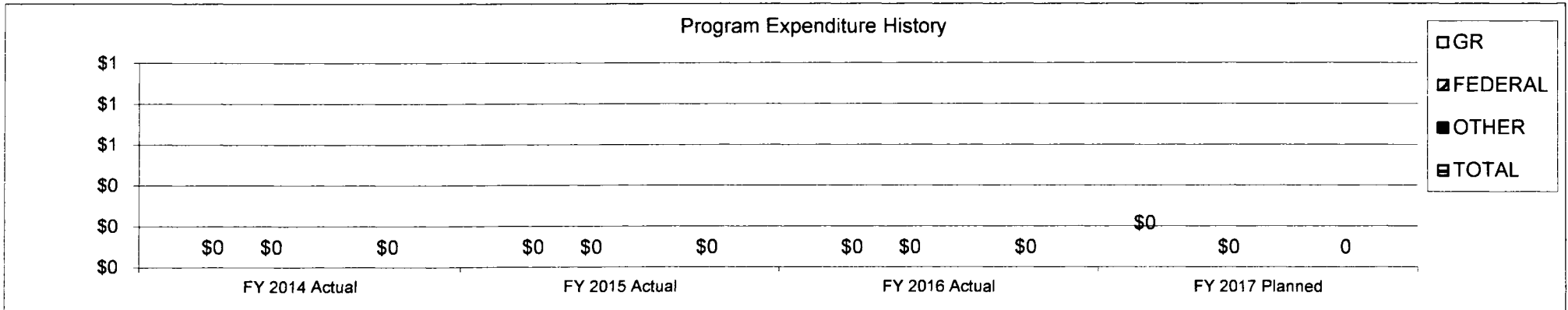
### 3. Are there federal matching requirements? If yes, please explain.

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 FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

### 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 2017 Planned expenditures are net of reserve and restricted.

**PROGRAM DESCRIPTION**

**Department: Social Services**

**HB Section: 11.527**

**Program Name: Regional Care Coordination Model**

**Program is found in the following core budget(s): Regional Care Coordination Model**

**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



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Federal Reimbursement Allowance (FRA)

Budget Unit: 90553C  
HB Section: 11.530

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |         |               |               |   | FY 2018 Governor's Recommendation |         |               |               |   |
|------------------------|---------|---------------|---------------|---|-----------------------------------|---------|---------------|---------------|---|
| GR                     | Federal | Other         | Total         | E | GR                                | Federal | Other         | Total         | E |
| PS                     |         |               |               |   | PS                                |         |               |               |   |
| EE                     |         |               |               |   | EE                                |         |               |               |   |
| PSD                    |         | 1,125,818,734 | 1,125,818,734 | E | PSD                               |         | 1,125,818,734 | 1,125,818,734 | E |
| TRF                    |         |               |               |   | TRF                               |         |               |               |   |
| Total                  | 0       | 0             | 1,125,818,734 | E | Total                             |         | 1,125,818,734 | 1,125,818,734 | E |
| FTE                    |         |               | 0.00          |   | FTE                               |         |               | 0.00          |   |

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

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

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Note: An "E" is requested for the Federal Reimbursement Allowance Fund.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)  
Note: An "E" is requested for the Federal Reimbursement Allowance Fund.

## 2. CORE DESCRIPTION

The Federal Reimbursement Allowance (FRA) program funds reimbursement of hospital services and managed care premiums provided to MO HealthNet participants and the uninsured. The FRA program serves as a General Revenue equivalent by supplementing payments for the cost of providing care to Medicaid participants under Title XIX of the Social Security Act and to the uninsured.

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

Hospital - Federal Reimbursement Allowance



# **CORE DECISION ITEM**

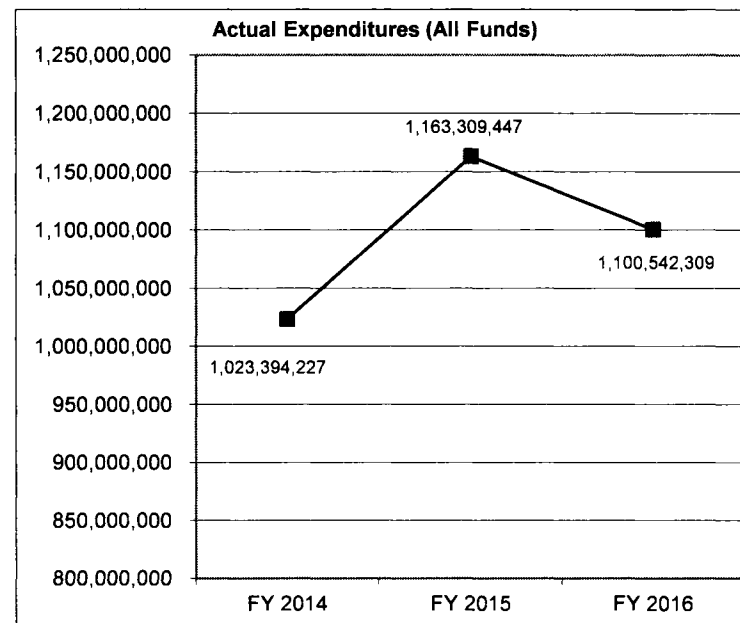
**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Federal Reimbursement Allowance (FRA)

**Budget Unit:** 90553C

**HB Section:** 11.530

## **4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |   |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|---|
| Appropriation (All Funds)       | 1,022,818,734             | 1,022,818,734             | 1,022,818,735             | 1,125,818,734                  | E |
| Less Reverted (All Funds)       | 0                         | 0                         | 0                         | N/A                            |   |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |   |
| Budget Authority (All Funds)    | 1,022,818,734             | 1,022,818,734             | 1,022,818,735             | N/A                            |   |
| Actual Expenditures (All Funds) | 1,023,394,227             | 1,163,309,447             | 1,100,542,309             | N/A                            |   |
| Unexpended (All Funds)          | (575,493)                 | (140,490,713)             | (77,723,574)              | N/A                            |   |
| Unexpended, by Fund:            |                           |                           |                           |                                |   |
| General Revenue                 | 0                         | 0                         | 0                         | N/A                            |   |
| Federal                         | 0                         | 0                         | 0                         | N/A                            |   |
| Other                           | 0                         | 0                         | 0                         | N/A                            |   |
|                                 | <b>(1)</b>                | <b>(2)</b>                | <b>(3)</b>                |                                |   |



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 An "E" increase of \$575,493 was made.

**(2)** FY15 An "E" increase of \$140,490,713 was made.

**(3)** FY16 An "E" increase of \$77,723,713 was made.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
FED REIMB ALLOWANCE**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | Budget<br>Class | FTE         | GR       | Federal  | Other                | Total                | Explanation |
|------------------------------------|-----------------|-------------|----------|----------|----------------------|----------------------|-------------|
| <hr/>                              |                 |             |          |          |                      |                      |             |
| <b>TAFP AFTER VETOES</b>           |                 |             |          |          |                      |                      |             |
|                                    | PD              | 0.00        | 0        | 0        | 1,125,818,734        | 1,125,818,734        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>1,125,818,734</b> | <b>1,125,818,734</b> |             |
| <hr/>                              |                 |             |          |          |                      |                      |             |
| <b>DEPARTMENT CORE REQUEST</b>     |                 |             |          |          |                      |                      |             |
|                                    | PD              | 0.00        | 0        | 0        | 1,125,818,734        | 1,125,818,734        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>1,125,818,734</b> | <b>1,125,818,734</b> |             |
| <hr/>                              |                 |             |          |          |                      |                      |             |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                 |             |          |          |                      |                      |             |
|                                    | PD              | 0.00        | 0        | 0        | 1,125,818,734        | 1,125,818,734        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>1,125,818,734</b> | <b>1,125,818,734</b> |             |
| <hr/>                              |                 |             |          |          |                      |                      |             |

# DECISION ITEM SUMMARY

| Budget Unit                     |                        |             |                        |             |                        |             |                        |             |
|---------------------------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|
| Decision Item                   | FY 2016                | FY 2016     | FY 2017                | FY 2017     | FY 2018                | FY 2018     | FY 2018                | FY 2018     |
| Budget Object Summary           | ACTUAL                 | ACTUAL      | BUDGET                 | BUDGET      | DEPT REQ               | DEPT REQ    | GOV REC                | GOV REC     |
| Fund                            | DOLLAR                 | FTE         | DOLLAR                 | FTE         | DOLLAR                 | FTE         | DOLLAR                 | FTE         |
| <b>FED REIMB ALLOWANCE</b>      |                        |             |                        |             |                        |             |                        |             |
| <b>CORE</b>                     |                        |             |                        |             |                        |             |                        |             |
| EXPENSE & EQUIPMENT             |                        |             |                        |             |                        |             |                        |             |
| FEDERAL REIMBURSEMENT ALLOWANCE | 190,716                | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        |
| TOTAL - EE                      | 190,716                | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        |
| PROGRAM-SPECIFIC                |                        |             |                        |             |                        |             |                        |             |
| FEDERAL REIMBURSEMENT ALLOWANCE | 1,100,351,593          | 0.00        | 1,125,818,734          | 0.00        | 1,125,818,734          | 0.00        | 1,125,818,734          | 0.00        |
| TOTAL - PD                      | 1,100,351,593          | 0.00        | 1,125,818,734          | 0.00        | 1,125,818,734          | 0.00        | 1,125,818,734          | 0.00        |
| <b>TOTAL</b>                    | <b>1,100,542,309</b>   | <b>0.00</b> | <b>1,125,818,734</b>   | <b>0.00</b> | <b>1,125,818,734</b>   | <b>0.00</b> | <b>1,125,818,734</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>              | <b>\$1,100,542,309</b> | <b>0.00</b> | <b>\$1,125,818,734</b> | <b>0.00</b> | <b>\$1,125,818,734</b> | <b>0.00</b> | <b>\$1,125,818,734</b> | <b>0.00</b> |

# DECISION ITEM DETAIL

| Budget Unit                | FY 2016                | FY 2016     | FY 2017                | FY 2017     | FY 2018                | FY 2018     | FY 2018                | FY 2018     |
|----------------------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|
| 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         |
| <b>FED REIMB ALLOWANCE</b> |                        |             |                        |             |                        |             |                        |             |
| <b>CORE</b>                |                        |             |                        |             |                        |             |                        |             |
| PROFESSIONAL SERVICES      | 190,716                | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        |
| TOTAL - EE                 | 190,716                | 0.00        | 0                      | 0.00        | 0                      | 0.00        | 0                      | 0.00        |
| PROGRAM DISTRIBUTIONS      | 1,100,351,593          | 0.00        | 1,125,818,734          | 0.00        | 1,125,818,734          | 0.00        | 1,125,818,734          | 0.00        |
| TOTAL - PD                 | 1,100,351,593          | 0.00        | 1,125,818,734          | 0.00        | 1,125,818,734          | 0.00        | 1,125,818,734          | 0.00        |
| <b>GRAND TOTAL</b>         | <b>\$1,100,542,309</b> | <b>0.00</b> | <b>\$1,125,818,734</b> | <b>0.00</b> | <b>\$1,125,818,734</b> | <b>0.00</b> | <b>\$1,125,818,734</b> | <b>0.00</b> |
| 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                | \$1,100,542,309        | 0.00        | \$1,125,818,734        | 0.00        | \$1,125,818,734        | 0.00        | \$1,125,818,734        | 0.00        |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.530**

**Program Name: Federal Reimbursement Allowance (FRA)**

**Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)**

### 1. What does this program do?

#### **Program Description**

The Federal Reimbursement Allowance (FRA) program assesses hospitals in the state of Missouri a fee for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal Medicaid matching funds. The assessment collected from the hospital and the federal earnings fund the FRA program. The funds collected by the state are used to supplement inpatient and outpatient hospital services as well as a General Revenue equivalent for other MO HealthNet services such as managed care and the Children's Health Insurance Program (CHIP).

#### **Program Statistics**

Currently 145 hospitals participate in the FRA program. In FY16, the FRA program generated over \$1.1 billion into the MO HealthNet program or 15.291% of the total MO HealthNet Division expenditures. The FRA program has been reauthorized by the General Assembly through September 30, 2017.

#### **Program Goals**

To maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation in the MO HealthNet program.

#### **Program Objectives**

Appropriately make payments to in-state hospitals utilizing the funding generated by the FRA program.

Assess hospitals annually at the appropriate assessment rate and utilize such funding to reimbursement hospitals for services provided to MO HealthNet participants and the uninsured.

#### **Reimbursement Methodology**

The FRA assessment is a percent of each hospital's inpatient adjusted net revenues and outpatient adjusted net revenues. The assessment rate for FY 2017 is 5.95%. The net inpatient and net outpatient revenue are determined from the hospital's cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds.

The FRA funds are distributed to the hospitals through a combination of payments to compensate certain costs as outlined below.

- *Higher Inpatient Per Diems* - 50% of inpatient costs are made through FRA funding. Higher per diems were granted in October 1992 when the FRA program started. In April 1998, hospitals were rebased to the 1995 cost reports
- *Increased Outpatient Payment* - 30% of outpatient costs are made through FRA funding. An outpatient prospective reimbursement methodology was implemented on July 1, 2002
- *Direct Medicaid Payments* - The hospital receives additional lump sum payments to cover their unreimbursed costs for providing services to MO HealthNet participants. These payments, along with per diem payments, provide 100% of the allowable Medicaid cost for MO HealthNet participants.
- *Uninsured Add-On* - Payments for the cost of providing services to the uninsured and for uncompensated care costs.
- *Upper Payment Limit* - As funding is available, an annual payment is made to hospitals to recognize costs up to what Medicare payment principles allow.
- *Enhanced GME* - An annual payment to hospitals for Graduate Medical Education (GME) cost inflation not reimbursed in the per diem, Direct Medicaid, or quarterly GME payments

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.530**

**Program Name: Federal Reimbursement Allowance (FRA)**

**Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)**

The FRA program also funds the costs of the federally required independent DSH audits; the Missouri Gateway to Better Health Medicaid demonstration program; and the state share of primary care health home per member per month (PMPM) payments to hospital-based primary care health homes. *For more information on the Gateway project, see Additional Details.*

### **Additional Details**

Missouri's Gateway to Better Health Medicaid demonstration project.

The State is authorized to spend up to \$30 million (total computable) annually to preserve and improve primary care and specialty care in the St. Louis area in lieu of spending that amount of statutorily authorized funding on payments to disproportionate share hospitals (DSHs), making this demonstration budget-neutral. Prior to the new federal DSH audit rules, DSH funding was voluntarily paid by hospitals to safety net clinics that provided uncompensated ambulatory care at specific facilities. The new federal DSH audit requirements limit the amount of DSH hospitals can receive to each individual hospital's uncompensated Medicaid and uninsured costs. Under the demonstration, CMS allows the state to continue to use DSH funds to preserve and improve primary and specialty health care services in St. Louis.

### **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. 208.453; 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 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. Prior to January 1, 2014, health home expenditures were matched at 90% federal funds. Health homes are now matched at the current FMAP rate. Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. The hospital assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement when used to make valid Medicaid payments.

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

No.

## PROGRAM DESCRIPTION

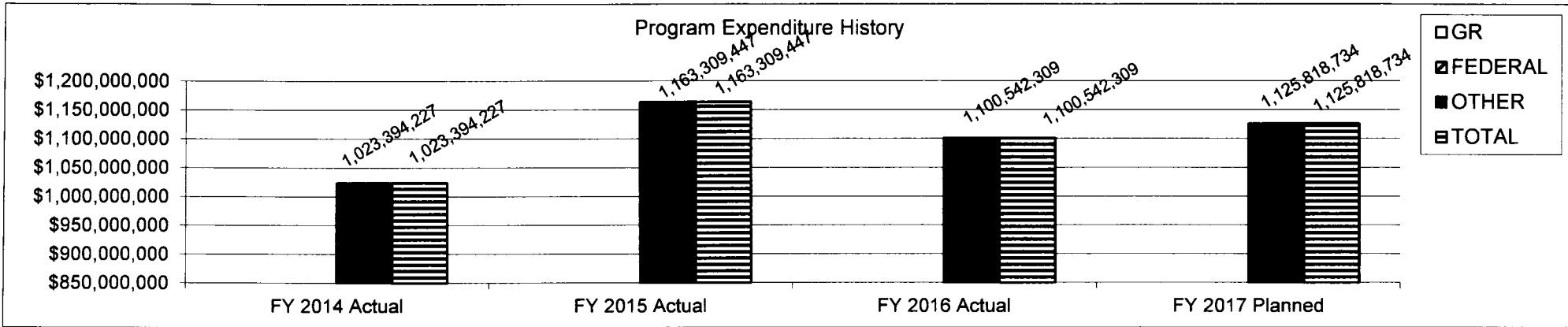
**Department: Social Services**

**HB Section: 11.530**

**Program Name: Federal Reimbursement Allowance (FRA)**

**Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)**

### 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?

Federal Reimbursement Allowance Fund (0142)

### 7a. Provide an effectiveness measure.

The Federal Reimbursement Allowance (FRA) is used as state match for administration costs and Medicaid services minimizing the need for General Revenue. In FY 2016, the FRA program provided over \$284 million in state match to fund various appropriations.

| FRA as a Funding Source in the Various Appropriations | FY            |               |               |               |               |
|-------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
|                                                       | 2012          | 2013          | 2014          | 2015          | 2016          |
| Revenue Max / Admin                                   | \$100,133     | \$101,244     | \$101,956     | \$102,920     | \$103,454     |
| Managed Care                                          | \$93,533,441  | \$108,629,699 | \$97,626,207  | \$97,394,117  | \$97,394,117  |
| Hospital                                              | \$185,298,958 | \$188,702,995 | \$176,584,954 | \$175,385,755 | \$177,385,755 |
| Women's Health Services                               | \$167,756     | \$403,656     | \$167,756     | \$167,756     | \$167,756     |
| Medical Homes                                         |               | \$100,000     | \$100,000     | \$100,000     | \$1,853,934   |
| CHIP                                                  | \$7,719,204   | \$10,269,005  | \$7,719,204   | \$7,719,204   | \$7,719,204   |
| Total                                                 | \$286,819,492 | \$308,206,599 | \$282,300,077 | \$280,869,752 | \$284,624,220 |

## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

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

### 7b. Provide an efficiency measure.

The FRA tax assessment is a general revenue equivalent and when used to make Medicaid payments earns a federal match. In FY 2016, MO HealthNet collected \$1,085.8 million in FRA tax assessment.

#### FRA Tax Assessments Revenues Obtained\*

| FY   |                         |
|------|-------------------------|
| 2013 | \$1,060.2 mil           |
| 2014 | \$1,078.2 mil           |
| 2015 | \$1,091.9 mil           |
| 2016 | \$1,085.8 mil           |
| 2017 | \$1,115.9 mil estimated |
| 2018 | \$1,161.6 mil estimated |

\*Projections assume the federal government continues to allow tax rate maximum of 6%.

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

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital and primary care health home services.

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

N/A





# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: IGT Safety Net Hospitals

Budget Unit: 90571C  
 HB Section: 11.540

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |    |            |            |            | FY 2018 Governor's Recommendation |       |    |            |            |            |   |
|------------------------|----|------------|------------|------------|-----------------------------------|-------|----|------------|------------|------------|---|
|                        | GR | Federal    | Other      | Total      | E                                 |       | GR | Federal    | Other      | Total      | E |
| PS                     |    |            |            |            |                                   | PS    |    |            |            |            |   |
| EE                     |    |            |            |            |                                   | EE    |    |            |            |            |   |
| PSD                    |    | 41,182,649 | 23,348,801 | 64,531,450 |                                   | PSD   |    | 41,182,649 | 23,348,801 | 64,531,450 |   |
| TRF                    |    |            |            |            |                                   | TRF   |    |            |            |            |   |
| Total                  |    | 41,182,649 | 23,348,801 | 64,531,450 |                                   | Total |    | 41,182,649 | 23,348,801 | 64,531,450 |   |
| FTE                    |    |            |            | 0.00       |                                   | FTE   |    |            |            | 0.00       |   |

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

|                                                                                                                                 |   |   |   |   |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| <b>Est. Fringe</b>                                                                                                              | 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: DSS Intergovernmental Transfer Fund (0139)

Other Funds: DSS Intergovernmental Transfer Fund (0139)

## 2. CORE DESCRIPTION

Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients. This item funds payments for MO HealthNet participants and the uninsured through intergovernmental transfers for safety net hospitals.

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

Intergovernmental transfers for Safety Net Hospitals.

# CORE DECISION ITEM

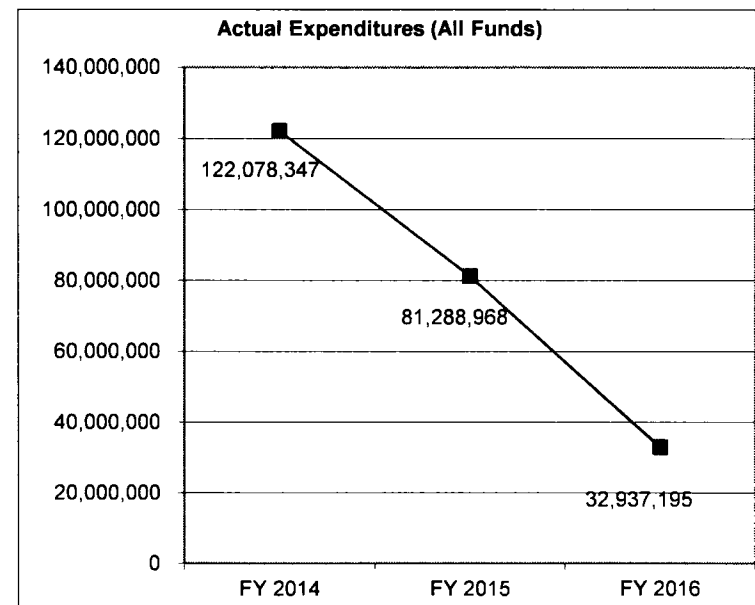
Department: Social Services  
Division: MO HealthNet  
Core: IGT Safety Net Hospitals

Budget Unit: 90571C

HB Section: 11.540

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds)       | 199,854,549       | 199,854,549       | 114,854,549       | 99,854,549             |
| Less Reverted (All Funds)       | 0                 | 0                 | 0                 | N/A                    |
| Less Restricted (All Funds)     | 0                 | 0                 | 0                 | N/A                    |
| Budget Authority (All Funds)    | 199,854,549       | 199,854,549       | 114,854,549       | N/A                    |
| Actual Expenditures (All Funds) | 122,078,347       | 81,288,968        | 32,937,195        | N/A                    |
| Unexpended (All Funds)          | 77,776,202        | 118,565,581       | 81,917,354        | N/A                    |
| Unexpended, by Fund:            |                   |                   |                   |                        |
| General Revenue                 | 0                 | 0                 | 0                 | N/A                    |
| Federal                         | 53,992,049        | 78,252,724        | 48,838,988        | N/A                    |
| Other                           | 23,802,153        | 40,312,857        | 33,078,366        | 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 Agency Reserves of \$52,055,148 Federal and \$18,767,650 Other Funds.

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES IGT SAFETY NET HOSPITALS

#### 5. CORE RECONCILIATION DETAIL

|                                    |              | Budget<br>Class | FTE         | GR       | Federal             | Other               | Total               | Explanation                    |
|------------------------------------|--------------|-----------------|-------------|----------|---------------------|---------------------|---------------------|--------------------------------|
| <b>TAFP AFTER VETOES</b>           |              |                 |             |          |                     |                     |                     |                                |
|                                    | PD           |                 | 0.00        | 0        | 61,505,748          | 38,348,801          | 99,854,549          |                                |
|                                    | <b>Total</b> |                 | <b>0.00</b> | <b>0</b> | <b>61,505,748</b>   | <b>38,348,801</b>   | <b>99,854,549</b>   |                                |
| <b>DEPARTMENT CORE ADJUSTMENTS</b> |              |                 |             |          |                     |                     |                     |                                |
| Core Reduction                     | 1361 5183    | PD              | 0.00        | 0        | (20,323,099)        | 0                   | (20,323,099)        | Reduction of excess authority. |
| Core Reduction                     | 1361 5182    | PD              | 0.00        | 0        | 0                   | (15,000,000)        | (15,000,000)        | Reduction of excess authority. |
| <b>NET DEPARTMENT CHANGES</b>      |              |                 | <b>0.00</b> | <b>0</b> | <b>(20,323,099)</b> | <b>(15,000,000)</b> | <b>(35,323,099)</b> |                                |
| <b>DEPARTMENT CORE REQUEST</b>     |              |                 |             |          |                     |                     |                     |                                |
|                                    | PD           |                 | 0.00        | 0        | 41,182,649          | 23,348,801          | 64,531,450          |                                |
|                                    | <b>Total</b> |                 | <b>0.00</b> | <b>0</b> | <b>41,182,649</b>   | <b>23,348,801</b>   | <b>64,531,450</b>   |                                |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |              |                 |             |          |                     |                     |                     |                                |
|                                    | PD           |                 | 0.00        | 0        | 41,182,649          | 23,348,801          | 64,531,450          |                                |
|                                    | <b>Total</b> |                 | <b>0.00</b> | <b>0</b> | <b>41,182,649</b>   | <b>23,348,801</b>   | <b>64,531,450</b>   |                                |

## DECISION ITEM SUMMARY

| Budget Unit                     |                     |             |                     |             |                     |             |                     |             |
|---------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                   | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary           | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                            | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>IGT SAFETY NET HOSPITALS</b> |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                     |                     |             |                     |             |                     |             |                     |             |
| <b>PROGRAM-SPECIFIC</b>         |                     |             |                     |             |                     |             |                     |             |
| TITLE XIX-FEDERAL AND OTHER     | 22,666,760          | 0.00        | 61,505,748          | 0.00        | 41,182,649          | 0.00        | 41,182,649          | 0.00        |
| INTERGOVERNMENTAL TRANSFER      | 10,270,435          | 0.00        | 38,348,801          | 0.00        | 23,348,801          | 0.00        | 23,348,801          | 0.00        |
| TOTAL - PD                      | 32,937,195          | 0.00        | 99,854,549          | 0.00        | 64,531,450          | 0.00        | 64,531,450          | 0.00        |
| <b>TOTAL</b>                    | <b>32,937,195</b>   | <b>0.00</b> | <b>99,854,549</b>   | <b>0.00</b> | <b>64,531,450</b>   | <b>0.00</b> | <b>64,531,450</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>              | <b>\$32,937,195</b> | <b>0.00</b> | <b>\$99,854,549</b> | <b>0.00</b> | <b>\$64,531,450</b> | <b>0.00</b> | <b>\$64,531,450</b> | <b>0.00</b> |

# DECISION ITEM DETAIL

| Budget Unit              | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|--------------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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 SAFETY NET HOSPITALS |              |         |              |         |              |          |              |         |
| CORE                     |              |         |              |         |              |          |              |         |
| PROGRAM DISTRIBUTIONS    | 32,937,195   | 0.00    | 99,854,549   | 0.00    | 64,531,450   | 0.00     | 64,531,450   | 0.00    |
| TOTAL - PD               | 32,937,195   | 0.00    | 99,854,549   | 0.00    | 64,531,450   | 0.00     | 64,531,450   | 0.00    |
| GRAND TOTAL              | \$32,937,195 | 0.00    | \$99,854,549 | 0.00    | \$64,531,450 | 0.00     | \$64,531,450 | 0.00    |
| GENERAL REVENUE          | \$0          | 0.00    | \$0          | 0.00    | \$0          | 0.00     | \$0          | 0.00    |
| FEDERAL FUNDS            | \$22,666,760 | 0.00    | \$61,505,748 | 0.00    | \$41,182,649 | 0.00     | \$41,182,649 | 0.00    |
| OTHER FUNDS              | \$10,270,435 | 0.00    | \$38,348,801 | 0.00    | \$23,348,801 | 0.00     | \$23,348,801 | 0.00    |

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.540

**Program Name:** IGT Safety Net Hospitals

**Program is found in the following core budget(s):** IGT Safety Net Hospitals

### 1. What does this program do?

#### **Program Description**

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer funds to the state as the non-federal share of Medicaid payments. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

#### **Program Statistics**

The following state owned/operated hospitals and public hospitals are eligible for payment from this appropriation:

- Metropolitan St. Louis Psychiatric Center;
- Center for Behavioral Medicine (formerly known as Western Missouri Mental Health Center);
- Hawthorne Children's Psychiatric Hospital;
- Northwest Missouri Psychiatric Rehabilitation Center;
- Fulton State Hospital;
- Southeast Missouri Mental Health Center;
- St. Louis Psychiatric Rehabilitation Center;
- University of Missouri Hospital and Clinics;
- Truman Medical Center – Hospital Hill; and
- Truman Medical Center – Lakewood.

#### **Program Goals:**

To support safety net hospitals which are critical providers of care to the Medicaid and uninsured populations

#### **Program Objectives:**

When appropriate, use IGT as a source of funding to maximize eligible costs for federal Medicaid funds.

#### **Reimbursement Methodology**

Under the IGT process, hospitals transfer the non-federal share of payments to the state prior to payments being made. The state pays out the total claimable amount including both federal and non-federal share. The state demonstrates that the non-federal share of the payments is transferred to, and under the administrative control of, the MO HealthNet Division before the total computable payment is made to the hospitals.

#### **Rate History**

This program does not utilize a rate reimbursement methodology.

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.540

**Program Name:** IGT Safety Net Hospitals

**Program is found in the following core budget(s):** IGT Safety Net Hospitals

### Additional Details

To qualify as a safety net hospital, entities must meet the following requirements as specified in 13 CSR 70-15.010(6)(B):

- Offer non-emergency obstetric services; and
- Have a Medicaid inpatient utilization rate above the state's mean or a low-income utilization rate greater than 25%; and
- Operate less than 50 licensed inpatient beds and have an unsponsored care ratio of at least 65%; or
- Operate at least 50 licensed inpatient beds, have an unsponsored care ratio of at least 65%, and an occupancy rate greater than 40%; or
- Be owned or operated by the University of Missouri Board of Curators; or
- Be a public hospital operated by DMH.

### 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; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

### 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 FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

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

No.



## PROGRAM DESCRIPTION

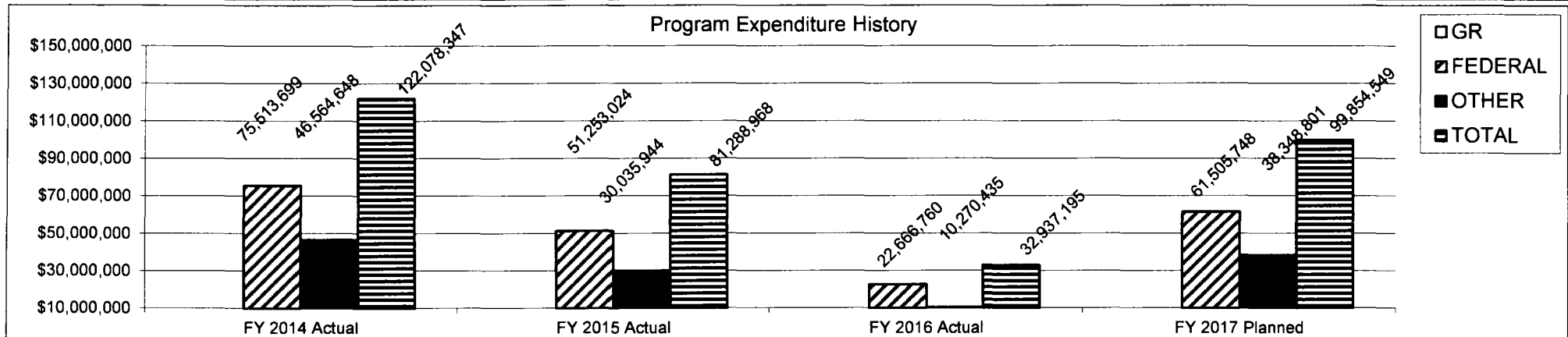
Department: Social Services

HB Section: 11.540

Program Name: IGT Safety Net Hospitals

Program is found in the following core budget(s): IGT Safety Net Hospitals

### 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?

Department of Social Services Intergovernmental Transfer Fund (0139)

### 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



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: IGT DMH Medicaid Program

Budget Unit: 90572C

HB Section: 11.545

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |    |             |             |             |   |
|------------------------|----|-------------|-------------|-------------|---|
|                        | GR | Federal     | Other       | Total       | E |
| PS                     |    |             |             |             |   |
| EE                     |    |             |             |             |   |
| PSD                    |    | 221,900,719 | 128,526,012 | 350,426,731 |   |
| TRF                    |    |             |             |             |   |
| Total                  | 0  | 221,900,719 | 128,526,012 | 350,426,731 |   |
| FTE                    |    |             |             | 0.00        |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: DSS Intergovernmental Transfer Fund (0139)

| FY 2018 Governor's Recommendation |    |             |             |             |   |
|-----------------------------------|----|-------------|-------------|-------------|---|
|                                   | GR | Federal     | Other       | Total       | E |
| PS                                |    |             |             |             |   |
| EE                                |    |             |             |             |   |
| PSD                               |    | 221,900,719 | 128,526,012 | 350,426,731 |   |
| TRF                               |    |             |             |             |   |
| Total                             |    | 221,900,719 | 128,526,012 | 350,426,731 |   |
| FTE                               |    |             |             | 0.00        |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: DSS Intergovernmental Transfer Fund (0139)

## 2. CORE DESCRIPTION

The item funds payments for MO HealthNet participants and the uninsured through intergovernmental transfers for Community Psychiatric Rehabilitation (CPR) services, Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR) services; and Targeted Case Management (TCM) for behavioral health services.

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

Intergovernmental transfers for DMH Medicaid Program.

# CORE DECISION ITEM

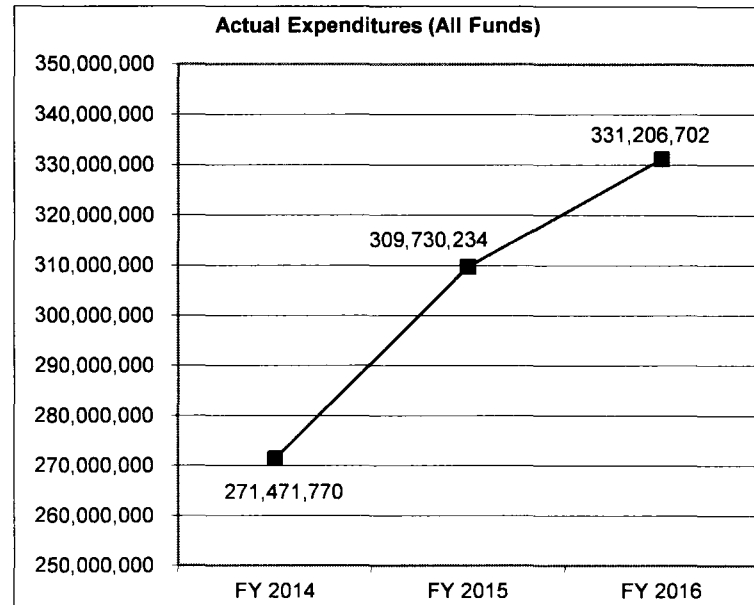
Department: Social Services  
Division: MO HealthNet  
Core: IGT DMH Medicaid Program

Budget Unit: 90572C

HB Section: 11.545

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Current Yr. | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|------------------------|------------------------|
| Appropriation (All Funds)       | 292,590,597       | 313,590,597       | 350,426,731            | 350,426,731            |
| Less Reverted (All Funds)       | 0                 | 0                 | 0                      | N/A                    |
| Less Restricted (All Funds)     | 0                 | 0                 | 0                      | N/A                    |
| Budget Authority (All Funds)    | 292,590,597       | 313,590,597       | 350,426,731            | N/A                    |
| Actual Expenditures (All Funds) | 271,471,770       | 309,730,234       | 331,206,702            | N/A                    |
| Unexpended (All Funds)          | 21,118,827        | 3,860,363         | 19,220,029             | N/A                    |
| Unexpended, by Fund:            |                   |                   |                        |                        |
| General Revenue                 | 0                 | 0                 | 0                      | N/A                    |
| Federal                         | 12,304,622        | 0                 | 12,024,557             | N/A                    |
| Other                           | 8,814,205         | 3,860,363         | 7,195,472              | 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:

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
IGT DMH MEDICAID PROGRAM**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b> | <b>Federal</b>     | <b>Other</b>       | <b>Total</b>       | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-----------|--------------------|--------------------|--------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |           |                    |                    |                    |                    |
|                                    | PD                      | 0.00        | 0         | 221,900,719        | 128,526,012        | 350,426,731        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>221,900,719</b> | <b>128,526,012</b> | <b>350,426,731</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |           |                    |                    |                    |                    |
|                                    | PD                      | 0.00        | 0         | 221,900,719        | 128,526,012        | 350,426,731        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>221,900,719</b> | <b>128,526,012</b> | <b>350,426,731</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |           |                    |                    |                    |                    |
|                                    | PD                      | 0.00        | 0         | 221,900,719        | 128,526,012        | 350,426,731        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>221,900,719</b> | <b>128,526,012</b> | <b>350,426,731</b> |                    |

# DECISION ITEM SUMMARY

| Budget Unit                             |                      |             |                      |             |                      |             |                      |             |  |
|-----------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|--|
| Decision Item                           | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |  |
| Budget Object Summary                   | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |  |
| Fund                                    | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |  |
| <b>IGT DMH MEDICAID PROGRAM</b>         |                      |             |                      |             |                      |             |                      |             |  |
| <b>CORE</b>                             |                      |             |                      |             |                      |             |                      |             |  |
| PROGRAM-SPECIFIC                        |                      |             |                      |             |                      |             |                      |             |  |
| TITLE XIX-FEDERAL AND OTHER             | 209,876,162          | 0.00        | 221,900,719          | 0.00        | 221,900,719          | 0.00        | 221,900,719          | 0.00        |  |
| INTERGOVERNMENTAL TRANSFER              | 121,330,540          | 0.00        | 128,526,012          | 0.00        | 128,526,012          | 0.00        | 128,526,012          | 0.00        |  |
| TOTAL - PD                              | 331,206,702          | 0.00        | 350,426,731          | 0.00        | 350,426,731          | 0.00        | 350,426,731          | 0.00        |  |
| <b>TOTAL</b>                            | <b>331,206,702</b>   | <b>0.00</b> | <b>350,426,731</b>   | <b>0.00</b> | <b>350,426,731</b>   | <b>0.00</b> | <b>350,426,731</b>   | <b>0.00</b> |  |
| <b>MHD Transfer Authority - 1886002</b> |                      |             |                      |             |                      |             |                      |             |  |
| PROGRAM-SPECIFIC                        |                      |             |                      |             |                      |             |                      |             |  |
| TITLE XIX-FEDERAL AND OTHER             | 0                    | 0.00        | 0                    | 0.00        | 16,789,801           | 0.00        | 55,148,154           | 0.00        |  |
| INTERGOVERNMENTAL TRANSFER              | 0                    | 0.00        | 0                    | 0.00        | 10,291,091           | 0.00        | 19,450,995           | 0.00        |  |
| TOTAL - PD                              | 0                    | 0.00        | 0                    | 0.00        | 27,080,892           | 0.00        | 74,599,149           | 0.00        |  |
| <b>TOTAL</b>                            | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>27,080,892</b>    | <b>0.00</b> | <b>74,599,149</b>    | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                      | <b>\$331,206,702</b> | <b>0.00</b> | <b>\$350,426,731</b> | <b>0.00</b> | <b>\$377,507,623</b> | <b>0.00</b> | <b>\$425,025,880</b> | <b>0.00</b> |  |

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# DECISION ITEM DETAIL

| Budget Unit              | FY 2016       | FY 2016 | FY 2017       | FY 2017 | FY 2018       | FY 2018  | FY 2018       | FY 2018 |
|--------------------------|---------------|---------|---------------|---------|---------------|----------|---------------|---------|
| 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 |               |         |               |         |               |          |               |         |
| CORE                     |               |         |               |         |               |          |               |         |
| PROGRAM DISTRIBUTIONS    | 331,206,702   | 0.00    | 350,426,731   | 0.00    | 350,426,731   | 0.00     | 350,426,731   | 0.00    |
| TOTAL - PD               | 331,206,702   | 0.00    | 350,426,731   | 0.00    | 350,426,731   | 0.00     | 350,426,731   | 0.00    |
| GRAND TOTAL              | \$331,206,702 | 0.00    | \$350,426,731 | 0.00    | \$350,426,731 | 0.00     | \$350,426,731 | 0.00    |
| GENERAL REVENUE          | \$0           | 0.00    | \$0           | 0.00    | \$0           | 0.00     | \$0           | 0.00    |
| FEDERAL FUNDS            | \$209,876,162 | 0.00    | \$221,900,719 | 0.00    | \$221,900,719 | 0.00     | \$221,900,719 | 0.00    |
| OTHER FUNDS              | \$121,330,540 | 0.00    | \$128,526,012 | 0.00    | \$128,526,012 | 0.00     | \$128,526,012 | 0.00    |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.545**

**Program Name: IGT DMH Medicaid Program**

**Program is found in the following core budget(s): IGT DMH Medicaid Program**

### 1. What does this program do?

#### **Program Description**

This program provides payments for Community Psychiatric Rehabilitation (CPR), Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR), and behavioral health Targeted Case Management (TCM). The Department of Mental Health (DMH) utilizes an intergovernmental transfer (IGT) reimbursement methodology, where DMH serves as a provider of Medicaid services to the Department of Social Services for CSTAR, CPR, and TCM services. The state match is provided using an IGT.

#### **Program Goals**

To support DMH behavioral health programs providing care to MO HealthNet participants.

#### **Program Objectives**

When appropriate, use IGT as a source of funding to maximize eligible reimbursement of federal Medicaid funds.

#### **Reimbursement Methodology**

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal Medicaid funds. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Beginning in FY 11, the MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of CPR, CSTAR, and TCM services. MO HealthNet pays DMH a reasonable rate for the total costs of providing CPR, CSTAR, and TCM services. The IGT transfer proves that the state match is available for the CPR, CSTAR, and TCM programs. The appropriated transfer from General Revenue is in the DMH budget. Under this methodology, reimbursement rates are established for CSTAR, CPR, and TCM services and the MHD will reimburse DMH both the state and the federal share for these services.

#### **Rate History**

This program does not utilize a rate reimbursement methodology.

### 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; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.



## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.545

Program Name: IGT DMH Medicaid Program

Program is found in the following core budget(s): IGT DMH Medicaid Program

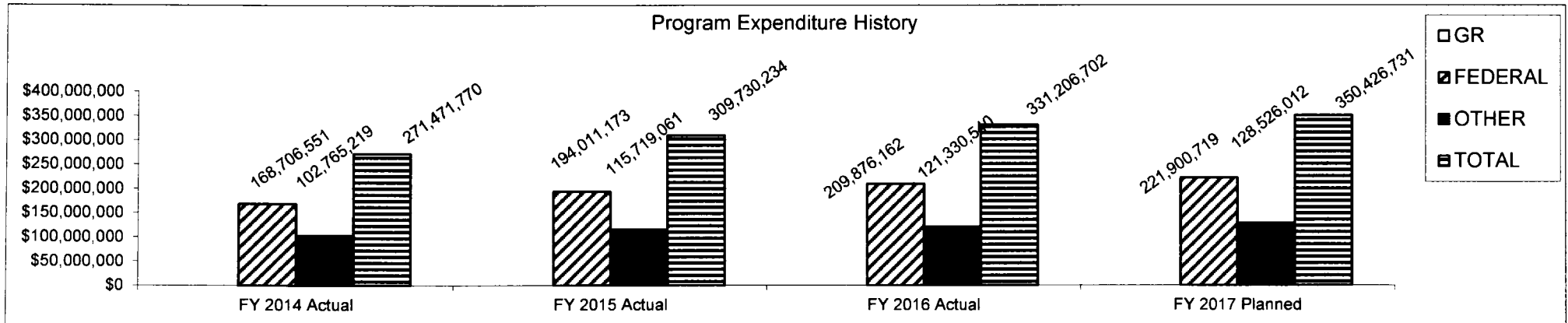
### 3. Are there federal matching requirements? If yes, please explain.

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 FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

### 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.



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

Department of Social Services Intergovernmental Transfer Fund (0139)

### 7a. Provide an effectiveness measure.

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.545**

**Program Name: IGT DMH Medicaid Program**

**Program is found in the following core budget(s): IGT DMH Medicaid Program**

### **7b. Provide an efficiency measure.**

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

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

The number of clients/individuals served for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

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

Customer satisfaction measures for this program can be found in the Department of Mental Health budget under Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

**NEW DECISION ITEM**  
**RANK: 25 OF 26**

**Department: Social Services**  
**Division: MO HealthNet Division**  
**DI Name: Increased DMH IGT Authority**

**Budget Unit 90572C**  
**DI# 1886002 HB Section 11.545**

**1. AMOUNT OF REQUEST**

| FY 2018 Budget Request |             |                   |                   |                   |   |
|------------------------|-------------|-------------------|-------------------|-------------------|---|
|                        | GR          | Federal           | Other             | Total             | E |
| PS                     |             |                   |                   |                   |   |
| EE                     |             |                   |                   |                   |   |
| PSD                    |             | 16,789,801        | 10,291,091        | 27,080,892        |   |
| TRF                    |             |                   |                   |                   |   |
| <b>Total</b>           | <b>0</b>    | <b>16,789,801</b> | <b>10,291,091</b> | <b>27,080,892</b> |   |
| <b>FTE</b>             | <b>0.00</b> | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: DSS Intergovernmental Transfer Fund (0139)

| FY 2018 Governor's Recommendation |             |                   |                   |                   |   |
|-----------------------------------|-------------|-------------------|-------------------|-------------------|---|
|                                   | GR          | Federal           | Other             | Total             | E |
| PS                                |             |                   |                   |                   |   |
| EE                                |             |                   |                   |                   |   |
| PSD                               |             | 55,148,154        | 19,450,995        | 74,599,149        |   |
| TRF                               |             |                   |                   |                   |   |
| <b>Total</b>                      | <b>0</b>    | <b>55,148,154</b> | <b>19,450,995</b> | <b>74,599,149</b> |   |
| <b>FTE</b>                        | <b>0.00</b> | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: DSS Intergovernmental Transfer Fund (0139)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

|                                          |                                                               |                                                |
|------------------------------------------|---------------------------------------------------------------|------------------------------------------------|
| <input type="checkbox"/> New Legislation | <input type="checkbox"/> New Program                          | <input type="checkbox"/> Fund Switch           |
| <input type="checkbox"/> Federal Mandate | <input type="checkbox"/> Program Expansion                    | <input type="checkbox"/> Cost to Continue      |
| <input type="checkbox"/> GR Pick-Up      | <input type="checkbox"/> Space Request                        | <input type="checkbox"/> Equipment Replacement |
| <input type="checkbox"/> Pay Plan        | <input checked="" type="checkbox"/> Other: Increase Authority |                                                |

**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.**

Based on projected MO HealthNet and DMH expenditures for fiscal year 2018, additional authority is requested to support increased DMH payments through the DMH Intergovernmental Transfer.



**RANK: 25 OF 26**

**HB Section 11.545**

| Budget Object Class/Job Class | Gov Rec GR<br>DOLLARS | Gov Rec GR<br>FTE | Gov Rec FED<br>DOLLARS | Gov Rec<br>FED FTE | Gov Rec<br>OTHER<br>DOLLARS | Gov Rec<br>OTHER<br>FTE | Gov Rec<br>TOTAL<br>DOLLARS | Gov Rec<br>TOTAL<br>FTE | Gov Rec<br>One-Time<br>DOLLARS | Gov Rec<br>One-Time<br>FTE |
|-------------------------------|-----------------------|-------------------|------------------------|--------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|--------------------------------|----------------------------|
|                               |                       |                   |                        |                    |                             |                         | 0                           | 0.0                     |                                |                            |
|                               |                       |                   |                        |                    |                             |                         | 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         |                       |                   | 55,148,154             |                    | 19,450,995                  |                         | 74,599,149                  |                         |                                |                            |
| Total PSD                     | 0                     |                   | 55,148,154             |                    | 19,450,995                  |                         | 74,599,149                  |                         | 0                              |                            |
| Transfers                     |                       |                   |                        |                    |                             |                         | 0                           |                         |                                |                            |
| Total TRF                     | 0                     |                   | 0                      |                    | 0                           |                         | 0                           |                         | 0                              |                            |
| Grand Total                   | 0                     | 0.0               | 55,148,154             | 0.0                | 19,450,995                  | 0.0                     | 74,599,149                  | 0.0                     | 0                              |                            |

**NEW DECISION ITEM**  
**RANK:** 25 **OF** 26

**Department:** Social Services

**Budget Unit** 90572C

**Division:** MO HealthNet Division

**DI Name:** Increased DMH IGT Authority

**DI#** 1886002

**HB Section** 11.545

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

**6a. Provide an effectiveness measure.**

N/A

**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:**

N/A

# DECISION ITEM DETAIL

| Budget Unit                      | FY 2016 | FY 2016 | FY 2017 | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|----------------------------------|---------|---------|---------|---------|--------------|----------|--------------|---------|
| 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         |         |         |         |         |              |          |              |         |
| MHD Transfer Authority - 1886002 |         |         |         |         |              |          |              |         |
| PROGRAM DISTRIBUTIONS            | 0       | 0.00    | 0       | 0.00    | 27,080,892   | 0.00     | 74,599,149   | 0.00    |
| TOTAL - PD                       | 0       | 0.00    | 0       | 0.00    | 27,080,892   | 0.00     | 74,599,149   | 0.00    |
| GRAND TOTAL                      | \$0     | 0.00    | \$0     | 0.00    | \$27,080,892 | 0.00     | \$74,599,149 | 0.00    |
| GENERAL REVENUE                  | \$0     | 0.00    | \$0     | 0.00    | \$0          | 0.00     | \$0          | 0.00    |
| FEDERAL FUNDS                    | \$0     | 0.00    | \$0     | 0.00    | \$16,789,801 | 0.00     | \$55,148,154 | 0.00    |
| OTHER FUNDS                      | \$0     | 0.00    | \$0     | 0.00    | \$10,291,091 | 0.00     | \$19,450,995 | 0.00    |





# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Women's Health Services

Budget Unit: 90554C

HB Section: 11.550

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request                                                                                                          |            |         |       |            |   | FY 2018 Governor's Recommendation                                                                                               |           |         |       |           |   |
|---------------------------------------------------------------------------------------------------------------------------------|------------|---------|-------|------------|---|---------------------------------------------------------------------------------------------------------------------------------|-----------|---------|-------|-----------|---|
|                                                                                                                                 | GR         | Federal | Other | Total      | E |                                                                                                                                 | GR        | Federal | Other | Total     | E |
| PS                                                                                                                              |            |         |       |            |   | PS                                                                                                                              |           |         |       |           |   |
| EE                                                                                                                              |            |         |       |            |   | EE                                                                                                                              |           |         |       |           |   |
| PSD                                                                                                                             | 10,790,923 |         |       | 10,790,923 |   | PSD                                                                                                                             | 6,790,923 |         |       | 6,790,923 |   |
| TRF                                                                                                                             |            |         |       |            |   | TRF                                                                                                                             |           |         |       |           |   |
| Total                                                                                                                           | 10,790,923 | 0       | 0     | 10,790,923 |   | Total                                                                                                                           | 6,790,923 | 0       | 0     | 6,790,923 |   |
| 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 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. |           |         |       |           |   |

Other Funds: N/A

Other Funds: N/A

## 2. CORE DESCRIPTION

This core request is for ongoing funding for women's health services provided to MO HealthNet participants covered through the 1115 Waiver.

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

Women's Health Services - 1115 Waiver

# CORE DECISION ITEM

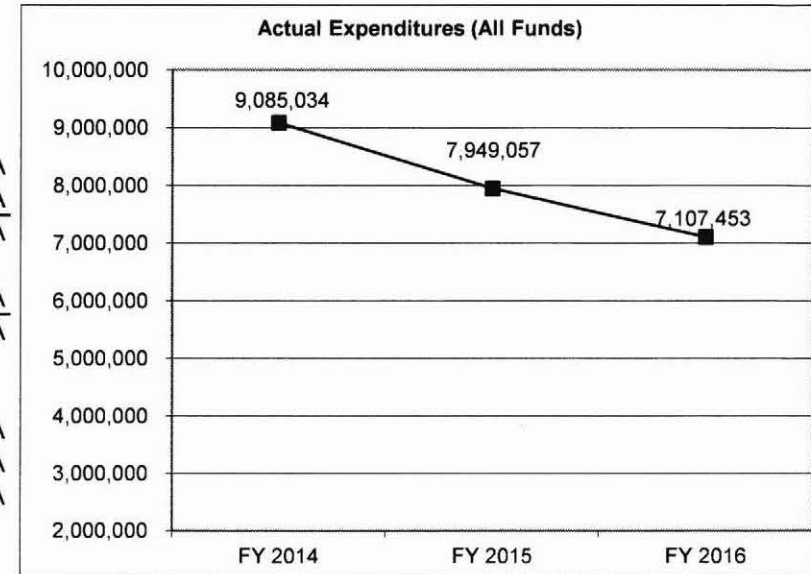
Department: Social Services  
Division: MO HealthNet  
Core: Women's Health Services

Budget Unit: 90554C

HB Section: 11.550

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds)       | 10,540,915        | 10,751,324        | 10,617,249        | 10,790,923             |
| Less Reverted (All Funds)       | 0                 | 0                 | 0                 | N/A                    |
| Less Restricted (All Funds)     | 0                 | 0                 | 0                 | N/A                    |
| Budget Authority (All Funds)    | 10,540,915        | 10,751,324        | 10,617,249        | N/A                    |
| Actual Expenditures (All Funds) | 9,085,034         | 7,949,057         | 7,107,453         | N/A                    |
| Unexpended (All Funds)          | 1,455,881         | 2,802,267         | 3,509,796         | N/A                    |
| Unexpended, by Fund:            |                   |                   |                   |                        |
| General Revenue                 | 0                 | 0                 | 445,337           | N/A                    |
| Federal                         | 1,406,847         | 2,753,233         | 2,924,097         | N/A                    |
| Other                           | 49,034            | 167,756           | 140,362           | N/A                    |
|                                 | (1)               | (1)               | (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, FY15, FY16 Agency Reserve of \$49,034 Pharmacy Reimbursement Allowance Fund.

### Cost Per Eligible

| Women's Health Services PMPM |        |
|------------------------------|--------|
| Pharmacy                     | \$1.73 |
| Physician Related            | \$6.85 |
| EPSDT Services               | \$0.00 |
| Hospitals                    | \$0.28 |
| Total                        | \$8.86 |

Source: Table 24 Medical Statistics for Fiscal Year 2016 (Paid Claims Data)

Health care entities use per member per month (PMPM) 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.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
WOMEN'S HEALTH SRVC**

**5. CORE RECONCILIATION DETAIL**

|                                               | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>          | <b>Federal</b> | <b>Other</b> | <b>Total</b>       | <b>Explanation</b>   |
|-----------------------------------------------|-------------------------|-------------|--------------------|----------------|--------------|--------------------|----------------------|
| <b>TAFP AFTER VETOES</b>                      |                         |             |                    |                |              |                    |                      |
|                                               | PD                      | 0.00        | 10,790,923         | 0              | 0            | 10,790,923         |                      |
|                                               | <b>Total</b>            | <b>0.00</b> | <b>10,790,923</b>  | <b>0</b>       | <b>0</b>     | <b>10,790,923</b>  |                      |
| <b>DEPARTMENT CORE REQUEST</b>                |                         |             |                    |                |              |                    |                      |
|                                               | PD                      | 0.00        | 10,790,923         | 0              | 0            | 10,790,923         |                      |
|                                               | <b>Total</b>            | <b>0.00</b> | <b>10,790,923</b>  | <b>0</b>       | <b>0</b>     | <b>10,790,923</b>  |                      |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |                         |             |                    |                |              |                    |                      |
| Core Reduction                                | 1620 4511 PD            | 0.00        | (4,000,000)        | 0              | 0            | (4,000,000)        | FY 18 core reduction |
| <b>NET GOVERNOR CHANGES</b>                   |                         | <b>0.00</b> | <b>(4,000,000)</b> | <b>0</b>       | <b>0</b>     | <b>(4,000,000)</b> |                      |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |                         |             |                    |                |              |                    |                      |
|                                               | PD                      | 0.00        | 6,790,923          | 0              | 0            | 6,790,923          |                      |
|                                               | <b>Total</b>            | <b>0.00</b> | <b>6,790,923</b>   | <b>0</b>       | <b>0</b>     | <b>6,790,923</b>   |                      |

# DECISION ITEM SUMMARY

| Budget Unit                                  |                    |             |                     |             |                     |             |                    |             |  |
|----------------------------------------------|--------------------|-------------|---------------------|-------------|---------------------|-------------|--------------------|-------------|--|
| Decision Item                                | FY 2016            | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018            | FY 2018     |  |
| Budget Object Summary                        | ACTUAL             | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC            | GOV REC     |  |
| Fund                                         | DOLLAR             | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR             | FTE         |  |
| <b>WOMEN'S HEALTH SRVC</b>                   |                    |             |                     |             |                     |             |                    |             |  |
| <b>CORE</b>                                  |                    |             |                     |             |                     |             |                    |             |  |
| PROGRAM-SPECIFIC                             |                    |             |                     |             |                     |             |                    |             |  |
| GENERAL REVENUE                              | 1,153,367          | 0.00        | 10,790,923          | 0.00        | 10,790,923          | 0.00        | 6,790,923          | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                  | 5,877,658          | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 0                  | 0.00        |  |
| FEDERAL REIMBURSEMENT ALLOWANCE              | 76,428             | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 0                  | 0.00        |  |
| TOTAL - PD                                   | 7,107,453          | 0.00        | 10,790,923          | 0.00        | 10,790,923          | 0.00        | 6,790,923          | 0.00        |  |
| <b>TOTAL</b>                                 | <b>7,107,453</b>   | <b>0.00</b> | <b>10,790,923</b>   | <b>0.00</b> | <b>10,790,923</b>   | <b>0.00</b> | <b>6,790,923</b>   | <b>0.00</b> |  |
| <b>Pharmacy PMPM-Specialty - 1886006</b>     |                    |             |                     |             |                     |             |                    |             |  |
| PROGRAM-SPECIFIC                             |                    |             |                     |             |                     |             |                    |             |  |
| GENERAL REVENUE                              | 0                  | 0.00        | 0                   | 0.00        | 131,629             | 0.00        | 81,076             | 0.00        |  |
| TOTAL - PD                                   | 0                  | 0.00        | 0                   | 0.00        | 131,629             | 0.00        | 81,076             | 0.00        |  |
| <b>TOTAL</b>                                 | <b>0</b>           | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>131,629</b>      | <b>0.00</b> | <b>81,076</b>      | <b>0.00</b> |  |
| <b>Pharmacy PMPM-Non Specialty - 1886007</b> |                    |             |                     |             |                     |             |                    |             |  |
| PROGRAM-SPECIFIC                             |                    |             |                     |             |                     |             |                    |             |  |
| GENERAL REVENUE                              | 0                  | 0.00        | 0                   | 0.00        | 6,028               | 0.00        | 0                  | 0.00        |  |
| TOTAL - PD                                   | 0                  | 0.00        | 0                   | 0.00        | 6,028               | 0.00        | 0                  | 0.00        |  |
| <b>TOTAL</b>                                 | <b>0</b>           | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>6,028</b>        | <b>0.00</b> | <b>0</b>           | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                           | <b>\$7,107,453</b> | <b>0.00</b> | <b>\$10,790,923</b> | <b>0.00</b> | <b>\$10,928,580</b> | <b>0.00</b> | <b>\$6,871,999</b> | <b>0.00</b> |  |

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## FLEXIBILITY REQUEST FORM

|                                                                                                                            |                                                                     |
|----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90554C<br><b>BUDGET UNIT NAME:</b> Women's Health Services<br><b>HOUSE BILL SECTION:</b> 11.550 | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> 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.**

### Governor's Recommendation

|              |               |                    |
|--------------|---------------|--------------------|
| <b>Total</b> | <b>% Flex</b> | <b>Flex Amount</b> |
| \$ 6,871,999 | 10%           | \$ 687,200         |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600

**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.**

| PRIOR YEAR<br>ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST - GOVERNOR'S REC<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| None                                            | None                                                                 | 10% flexibility is being requested for FY18                                             |

**3. Please explain how flexibility was used in the prior and/or current years.**

| PRIOR YEAR<br>EXPLAIN ACTUAL USE | CURRENT YEAR<br>EXPLAIN PLANNED USE |
|----------------------------------|-------------------------------------|
| N/A                              | N/A                                 |

# DECISION ITEM DETAIL

| Budget Unit                | FY 2016            | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018            | FY 2018     |
|----------------------------|--------------------|-------------|---------------------|-------------|---------------------|-------------|--------------------|-------------|
| 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         |
| <b>WOMEN'S HEALTH SRVC</b> |                    |             |                     |             |                     |             |                    |             |
| <b>CORE</b>                |                    |             |                     |             |                     |             |                    |             |
| PROGRAM DISTRIBUTIONS      | 7,107,453          | 0.00        | 10,790,923          | 0.00        | 10,790,923          | 0.00        | 6,790,923          | 0.00        |
| TOTAL - PD                 | 7,107,453          | 0.00        | 10,790,923          | 0.00        | 10,790,923          | 0.00        | 6,790,923          | 0.00        |
| <b>GRAND TOTAL</b>         | <b>\$7,107,453</b> | <b>0.00</b> | <b>\$10,790,923</b> | <b>0.00</b> | <b>\$10,790,923</b> | <b>0.00</b> | <b>\$6,790,923</b> | <b>0.00</b> |
| GENERAL REVENUE            | \$1,153,367        | 0.00        | \$10,790,923        | 0.00        | \$10,790,923        | 0.00        | \$6,790,923        | 0.00        |
| FEDERAL FUNDS              | \$5,877,658        | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        | \$0                | 0.00        |
| OTHER FUNDS                | \$76,428           | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        | \$0                | 0.00        |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.550**

**Program Name: Women's Health Services**

**Program is found in the following core budget(s): Women's Health Services**

### 1. What does this program do?

#### **Program Description**

This item funds "family planning and family planning-related services, pregnancy testing, sexually transmitted disease testing and treatment, including pap tests and pelvic exams, and follow-up services" for eligible women.

Prior to FY 2017, the Women's Health Services Program, was operated as a federally-funded section 1115 family planning demonstration waiver. As explained in the 6/30/16 Governor's press release, "During the 2016 legislative session, the Missouri General Assembly passed HB 2011, which included a provision inconsistent with the terms of the 1115 waiver, stating that no funds from the appropriations included in HB 2011 shall be paid to any entity that provides abortion services. The General Assembly also removed the federal matching funds for the Women's Health Services Program and replaced them with state general revenue funds. Until the suspension of federal Medicaid waiver is approved by CMS, which is expected to occur in calendar year 2017, the Missouri Woman's Health Services Program will continue to provide MO HealthNet coverage for women's health services" for the following individuals:

- 1) Uninsured women ages 18 to 55 years of age with a family Modified Adjusted Gross Income for the household size that does not exceed 201% of the Federal Poverty Level, and
- 2) Uninsured women losing MO HealthNet coverage at the conclusion of 60 days postpartum receiving coverage for one additional year.

Upon CMS approval (of the suspension of the 1115 waiver) and state regulatory authority, Missouri will operate the Missouri Woman's State-Funded Health Services Program. Women who are eligible for the federally-funded program will continue to be eligible for the state-funded program, without change. The available services will also remain the same. However, the provider qualifications will be changed (*see Additional Details for provider qualification limitations*). Payment for services will only be made with State General Revenue dollars.

*See Additional Details for more information about the transition plan for the 1115 waiver.*

#### **Program Statistics**

During FY 2014 approximately 95,000 participants were enrolled in the Women's Health Services waiver. The estimated savings, during the same fiscal year, for averted births and Medicaid costs for a child's first year of life was approximately \$39,000,000.

#### **Program Goals**

The goal of the Women's Health program is to reduce the number of unintended pregnancies through the provision of women's health services to uninsured women ages 18–55.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.550**

**Program Name: Women's Health Services**

**Program is found in the following core budget(s): Women's Health Services**

### **Program Objectives**

Missouri's objectives for the program are to:

- Provide access to contraceptive supplies and information on reproductive health care and women's health services to the demonstration population;
- Reduce the number of unintended pregnancies in Missouri;
- Reduce Medicaid expenditures by preventing unintended births; and
- Assist women in preventing sexually transmitted infections (STIs).

### **Reimbursement Methodology**

Services provided under the Missouri Woman's State-Funded Health Services Program are reimbursed in the same manner as if the service was provided in the MO HealthNet fee-for-service program; however, payments will be made from state-only funds upon CMS approval and state regulation change. *See core descriptions for Pharmacy, Physicians-Related, and Hospital (outpatient) for detailed information on reimbursement methodology.*

### **Rate History**

*See fee-for-service program tabs (Pharmacy, Physicians-Related, and Hospital) for relevant rate history.*

### **Additional Details**

#### **Provider Qualifications**

The Missouri Woman's State-Funded Health Services Program will not cover or pay for services provided by an organization that also provides abortion services. An otherwise qualified organization shall not be disqualified from receipt of the funds for family planning and family planning related services, pregnancy testing, sexually transmitted disease testing and treatment because of its affiliation with an organization that provides abortion services provided that the affiliated organization that provides abortion services is independent of the qualified organization.



## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.550**

**Program Name: Women's Health Services**

**Program is found in the following core budget(s): Women's Health Services**

### 1115 Family Planning Demonstration Waiver Phase Out Plan

|             |                                                                                                                                                                                                                                                                                                       |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Aug 2016    | MO HealthNet notices providers about the upcoming changes in the Women's Health program and the requirements to participate in the state-only program. Inform providers that certain provider types will receive a letter in the mail asking for them to attest to compliance with HB 11.550 language |
| Aug 2016    | Begin systems work on MMIS to change the Women's Health program from a federal waiver program to a state-only funded program compliant with HB 11.550 (2016)                                                                                                                                          |
| Sept 2016   | File proposed CSR amendment with Secretary of State                                                                                                                                                                                                                                                   |
| Jan 2017    | Notice to women receiving Woman's Health services that their provider may not be qualified to receive payment for services under the state-only program                                                                                                                                               |
| Jan 2017    | Notice sent to providers that did not submit completed attestations informing them that they will not be able to receive reimbursement under the Women's Health program until they submit such attestations                                                                                           |
| Feb 1, 2017 | MMIS programming completed to move from payment under 1115 waiver to Payment of General Revenue only                                                                                                                                                                                                  |
| Feb 2017    | Proposed CSR amendment published in the Code of State Regulations                                                                                                                                                                                                                                     |

### **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. 208.040, 208.151 and 208.659; Federal law: Social Security Act Sections 1115 and 1923(a)-(f); Federal Regulations: 42 CFR 433 Subpart B and 412.106.

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

Most of the services provided through the Women's Health Services program are eligible for an enhanced 90% federal match, requiring a state match of only 10%. The remaining services are matched at the federal medical assistance percentage (FMAP) calculated for 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. Missouri's FMAP for FY18 for these remaining services is a blended 64.260% federal match. The state matching requirement is 35.740%.

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

No.

## PROGRAM DESCRIPTION

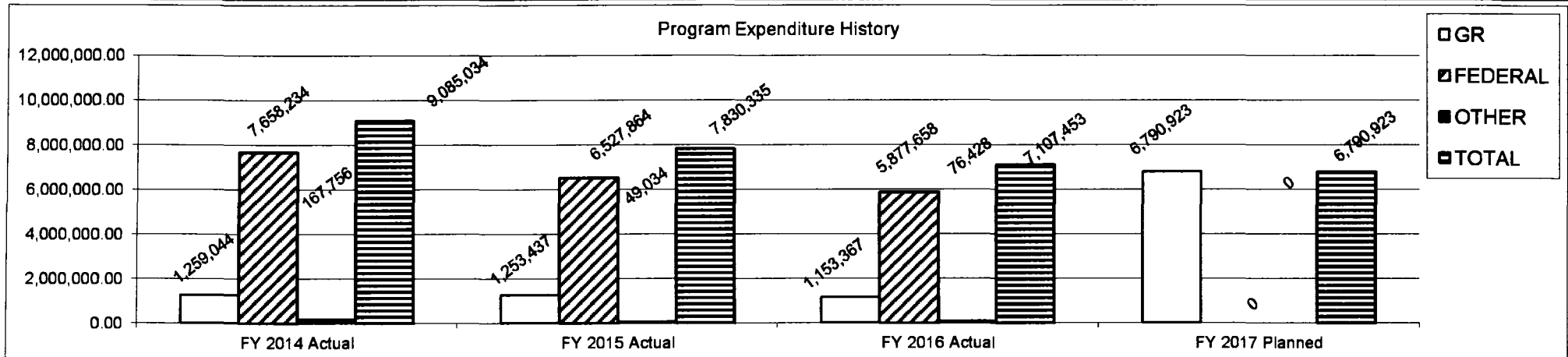
**Department: Social Services**

**HB Section: 11.550**

**Program Name: Women's Health Services**

**Program is found in the following core budget(s): Women's Health Services**

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



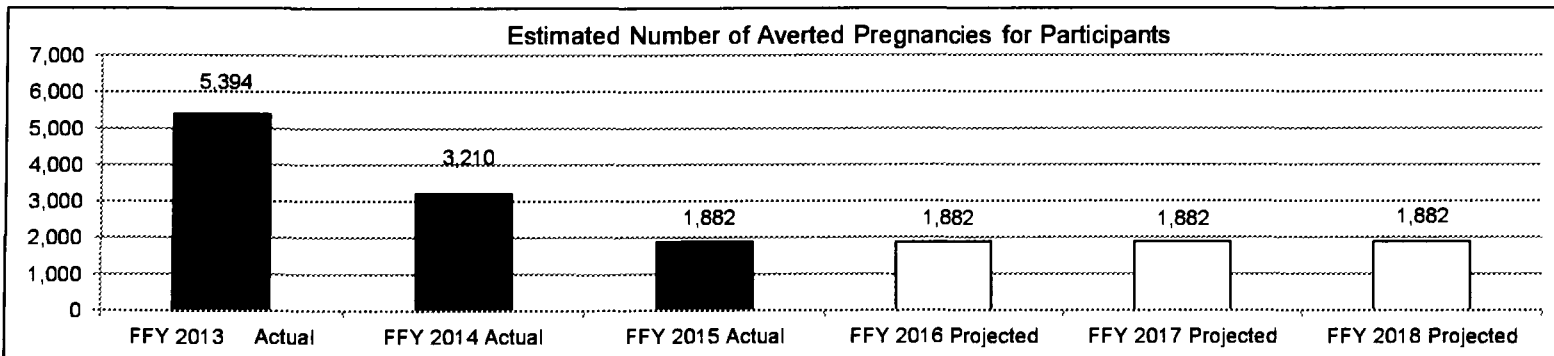
FY 2017 Planned is net of restricted.

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

Federal Reimbursement Allowance Fund (0142) and Pharmacy Reimbursement Allowance Fund (0144).

### 7a. Provide an effectiveness measure.

Increase the number of averted pregnancies for participants. The Women's Health Services program provides family planning services to women assisting them in avoiding unintended pregnancies.



Based on federal fiscal year in which report was submitted to CMS.

## PROGRAM DESCRIPTION

Department: Social Services

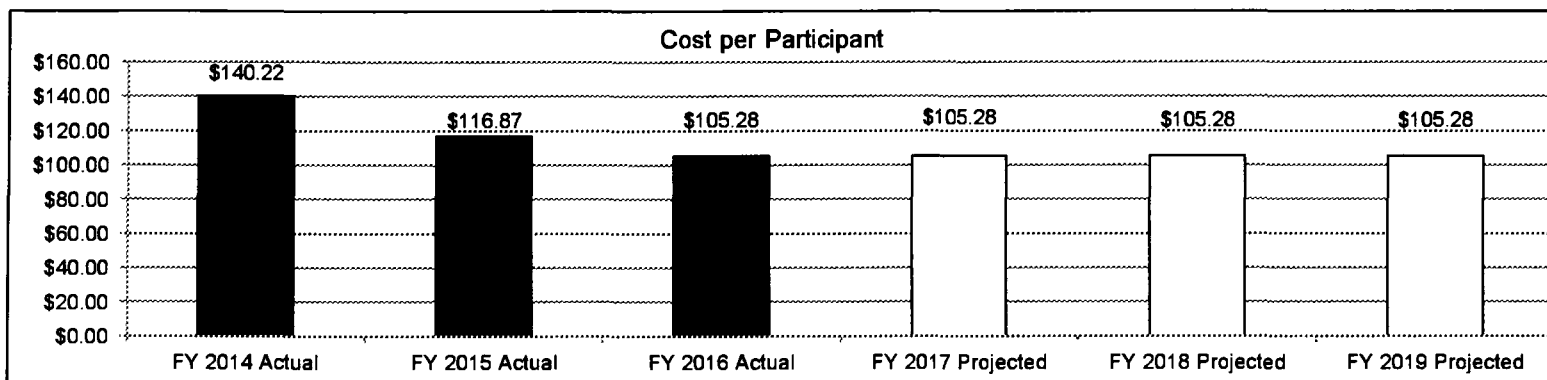
HB Section: 11.550

Program Name: Women's Health Services

Program is found in the following core budget(s): Women's Health Services

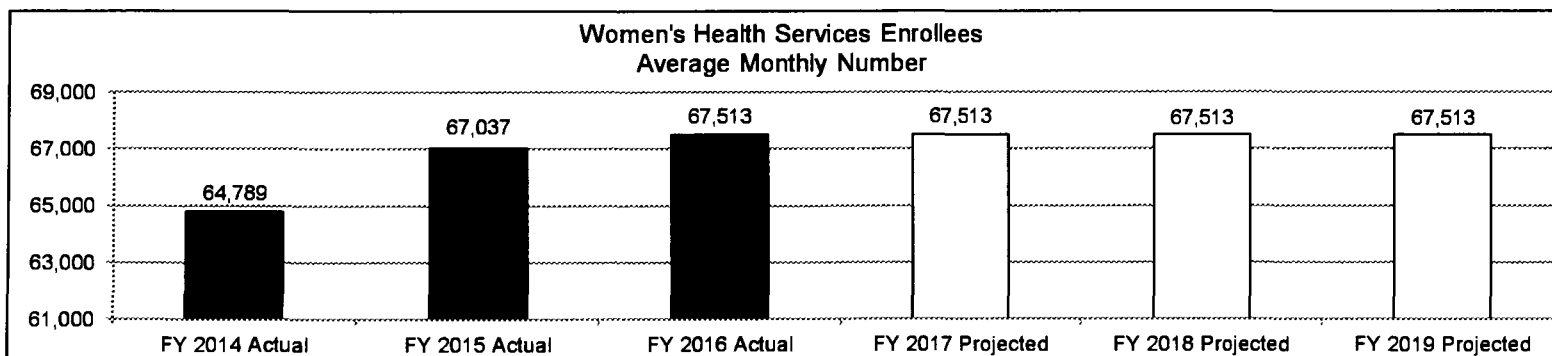
### 7b. Provide an efficiency measure.

Provide education and outreach to encourage women to access family planning services. Over 67,000 participants accessed family planning services in FY 2016 at a cost of \$7.1 million. The cost per participant was \$105.



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

SB 577 (FY07) and an approved amendment to the CMS 1115 waiver provided for an expansion of Women's Health Services to women 18 to 55 years of age with a net family income of 185% FPL or below, with assets less than \$250,000 and no access to insurance covering family planning services. Expanded services began January 1, 2009. Effective January 1, 2014 Missouri statute was revised to require eligibility determinations through the Modified Adjusted Gross Income (MAGI) methodology.



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

N/A



# CORE DECISION ITEM

Department: Social Services  
 Division: MO HealthNet  
 Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C  
 HB Section: 11.555

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |            |            |           |            |   |
|------------------------|------------|------------|-----------|------------|---|
|                        | GR         | Federal    | Other     | Total      | E |
| PS                     |            |            |           |            |   |
| EE                     | 504,000    | 696,000    |           | 1,200,000  |   |
| PSD                    | 14,000,145 | 69,833,429 | 7,719,204 | 91,552,778 |   |
| TRF                    |            |            |           |            |   |
| Total                  | 14,504,145 | 70,529,429 | 7,719,204 | 92,752,778 |   |
| FTE                    |            |            |           | 0.00       |   |

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

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

| FY 2018 Governor's Recommendation |            |            |           |            |   |
|-----------------------------------|------------|------------|-----------|------------|---|
|                                   | GR         | Federal    | Other     | Total      | E |
| PS                                |            |            |           |            |   |
| EE                                | 504,000    | 696,000    |           | 1,200,000  |   |
| PSD                               | 14,000,145 | 68,974,585 | 7,719,204 | 90,693,934 |   |
| TRF                               |            |            |           |            |   |
| Total                             | 14,504,145 | 69,670,585 | 7,719,204 | 91,893,934 |   |
| FTE                               |            |            |           | 0.00       |   |

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

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

## 2. CORE DESCRIPTION

This item funds health care services provided to certain children age 18 and under who exceed the eligibility limits of traditional MO HealthNet coverage and would otherwise be uninsured. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population.

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

Children's Health Insurance Program (CHIP)

**CORE DECISION ITEM**

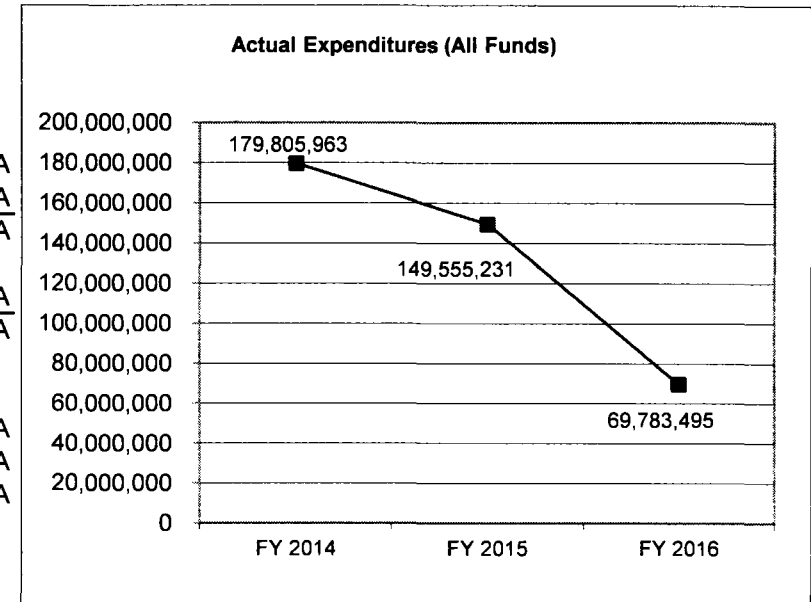
**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Children's Health Insurance Program (CHIP)

**Budget Unit:** 90556C

**HB Section:** 11.555

**4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 180,875,309               | 182,283,035               | 86,167,292                | 92,752,778                     |
| Less Reverted (All Funds)       | (161,267)                 | (161,267)                 | 0                         | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 180,714,042               | 182,121,768               | 86,167,292                | N/A                            |
| Actual Expenditures (All Funds) | 179,805,963               | 149,555,231               | 69,783,495                | N/A                            |
| Unexpended (All Funds)          | 908,079                   | 32,566,537                | 16,383,797                | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 468                       | 27,239                    | 45,097                    | N/A                            |
| Federal                         | 0                         | 30,793,774                | 11,252,426                | N/A                            |
| Other                           | 907,611                   | 1,745,524                 | 5,086,274                 | N/A                            |
|                                 | <b>(1)</b>                |                           | <b>(2)</b>                |                                |



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 \$907,611 in Pharmacy Reimbursement Allowance. There were \$938,508 CHIP expenditures made from the Supplemental Pool and \$3,512,297 made from Managed Care.

**(2)** FY16 \$15,812,287 in CHIP expenditures were made from the Statewide Managed Care Expansion Section. There was an agency reserve of \$1,244,587 Federal Funds.

**CORE DECISION ITEM**

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** Children's Health Insurance Program (CHIP)

**Budget Unit:** 90556C

**HB Section:** 11.555

**CHIP Cost Per Eligible**

|                                 | <b>CHIP PMPM</b> |
|---------------------------------|------------------|
| Pharmacy                        | \$67.32          |
| Physician Related               | \$15.80          |
| Dental                          | \$2.06           |
| In-Home Services                | \$0.01           |
| Rehab & Specialty               | \$2.61           |
| EPSDT Services                  | \$12.17          |
| Hospitals                       | \$24.13          |
| Mental Health Services          | \$7.67           |
| Services provided in State Inst | \$0.96           |
| Total FFS                       | \$132.73         |

|                   |         |
|-------------------|---------|
| Managed Care PMPM | \$67.91 |
|-------------------|---------|

Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The per member per month (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.

Mental health services and services provided in a state Institution are not part of this core.  
Source: Table 23 Medical Statistics for Fiscal Year 2016 (Paid Claims Data)

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES CHILDREN'S HEALTH INS PROGRAM

#### 5. CORE RECONCILIATION DETAIL

|                                               | Budget Class | FTE         | GR                | Federal           | Other            | Total             | Explanation               |
|-----------------------------------------------|--------------|-------------|-------------------|-------------------|------------------|-------------------|---------------------------|
| <b>TAFP AFTER VETOES</b>                      |              |             |                   |                   |                  |                   |                           |
|                                               | EE           | 0.00        | 504,000           | 696,000           | 0                | 1,200,000         |                           |
|                                               | PD           | 0.00        | 14,000,145        | 69,833,429        | 7,719,204        | 91,552,778        |                           |
|                                               | <b>Total</b> | <b>0.00</b> | <b>14,504,145</b> | <b>70,529,429</b> | <b>7,719,204</b> | <b>92,752,778</b> |                           |
| <b>DEPARTMENT CORE REQUEST</b>                |              |             |                   |                   |                  |                   |                           |
|                                               | EE           | 0.00        | 504,000           | 696,000           | 0                | 1,200,000         |                           |
|                                               | PD           | 0.00        | 14,000,145        | 69,833,429        | 7,719,204        | 91,552,778        |                           |
|                                               | <b>Total</b> | <b>0.00</b> | <b>14,504,145</b> | <b>70,529,429</b> | <b>7,719,204</b> | <b>92,752,778</b> |                           |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |              |             |                   |                   |                  |                   |                           |
| Core Reduction                                | 1399 2867    | PD          | 0.00              | 0                 | (858,844)        | 0                 | (858,844) FMAP adjustment |
| <b>NET GOVERNOR CHANGES</b>                   |              |             | <b>0.00</b>       | <b>0</b>          | <b>(858,844)</b> | <b>0</b>          | <b>(858,844)</b>          |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |              |             |                   |                   |                  |                   |                           |
|                                               | EE           | 0.00        | 504,000           | 696,000           | 0                | 1,200,000         |                           |
|                                               | PD           | 0.00        | 14,000,145        | 68,974,585        | 7,719,204        | 90,693,934        |                           |
|                                               | <b>Total</b> | <b>0.00</b> | <b>14,504,145</b> | <b>69,670,585</b> | <b>7,719,204</b> | <b>91,893,934</b> |                           |



# DECISION ITEM SUMMARY

| Budget Unit                                  |                   |             |                   |             |                   |             |                   |             |  |
|----------------------------------------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|--|
| Decision Item                                | FY 2016           | FY 2016     | FY 2017           | FY 2017     | FY 2018           | FY 2018     | FY 2018           | FY 2018     |  |
| Budget Object Summary                        | ACTUAL            | ACTUAL      | BUDGET            | BUDGET      | DEPT REQ          | DEPT REQ    | GOV REC           | GOV REC     |  |
| Fund                                         | DOLLAR            | FTE         | DOLLAR            | FTE         | DOLLAR            | FTE         | DOLLAR            | FTE         |  |
| <b>CHILDREN'S HEALTH INS PROGRAM</b>         |                   |             |                   |             |                   |             |                   |             |  |
| <b>CORE</b>                                  |                   |             |                   |             |                   |             |                   |             |  |
| EXPENSE & EQUIPMENT                          |                   |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                              | 195,089           | 0.00        | 504,000           | 0.00        | 504,000           | 0.00        | 504,000           | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                  | 1,868,065         | 0.00        | 696,000           | 0.00        | 696,000           | 0.00        | 696,000           | 0.00        |  |
| TOTAL - EE                                   | 2,063,154         | 0.00        | 1,200,000         | 0.00        | 1,200,000         | 0.00        | 1,200,000         | 0.00        |  |
| PROGRAM-SPECIFIC                             |                   |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                              | 3,623,936         | 0.00        | 14,000,145        | 0.00        | 14,000,145        | 0.00        | 14,000,145        | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                  | 61,463,475        | 0.00        | 69,833,429        | 0.00        | 69,833,429        | 0.00        | 68,974,585        | 0.00        |  |
| FEDERAL REIMBURSEMENT ALLOWANCE              | 2,632,930         | 0.00        | 7,719,204         | 0.00        | 7,719,204         | 0.00        | 7,719,204         | 0.00        |  |
| TOTAL - PD                                   | 67,720,341        | 0.00        | 91,552,778        | 0.00        | 91,552,778        | 0.00        | 90,693,934        | 0.00        |  |
| <b>TOTAL</b>                                 | <b>69,783,495</b> | <b>0.00</b> | <b>92,752,778</b> | <b>0.00</b> | <b>92,752,778</b> | <b>0.00</b> | <b>91,893,934</b> | <b>0.00</b> |  |
| <b>Pharmacy PMPM-Specialty - 1886006</b>     |                   |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                             |                   |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                              | 0                 | 0.00        | 0                 | 0.00        | 481,795           | 0.00        | 288,434           | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                  | 0                 | 0.00        | 0                 | 0.00        | 1,390,198         | 0.00        | 864,612           | 0.00        |  |
| TOTAL - PD                                   | 0                 | 0.00        | 0                 | 0.00        | 1,871,993         | 0.00        | 1,153,046         | 0.00        |  |
| <b>TOTAL</b>                                 | <b>0</b>          | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>1,871,993</b>  | <b>0.00</b> | <b>1,153,046</b>  | <b>0.00</b> |  |
| <b>Pharmacy PMPM-Non Specialty - 1886007</b> |                   |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                             |                   |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                              | 0                 | 0.00        | 0                 | 0.00        | 22,065            | 0.00        | 0                 | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                  | 0                 | 0.00        | 0                 | 0.00        | 63,667            | 0.00        | 0                 | 0.00        |  |
| TOTAL - PD                                   | 0                 | 0.00        | 0                 | 0.00        | 85,732            | 0.00        | 0                 | 0.00        |  |
| <b>TOTAL</b>                                 | <b>0</b>          | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>85,732</b>     | <b>0.00</b> | <b>0</b>          | <b>0.00</b> |  |
| <b>FY 2018 Managed Care Rates - 1886009</b>  |                   |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                             |                   |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                              | 0                 | 0.00        | 0                 | 0.00        | 60,816            | 0.00        | 59,110            | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                  | 0                 | 0.00        | 0                 | 0.00        | 175,482           | 0.00        | 177,188           | 0.00        |  |
| TOTAL - PD                                   | 0                 | 0.00        | 0                 | 0.00        | 236,298           | 0.00        | 236,298           | 0.00        |  |
| <b>TOTAL</b>                                 | <b>0</b>          | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>236,298</b>    | <b>0.00</b> | <b>236,298</b>    | <b>0.00</b> |  |

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# DECISION ITEM SUMMARY

| Budget Unit                                    |                     |             |                     |             |                     |             |                     |             |  |
|------------------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|--|
| Decision Item                                  | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |  |
| Budget Object Summary                          | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |  |
| Fund                                           | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |  |
| <b>CHILDREN'S HEALTH INS PROGRAM</b>           |                     |             |                     |             |                     |             |                     |             |  |
| <b>Statewide Mgd Care Transition - 1886011</b> |                     |             |                     |             |                     |             |                     |             |  |
| PROGRAM-SPECIFIC                               |                     |             |                     |             |                     |             |                     |             |  |
| GENERAL REVENUE                                | 0                   | 0.00        | 0                   | 0.00        | 136,309             | 0.00        | 136,309             | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                    | 0                   | 0.00        | 0                   | 0.00        | 393,313             | 0.00        | 393,313             | 0.00        |  |
| TOTAL - PD                                     | 0                   | 0.00        | 0                   | 0.00        | 529,622             | 0.00        | 529,622             | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>529,622</b>      | <b>0.00</b> | <b>529,622</b>      | <b>0.00</b> |  |
| <b>FMAP Adjustment - 1886025</b>               |                     |             |                     |             |                     |             |                     |             |  |
| PROGRAM-SPECIFIC                               |                     |             |                     |             |                     |             |                     |             |  |
| GENERAL REVENUE                                | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 858,844             | 0.00        |  |
| TOTAL - PD                                     | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 858,844             | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>858,844</b>      | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                             | <b>\$69,783,495</b> | <b>0.00</b> | <b>\$92,752,778</b> | <b>0.00</b> | <b>\$95,476,423</b> | <b>0.00</b> | <b>\$94,671,744</b> | <b>0.00</b> |  |

## FLEXIBILITY REQUEST FORM

|                                                                                                                                  |                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90556C<br><b>BUDGET UNIT NAME:</b> Children's Health Ins Program<br><b>HOUSE BILL SECTION:</b> 11.555 | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> 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.**

### Governor's Recommendation

|               |               |                    |
|---------------|---------------|--------------------|
| <b>Total</b>  | <b>% Flex</b> | <b>Flex Amount</b> |
| \$ 94,671,744 | 10%           | \$ 9,467,174       |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600

**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.**

| PRIOR YEAR<br>ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED                                                                                  | BUDGET REQUEST - GOVERNOR'S REC<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| None                                            | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY18                                             |

**3. Please explain how flexibility was used in the prior and/or current years.**

| PRIOR YEAR<br>EXPLAIN ACTUAL USE | CURRENT YEAR<br>EXPLAIN PLANNED USE                                                                                          |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A                              | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

# DECISION ITEM DETAIL

| Budget Unit                          | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
|--------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| 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         |
| <b>CHILDREN'S HEALTH INS PROGRAM</b> |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                          |                     |             |                     |             |                     |             |                     |             |
| SUPPLIES                             | 2,063,154           | 0.00        | 1,200,000           | 0.00        | 1,200,000           | 0.00        | 1,200,000           | 0.00        |
| TOTAL - EE                           | 2,063,154           | 0.00        | 1,200,000           | 0.00        | 1,200,000           | 0.00        | 1,200,000           | 0.00        |
| PROGRAM DISTRIBUTIONS                | 67,720,341          | 0.00        | 91,552,778          | 0.00        | 91,552,778          | 0.00        | 90,693,934          | 0.00        |
| TOTAL - PD                           | 67,720,341          | 0.00        | 91,552,778          | 0.00        | 91,552,778          | 0.00        | 90,693,934          | 0.00        |
| <b>GRAND TOTAL</b>                   | <b>\$69,783,495</b> | <b>0.00</b> | <b>\$92,752,778</b> | <b>0.00</b> | <b>\$92,752,778</b> | <b>0.00</b> | <b>\$91,893,934</b> | <b>0.00</b> |
| GENERAL REVENUE                      | \$3,819,025         | 0.00        | \$14,504,145        | 0.00        | \$14,504,145        | 0.00        | \$14,504,145        | 0.00        |
| FEDERAL FUNDS                        | \$63,331,540        | 0.00        | \$70,529,429        | 0.00        | \$70,529,429        | 0.00        | \$69,670,585        | 0.00        |
| OTHER FUNDS                          | \$2,632,930         | 0.00        | \$7,719,204         | 0.00        | \$7,719,204         | 0.00        | \$7,719,204         | 0.00        |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.555**

**Program Name: Children's Health Insurance Program (CHIP)**

**Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)**

### 1. What does this program do?

This item funds health care services provided to certain children age 18 and under who exceed the eligibility limits of traditional MO HealthNet coverage and would otherwise be uninsured. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population. The CHIP program is integrated into Missouri's MO HealthNet coverage. This integration was made possible through the passage of Senate Bill 632 (1998). Health care services available to children in the MO HealthNet Program and CHIP are collectively referred to as MO HealthNet for Kids. *See Additional Details for more information about income thresholds and age limits under the MO HealthNet for Kids program.*

The CHIP program provides health care coverage for children meeting the following eligibility criteria:

- Age 18 or under
- family income below 300% of the federal poverty level (FPL)
- Uninsured for ninety (90) days or more; and
- No access to other health insurance coverage for less than \$75 to \$188 per month during SFY15 based on family size and income

Any child identified as having special health care needs (defined as a condition which left untreated would result in the death or serious physical injury of a child) who does not have access to affordable employer-subsidized health care insurance is not required to be uninsured for ninety (90) days in order to become eligible for services

The Medicare Access and CHIP Reauthorization Act of 2015 extended the federal CHIP allotments for two years - federal fiscal year 2016 and federal fiscal year 2017- without any changes to the program.

### Program Statistics

As of June 2016, there were 25,613 individuals enrolled in CHIP fee-for-service program or MO HealthNet Managed Care program. The CHIP program comprises 0.995% of the total Medicaid program.

### Program Goals

To continue Missouri's commitment to improve medical care for low-income children by increasing their access to comprehensive medical and preventative services and reducing the number of uninsured children.

### Program Objectives

Increase the number of children in Missouri who have access to a regular source of health care coverage

Encourage the use of health care services in appropriate settings

Ensure adequate supply of providers

Encourage preventative services for children

Increase use of Early and Periodic Screening Diagnosis and Treatment (EPSDT) services, also known as the Healthy Children and Youth (HCY) program, for children.

### Reimbursement Methodology

Services provided under the CHIP program are reimbursed individually under the fee-for-service program or through a monthly capitation rate paid to the MO HealthNet Managed Care health plans that contract with the state.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.555**

**Program Name: Children's Health Insurance Program (CHIP)**

**Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)**

### Rate History

*See fee-for-service program tabs (physician, dental, rehab, etc.) for relevant rate history.*

Some children under CHIP receive health benefits through the MO HealthNet Managed Care health plans. MO HealthNet must maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166, RSMo, require capitation payments made on behalf of managed care participants be actuarially sound. The following are the prior year CHIP managed care actuarial increases received:

| MO HealthNet for Kids by Age and Income |              |                           |                                           |
|-----------------------------------------|--------------|---------------------------|-------------------------------------------|
| % of Federal Poverty Level (FPL)        | 225+ to 300% | CHIP Premium (\$111-305*) |                                           |
|                                         | 185+ to 225% | CHIP Premium (\$46-125*)  |                                           |
|                                         | 150+ to 185% | CHIP Premium (\$14-38*)   |                                           |
|                                         | 133+ to 150% | CHIP Non-Premium          |                                           |
|                                         | 100+ to 133% | Medicaid***               | CHIP Non-Premium**                        |
|                                         | 0-100%       |                           |                                           |
| Age Group                               |              | 0 Years Old               | 1 thru 5 Years Old    6 thru 18 Years Old |

### Notes:

\*The monthly premium range is based on family size of 1-6

\*\*Prior to the Affordable Care Act (ACA), Missouri covered these children under the CHIP program. Modified Adjusted Gross Income (MAGI) thresholds in the ACA would have resulted in many children who would have been in the CHIP non-premium category switching to Medicaid. CMS approved continuing to use CHIP funding to cover these children who would have been CHIP under pre-MAGI eligibility determinations; however, funds for these children are appropriated out of fee-for-service program lines (Physicians-Related Services, Dental, Hospital, Rehab and Specialty Services, Pharmacy, etc.).

\*\*\*There are no premiums under the Medicaid program.

### 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. 208.631 through 208.657; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.

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

States can earn the federal medical assistance percentage (FMAP) on Medicaid 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. Missouri's enhanced CHIP FMAP for FY18 is a blended 74.985% federal match. The state matching requirement for the CHIP program is 25.015%

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.555

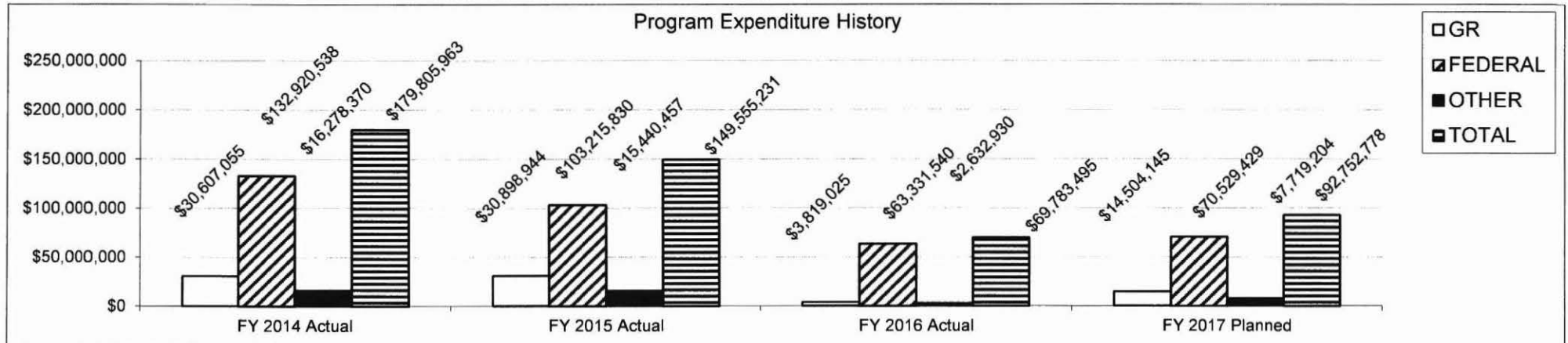
**Program Name:** Children's Health Insurance Program (CHIP)

**Program is found in the following core budget(s):** Children's Health Insurance Program (CHIP)

**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.**



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

Pharmacy Rebates Fund (0114), Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144), Health Initiatives Fund (0275), Premium Fund (0885), Life Sciences Research Trust Fund (0763).

## PROGRAM DESCRIPTION

**Department: Social Services**

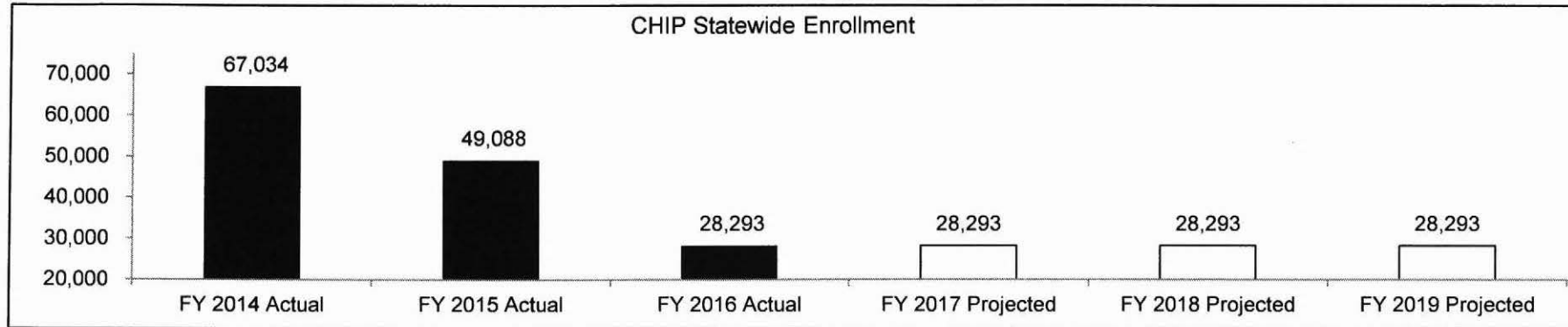
**HB Section: 11.555**

**Program Name: Children's Health Insurance Program (CHIP)**

**Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)**

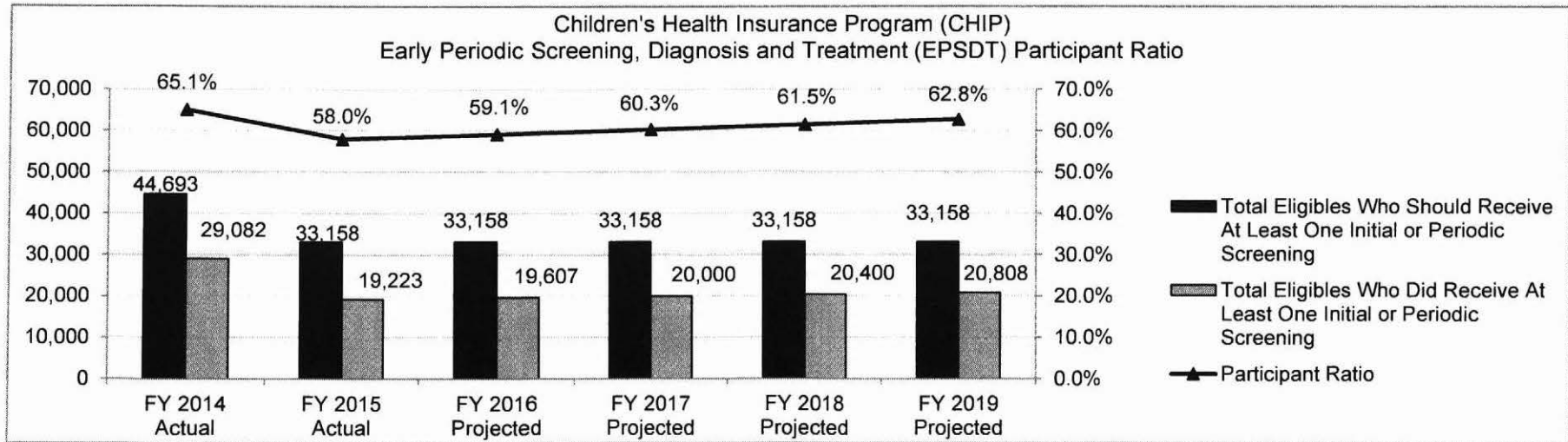
### 7a. Provide an effectiveness measure.

The CHIP program continues to provide health care coverage to thousands of Missouri's children. These children would be uninsured without CHIP coverage.



### 7b. Provide an efficiency measure.

The CHIP program provides uninsured children with Early Periodic Screening, Diagnosis and Treatment services.



*FFY15 data is the most recent data available (data only available in March the following fiscal year)*



## PROGRAM DESCRIPTION

**Department: Social Services**

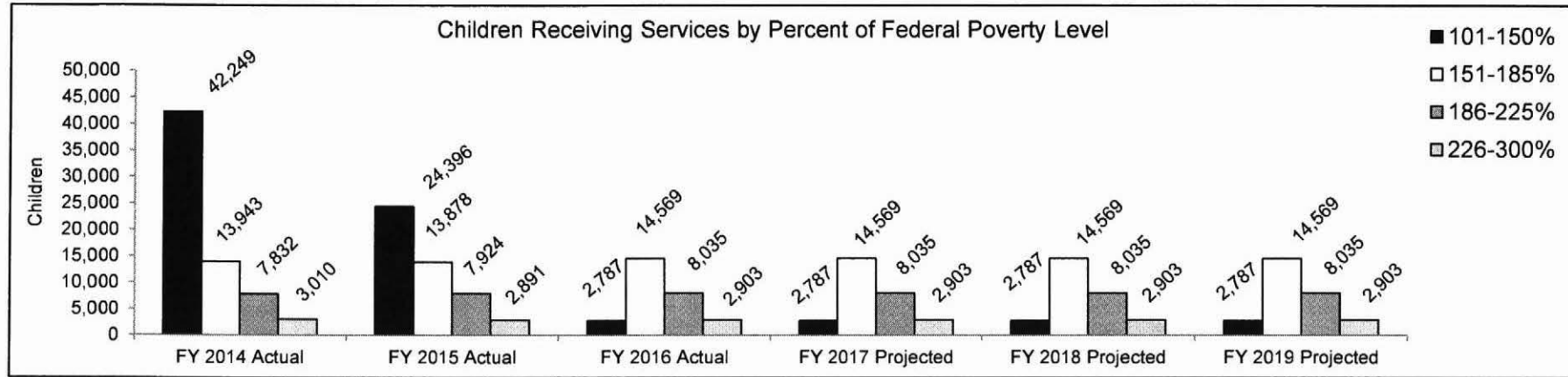
**HB Section: 11.555**

**Program Name: Children's Health Insurance Program (CHIP)**

**Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)**

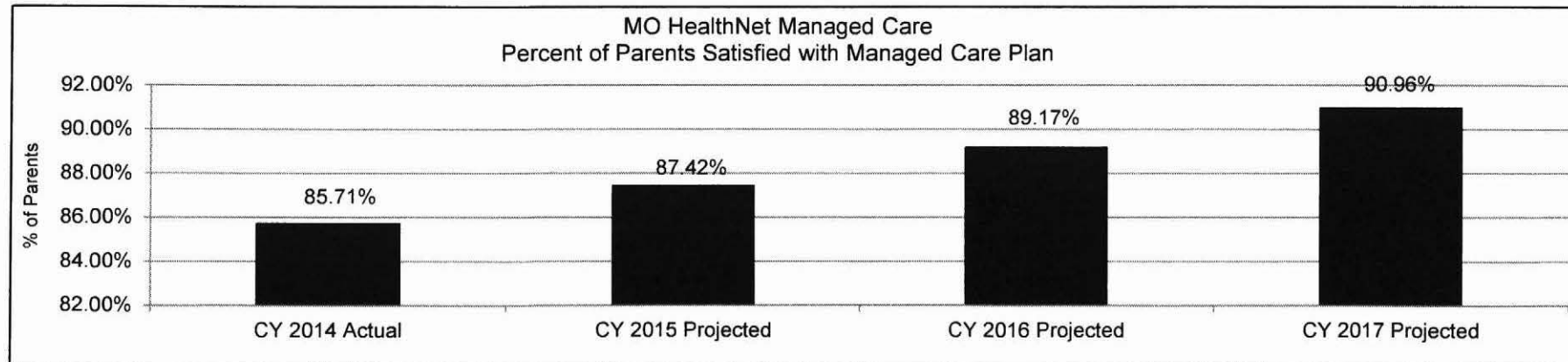
### 7c. Provide the number of clients/individuals served, if applicable.

Participants are children above the existing Title XIX Medicaid eligibility up to 300% of the federal poverty level (FPL). As of September 2005, children in the categories from 151-300% of the federal poverty level (FPL) are required to pay premiums.



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

Children with CHIP coverage who reside in a MO HealthNet Managed Care region, receive their services from the MO HealthNet Managed Care health plans.



2015 data is the most recent data available.



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Show-Me Healthy Babies

Budget Unit: 88855C

HB Section: 11.560

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |           |            |       |            |   |
|------------------------|-----------|------------|-------|------------|---|
|                        | GR        | Federal    | Other | Total      | E |
| PS                     |           |            |       |            |   |
| EE                     | 20,000    | 20,000     |       | 40,000     |   |
| PSD                    | 3,461,466 | 10,096,324 |       | 13,557,790 |   |
| TRF                    |           |            |       |            |   |
| Total                  | 3,481,466 | 10,116,324 |       | 13,597,790 |   |

FTE 0.00

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

| FY 2018 Governor's Recommendation |           |            |       |            |   |
|-----------------------------------|-----------|------------|-------|------------|---|
|                                   | GR        | Federal    | Other | Total      | E |
| PS                                |           |            |       |            |   |
| EE                                | 20,000    | 20,000     |       | 40,000     |   |
| PSD                               | 3,391,481 | 10,096,324 |       | 13,487,805 |   |
| TRF                               |           |            |       |            |   |
| Total                             | 3,411,481 | 10,116,324 |       | 13,527,805 |   |

FTE 0.00

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

## 2. CORE DESCRIPTION

This item funds services for targeted low-income unborn children from families with household incomes up to 300% of the Federal Poverty Level (FPL). Services include all prenatal care and pregnancy-related services that benefit the health of the unborn child and that promote healthy labor, delivery, birth, and postpartum care.

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

Show-Me Healthy Babies

# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Show-Me Healthy Babies

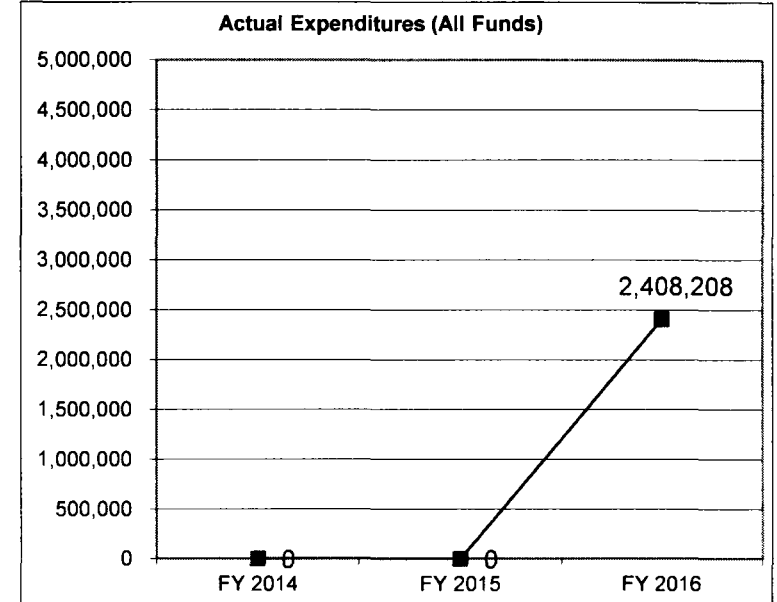
Budget Unit: 88855C

HB Section: 11.560

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds)       | 0                 | 0                 | 13,672,790        | 13,597,790             |
| Less Reverted (All Funds)       | 0                 | 0                 | (1,725)           |                        |
| Less Restricted (All Funds)     | 0                 | 0                 | 0                 | N/A                    |
| Budget Authority (All Funds)    | 0                 | 0                 | 13,671,065        | N/A                    |
| Actual Expenditures (All Funds) | 0                 | 0                 | 2,408,208         | N/A                    |
| Unexpended (All Funds)          | 0                 | 0                 | 11,262,857        | N/A                    |
| Unexpended, by Fund:            |                   |                   |                   |                        |
| General Revenue                 | 0                 | 0                 | 2,798,092         | N/A                    |
| Federal                         | 0                 | 0                 | 8,464,765         | N/A                    |
| Other                           | 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) FY16 is the first year of the program.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
SHOW-ME BABIES**

**5. CORE RECONCILIATION DETAIL**

|                                               | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>        | <b>Federal</b>    | <b>Other</b> | <b>Total</b>      | <b>Explanation</b>       |
|-----------------------------------------------|-------------------------|-------------|------------------|-------------------|--------------|-------------------|--------------------------|
| <b>TAFP AFTER VETOES</b>                      |                         |             |                  |                   |              |                   |                          |
|                                               | EE                      | 0.00        | 20,000           | 20,000            | 0            | 40,000            |                          |
|                                               | PD                      | 0.00        | 3,461,466        | 10,096,324        | 0            | 13,557,790        |                          |
|                                               | <b>Total</b>            | <b>0.00</b> | <b>3,481,466</b> | <b>10,116,324</b> | <b>0</b>     | <b>13,597,790</b> |                          |
| <b>DEPARTMENT CORE REQUEST</b>                |                         |             |                  |                   |              |                   |                          |
|                                               | EE                      | 0.00        | 20,000           | 20,000            | 0            | 40,000            |                          |
|                                               | PD                      | 0.00        | 3,461,466        | 10,096,324        | 0            | 13,557,790        |                          |
|                                               | <b>Total</b>            | <b>0.00</b> | <b>3,481,466</b> | <b>10,116,324</b> | <b>0</b>     | <b>13,597,790</b> |                          |
| <b>GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS</b> |                         |             |                  |                   |              |                   |                          |
| Core Reduction                                | 1400 9380               | PD          | 0.00             | (69,985)          | 0            | 0                 | (69,985) FMAP adjustment |
| <b>NET GOVERNOR CHANGES</b>                   |                         |             | <b>0.00</b>      | <b>(69,985)</b>   | <b>0</b>     | <b>0</b>          | <b>(69,985)</b>          |
| <b>GOVERNOR'S RECOMMENDED CORE</b>            |                         |             |                  |                   |              |                   |                          |
|                                               | EE                      | 0.00        | 20,000           | 20,000            | 0            | 40,000            |                          |
|                                               | PD                      | 0.00        | 3,391,481        | 10,096,324        | 0            | 13,487,805        |                          |
|                                               | <b>Total</b>            | <b>0.00</b> | <b>3,411,481</b> | <b>10,116,324</b> | <b>0</b>     | <b>13,527,805</b> |                          |

## DECISION ITEM SUMMARY

| Budget Unit                                    |                  |             |                   |             |                   |             |                   |             |  |
|------------------------------------------------|------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|--|
| Decision Item                                  | FY 2016          | FY 2016     | FY 2017           | FY 2017     | FY 2018           | FY 2018     | FY 2018           | FY 2018     |  |
| Budget Object Summary                          | ACTUAL           | ACTUAL      | BUDGET            | BUDGET      | DEPT REQ          | DEPT REQ    | GOV REC           | GOV REC     |  |
| Fund                                           | DOLLAR           | FTE         | DOLLAR            | FTE         | DOLLAR            | FTE         | DOLLAR            | FTE         |  |
| <b>SHOW-ME BABIES</b>                          |                  |             |                   |             |                   |             |                   |             |  |
| <b>CORE</b>                                    |                  |             |                   |             |                   |             |                   |             |  |
| EXPENSE & EQUIPMENT                            |                  |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                                | 55,775           | 0.00        | 20,000            | 0.00        | 20,000            | 0.00        | 20,000            | 0.00        |  |
| DEPT OF SOC SERV FEDERAL & OTH                 | 57,500           | 0.00        | 20,000            | 0.00        | 20,000            | 0.00        | 20,000            | 0.00        |  |
| TOTAL - EE                                     | 113,275          | 0.00        | 40,000            | 0.00        | 40,000            | 0.00        | 40,000            | 0.00        |  |
| PROGRAM-SPECIFIC                               |                  |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                                | 682,193          | 0.00        | 3,461,466         | 0.00        | 3,461,466         | 0.00        | 3,391,481         | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                    | 1,612,740        | 0.00        | 10,096,324        | 0.00        | 10,096,324        | 0.00        | 10,096,324        | 0.00        |  |
| TOTAL - PD                                     | 2,294,933        | 0.00        | 13,557,790        | 0.00        | 13,557,790        | 0.00        | 13,487,805        | 0.00        |  |
| <b>TOTAL</b>                                   | <b>2,408,208</b> | <b>0.00</b> | <b>13,597,790</b> | <b>0.00</b> | <b>13,597,790</b> | <b>0.00</b> | <b>13,527,805</b> | <b>0.00</b> |  |
| <b>MHD Cost to Continue - 1886001</b>          |                  |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                               |                  |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                                | 0                | 0.00        | 0                 | 0.00        | 1,425,084         | 0.00        | 2,883,419         | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                    | 0                | 0.00        | 0                 | 0.00        | 4,037,410         | 0.00        | 8,228,174         | 0.00        |  |
| TOTAL - PD                                     | 0                | 0.00        | 0                 | 0.00        | 5,462,494         | 0.00        | 11,111,593        | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>         | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>5,462,494</b>  | <b>0.00</b> | <b>11,111,593</b> | <b>0.00</b> |  |
| <b>FY 2018 Managed Care Rates - 1886009</b>    |                  |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                               |                  |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                                | 0                | 0.00        | 0                 | 0.00        | 72,193            | 0.00        | 70,168            | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                    | 0                | 0.00        | 0                 | 0.00        | 208,310           | 0.00        | 210,335           | 0.00        |  |
| TOTAL - PD                                     | 0                | 0.00        | 0                 | 0.00        | 280,503           | 0.00        | 280,503           | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>         | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>280,503</b>    | <b>0.00</b> | <b>280,503</b>    | <b>0.00</b> |  |
| <b>Statewide Mgd Care Transition - 1886011</b> |                  |             |                   |             |                   |             |                   |             |  |
| PROGRAM-SPECIFIC                               |                  |             |                   |             |                   |             |                   |             |  |
| GENERAL REVENUE                                | 0                | 0.00        | 0                 | 0.00        | 28,441            | 0.00        | 28,441            | 0.00        |  |
| TITLE XIX-FEDERAL AND OTHER                    | 0                | 0.00        | 0                 | 0.00        | 82,068            | 0.00        | 82,068            | 0.00        |  |
| TOTAL - PD                                     | 0                | 0.00        | 0                 | 0.00        | 110,509           | 0.00        | 110,509           | 0.00        |  |
| <b>TOTAL</b>                                   | <b>0</b>         | <b>0.00</b> | <b>0</b>          | <b>0.00</b> | <b>110,509</b>    | <b>0.00</b> | <b>110,509</b>    | <b>0.00</b> |  |

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## DECISION ITEM SUMMARY

| Budget Unit                 |             |         |              |         |              |          |              |         |
|-----------------------------|-------------|---------|--------------|---------|--------------|----------|--------------|---------|
| Decision Item               | FY 2016     | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
| Budget Object Summary       | ACTUAL      | ACTUAL  | BUDGET       | BUDGET  | DEPT REQ     | DEPT REQ | GOV REC      | GOV REC |
| Fund                        | DOLLAR      | FTE     | DOLLAR       | FTE     | DOLLAR       | FTE      | DOLLAR       | FTE     |
| <b>SHOW-ME BABIES</b>       |             |         |              |         |              |          |              |         |
| FMAP Adjustment - 1886025   |             |         |              |         |              |          |              |         |
| PROGRAM-SPECIFIC            |             |         |              |         |              |          |              |         |
| TITLE XIX-FEDERAL AND OTHER | 0           | 0.00    | 0            | 0.00    | 0            | 0.00     | 69,985       | 0.00    |
| TOTAL - PD                  | 0           | 0.00    | 0            | 0.00    | 0            | 0.00     | 69,985       | 0.00    |
| TOTAL                       | 0           | 0.00    | 0            | 0.00    | 0            | 0.00     | 69,985       | 0.00    |
| GRAND TOTAL                 | \$2,408,208 | 0.00    | \$13,597,790 | 0.00    | \$19,451,296 | 0.00     | \$25,100,395 | 0.00    |

# DECISION ITEM DETAIL

| Budget Unit           | FY 2016            | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
|-----------------------|--------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| 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         |
| <b>SHOW-ME BABIES</b> |                    |             |                     |             |                     |             |                     |             |
| <b>CORE</b>           |                    |             |                     |             |                     |             |                     |             |
| PROFESSIONAL SERVICES | 113,275            | 0.00        | 40,000              | 0.00        | 40,000              | 0.00        | 40,000              | 0.00        |
| TOTAL - EE            | 113,275            | 0.00        | 40,000              | 0.00        | 40,000              | 0.00        | 40,000              | 0.00        |
| PROGRAM DISTRIBUTIONS | 2,294,933          | 0.00        | 13,557,790          | 0.00        | 13,557,790          | 0.00        | 13,487,805          | 0.00        |
| TOTAL - PD            | 2,294,933          | 0.00        | 13,557,790          | 0.00        | 13,557,790          | 0.00        | 13,487,805          | 0.00        |
| <b>GRAND TOTAL</b>    | <b>\$2,408,208</b> | <b>0.00</b> | <b>\$13,597,790</b> | <b>0.00</b> | <b>\$13,597,790</b> | <b>0.00</b> | <b>\$13,527,805</b> | <b>0.00</b> |
| GENERAL REVENUE       | \$737,968          | 0.00        | \$3,481,466         | 0.00        | \$3,481,466         | 0.00        | \$3,411,481         | 0.00        |
| FEDERAL FUNDS         | \$1,670,240        | 0.00        | \$10,116,324        | 0.00        | \$10,116,324        | 0.00        | \$10,116,324        | 0.00        |
| OTHER FUNDS           | \$0                | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        |



## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.560**

**Program Name: Show-Me Healthy Babies**

**Program is found in the following core budget(s): Show-Me Healthy Babies**

### 1. What does this program do?

#### **Program Description**

Effective January 1, 2016, Missouri established the Show-Me Healthy Babies program, a separate Children's Health Insurance Program (CHIP), for targeted low-income unborn children from families with household incomes up to 300% FPL. The mother of the unborn child cannot be otherwise eligible for MO HealthNet coverage and cannot have access to affordable employer-subsidized health care insurance or other affordable health care coverage that includes coverage for the unborn child. Self-attestation of pregnancy is accepted when making eligibility determinations and there is no waiting period for coverage to begin.

The unborn child's coverage period begins from date of application and extends through birth. For the mother of the unborn child, postpartum coverage begins on the day the pregnancy ends and extends through the last day of the month which includes the sixtieth (60<sup>th</sup>) day after the pregnancy ends. Coverage for the child continues for up to one year after birth, unless otherwise prohibited by law or unless otherwise limited by the Missouri General Assembly through appropriations.

#### **Program Statistics**

As of June 2016, DSS has enrolled 646 individuals in the Show-Me Healthy Babies program.

#### **Program Goals**

The purpose of the Program is to provide early health coverage through pre-natal care and pregnancy related services that benefit the health of the unborn child and promote healthy labor, delivery, birth, and postpartum care.

#### **Program Objectives**

To provide eligible unborn children a benefit package of essential, medically necessary health services in order to improve birth outcomes and decrease health problems during pregnancy, infancy, and childhood.

#### **Reimbursement Methodology**

Services provided under the Show-Me Healthy Babies Program can be reimbursed individually under the fee-for-service program or through a monthly capitation rate paid to the MO HealthNet Managed Care health plans that contract with the state.

#### **Additional Details**

At least annually, an external evaluation will be conducted on the Show-Me Healthy Babies Program, analyzing and projecting the cost savings and benefits, if any, to the state and persons when enrolling unborn children in the Show-Me Healthy Babies Program.

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

State Statue: RSMO Section 208.662; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.10.

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.560**

**Program Name: Show-Me Healthy Babies**

**Program is found in the following core budget(s): Show-Me Healthy Babies**

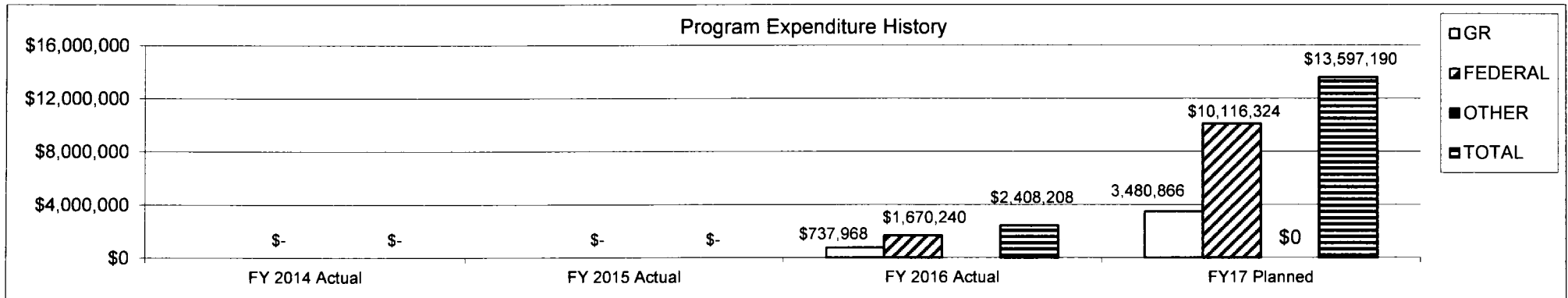
### 3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid 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. Missouri's enhanced CHIP FMAP for FY18 is a blended 74.985% federal match. The state matching requirement for the CHIP program is 25.015%.

### 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 in FY 2016. Planned expenditures are net of reverted.

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

N/A

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.560**

**Program Name: Show-Me Healthy Babies**

**Program is found in the following core budget(s): Show-Me Healthy Babies**

**7a. Provide an effectiveness measure.**

Not enough data at this time.

**7b. Provide an efficiency measure.**

Not enough data at this time.

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

N/A

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

Not enough data at this time.



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Budget Unit: 90567C  
HB Section: 11.590

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |    |         |             |             |   |
|------------------------|----|---------|-------------|-------------|---|
|                        | GR | Federal | Other       | Total       | E |
| PS                     |    |         |             |             |   |
| EE                     |    |         |             |             |   |
| PSD                    |    |         | 351,448,765 | 351,448,765 |   |
| TRF                    |    |         |             |             |   |
| Total                  |    |         | 351,448,765 | 351,448,765 |   |
| FTE                    |    |         |             | 0.00        |   |

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

Other Funds: Nursing Facility Reimb Allowance Fund (NFRA) (0196)

| FY 2018 Governor's Recommendation |    |         |             |             |   |
|-----------------------------------|----|---------|-------------|-------------|---|
|                                   | GR | Federal | Other       | Total       | E |
| PS                                |    |         |             |             |   |
| EE                                |    |         |             |             |   |
| PSD                               |    |         | 351,448,765 | 351,448,765 |   |
| TRF                               |    |         |             |             |   |
| Total                             |    |         | 351,448,765 | 351,448,765 |   |
| FTE                               |    |         |             | 0.00        |   |

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

Other Funds: Nursing Facility Reimb Allowance Fund (NFRA) (0196)

## 2. CORE DESCRIPTION

This core request is for ongoing funding of payments for nursing facility services provided to MO HealthNet participants. This item funds the portion of the per diem rate paid to nursing facilities that is funded through the Nursing Facility Reimbursement Allowance (NFRA). Funds from this core are used to provide enhanced payment rates for improving the quality of patient care using the NFRA under Title XIX of the Social Security Act as a General Revenue equivalent.

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

Nursing Facilities Reimbursement Allowance (NFRA) Program

# CORE DECISION ITEM

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Nursing Facilities Reimbursement Allowance (NFRA) Payments**

**Budget Unit: 90567C**  
**HB Section: 11.590**

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds)       | 301,027,717       | 325,332,526       | 325,332,526       | 325,332,526            |
| Less Reverted (All Funds)       | 0                 | 0                 | 0                 | N/A                    |
| Less Restricted (All Funds)     | 0                 | 0                 | 0                 | N/A                    |
| Budget Authority (All Funds)    | 301,027,717       | 325,332,526       | 325,332,526       | N/A                    |
| Actual Expenditures (All Funds) | 301,027,717       | 325,332,526       | 318,920,466       | N/A                    |
| Unexpended (All Funds)          | 0                 | 0                 | 6,412,060         | N/A                    |
| Unexpended, by Fund:            |                   |                   |                   |                        |
| General Revenue                 | 0                 | 0                 | 0                 | N/A                    |
| Federal                         | 0                 | 0                 | 0                 | N/A                    |
| Other                           | 0                 | 0                 | 6,412,060         | N/A                    |

(1)

(2)

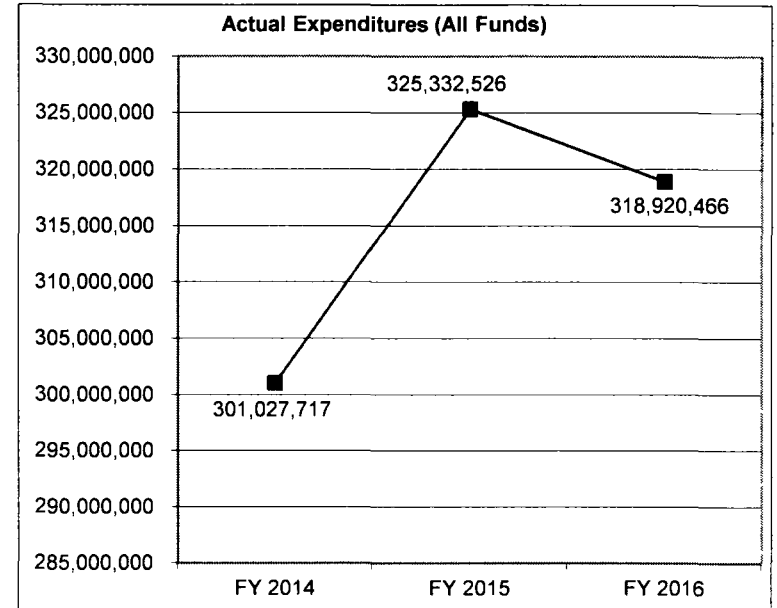
Reverted includes statutory reserve amounts (when applicable).

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

### NOTES:

(1) FY14 \$12,690,536 paid from supplemental pool.

(2) FY15 \$13,875,469 in supplemental appropriations.



## CORE DECISION ITEM

**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Nursing Facilities Reimbursement Allowance (NFRA) Payments**

**Budget Unit: 90567C**  
**HB Section: 11.590**

### 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               | \$170.37               | \$1,102.14      | \$1,988.02 | 15.46%                               | 8.57%                                |
| Seniors           | \$817.87               | \$380.60        | \$1,585.20 | 214.89%                              | 51.59%                               |
| Custodial Parents | \$0.51                 | \$462.53        | \$495.56   | 0.11%                                | 0.10%                                |
| Children*         | \$0.01                 | \$259.53        | \$287.18   | 0.00%                                | 0.00%                                |
| Pregnant Women    | \$0.14                 | \$732.32        | \$748.13   | 0.02%                                | 0.02%                                |

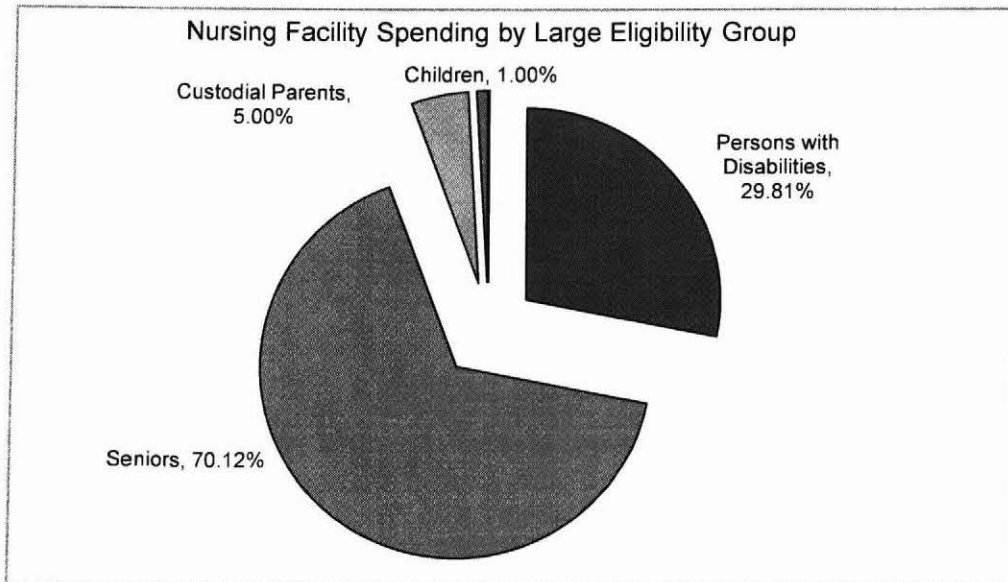
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate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

Source: Table 23 Medical Statistics for Fiscal Year 2016 (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 2016 (claims paid data).

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 FACILITY FED REIMB AL

#### 5. CORE RECONCILIATION DETAIL

|                                    |     |      |    | Budget<br>Class | FTE         | GR       | Federal  | Other              | Total              | Explanation                                                                            |
|------------------------------------|-----|------|----|-----------------|-------------|----------|----------|--------------------|--------------------|----------------------------------------------------------------------------------------|
| <b>TAFP AFTER VETOES</b>           |     |      |    |                 |             |          |          |                    |                    |                                                                                        |
|                                    |     |      |    | PD              | 0.00        | 0        | 0        | 325,332,526        | 325,332,526        |                                                                                        |
|                                    |     |      |    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>325,332,526</b> | <b>325,332,526</b> |                                                                                        |
| <b>DEPARTMENT CORE ADJUSTMENTS</b> |     |      |    |                 |             |          |          |                    |                    |                                                                                        |
| Core Reallocation                  | 247 | 1606 | PD |                 | 0.00        | 0        | 0        | 26,116,239         | 26,116,239         | Reallocate funds from Nursing Facilities to properly align state and federal earnings. |
| <b>NET DEPARTMENT CHANGES</b>      |     |      |    |                 | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>26,116,239</b>  | <b>26,116,239</b>  |                                                                                        |
| <b>DEPARTMENT CORE REQUEST</b>     |     |      |    |                 |             |          |          |                    |                    |                                                                                        |
|                                    |     |      |    | PD              | 0.00        | 0        | 0        | 351,448,765        | 351,448,765        |                                                                                        |
|                                    |     |      |    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>351,448,765</b> | <b>351,448,765</b> |                                                                                        |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |     |      |    |                 |             |          |          |                    |                    |                                                                                        |
|                                    |     |      |    | PD              | 0.00        | 0        | 0        | 351,448,765        | 351,448,765        |                                                                                        |
|                                    |     |      |    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>351,448,765</b> | <b>351,448,765</b> |                                                                                        |



## DECISION ITEM SUMMARY

| Budget Unit                           |                      |             |                      |             |                      |             |                      |             |
|---------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| Decision Item                         | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
| Budget Object Summary                 | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |
| Fund                                  | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |
| <b>NURSING FACILITY FED REIMB AL</b>  |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>                           |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                      |                      |             |                      |             |                      |             |                      |             |
| NURSING FACILITY FED REIM ALLW        | 318,920,466          | 0.00        | 325,332,526          | 0.00        | 351,448,765          | 0.00        | 351,448,765          | 0.00        |
| TOTAL - PD                            | 318,920,466          | 0.00        | 325,332,526          | 0.00        | 351,448,765          | 0.00        | 351,448,765          | 0.00        |
| <b>TOTAL</b>                          | <b>318,920,466</b>   | <b>0.00</b> | <b>325,332,526</b>   | <b>0.00</b> | <b>351,448,765</b>   | <b>0.00</b> | <b>351,448,765</b>   | <b>0.00</b> |
| <b>MHD Cost to Continue - 1886001</b> |                      |             |                      |             |                      |             |                      |             |
| PROGRAM-SPECIFIC                      |                      |             |                      |             |                      |             |                      |             |
| NURSING FACILITY FED REIM ALLW        | 0                    | 0.00        | 0                    | 0.00        | 7,094,330            | 0.00        | 7,630,857            | 0.00        |
| TOTAL - PD                            | 0                    | 0.00        | 0                    | 0.00        | 7,094,330            | 0.00        | 7,630,857            | 0.00        |
| <b>TOTAL</b>                          | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>7,094,330</b>     | <b>0.00</b> | <b>7,630,857</b>     | <b>0.00</b> |
| <b>GRAND TOTAL</b>                    | <b>\$318,920,466</b> | <b>0.00</b> | <b>\$325,332,526</b> | <b>0.00</b> | <b>\$358,543,095</b> | <b>0.00</b> | <b>\$359,079,622</b> | <b>0.00</b> |

# DECISION ITEM DETAIL

| Budget Unit                          | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
|--------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| 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         |
| <b>NURSING FACILITY FED REIMB AL</b> |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>                          |                      |             |                      |             |                      |             |                      |             |
| PROGRAM DISTRIBUTIONS                | 318,920,466          | 0.00        | 325,332,526          | 0.00        | 351,448,765          | 0.00        | 351,448,765          | 0.00        |
| TOTAL - PD                           | 318,920,466          | 0.00        | 325,332,526          | 0.00        | 351,448,765          | 0.00        | 351,448,765          | 0.00        |
| <b>GRAND TOTAL</b>                   | <b>\$318,920,466</b> | <b>0.00</b> | <b>\$325,332,526</b> | <b>0.00</b> | <b>\$351,448,765</b> | <b>0.00</b> | <b>\$351,448,765</b> | <b>0.00</b> |
| 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                          | \$318,920,466        | 0.00        | \$325,332,526        | 0.00        | \$351,448,765        | 0.00        | \$351,448,765        | 0.00        |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.590**

**Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments**

**Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments**

### 1. What does this program do?

#### **Program Description**

The Nursing Facilities Reimbursement Allowance (NFRA) program assesses nursing facilities in the state of Missouri a fee for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal Medicaid matching funds. The assessment collected from the nursing facilities and the federal earnings fund the NFRA program. The funds collected by the state are used to provide enhanced payment rates for the nursing facility program.

#### **Program Statistics**

In FY16, 518 nursing facilities were assessed and 503 nursing facilities participated in the MO HealthNet program and received enhanced reimbursement. In FY16, the NFRA rate was increased to \$13.40 per patient occupancy day to maintain sufficient funding for the nursing facility per diem reimbursement rate. The NFRA program has been reauthorized through September 30, 2018.

#### **Program Goals**

To promote quality of care to Medicaid participants in nursing facilities.

#### **Program Objectives**

Provide reasonable reimbursement for nursing facility services to ensure an adequate supply of providers.

To create a safe, sustainable, healthy and cost effective health care environment for the treatment and residential aspects of our Medicaid participants in nursing facilities.

#### **Reimbursement Methodology**

In FY 1995, the NFRA program was implemented as part of a total restructuring of reimbursement for nursing facilities and was used to provide enhanced reimbursement rates to nursing facilities that targeted quality patient care. Reimbursement methodologies were changed to reimburse nursing facilities on a cost component basis that allows the MO HealthNet to target particular costs. MHD implemented a methodology that provides for higher reimbursement of patient care costs while limiting administration and capital costs. *For additional details on the cost components, see the program description in the Nursing Facilities tab.*

#### **Rate History**

Following are recent nursing facility reimbursement rate increases (per occupancy day) funded with NFRA:

FY15 \$1.25

FY13 \$6.41

FY10 \$6.15

FY09 \$6.00

FY08 \$9.00

FY07 \$3.17

(FY14-FY17 see Nursing Facilities)

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.590**

**Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments**

**Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments**

### **Additional Details**

The NFRA is assessed to all nursing facilities on a per patient day basis. The current NFRA rate per day is multiplied the annualized level of patient days to determine the annual assessment owed by a nursing facility which MHD collects on a monthly basis throughout the year. MHD recalculates the assessment at the beginning of each state fiscal year using updated patient using and an updated NFRA, if applicable. The patient days (i.e., the number of days that licensed nursing facility beds are occupied by patients) are updated each state fiscal year using the Quarterly Certification of Need (CON) Survey from the Department of Health and Senior Services for the latest December ending quarter. Following are the recent NFRA rates per patient occupancy day:

FY16-17 \$13.40

FY13-15 \$12.11

FY12 \$11.70

FY11 \$9.27

FY10 \$9.07

### **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. 198.401; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 443, 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 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 FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. The nursing facility assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

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

No.

## PROGRAM DESCRIPTION

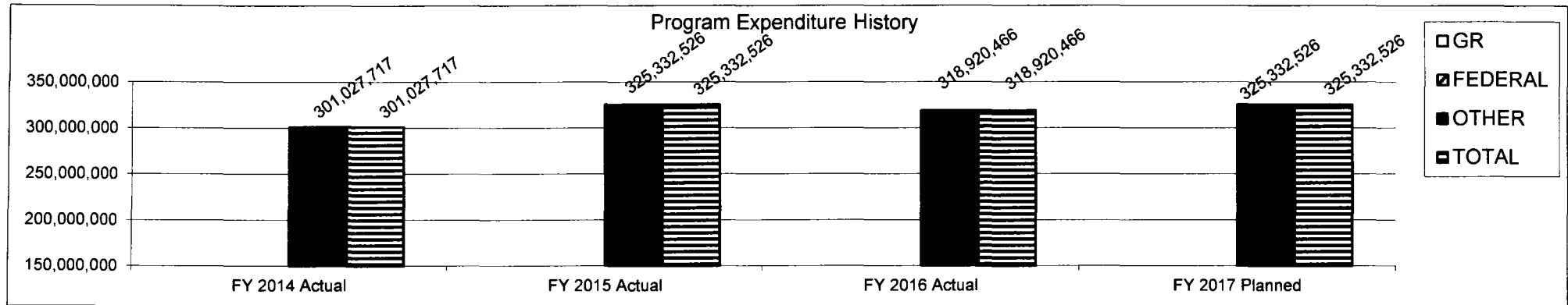
**Department: Social Services**

**HB Section: 11.590**

**Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments**

**Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments**

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

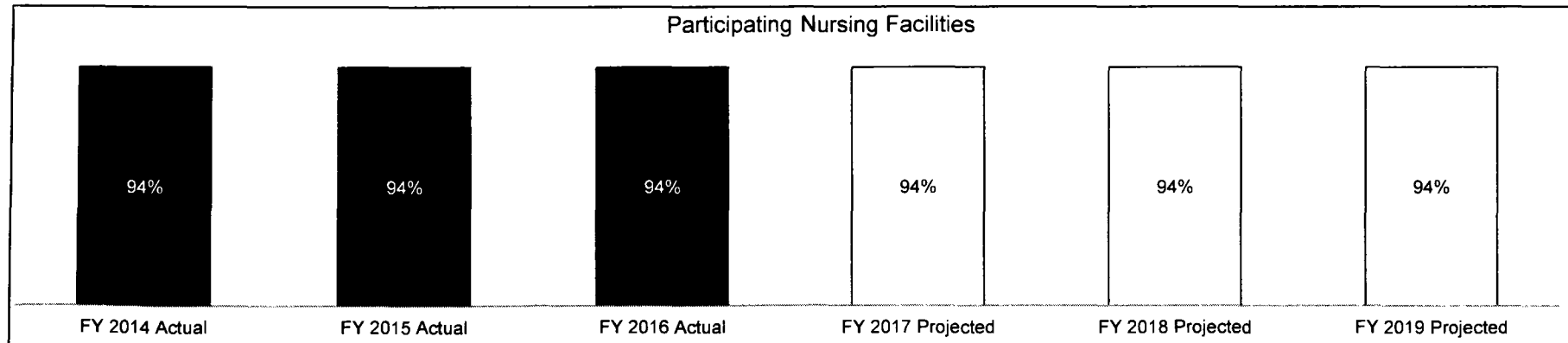


### 6. What are the sources of the "Other " funds?

Nursing Facility Reimbursement Allowance Fund (0196)

### 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.



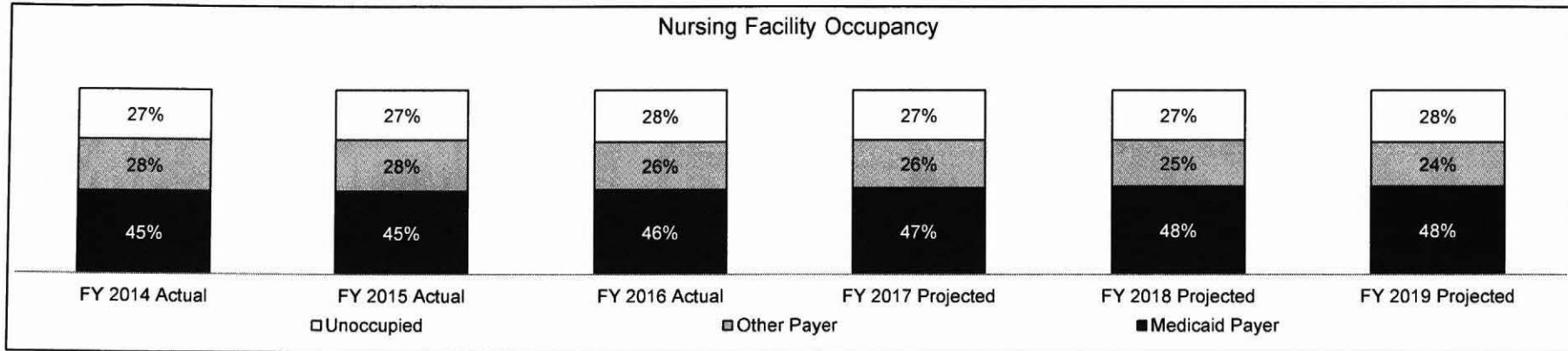
## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.590

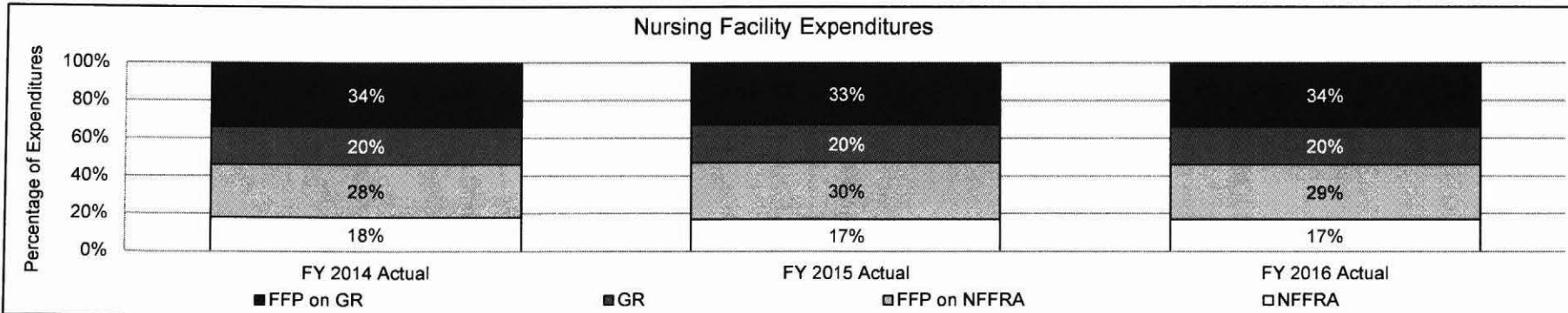
Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments



### 7b. Provide an efficiency measure.

Provide funding for the nursing facility program. During the past three state fiscal years, the nursing facility provider tax and the federal matching funds on the assessment provided at least 45% of nursing facility expenditures. NFRA allows the state to provide enhanced reimbursements to nursing facilities minimizing the need for general revenue.



## PROGRAM DESCRIPTION

Department: Social Services

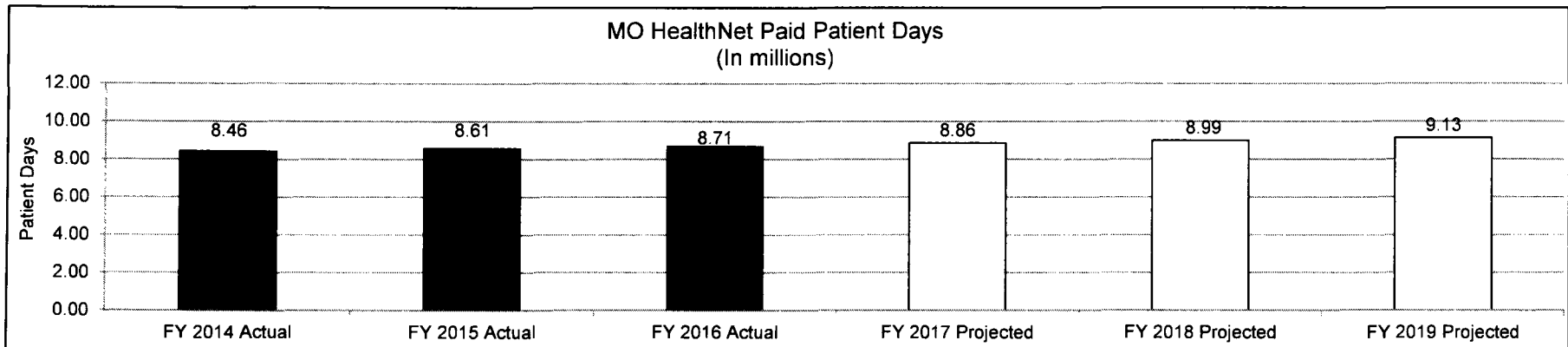
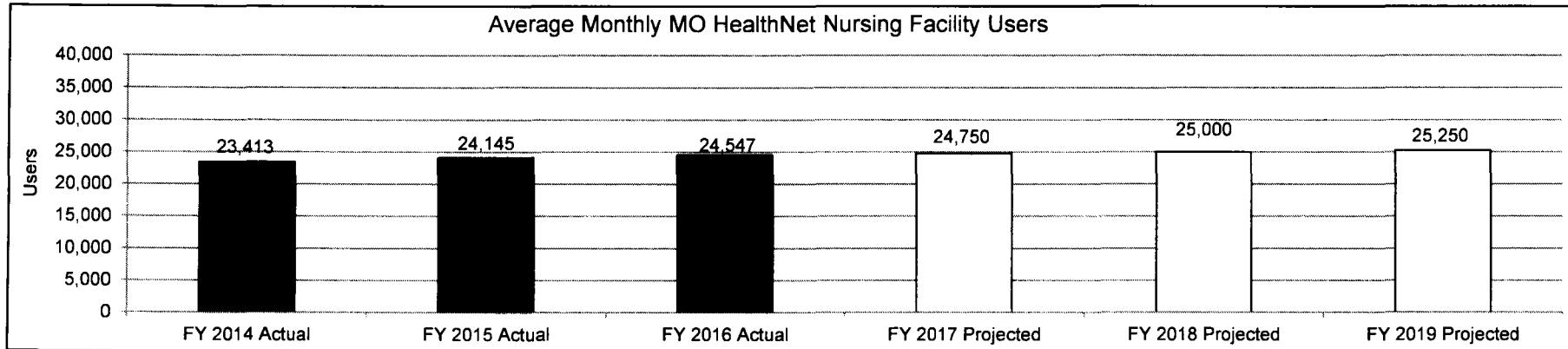
HB Section: 11.590

Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments

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

Nursing Facility Reimbursement Allowance (NFRA) payments are made on behalf of MO HealthNet eligibles for long-term care services.



### 7d. Provide a customer satisfaction, if applicable.

N/A





# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: School District Medicaid Claiming

Budget Unit: 90569C

HB Section: 11.595

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |         |            |       |            |   |
|------------------------|---------|------------|-------|------------|---|
|                        | GR      | Federal    | Other | Total      | E |
| PS                     |         |            |       |            |   |
| EE                     |         |            |       |            |   |
| PSD                    | 242,525 | 34,653,770 |       | 34,896,295 |   |
| TRF                    |         |            |       |            |   |
| Total                  | 242,525 | 34,653,770 |       | 34,896,295 |   |

FTE 0.00

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

| FY 2018 Governor's Recommendation |         |            |       |            |   |
|-----------------------------------|---------|------------|-------|------------|---|
|                                   | GR      | Federal    | Other | Total      | E |
| PS                                |         |            |       |            |   |
| EE                                |         |            |       |            |   |
| PSD                               | 242,525 | 34,653,770 |       | 34,896,295 |   |
| TRF                               |         |            |       |            |   |
| Total                             | 242,525 | 34,653,770 |       | 34,896,295 |   |

FTE 0.00

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

## 2. CORE DESCRIPTION

This item funds payments for School District Administrative Claiming (SDAC) and Individualized Education Plan (IEP) school-based health services (SBHS).

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

School-based administrative and school-based EPSDT services.

# CORE DECISION ITEM

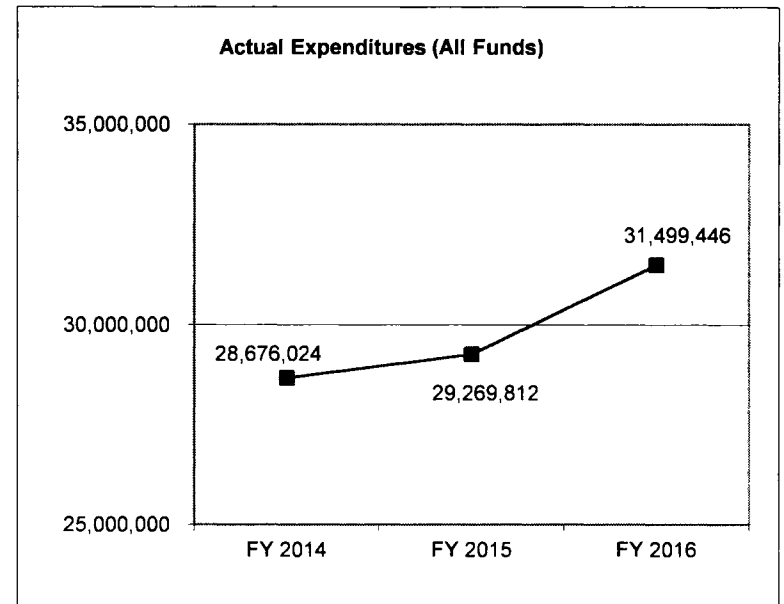
Department: Social Services  
Division: MO HealthNet  
Core: School District Medicaid Claiming

Budget Unit: 90569C

HB Section: 11.595

## 4. FINANCIAL HISTORY

|                                 | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Current Yr. | FY 2017<br>Current Yr. |
|---------------------------------|-------------------|-------------------|------------------------|------------------------|
| Appropriation (All Funds)       | 54,723,724        | 54,903,770        | 39,896,295             | 34,896,295             |
| Less Reverted (All Funds)       | 0                 | 0                 | 0                      | N/A                    |
| Less Restricted (All Funds)     | 0                 | 0                 | 0                      | N/A                    |
| Budget Authority (All Funds)    | 54,723,724        | 54,903,770        | 39,896,295             | N/A                    |
| Actual Expenditures (All Funds) | 28,676,024        | 29,269,812        | 31,499,446             | N/A                    |
| Unexpended (All Funds)          | 26,047,700        | 25,633,958        | 8,396,849              | N/A                    |
| Unexpended, by Fund:            |                   |                   |                        |                        |
| General Revenue                 | 0                 | 156,931           | 91,077                 | N/A                    |
| Federal                         | 26,047,700        | 25,477,027        | 8,305,772              | 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) FY14 Expenditures of \$79,373 were paid from the Supplemental Pool.

(2) FY15 \$180,046 GR supplemental appropriation.

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
SCHOOL DISTRICT CLAIMING**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>      | <b>Federal</b>    | <b>Other</b> | <b>Total</b>      | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|----------------|-------------------|--------------|-------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |                |                   |              |                   |                    |
|                                    | PD                      | 0.00        | 242,525        | 34,653,770        | 0            | 34,896,295        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>242,525</b> | <b>34,653,770</b> | <b>0</b>     | <b>34,896,295</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |                |                   |              |                   |                    |
|                                    | PD                      | 0.00        | 242,525        | 34,653,770        | 0            | 34,896,295        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>242,525</b> | <b>34,653,770</b> | <b>0</b>     | <b>34,896,295</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |                |                   |              |                   |                    |
|                                    | PD                      | 0.00        | 242,525        | 34,653,770        | 0            | 34,896,295        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>242,525</b> | <b>34,653,770</b> | <b>0</b>     | <b>34,896,295</b> |                    |

# DECISION ITEM SUMMARY

| Budget Unit                     |                     |             |                     |             |                     |             |                     |             |             |
|---------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|-------------|
| Decision Item                   | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     | FY 2018     |
| Budget Object Summary           | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     | GOV REC     |
| Fund                            | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | FTE         |
| <b>SCHOOL DISTRICT CLAIMING</b> |                     |             |                     |             |                     |             |                     |             |             |
| <b>CORE</b>                     |                     |             |                     |             |                     |             |                     |             |             |
| EXPENSE & EQUIPMENT             |                     |             |                     |             |                     |             |                     |             |             |
| TITLE XIX-FEDERAL AND OTHER     | 1,350,000           | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 0.00        |
| TOTAL - EE                      | 1,350,000           | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 0.00        |
| PROGRAM-SPECIFIC                |                     |             |                     |             |                     |             |                     |             |             |
| GENERAL REVENUE                 | 151,448             | 0.00        | 242,525             | 0.00        | 242,525             | 0.00        | 242,525             | 0.00        | 0.00        |
| TITLE XIX-FEDERAL AND OTHER     | 29,997,998          | 0.00        | 34,653,770          | 0.00        | 34,653,770          | 0.00        | 34,653,770          | 0.00        | 0.00        |
| TOTAL - PD                      | 30,149,446          | 0.00        | 34,896,295          | 0.00        | 34,896,295          | 0.00        | 34,896,295          | 0.00        | 0.00        |
| <b>TOTAL</b>                    | <b>31,499,446</b>   | <b>0.00</b> | <b>34,896,295</b>   | <b>0.00</b> | <b>34,896,295</b>   | <b>0.00</b> | <b>34,896,295</b>   | <b>0.00</b> | <b>0.00</b> |
| <b>GRAND TOTAL</b>              | <b>\$31,499,446</b> | <b>0.00</b> | <b>\$34,896,295</b> | <b>0.00</b> | <b>\$34,896,295</b> | <b>0.00</b> | <b>\$34,896,295</b> | <b>0.00</b> | <b>0.00</b> |

# DECISION ITEM DETAIL

| Budget Unit                     | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
|---------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| 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         |
| <b>SCHOOL DISTRICT CLAIMING</b> |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                     |                     |             |                     |             |                     |             |                     |             |
| PROFESSIONAL SERVICES           | 1,350,000           | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        |
| TOTAL - EE                      | 1,350,000           | 0.00        | 0                   | 0.00        | 0                   | 0.00        | 0                   | 0.00        |
| PROGRAM DISTRIBUTIONS           | 30,149,446          | 0.00        | 34,896,295          | 0.00        | 34,896,295          | 0.00        | 34,896,295          | 0.00        |
| TOTAL - PD                      | 30,149,446          | 0.00        | 34,896,295          | 0.00        | 34,896,295          | 0.00        | 34,896,295          | 0.00        |
| <b>GRAND TOTAL</b>              | <b>\$31,499,446</b> | <b>0.00</b> | <b>\$34,896,295</b> | <b>0.00</b> | <b>\$34,896,295</b> | <b>0.00</b> | <b>\$34,896,295</b> | <b>0.00</b> |
| GENERAL REVENUE                 | \$151,448           | 0.00        | \$242,525           | 0.00        | \$242,525           | 0.00        | \$242,525           | 0.00        |
| FEDERAL FUNDS                   | \$31,347,998        | 0.00        | \$34,653,770        | 0.00        | \$34,653,770        | 0.00        | \$34,653,770        | 0.00        |
| OTHER FUNDS                     | \$0                 | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        |

## PROGRAM DESCRIPTION

**Department: Social Services**

**HB Section: 11.595**

**Program Name: School Districts Medicaid Claiming**

**Program is found in the following core budget(s): School Districts Medicaid Claiming**

### 1. What does this program do?

#### **Program Description**

This item funds payments for 1) School District Administrative Claiming (SDAC) and 2) Individualized Education Plan (IEP) school-based health services (SBHS). The SDAC program allows Missouri school districts to receive federal reimbursement for Medicaid Administrative activities that support direct services that are offered to children in the school district. In addition, school districts become an "administrative arm" of the MO HealthNet Division through eligibility outreach, coordination and referral for improved health care services for students. These activities include outreach to Medicaid and the Early and Periodic Screening Diagnosis and Treatment (EPSDT) program benefit, also known as the Healthy Children and Youth (HCY) program; referrals made for health services; and coordinating health services for students. An interagency agreement is in place between the MO HealthNet Division and participating school districts for administrative claiming. IEP school-based health services (SBHS) are limited to physical, occupational, and speech therapy services, audiology, personal care, private duty nursing, and behavioral health services identified in an IEP for school age children. For school based IEP health services, each school district enrolls with MO HealthNet to provide the most efficient administration of the school-based EPSDT services for children within the school system. The provision of school-based IEP health services by school districts expands MO HealthNet EPSDT services and is an effective method of coordinating services and improving care. Eligible entities for IEP SBHS are public and charter school districts recognized by DESE.

#### **Program Statistics**

In FY16, there were 423 schools participating in administrative claiming. In the same fiscal year, 248 participating schools provided IEP school-based health services to 16,701 students. The most commonly utilized services in FY16 were physical, occupational, and speech therapies (88%), followed by private duty nursing and personal care (12%). Behavioral health and audiology services have only been provided minimally through the IEP health-services program.

#### **Program Goals**

The goal of SDAC is to form a partnership between the Department of Social Services, MO HealthNet Division and individual school districts to share in the responsibility for promoting access to health care for students in the school system, preventing costly or long-term health care problems for at risk students, and coordinating students' health care needs with other providers.

The goal of IEP school-based health services is to enable Missouri school districts who enroll students with disabilities that are MO HealthNet participants to access MO HealthNet-covered services and receive partial reimbursement for those services that are included as MO HealthNet state plan services.

#### **Program Objectives**

- Assure that all MO HealthNet eligible clients under the age of 21 and their families are informed of the Early and Periodic Screening Diagnosis and Treatment (EPSDT) program benefit, also known as the Healthy Children and Youth (HCY) program, and how to access it.
- Assure that assistance is provided to potentially eligible children and their families in determining their eligibility for participation in the MO HealthNet program.
- Assure early and appropriate intervention and screening so that diagnosis and treatment occur in a timely manner.
- Link MO HealthNet eligible children receiving EPSDT/HCY through service coordination activities to a primary care provider.
- Assure that services are of sufficient amount, duration, and scope to correct or ameliorate the condition for which they were determined to be medically necessary.

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.595

**Program Name:** School Districts Medicaid Claiming

**Program is found in the following core budget(s):** School Districts Medicaid Claiming

- Assure that services are provided by appropriate MO HealthNet enrolled providers for the correction or amelioration of conditions identified through a full, partial, or inter-periodic EPSDT/HCY screen.
- Encourage a healthier lifestyle for children by teaching each of them to become their own case manager.

### Reimbursement Methodology

The SDAC program reimburses according to a calculation which includes the staff expense, the federal financial participation rate (i.e. FMAP), the percentage of time spent performing claimable administrative activities, the percentage of MO HealthNet eligible children in the school, and the percent of MO HealthNet enrolled providers the district refers students to for services (provider participation rate). The IEP SBHS program reimburses schools for the federal share of the rate listed in the fee schedule.

School districts seeking MO HealthNet reimbursement for eligible services under the SDAC and SBHS programs are required to certify actual expenditures incurred through a Certification of Public Expenditures (CPE) methodology. MHD also reimburses participating schools 50% of transportation costs incurred by the school district to transport a student to an IEP school-based health service. MO HealthNet reimburses the federal share of expenditures for administrative services, IEP health services, and IEP health service-related transportation provided by school districts through this appropriation.

### Rate History

The rates authorized under the IEP SBHS program are identical to the fee-for-service rates paid in Physicians-Related Services, Rehab and Specialty Services, and DHSS Home and Community Based Services. For specific rate histories of these programs, see their respective tabs in the MO HealthNet and Department of Health and Senior Services (DHSS) budget books.

### Additional Details

Payments under the SDAC program are also be made on behalf of administrative expenditures for two parochial school districts: Archdiocese of St. Louis and Cristo Rey Kansas City. These schools were "grandfathered" into the program. No additional parochial schools can be added to the program. Under the SDAC program, MO HealthNet funds the state share through general revenue.

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

42 CFR 441.50 and 441.55-441.60

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

Medicaid allowable services provided by school districts receive a federal medical assistance percentage (FMAP) on expenditures. Administrative expenditures earn a 50% federal match and the state matching requirement is 50%. Direct services earn Missouri's FMAP. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match rate. The state matching requirement is 35.740%.

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

No

## PROGRAM DESCRIPTION

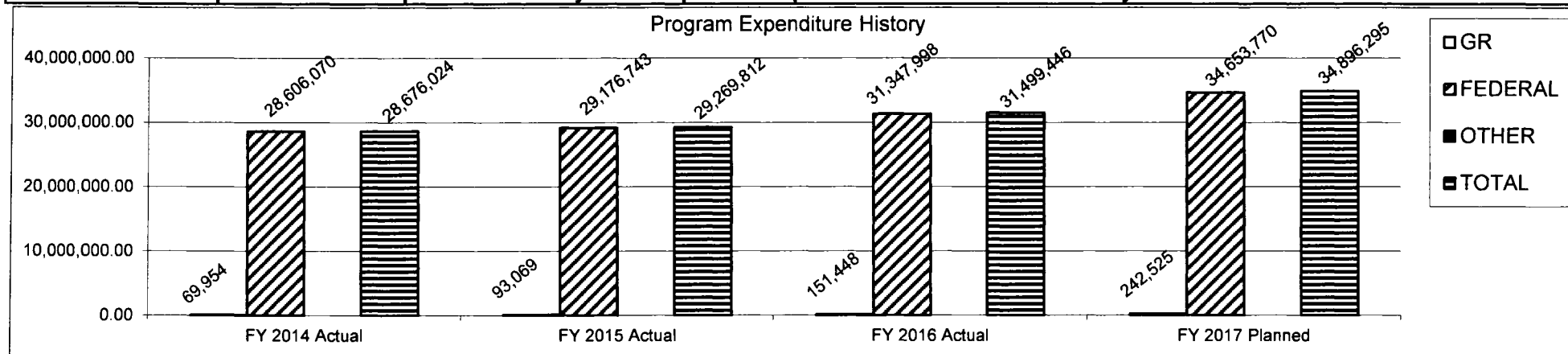
**Department: Social Services**

**HB Section: 11.595**

**Program Name: School Districts Medicaid Claiming**

**Program is found in the following core budget(s): School Districts Medicaid Claiming**

### 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.

#### EPSDT Participant Ratio

| * Federal Fiscal Year | Participants Who Should Have Received a Screening | Participants Who Received At Least One Screening | Percent |
|-----------------------|---------------------------------------------------|--------------------------------------------------|---------|
| 2014 Actual           | 395,881                                           | 278,040                                          | 70%     |
| 2015 Actual           | 432,703                                           | 304,370                                          | 70%     |
| 2016 Projected        | 432,703                                           | 304,370                                          | 70%     |
| 2017 Projected        | 432,703                                           | 304,370                                          | 70%     |
| 2018 Projected        | 432,703                                           | 304,370                                          | 70%     |
| 2019 Projected        | 432,703                                           | 304,370                                          | 70%     |

\*Based on federal fiscal year in which report was submitted to CMS. FFY16 will be available February, 2017.

Increase the provision of medically necessary services to MO HealthNet eligible children as provided through EPSDT by 42 CFR 441 Subpart B. The EPSDT participant ratio remained the same from FFY 2014 to FFY 2015. The rate for FFY15 is 70%.

Increase the number of schools participating in administrative claiming and school based services. In SFY 2016 there were 423 school districts participating in administrative claiming. In SFY 2016, there were 248 school districts participating in school based services. Any public or charter school district in the state may participate.



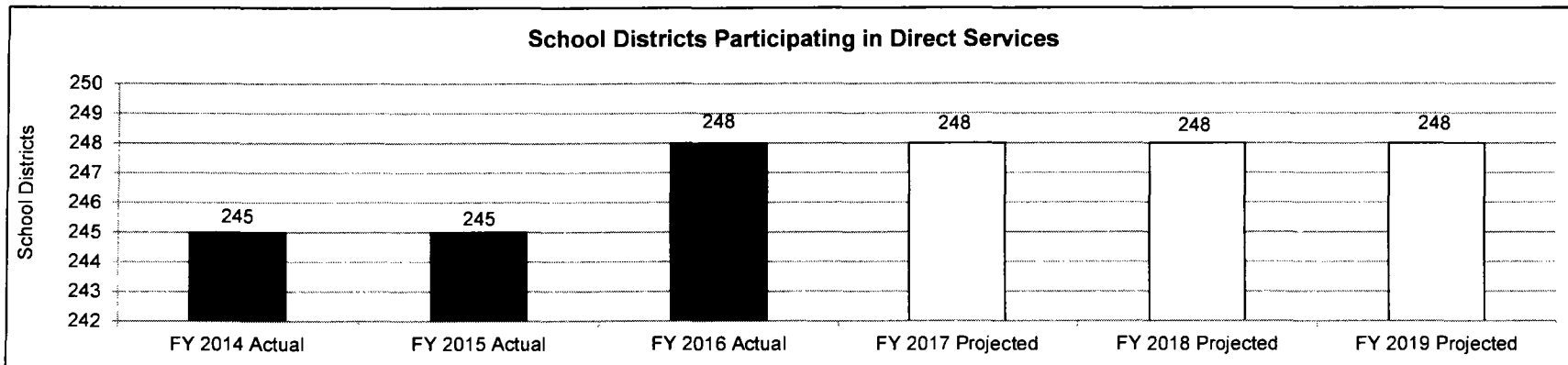
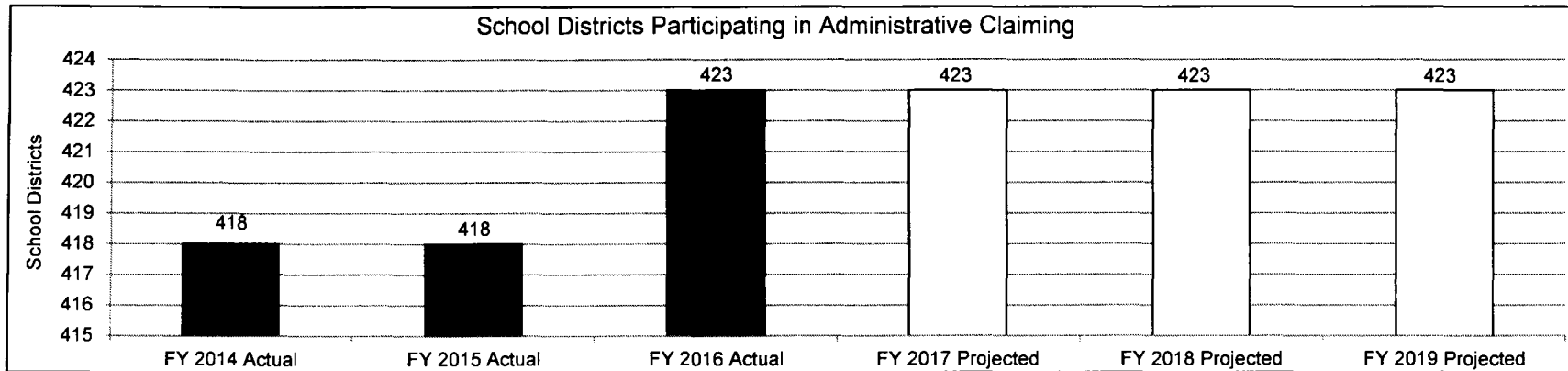
## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.595

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming



## PROGRAM DESCRIPTION

Department: Social Services

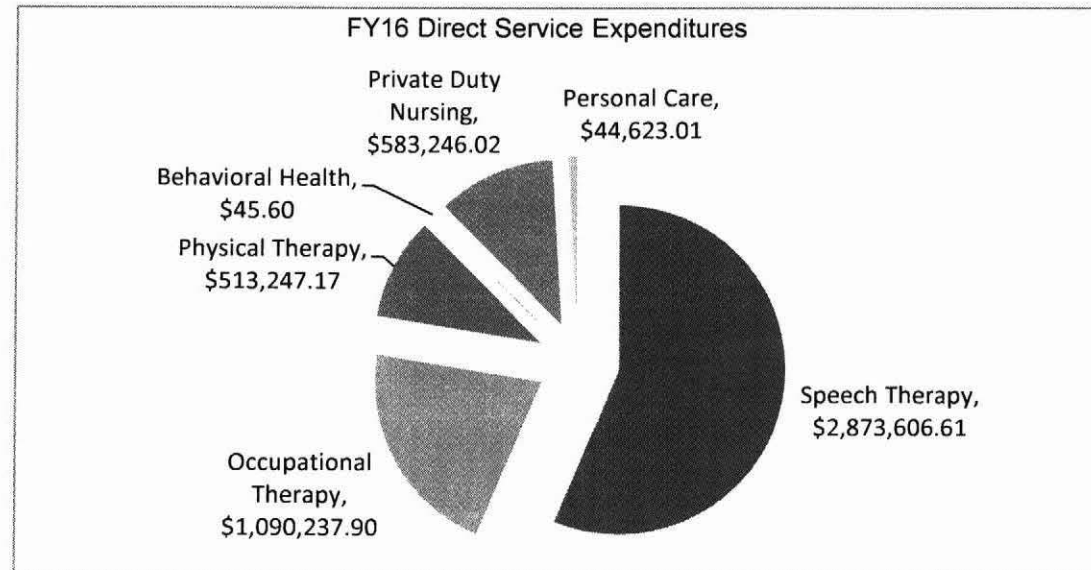
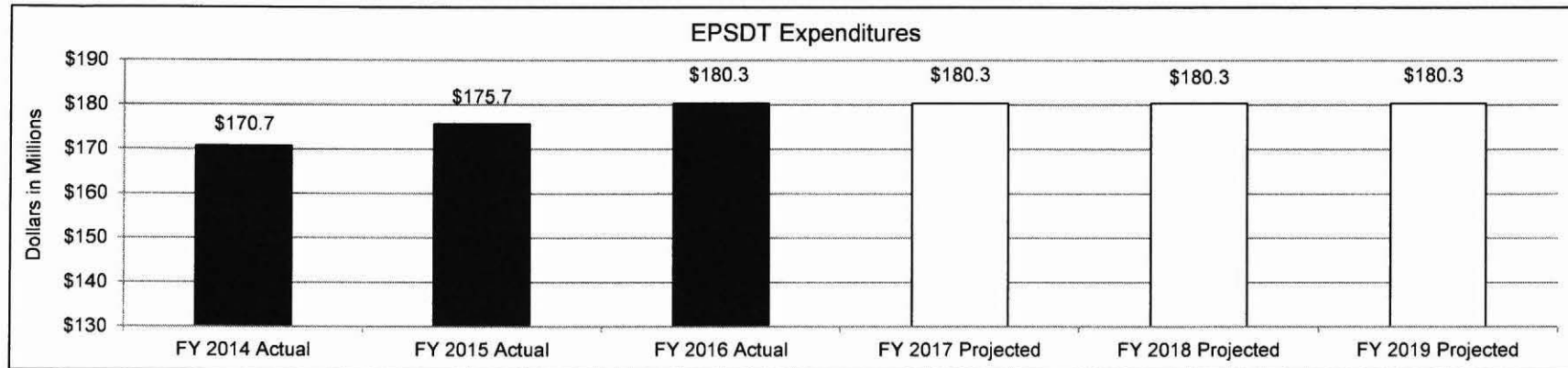
HB Section: 11.595

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

### 7b. Provide an efficiency measure.

Increase the EPSDT participant ratio while maximizing federal claiming opportunities to benefit local school districts. In SFY 2016, EPSDT expenditures increased approximately 2.64% from SFY 2015 while the EPSDT participant ratio remained the same in FFY 2015. SFY16 EPSDT expenditures were \$180.3 million.



## PROGRAM DESCRIPTION

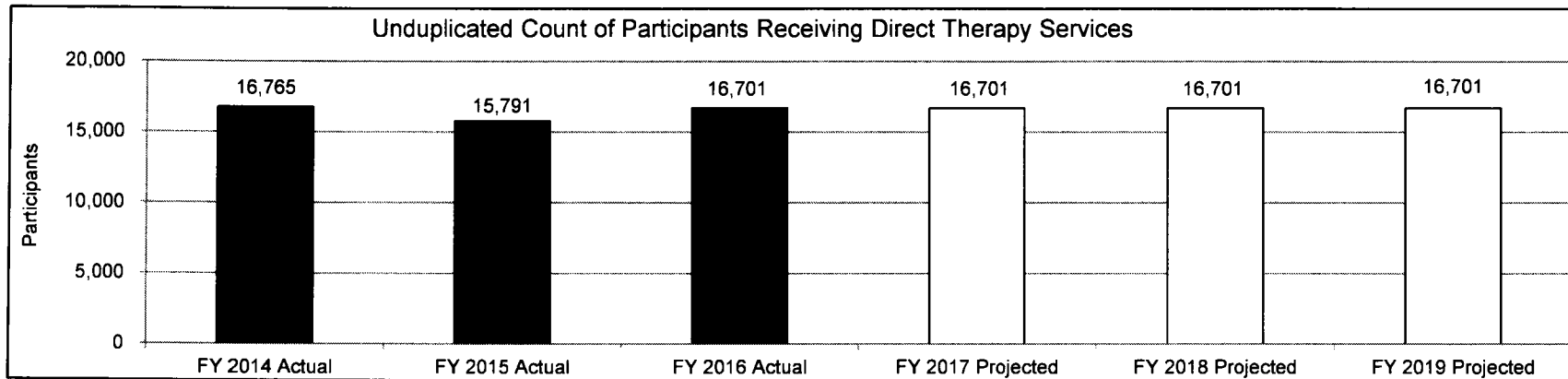
Department: Social Services

HB Section: 11.595

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

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



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

N/A



# CORE DECISION ITEM

Department: Social Services  
Division: MO HealthNet  
Core: Blind Pension Medical

Budget Unit: 90573C

HB Section: 11.600

## 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |            |         |       |            |   | FY 2018 Governor's Recommendation |            |         |       |            |   |
|------------------------|------------|---------|-------|------------|---|-----------------------------------|------------|---------|-------|------------|---|
|                        | GR         | Federal | Other | Total      | E |                                   | GR         | Federal | Other | Total      | E |
| PS                     |            |         |       |            |   | PS                                |            |         |       |            |   |
| EE                     |            |         |       |            |   | EE                                |            |         |       |            |   |
| PSD                    | 25,668,198 |         |       | 25,668,198 |   | PSD                               | 25,668,198 |         |       | 25,668,198 |   |
| TRF                    |            |         |       |            |   | TRF                               |            |         |       |            |   |
| Total                  | 25,668,198 |         |       | 25,668,198 |   | Total                             | 25,668,198 |         |       | 25,668,198 |   |
| FTE                    |            |         |       | 0.00       |   | FTE                               |            |         |       | 0.00       |   |

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

|             |   |   |   |   |
|-------------|---|---|---|---|
| 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.

Other Funds: N/A

Other Funds: N/A

## 2. CORE DESCRIPTION

This item funds a state-only health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid.

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

Blind Pension Medical

**CORE DECISION ITEM**

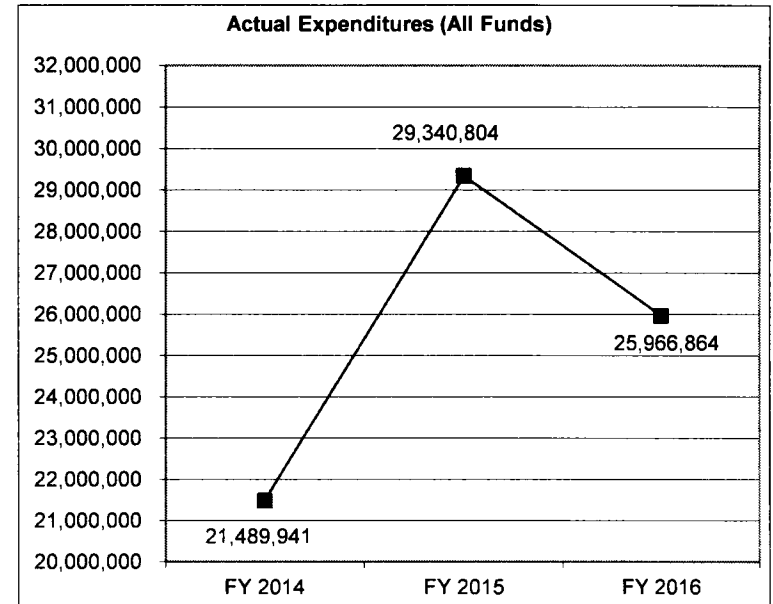
**Department: Social Services**  
**Division: MO HealthNet**  
**Core: Blind Pension Medical**

**Budget Unit: 90573C**

**HB Section: 11.600**

**4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 25,122,517                | 36,302,992                | 26,672,798                | 26,672,798                     |
| Less Reverted (All Funds)       | 0                         | 0                         | (705,934)                 | N/A                            |
| Less Restricted (All Funds)     |                           |                           |                           |                                |
| Budget Authority (All Funds)    | 25,122,517                | 36,302,992                | 25,966,864                | N/A                            |
| Actual Expenditures (All Funds) | 21,489,941                | 29,340,804                | 25,966,864                | N/A                            |
| Unexpended (All Funds)          | 3,632,576                 | 6,962,188                 | 0                         | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 0                         | 0                         | 0                         | N/A                            |
| Federal                         | 0                         | 0                         | 0                         | N/A                            |
| Other                           | 3,632,576                 | 6,962,188                 | 0                         | N/A                            |
|                                 | <b>(1)</b>                | <b>(2)</b>                | <b>(3)</b>                |                                |



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 This section moved back to MO HealthNet Division from the Family Service Division.

**(2)** FY15 This section moved to the Family Service Division.

**(3)** FY16 This section moved back to the MO HealthNet Division.

**CORE RECONCILIATION DETAIL**

**DEPARTMENT OF SOCIAL SERVICES  
BLIND PENSION MEDICAL BENEFITS**

**5. CORE RECONCILIATION DETAIL**

|                                    |     |      |  | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>         | <b>Federal</b>     | <b>Other</b> | <b>Total</b>       | <b>Explanation</b>                        |
|------------------------------------|-----|------|--|-------------------------|-------------|-------------------|--------------------|--------------|--------------------|-------------------------------------------|
| <b>TAFP AFTER VETOES</b>           |     |      |  |                         |             |                   |                    |              |                    |                                           |
|                                    |     |      |  | PD                      | 0.00        | 25,668,198        | 1,004,600          | 0            | 26,672,798         |                                           |
|                                    |     |      |  | <b>Total</b>            | <b>0.00</b> | <b>25,668,198</b> | <b>1,004,600</b>   | <b>0</b>     | <b>26,672,798</b>  |                                           |
| <b>DEPARTMENT CORE ADJUSTMENTS</b> |     |      |  |                         |             |                   |                    |              |                    |                                           |
| Core Reduction                     | 246 | 2578 |  | PD                      | 0.00        | 0                 | (1,004,600)        | 0            | (1,004,600)        | Core reduction of one-time federal funds. |
| <b>NET DEPARTMENT CHANGES</b>      |     |      |  |                         | <b>0.00</b> | <b>0</b>          | <b>(1,004,600)</b> | <b>0</b>     | <b>(1,004,600)</b> |                                           |
| <b>DEPARTMENT CORE REQUEST</b>     |     |      |  |                         |             |                   |                    |              |                    |                                           |
|                                    |     |      |  | PD                      | 0.00        | 25,668,198        | 0                  | 0            | 25,668,198         |                                           |
|                                    |     |      |  | <b>Total</b>            | <b>0.00</b> | <b>25,668,198</b> | <b>0</b>           | <b>0</b>     | <b>25,668,198</b>  |                                           |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |     |      |  |                         |             |                   |                    |              |                    |                                           |
|                                    |     |      |  | PD                      | 0.00        | 25,668,198        | 0                  | 0            | 25,668,198         |                                           |
|                                    |     |      |  | <b>Total</b>            | <b>0.00</b> | <b>25,668,198</b> | <b>0</b>           | <b>0</b>     | <b>25,668,198</b>  |                                           |

## DECISION ITEM SUMMARY

| Budget Unit                                  |                     |             |                     |             |                     |             |                     |             |
|----------------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                                | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary                        | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                                         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>BLIND PENSION MEDICAL BENEFITS</b>        |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                                  |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                             |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                              | 25,966,864          | 0.00        | 25,668,198          | 0.00        | 25,668,198          | 0.00        | 25,668,198          | 0.00        |
| TITLE XIX-FEDERAL AND OTHER                  | 0                   | 0.00        | 1,004,600           | 0.00        | 0                   | 0.00        | 0                   | 0.00        |
| TOTAL - PD                                   | 25,966,864          | 0.00        | 26,672,798          | 0.00        | 25,668,198          | 0.00        | 25,668,198          | 0.00        |
| <b>TOTAL</b>                                 | <b>25,966,864</b>   | <b>0.00</b> | <b>26,672,798</b>   | <b>0.00</b> | <b>25,668,198</b>   | <b>0.00</b> | <b>25,668,198</b>   | <b>0.00</b> |
| <b>MHD Cost to Continue - 1886001</b>        |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                             |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                              | 0                   | 0.00        | 0                   | 0.00        | 1,101,721           | 0.00        | 548,684             | 0.00        |
| TOTAL - PD                                   | 0                   | 0.00        | 0                   | 0.00        | 1,101,721           | 0.00        | 548,684             | 0.00        |
| <b>TOTAL</b>                                 | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>1,101,721</b>    | <b>0.00</b> | <b>548,684</b>      | <b>0.00</b> |
| <b>MHD GR Pickup - 1886003</b>               |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                             |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                              | 0                   | 0.00        | 0                   | 0.00        | 1,004,600           | 0.00        | 1,004,600           | 0.00        |
| TOTAL - PD                                   | 0                   | 0.00        | 0                   | 0.00        | 1,004,600           | 0.00        | 1,004,600           | 0.00        |
| <b>TOTAL</b>                                 | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>1,004,600</b>    | <b>0.00</b> | <b>1,004,600</b>    | <b>0.00</b> |
| <b>Pharmacy PMPM-Specialty - 1886006</b>     |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                             |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                              | 0                   | 0.00        | 0                   | 0.00        | 589,351             | 0.00        | 363,008             | 0.00        |
| TOTAL - PD                                   | 0                   | 0.00        | 0                   | 0.00        | 589,351             | 0.00        | 363,008             | 0.00        |
| <b>TOTAL</b>                                 | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>589,351</b>      | <b>0.00</b> | <b>363,008</b>      | <b>0.00</b> |
| <b>Pharmacy PMPM-Non Specialty - 1886007</b> |                     |             |                     |             |                     |             |                     |             |
| PROGRAM-SPECIFIC                             |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                              | 0                   | 0.00        | 0                   | 0.00        | 26,991              | 0.00        | 0                   | 0.00        |
| TOTAL - PD                                   | 0                   | 0.00        | 0                   | 0.00        | 26,991              | 0.00        | 0                   | 0.00        |
| <b>TOTAL</b>                                 | <b>0</b>            | <b>0.00</b> | <b>0</b>            | <b>0.00</b> | <b>26,991</b>       | <b>0.00</b> | <b>0</b>            | <b>0.00</b> |
| <b>GRAND TOTAL</b>                           | <b>\$25,966,864</b> | <b>0.00</b> | <b>\$26,672,798</b> | <b>0.00</b> | <b>\$28,390,861</b> | <b>0.00</b> | <b>\$27,584,490</b> | <b>0.00</b> |

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### FLEXIBILITY REQUEST FORM

|                                                                                                                                   |                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>BUDGET UNIT NUMBER:</b> 90573C<br><b>BUDGET UNIT NAME:</b> Blind Pension Medical Benefits<br><b>HOUSE BILL SECTION:</b> 11.600 | <b>DEPARTMENT:</b> Social Services<br><b>DIVISION:</b> 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.**

#### Governor's Recommendation

|               |               |                    |
|---------------|---------------|--------------------|
| <b>Total</b>  | <b>% Flex</b> | <b>Flex Amount</b> |
| \$ 27,584,490 | 10%           | \$ 2,758,449       |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.550, 11.555, and 11.600

**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.**

| PRIOR YEAR<br>ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED                                                                                  | BUDGET REQUEST - GOVERNOR'S REC<br>ESTIMATED AMOUNT OF<br>FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| None                                            | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY18                                             |

**3. Please explain how flexibility was used in the prior and/or current years.**

| PRIOR YEAR<br>EXPLAIN ACTUAL USE | CURRENT YEAR<br>EXPLAIN PLANNED USE                                                                                          |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A                              | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

# DECISION ITEM DETAIL

| Budget Unit                           | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
|---------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| 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         |
| <b>BLIND PENSION MEDICAL BENEFITS</b> |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                           |                     |             |                     |             |                     |             |                     |             |
| PROGRAM DISTRIBUTIONS                 | 25,966,864          | 0.00        | 26,672,798          | 0.00        | 25,668,198          | 0.00        | 25,668,198          | 0.00        |
| TOTAL - PD                            | 25,966,864          | 0.00        | 26,672,798          | 0.00        | 25,668,198          | 0.00        | 25,668,198          | 0.00        |
| <b>GRAND TOTAL</b>                    | <b>\$25,966,864</b> | <b>0.00</b> | <b>\$26,672,798</b> | <b>0.00</b> | <b>\$25,668,198</b> | <b>0.00</b> | <b>\$25,668,198</b> | <b>0.00</b> |
| GENERAL REVENUE                       | \$25,966,864        | 0.00        | \$25,668,198        | 0.00        | \$25,668,198        | 0.00        | \$25,668,198        | 0.00        |
| FEDERAL FUNDS                         | \$0                 | 0.00        | \$1,004,600         | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        |
| OTHER FUNDS                           | \$0                 | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        | \$0                 | 0.00        |

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.600

**Program Name:** Blind Pension Medical

**Program is found in the following core budget(s):** Blind Pension Medical

### 1. What does this program do?

#### Program Description

The Blind Pension Medical Program provides a state-only funded health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid. The Blind Pension benefit is provided for in law (ref. Missouri Constitution, Article III, Section 38 (b)) and includes the following eligibility requirements:

- Must be 18 years of age or older;
- Missouri resident;
- United States citizen or eligible non-citizen;
- Has not given away, sold, or transferred real or personal property in order to be eligible for Blind Pension;
- Single, or married and living with spouse, and does not own real or personal property worth more than \$20,000;
- Determined to be totally blind as defined by law (up to 5/200 or visual field of less than 5 degrees);
- Willing to have a medical treatment or an operation to cure their blindness unless they are 75 years or older; and
- Is not a resident of a public, private, or endowed institution except a public medical institution.

#### Program Statistics

The Blind Pension Medical Program comprises 0.382% of the total MO HealthNet Division expenditures. In FY16, 2,815 individuals received MO HealthNet benefits through the Blind Pension Medical Program.

#### Program Goals

To provide individuals with a state-only funded health care benefit package to accompany their monthly cash grant.

#### Program Objectives

- To ensure proper health care for the general health and well-being of MO HealthNet participants.
- To ensure adequate supply of providers.
- To increase preventive services for all MO HealthNet participants.

#### Reimbursement Methodology

Services provided under the Blind Pension Medical Program are reimbursed individually under the fee-for-service program.

#### Rate History

*See fee-for-service program tabs (physician, dental, rehab, etc.) for relevant rate history.*

### 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. 208.151, 208.152

## PROGRAM DESCRIPTION

**Department:** Social Services

**HB Section:** 11.600

**Program Name:** Blind Pension Medical

**Program is found in the following core budget(s):** Blind Pension Medical

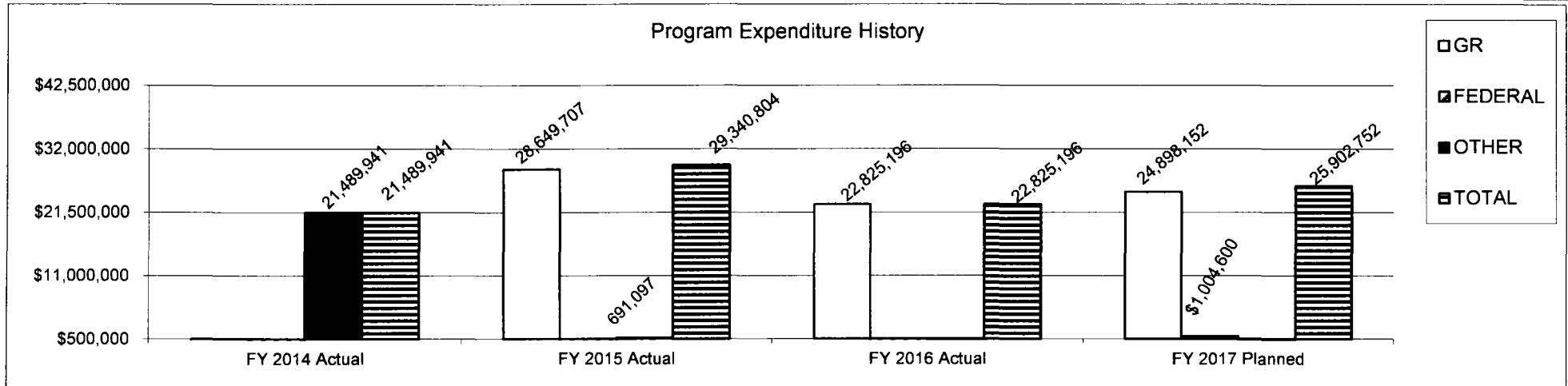
**3. Are there federal matching requirements? If yes, please explain.**

No

**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 2017 Planned is net of reverted.

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

Missouri Senior Services Protection Fund (0421)

## PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.600

Program Name: Blind Pension Medical

Program is found in the following core budget(s): Blind Pension Medical

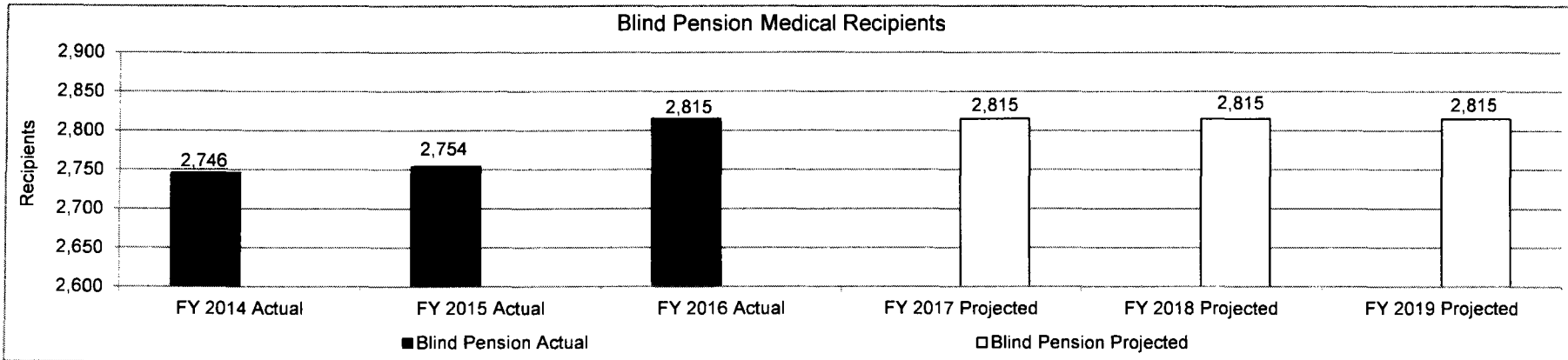
### 7a. Provide an effectiveness measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures are incorporated into fee-for-service program sections.

### 7b. Provide an efficiency measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures are incorporated into fee-for-service program sections.

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



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

N/A



## CORE DECISION ITEM

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** MHD Non-Count Transfers

**Budget Units:** 90535C, 90537C, 90581C, 90583C, 90570C, 90840C, 90845C, 90850C, 90855C, 90860C  
**HB Sections:** 11.445, 11.450, 11.495, 11.500, 11.535, 11.565, 11.570, 11.575, 11.580, 11.585, 11.590

### 1. CORE FINANCIAL SUMMARY

| FY 2018 Budget Request |                    |          |                    |                      |
|------------------------|--------------------|----------|--------------------|----------------------|
|                        | GR                 | Federal  | Other              | Total                |
| PS                     |                    |          |                    |                      |
| EE                     |                    |          |                    |                      |
| PSD                    |                    |          |                    |                      |
| TRF                    | 901,317,877        |          | 999,703,092        | 1,901,020,969        |
| <b>Total</b>           | <b>901,317,877</b> | <b>0</b> | <b>999,703,092</b> | <b>1,901,020,969</b> |
| FTE                    | 0.00               | 0.00     | 0.00               | 0.00                 |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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)  
 Ambulance Service Reimbursement Allowance Fund (0958)  
 DSS Intergovernmental Transfer Fund (0139)  
 Federal Reimbursement Allowance Fund (0142)  
 Nursing Facility Reimbursement Allowance Fund (0196)

| FY 2018 Governor's Recommendation |                    |          |                    |                      |
|-----------------------------------|--------------------|----------|--------------------|----------------------|
|                                   | GR                 | Federal  | Other              | Total                |
| PS                                |                    |          |                    |                      |
| EE                                |                    |          |                    |                      |
| PSD                               |                    |          |                    |                      |
| TRF                               | 901,317,877        |          | 999,703,092        | 1,901,020,969        |
| <b>Total</b>                      | <b>901,317,877</b> | <b>0</b> | <b>999,703,092</b> | <b>1,901,020,969</b> |
| FTE                               |                    |          |                    | 0.00                 |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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)  
 Ambulance Service Reimbursement Allowance Fund (0958)  
 DSS Intergovernmental Transfer Fund (0139)  
 Federal Reimbursement Allowance Fund (0142)  
 Nursing Facility Reimbursement Allowance Fund (0196)

### 2. CORE DESCRIPTION

This authority provides multiple non-counted transfers between funds. Federal regulation requires states to establish that they have sufficient state dollars available in order to draw down the federal matching dollars. These transfers are used for that purpose.

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

Pharmacy Reimbursement Allowance Transfer  
 Ambulance Service Reimbursement Allowance Transfer  
 Intergovernmental Transfer  
 Federal Reimbursement Allowance Transfer  
 Nursing Facility Reimbursement Allowance Transfer  
 Nursing Facility Quality of Care Fund Transfer

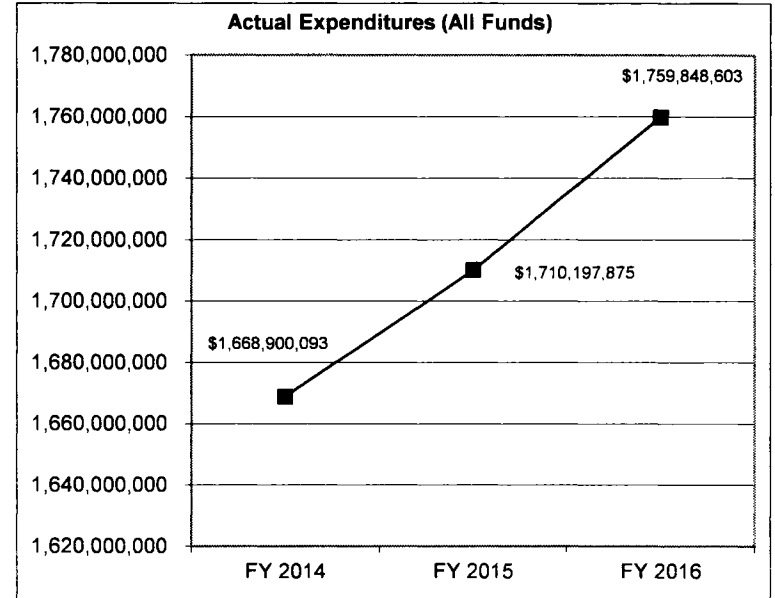
**CORE DECISION ITEM**

**Department:** Social Services  
**Division:** MO HealthNet  
**Core:** MHD Non-Count Transfers

**Budget Units:** 90535C, 90537C, 90581C, 90583C, 90570C, 90840C, 90845C, 90850C, 90855C, 90860C  
**HB Sections:** 11.445, 11.450, 11.495, 11.500, 11.535, 11.565, 11.570, 11.575, 11.580, 11.585, 11.590

**4. FINANCIAL HISTORY**

|                                 | <b>FY 2014<br/>Actual</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2017<br/>Current Yr.</b> |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds)       | 1,719,963,882             | 1,808,504,995             | 1,909,439,525             | 1,912,011,951                  |
| Less Reverted (All Funds)       | 0                         | 0                         | 0                         | N/A                            |
| Less Restricted (All Funds)     | 0                         | 0                         | 0                         | N/A                            |
| Budget Authority (All Funds)    | 1,719,963,882             | 1,808,504,995             | 1,909,439,525             | N/A                            |
| Actual Expenditures (All Funds) | 1,668,900,093             | 1,710,197,875             | 1,759,848,603             | N/A                            |
| Unexpended (All Funds)          | 51,063,789                | 98,307,120                | 149,590,922               | N/A                            |
| Unexpended, by Fund:            |                           |                           |                           |                                |
| General Revenue                 | 19,114,863                | 36,514,192                | 62,242,747                | N/A                            |
| Federal                         | 0                         | 0                         | 0                         | N/A                            |
| Other                           | 31,948,926                | 61,792,928                | 87,348,175                | 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:**



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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
GR PHARMACY FRA TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>         | <b>Federal</b> | <b>Other</b> | <b>Total</b>      | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-------------------|----------------|--------------|-------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |                   |                |              |                   |                    |
|                                    | TRF                     | 0.00        | 38,737,111        | 0              | 0            | 38,737,111        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>38,737,111</b> | <b>0</b>       | <b>0</b>     | <b>38,737,111</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |                   |                |              |                   |                    |
|                                    | TRF                     | 0.00        | 38,737,111        | 0              | 0            | 38,737,111        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>38,737,111</b> | <b>0</b>       | <b>0</b>     | <b>38,737,111</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |                   |                |              |                   |                    |
|                                    | TRF                     | 0.00        | 38,737,111        | 0              | 0            | 38,737,111        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>38,737,111</b> | <b>0</b>       | <b>0</b>     | <b>38,737,111</b> |                    |

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
PHARMACY FRA TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b> | <b>Federal</b> | <b>Other</b>      | <b>Total</b>      | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-----------|----------------|-------------------|-------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 38,737,111        | 38,737,111        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>38,737,111</b> | <b>38,737,111</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 38,737,111        | 38,737,111        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>38,737,111</b> | <b>38,737,111</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 38,737,111        | 38,737,111        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>38,737,111</b> | <b>38,737,111</b> |                    |

## CORE RECONCILIATION DETAIL

### DEPARTMENT OF SOCIAL SERVICES LONG TERM SUPPORT UPL TRANSFER

#### 5. CORE RECONCILIATION DETAIL

|                                    |          | Budget Class | FTE         | GR       | Federal  | Other               | Total               | Explanation                                     |
|------------------------------------|----------|--------------|-------------|----------|----------|---------------------|---------------------|-------------------------------------------------|
| <b>TAFP AFTER VETOES</b>           |          |              |             |          |          |                     |                     |                                                 |
|                                    |          | TRF          | 0.00        | 0        | 0        | 10,990,982          | 10,990,982          |                                                 |
|                                    |          | <b>Total</b> | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>10,990,982</b>   | <b>10,990,982</b>   |                                                 |
| <b>DEPARTMENT CORE ADJUSTMENTS</b> |          |              |             |          |          |                     |                     |                                                 |
| Core Reduction                     | 229 T558 | TRF          | 0.00        | 0        | 0        | (10,990,982)        | (10,990,982)        | Core reduction due to appropriation not needed. |
| <b>NET DEPARTMENT CHANGES</b>      |          |              | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>(10,990,982)</b> | <b>(10,990,982)</b> |                                                 |
| <b>DEPARTMENT CORE REQUEST</b>     |          |              |             |          |          |                     |                     |                                                 |
|                                    |          | TRF          | 0.00        | 0        | 0        | 0                   | 0                   |                                                 |
|                                    |          | <b>Total</b> | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>0</b>            | <b>0</b>            |                                                 |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |          |              |             |          |          |                     |                     |                                                 |
|                                    |          | TRF          | 0.00        | 0        | 0        | 0                   | 0                   |                                                 |
|                                    |          | <b>Total</b> | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>0</b>            | <b>0</b>            |                                                 |

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
AMBULANCE SRV REIM ALLOW TRF**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>         | <b>Federal</b> | <b>Other</b> | <b>Total</b>      | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-------------------|----------------|--------------|-------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |                   |                |              |                   |                    |
|                                    | TRF                     | 0.00        | 19,522,756        | 0              | 0            | 19,522,756        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>19,522,756</b> | <b>0</b>       | <b>0</b>     | <b>19,522,756</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |                   |                |              |                   |                    |
|                                    | TRF                     | 0.00        | 19,522,756        | 0              | 0            | 19,522,756        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>19,522,756</b> | <b>0</b>       | <b>0</b>     | <b>19,522,756</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |                   |                |              |                   |                    |
|                                    | TRF                     | 0.00        | 19,522,756        | 0              | 0            | 19,522,756        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>19,522,756</b> | <b>0</b>       | <b>0</b>     | <b>19,522,756</b> |                    |

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
GR AMBULANCE SRV REIM ALL TRF**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b> | <b>Federal</b> | <b>Other</b>      | <b>Total</b>      | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-----------|----------------|-------------------|-------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 19,522,756        | 19,522,756        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>19,522,756</b> | <b>19,522,756</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 19,522,756        | 19,522,756        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>19,522,756</b> | <b>19,522,756</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 19,522,756        | 19,522,756        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>19,522,756</b> | <b>19,522,756</b> |                    |

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
IGT EXPEND TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b> | <b>Federal</b> | <b>Other</b>      | <b>Total</b>      | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-----------|----------------|-------------------|-------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 96,885,215        | 96,885,215        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>96,885,215</b> | <b>96,885,215</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 96,885,215        | 96,885,215        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>96,885,215</b> | <b>96,885,215</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |           |                |                   |                   |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 96,885,215        | 96,885,215        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>96,885,215</b> | <b>96,885,215</b> |                    |

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
GR FRA-TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | Budget<br>Class | FTE         | GR                 | Federal  | Other    | Total              | Explanation |
|------------------------------------|-----------------|-------------|--------------------|----------|----------|--------------------|-------------|
| <hr/>                              |                 |             |                    |          |          |                    |             |
| <b>TAFP AFTER VETOES</b>           |                 |             |                    |          |          |                    |             |
|                                    | TRF             | 0.00        | 632,107,500        | 0        | 0        | 632,107,500        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>632,107,500</b> | <b>0</b> | <b>0</b> | <b>632,107,500</b> |             |
| <hr/>                              |                 |             |                    |          |          |                    |             |
| <b>DEPARTMENT CORE REQUEST</b>     |                 |             |                    |          |          |                    |             |
|                                    | TRF             | 0.00        | 632,107,500        | 0        | 0        | 632,107,500        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>632,107,500</b> | <b>0</b> | <b>0</b> | <b>632,107,500</b> |             |
| <hr/>                              |                 |             |                    |          |          |                    |             |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                 |             |                    |          |          |                    |             |
|                                    | TRF             | 0.00        | 632,107,500        | 0        | 0        | 632,107,500        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>632,107,500</b> | <b>0</b> | <b>0</b> | <b>632,107,500</b> |             |
| <hr/>                              |                 |             |                    |          |          |                    |             |

## CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES  
FED REIMBURSE ALLOW-TRANSFER

### 5. CORE RECONCILIATION DETAIL

|                                    | Budget<br>Class | FTE         | GR       | Federal  | Other              | Total              | Explanation |
|------------------------------------|-----------------|-------------|----------|----------|--------------------|--------------------|-------------|
| <b>TAFP AFTER VETOES</b>           |                 |             |          |          |                    |                    |             |
|                                    | TRF             | 0.00        | 0        | 0        | 632,107,500        | 632,107,500        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>632,107,500</b> | <b>632,107,500</b> |             |
| <b>DEPARTMENT CORE REQUEST</b>     |                 |             |          |          |                    |                    |             |
|                                    | TRF             | 0.00        | 0        | 0        | 632,107,500        | 632,107,500        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>632,107,500</b> | <b>632,107,500</b> |             |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                 |             |          |          |                    |                    |             |
|                                    | TRF             | 0.00        | 0        | 0        | 632,107,500        | 632,107,500        |             |
|                                    | <b>Total</b>    | <b>0.00</b> | <b>0</b> | <b>0</b> | <b>632,107,500</b> | <b>632,107,500</b> |             |



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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
GR NFFRA-TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b>          | <b>Federal</b> | <b>Other</b> | <b>Total</b>       | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|--------------------|----------------|--------------|--------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |                    |                |              |                    |                    |
|                                    | TRF                     | 0.00        | 210,950,510        | 0              | 0            | 210,950,510        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>210,950,510</b> | <b>0</b>       | <b>0</b>     | <b>210,950,510</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |                    |                |              |                    |                    |
|                                    | TRF                     | 0.00        | 210,950,510        | 0              | 0            | 210,950,510        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>210,950,510</b> | <b>0</b>       | <b>0</b>     | <b>210,950,510</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |                    |                |              |                    |                    |
|                                    | TRF                     | 0.00        | 210,950,510        | 0              | 0            | 210,950,510        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>210,950,510</b> | <b>0</b>       | <b>0</b>     | <b>210,950,510</b> |                    |

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
NURSING FACILITY REIM-TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b> | <b>Federal</b> | <b>Other</b>       | <b>Total</b>       | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-----------|----------------|--------------------|--------------------|--------------------|
| <hr/>                              |                         |             |           |                |                    |                    |                    |
| <b>TAFP AFTER VETOES</b>           |                         |             |           |                |                    |                    |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 210,950,510        | 210,950,510        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>210,950,510</b> | <b>210,950,510</b> |                    |
| <hr/>                              |                         |             |           |                |                    |                    |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |           |                |                    |                    |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 210,950,510        | 210,950,510        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>210,950,510</b> | <b>210,950,510</b> |                    |
| <hr/>                              |                         |             |           |                |                    |                    |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |           |                |                    |                    |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 210,950,510        | 210,950,510        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>210,950,510</b> | <b>210,950,510</b> |                    |
| <hr/>                              |                         |             |           |                |                    |                    |                    |

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**CORE RECONCILIATION DETAIL**

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**DEPARTMENT OF SOCIAL SERVICES  
NURSING FACILITY QLTY-TRANSFER**

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**5. CORE RECONCILIATION DETAIL**

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|                                    | <b>Budget<br/>Class</b> | <b>FTE</b>  | <b>GR</b> | <b>Federal</b> | <b>Other</b>     | <b>Total</b>     | <b>Explanation</b> |
|------------------------------------|-------------------------|-------------|-----------|----------------|------------------|------------------|--------------------|
| <b>TAFP AFTER VETOES</b>           |                         |             |           |                |                  |                  |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 1,500,000        | 1,500,000        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>1,500,000</b> | <b>1,500,000</b> |                    |
| <b>DEPARTMENT CORE REQUEST</b>     |                         |             |           |                |                  |                  |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 1,500,000        | 1,500,000        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>1,500,000</b> | <b>1,500,000</b> |                    |
| <b>GOVERNOR'S RECOMMENDED CORE</b> |                         |             |           |                |                  |                  |                    |
|                                    | TRF                     | 0.00        | 0         | 0              | 1,500,000        | 1,500,000        |                    |
|                                    | <b>Total</b>            | <b>0.00</b> | <b>0</b>  | <b>0</b>       | <b>1,500,000</b> | <b>1,500,000</b> |                    |

# DECISION ITEM SUMMARY

| Budget Unit                     |                     |             |                     |             |                     |             |                     |             |
|---------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                   | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary           | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                            | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>GR PHARMACY FRA TRANSFER</b> |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                     |                     |             |                     |             |                     |             |                     |             |
| FUND TRANSFERS                  |                     |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                 | 33,798,366          | 0.00        | 38,737,111          | 0.00        | 38,737,111          | 0.00        | 38,737,111          | 0.00        |
| TOTAL - TRF                     | 33,798,366          | 0.00        | 38,737,111          | 0.00        | 38,737,111          | 0.00        | 38,737,111          | 0.00        |
| <b>TOTAL</b>                    | <b>33,798,366</b>   | <b>0.00</b> | <b>38,737,111</b>   | <b>0.00</b> | <b>38,737,111</b>   | <b>0.00</b> | <b>38,737,111</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>              | <b>\$33,798,366</b> | <b>0.00</b> | <b>\$38,737,111</b> | <b>0.00</b> | <b>\$38,737,111</b> | <b>0.00</b> | <b>\$38,737,111</b> | <b>0.00</b> |

## DECISION ITEM SUMMARY

| Budget Unit                    |                     |             |                     |             |                     |             |                     |             |
|--------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                  | FY 2016             | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary          | ACTUAL              | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                           | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>PHARMACY FRA TRANSFER</b>   |                     |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                    |                     |             |                     |             |                     |             |                     |             |
| <b>FUND TRANSFERS</b>          |                     |             |                     |             |                     |             |                     |             |
| PHARMACY REIMBURSEMENT ALLOWAN | 33,798,366          | 0.00        | 38,737,111          | 0.00        | 38,737,111          | 0.00        | 38,737,111          | 0.00        |
| TOTAL - TRF                    | 33,798,366          | 0.00        | 38,737,111          | 0.00        | 38,737,111          | 0.00        | 38,737,111          | 0.00        |
| <b>TOTAL</b>                   | <b>33,798,366</b>   | <b>0.00</b> | <b>38,737,111</b>   | <b>0.00</b> | <b>38,737,111</b>   | <b>0.00</b> | <b>38,737,111</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>             | <b>\$33,798,366</b> | <b>0.00</b> | <b>\$38,737,111</b> | <b>0.00</b> | <b>\$38,737,111</b> | <b>0.00</b> | <b>\$38,737,111</b> | <b>0.00</b> |

## DECISION ITEM SUMMARY

| Budget Unit                           |            |             |                     |             |            |             |            |             |  |
|---------------------------------------|------------|-------------|---------------------|-------------|------------|-------------|------------|-------------|--|
| Decision Item                         | FY 2016    | FY 2016     | FY 2017             | FY 2017     | FY 2018    | FY 2018     | FY 2018    | FY 2018     |  |
| Budget Object Summary                 | ACTUAL     | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ   | DEPT REQ    | GOV REC    | GOV REC     |  |
| Fund                                  | DOLLAR     | FTE         | DOLLAR              | FTE         | DOLLAR     | FTE         | DOLLAR     | FTE         |  |
| <b>LONG TERM SUPPORT UPL TRANSFER</b> |            |             |                     |             |            |             |            |             |  |
| <b>CORE</b>                           |            |             |                     |             |            |             |            |             |  |
| FUND TRANSFERS                        |            |             |                     |             |            |             |            |             |  |
| LONG-TERM SUPPORT UPL                 | 0          | 0.00        | 10,990,982          | 0.00        | 0          | 0.00        | 0          | 0.00        |  |
| TOTAL - TRF                           | 0          | 0.00        | 10,990,982          | 0.00        | 0          | 0.00        | 0          | 0.00        |  |
| <b>TOTAL</b>                          | <b>0</b>   | <b>0.00</b> | <b>10,990,982</b>   | <b>0.00</b> | <b>0</b>   | <b>0.00</b> | <b>0</b>   | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                    | <b>\$0</b> | <b>0.00</b> | <b>\$10,990,982</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> |  |

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## DECISION ITEM SUMMARY

| Budget Unit                         |                    |             |                     |             |                     |             |                     |             |
|-------------------------------------|--------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                       | FY 2016            | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary               | ACTUAL             | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                                | DOLLAR             | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>AMBULANCE SRV REIM ALLOW TRF</b> |                    |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                         |                    |             |                     |             |                     |             |                     |             |
| FUND TRANSFERS                      |                    |             |                     |             |                     |             |                     |             |
| GENERAL REVENUE                     | 7,509,382          | 0.00        | 19,522,756          | 0.00        | 19,522,756          | 0.00        | 19,522,756          | 0.00        |
| TOTAL - TRF                         | 7,509,382          | 0.00        | 19,522,756          | 0.00        | 19,522,756          | 0.00        | 19,522,756          | 0.00        |
| <b>TOTAL</b>                        | <b>7,509,382</b>   | <b>0.00</b> | <b>19,522,756</b>   | <b>0.00</b> | <b>19,522,756</b>   | <b>0.00</b> | <b>19,522,756</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>                  | <b>\$7,509,382</b> | <b>0.00</b> | <b>\$19,522,756</b> | <b>0.00</b> | <b>\$19,522,756</b> | <b>0.00</b> | <b>\$19,522,756</b> | <b>0.00</b> |

## DECISION ITEM SUMMARY

| Budget Unit                          |                    |             |                     |             |                     |             |                     |             |
|--------------------------------------|--------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| Decision Item                        | FY 2016            | FY 2016     | FY 2017             | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
| Budget Object Summary                | ACTUAL             | ACTUAL      | BUDGET              | BUDGET      | DEPT REQ            | DEPT REQ    | GOV REC             | GOV REC     |
| Fund                                 | DOLLAR             | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         | DOLLAR              | FTE         |
| <b>GR AMBULANCE SRV REIM ALL TRF</b> |                    |             |                     |             |                     |             |                     |             |
| <b>CORE</b>                          |                    |             |                     |             |                     |             |                     |             |
| FUND TRANSFERS                       |                    |             |                     |             |                     |             |                     |             |
| AMBULANCE SERVICE REIMB ALLOW        | 7,509,382          | 0.00        | 19,522,756          | 0.00        | 19,522,756          | 0.00        | 19,522,756          | 0.00        |
| TOTAL - TRF                          | 7,509,382          | 0.00        | 19,522,756          | 0.00        | 19,522,756          | 0.00        | 19,522,756          | 0.00        |
| <b>TOTAL</b>                         | <b>7,509,382</b>   | <b>0.00</b> | <b>19,522,756</b>   | <b>0.00</b> | <b>19,522,756</b>   | <b>0.00</b> | <b>19,522,756</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>                   | <b>\$7,509,382</b> | <b>0.00</b> | <b>\$19,522,756</b> | <b>0.00</b> | <b>\$19,522,756</b> | <b>0.00</b> | <b>\$19,522,756</b> | <b>0.00</b> |



# DECISION ITEM SUMMARY

| Budget Unit                |              |         |              |         |              |          |              |         |
|----------------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| Decision Item              | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
| Budget Object Summary      | ACTUAL       | ACTUAL  | BUDGET       | BUDGET  | DEPT REQ     | DEPT REQ | GOV REC      | GOV REC |
| Fund                       | DOLLAR       | FTE     | DOLLAR       | FTE     | DOLLAR       | FTE      | DOLLAR       | FTE     |
| IGT EXPEND TRANSFER        |              |         |              |         |              |          |              |         |
| CORE                       |              |         |              |         |              |          |              |         |
| FUND TRANSFERS             |              |         |              |         |              |          |              |         |
| INTERGOVERNMENTAL TRANSFER | 82,770,769   | 0.00    | 96,885,215   | 0.00    | 96,885,215   | 0.00     | 96,885,215   | 0.00    |
| TOTAL - TRF                | 82,770,769   | 0.00    | 96,885,215   | 0.00    | 96,885,215   | 0.00     | 96,885,215   | 0.00    |
| TOTAL                      | 82,770,769   | 0.00    | 96,885,215   | 0.00    | 96,885,215   | 0.00     | 96,885,215   | 0.00    |
| GRAND TOTAL                | \$82,770,769 | 0.00    | \$96,885,215 | 0.00    | \$96,885,215 | 0.00     | \$96,885,215 | 0.00    |

## DECISION ITEM SUMMARY

| Budget Unit                               |                      |             |                      |             |                      |             |                      |             |  |
|-------------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|--|
| Decision Item                             | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |  |
| Budget Object Summary                     | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |  |
| Fund                                      | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |  |
| <b>GR FRA-TRANSFER</b>                    |                      |             |                      |             |                      |             |                      |             |  |
| <b>CORE</b>                               |                      |             |                      |             |                      |             |                      |             |  |
| FUND TRANSFERS                            |                      |             |                      |             |                      |             |                      |             |  |
| GENERAL REVENUE                           | 605,032,611          | 0.00        | 632,107,500          | 0.00        | 632,107,500          | 0.00        | 632,107,500          | 0.00        |  |
| TOTAL - TRF                               | 605,032,611          | 0.00        | 632,107,500          | 0.00        | 632,107,500          | 0.00        | 632,107,500          | 0.00        |  |
| <b>TOTAL</b>                              | <b>605,032,611</b>   | <b>0.00</b> | <b>632,107,500</b>   | <b>0.00</b> | <b>632,107,500</b>   | <b>0.00</b> | <b>632,107,500</b>   | <b>0.00</b> |  |
| <b>FRA - Increase Authority - 1886013</b> |                      |             |                      |             |                      |             |                      |             |  |
| FUND TRANSFERS                            |                      |             |                      |             |                      |             |                      |             |  |
| GENERAL REVENUE                           | 0                    | 0.00        | 0                    | 0.00        | 21,593,878           | 0.00        | 21,593,878           | 0.00        |  |
| TOTAL - TRF                               | 0                    | 0.00        | 0                    | 0.00        | 21,593,878           | 0.00        | 21,593,878           | 0.00        |  |
| <b>TOTAL</b>                              | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>21,593,878</b>    | <b>0.00</b> | <b>21,593,878</b>    | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                        | <b>\$605,032,611</b> | <b>0.00</b> | <b>\$632,107,500</b> | <b>0.00</b> | <b>\$653,701,378</b> | <b>0.00</b> | <b>\$653,701,378</b> | <b>0.00</b> |  |

# DECISION ITEM SUMMARY

| Budget Unit                               |                      |             |                      |             |                      |             |                      |             |  |
|-------------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|--|
| Decision Item                             | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |  |
| Budget Object Summary                     | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |  |
| Fund                                      | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |  |
| <b>FED REIMBURSE ALLOW-TRANSFER</b>       |                      |             |                      |             |                      |             |                      |             |  |
| <b>CORE</b>                               |                      |             |                      |             |                      |             |                      |             |  |
| FUND TRANSFERS                            |                      |             |                      |             |                      |             |                      |             |  |
| FEDERAL REIMBURSEMENT ALLOWANCE           | 605,032,611          | 0.00        | 632,107,500          | 0.00        | 632,107,500          | 0.00        | 632,107,500          | 0.00        |  |
| TOTAL - TRF                               | 605,032,611          | 0.00        | 632,107,500          | 0.00        | 632,107,500          | 0.00        | 632,107,500          | 0.00        |  |
| <b>TOTAL</b>                              | <b>605,032,611</b>   | <b>0.00</b> | <b>632,107,500</b>   | <b>0.00</b> | <b>632,107,500</b>   | <b>0.00</b> | <b>632,107,500</b>   | <b>0.00</b> |  |
| <b>FRA - Increase Authority - 1886013</b> |                      |             |                      |             |                      |             |                      |             |  |
| FUND TRANSFERS                            |                      |             |                      |             |                      |             |                      |             |  |
| FEDERAL REIMBURSEMENT ALLOWANCE           | 0                    | 0.00        | 0                    | 0.00        | 21,593,878           | 0.00        | 21,593,878           | 0.00        |  |
| TOTAL - TRF                               | 0                    | 0.00        | 0                    | 0.00        | 21,593,878           | 0.00        | 21,593,878           | 0.00        |  |
| <b>TOTAL</b>                              | <b>0</b>             | <b>0.00</b> | <b>0</b>             | <b>0.00</b> | <b>21,593,878</b>    | <b>0.00</b> | <b>21,593,878</b>    | <b>0.00</b> |  |
| <b>GRAND TOTAL</b>                        | <b>\$605,032,611</b> | <b>0.00</b> | <b>\$632,107,500</b> | <b>0.00</b> | <b>\$653,701,378</b> | <b>0.00</b> | <b>\$653,701,378</b> | <b>0.00</b> |  |

## DECISION ITEM SUMMARY

| Budget Unit              |                      |             |                      |             |                      |             |                      |             |
|--------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| Decision Item            | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
| Budget Object Summary    | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |
| Fund                     | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |
| <b>GR NFFRA-TRANSFER</b> |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>              |                      |             |                      |             |                      |             |                      |             |
| FUND TRANSFERS           |                      |             |                      |             |                      |             |                      |             |
| GENERAL REVENUE          | 191,448,558          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        |
| TOTAL - TRF              | 191,448,558          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        |
| <b>TOTAL</b>             | <b>191,448,558</b>   | <b>0.00</b> | <b>210,950,510</b>   | <b>0.00</b> | <b>210,950,510</b>   | <b>0.00</b> | <b>210,950,510</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>       | <b>\$191,448,558</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> |

# DECISION ITEM SUMMARY

| Budget Unit                           |                      |             |                      |             |                      |             |                      |             |
|---------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| Decision Item                         | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
| Budget Object Summary                 | ACTUAL               | ACTUAL      | BUDGET               | BUDGET      | DEPT REQ             | DEPT REQ    | GOV REC              | GOV REC     |
| Fund                                  | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         | DOLLAR               | FTE         |
| <b>NURSING FACILITY REIM-TRANSFER</b> |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>                           |                      |             |                      |             |                      |             |                      |             |
| FUND TRANSFERS                        |                      |             |                      |             |                      |             |                      |             |
| NURSING FACILITY FED REIM ALLW        | 191,448,558          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        |
| TOTAL - TRF                           | 191,448,558          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        |
| <b>TOTAL</b>                          | <b>191,448,558</b>   | <b>0.00</b> | <b>210,950,510</b>   | <b>0.00</b> | <b>210,950,510</b>   | <b>0.00</b> | <b>210,950,510</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>                    | <b>\$191,448,558</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> |

## DECISION ITEM SUMMARY

| Budget Unit                           |                    |             |                    |             |                    |             |                    |             |
|---------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| Decision Item                         | FY 2016            | FY 2016     | FY 2017            | FY 2017     | FY 2018            | FY 2018     | FY 2018            | FY 2018     |
| Budget Object Summary                 | ACTUAL             | ACTUAL      | BUDGET             | BUDGET      | DEPT REQ           | DEPT REQ    | GOV REC            | GOV REC     |
| Fund                                  | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         | DOLLAR             | FTE         |
| <b>NURSING FACILITY QLTY-TRANSFER</b> |                    |             |                    |             |                    |             |                    |             |
| <b>CORE</b>                           |                    |             |                    |             |                    |             |                    |             |
| FUND TRANSFERS                        |                    |             |                    |             |                    |             |                    |             |
| NURSING FACILITY FED REIM ALLW        | 1,500,000          | 0.00        | 1,500,000          | 0.00        | 1,500,000          | 0.00        | 1,500,000          | 0.00        |
| TOTAL - TRF                           | 1,500,000          | 0.00        | 1,500,000          | 0.00        | 1,500,000          | 0.00        | 1,500,000          | 0.00        |
| <b>TOTAL</b>                          | <b>1,500,000</b>   | <b>0.00</b> | <b>1,500,000</b>   | <b>0.00</b> | <b>1,500,000</b>   | <b>0.00</b> | <b>1,500,000</b>   | <b>0.00</b> |
| <b>GRAND TOTAL</b>                    | <b>\$1,500,000</b> | <b>0.00</b> | <b>\$1,500,000</b> | <b>0.00</b> | <b>\$1,500,000</b> | <b>0.00</b> | <b>\$1,500,000</b> | <b>0.00</b> |

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# DECISION ITEM DETAIL

| Budget Unit              | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|--------------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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     |
| GR PHARMACY FRA TRANSFER |              |         |              |         |              |          |              |         |
| CORE                     |              |         |              |         |              |          |              |         |
| TRANSFERS OUT            | 33,798,366   | 0.00    | 38,737,111   | 0.00    | 38,737,111   | 0.00     | 38,737,111   | 0.00    |
| TOTAL - TRF              | 33,798,366   | 0.00    | 38,737,111   | 0.00    | 38,737,111   | 0.00     | 38,737,111   | 0.00    |
| GRAND TOTAL              | \$33,798,366 | 0.00    | \$38,737,111 | 0.00    | \$38,737,111 | 0.00     | \$38,737,111 | 0.00    |
| GENERAL REVENUE          | \$33,798,366 | 0.00    | \$38,737,111 | 0.00    | \$38,737,111 | 0.00     | \$38,737,111 | 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 DETAIL

| Budget Unit           | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|-----------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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 FRA TRANSFER |              |         |              |         |              |          |              |         |
| CORE                  |              |         |              |         |              |          |              |         |
| TRANSFERS OUT         | 33,798,366   | 0.00    | 38,737,111   | 0.00    | 38,737,111   | 0.00     | 38,737,111   | 0.00    |
| TOTAL - TRF           | 33,798,366   | 0.00    | 38,737,111   | 0.00    | 38,737,111   | 0.00     | 38,737,111   | 0.00    |
| GRAND TOTAL           | \$33,798,366 | 0.00    | \$38,737,111 | 0.00    | \$38,737,111 | 0.00     | \$38,737,111 | 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           | \$33,798,366 | 0.00    | \$38,737,111 | 0.00    | \$38,737,111 | 0.00     | \$38,737,111 | 0.00    |



# DECISION ITEM DETAIL

| Budget Unit                    | FY 2016 | FY 2016 | FY 2017      | FY 2017 | FY 2018  | FY 2018  | FY 2018 | FY 2018 |
|--------------------------------|---------|---------|--------------|---------|----------|----------|---------|---------|
| 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     |
| LONG TERM SUPPORT UPL TRANSFER |         |         |              |         |          |          |         |         |
| CORE                           |         |         |              |         |          |          |         |         |
| TRANSFERS OUT                  | 0       | 0.00    | 10,990,982   | 0.00    | 0        | 0.00     | 0       | 0.00    |
| TOTAL - TRF                    | 0       | 0.00    | 10,990,982   | 0.00    | 0        | 0.00     | 0       | 0.00    |
| GRAND TOTAL                    | \$0     | 0.00    | \$10,990,982 | 0.00    | \$0      | 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    | \$10,990,982 | 0.00    | \$0      | 0.00     |         | 0.00    |

# DECISION ITEM DETAIL

| Budget Unit                  | FY 2016     | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|------------------------------|-------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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     |
| AMBULANCE SRV REIM ALLOW TRF |             |         |              |         |              |          |              |         |
| CORE                         |             |         |              |         |              |          |              |         |
| TRANSFERS OUT                | 7,509,382   | 0.00    | 19,522,756   | 0.00    | 19,522,756   | 0.00     | 19,522,756   | 0.00    |
| TOTAL - TRF                  | 7,509,382   | 0.00    | 19,522,756   | 0.00    | 19,522,756   | 0.00     | 19,522,756   | 0.00    |
| GRAND TOTAL                  | \$7,509,382 | 0.00    | \$19,522,756 | 0.00    | \$19,522,756 | 0.00     | \$19,522,756 | 0.00    |
| GENERAL REVENUE              | \$7,509,382 | 0.00    | \$19,522,756 | 0.00    | \$19,522,756 | 0.00     | \$19,522,756 | 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 DETAIL

| Budget Unit                   | FY 2016     | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|-------------------------------|-------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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     |
| GR AMBULANCE SRV REIM ALL TRF |             |         |              |         |              |          |              |         |
| CORE                          |             |         |              |         |              |          |              |         |
| TRANSFERS OUT                 | 7,509,382   | 0.00    | 19,522,756   | 0.00    | 19,522,756   | 0.00     | 19,522,756   | 0.00    |
| TOTAL - TRF                   | 7,509,382   | 0.00    | 19,522,756   | 0.00    | 19,522,756   | 0.00     | 19,522,756   | 0.00    |
| GRAND TOTAL                   | \$7,509,382 | 0.00    | \$19,522,756 | 0.00    | \$19,522,756 | 0.00     | \$19,522,756 | 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                   | \$7,509,382 | 0.00    | \$19,522,756 | 0.00    | \$19,522,756 | 0.00     | \$19,522,756 | 0.00    |

# DECISION ITEM DETAIL

| Budget Unit         | FY 2016      | FY 2016 | FY 2017      | FY 2017 | FY 2018      | FY 2018  | FY 2018      | FY 2018 |
|---------------------|--------------|---------|--------------|---------|--------------|----------|--------------|---------|
| 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 |              |         |              |         |              |          |              |         |
| CORE                |              |         |              |         |              |          |              |         |
| TRANSFERS OUT       | 82,770,769   | 0.00    | 96,885,215   | 0.00    | 96,885,215   | 0.00     | 96,885,215   | 0.00    |
| TOTAL - TRF         | 82,770,769   | 0.00    | 96,885,215   | 0.00    | 96,885,215   | 0.00     | 96,885,215   | 0.00    |
| GRAND TOTAL         | \$82,770,769 | 0.00    | \$96,885,215 | 0.00    | \$96,885,215 | 0.00     | \$96,885,215 | 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         | \$82,770,769 | 0.00    | \$96,885,215 | 0.00    | \$96,885,215 | 0.00     | \$96,885,215 | 0.00    |

# DECISION ITEM DETAIL

| Budget Unit         | FY 2016       | FY 2016 | FY 2017       | FY 2017 | FY 2018       | FY 2018  | FY 2018       | FY 2018 |
|---------------------|---------------|---------|---------------|---------|---------------|----------|---------------|---------|
| 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     |
| GR FRA-TRANSFER     |               |         |               |         |               |          |               |         |
| CORE                |               |         |               |         |               |          |               |         |
| TRANSFERS OUT       | 605,032,611   | 0.00    | 632,107,500   | 0.00    | 632,107,500   | 0.00     | 632,107,500   | 0.00    |
| TOTAL - TRF         | 605,032,611   | 0.00    | 632,107,500   | 0.00    | 632,107,500   | 0.00     | 632,107,500   | 0.00    |
| GRAND TOTAL         | \$605,032,611 | 0.00    | \$632,107,500 | 0.00    | \$632,107,500 | 0.00     | \$632,107,500 | 0.00    |
| GENERAL REVENUE     | \$605,032,611 | 0.00    | \$632,107,500 | 0.00    | \$632,107,500 | 0.00     | \$632,107,500 | 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 DETAIL

| Budget Unit                  | FY 2016       | FY 2016 | FY 2017       | FY 2017 | FY 2018       | FY 2018  | FY 2018       | FY 2018 |
|------------------------------|---------------|---------|---------------|---------|---------------|----------|---------------|---------|
| 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     |
| FED REIMBURSE ALLOW-TRANSFER |               |         |               |         |               |          |               |         |
| CORE                         |               |         |               |         |               |          |               |         |
| TRANSFERS OUT                | 605,032,611   | 0.00    | 632,107,500   | 0.00    | 632,107,500   | 0.00     | 632,107,500   | 0.00    |
| TOTAL - TRF                  | 605,032,611   | 0.00    | 632,107,500   | 0.00    | 632,107,500   | 0.00     | 632,107,500   | 0.00    |
| GRAND TOTAL                  | \$605,032,611 | 0.00    | \$632,107,500 | 0.00    | \$632,107,500 | 0.00     | \$632,107,500 | 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                  | \$605,032,611 | 0.00    | \$632,107,500 | 0.00    | \$632,107,500 | 0.00     | \$632,107,500 | 0.00    |

# DECISION ITEM DETAIL

| Budget Unit                               | FY 2016    | FY 2016     | FY 2017    | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
|-------------------------------------------|------------|-------------|------------|-------------|---------------------|-------------|---------------------|-------------|
| 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         |
| <b>FED REIMBURSE ALLOW-TRANSFER</b>       |            |             |            |             |                     |             |                     |             |
| <b>FRA - Increase Authority - 1886013</b> |            |             |            |             |                     |             |                     |             |
| TRANSFERS OUT                             | 0          | 0.00        | 0          | 0.00        | 21,593,878          | 0.00        | 21,593,878          | 0.00        |
| TOTAL - TRF                               | 0          | 0.00        | 0          | 0.00        | 21,593,878          | 0.00        | 21,593,878          | 0.00        |
| <b>GRAND TOTAL</b>                        | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$21,593,878</b> | <b>0.00</b> | <b>\$21,593,878</b> | <b>0.00</b> |
| 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        | \$21,593,878        | 0.00        | \$21,593,878        | 0.00        |

# DECISION ITEM DETAIL

| Budget Unit         | FY 2016       | FY 2016 | FY 2017       | FY 2017 | FY 2018       | FY 2018  | FY 2018       | FY 2018 |
|---------------------|---------------|---------|---------------|---------|---------------|----------|---------------|---------|
| 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     |
| GR NFFRA-TRANSFER   |               |         |               |         |               |          |               |         |
| CORE                |               |         |               |         |               |          |               |         |
| TRANSFERS OUT       | 191,448,558   | 0.00    | 210,950,510   | 0.00    | 210,950,510   | 0.00     | 210,950,510   | 0.00    |
| TOTAL - TRF         | 191,448,558   | 0.00    | 210,950,510   | 0.00    | 210,950,510   | 0.00     | 210,950,510   | 0.00    |
| GRAND TOTAL         | \$191,448,558 | 0.00    | \$210,950,510 | 0.00    | \$210,950,510 | 0.00     | \$210,950,510 | 0.00    |
| GENERAL REVENUE     | \$191,448,558 | 0.00    | \$210,950,510 | 0.00    | \$210,950,510 | 0.00     | \$210,950,510 | 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 DETAIL

| Budget Unit                           | FY 2016              | FY 2016     | FY 2017              | FY 2017     | FY 2018              | FY 2018     | FY 2018              | FY 2018     |
|---------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| 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         |
| <b>NURSING FACILITY REIM-TRANSFER</b> |                      |             |                      |             |                      |             |                      |             |
| <b>CORE</b>                           |                      |             |                      |             |                      |             |                      |             |
| TRANSFERS OUT                         | 191,448,558          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        |
| TOTAL - TRF                           | 191,448,558          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        | 210,950,510          | 0.00        |
| <b>GRAND TOTAL</b>                    | <b>\$191,448,558</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> | <b>\$210,950,510</b> | <b>0.00</b> |
| 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                           | \$191,448,558        | 0.00        | \$210,950,510        | 0.00        | \$210,950,510        | 0.00        | \$210,950,510        | 0.00        |

# DECISION ITEM DETAIL

| Budget Unit                    | FY 2016     | FY 2016 | FY 2017     | FY 2017 | FY 2018     | FY 2018  | FY 2018     | FY 2018 |
|--------------------------------|-------------|---------|-------------|---------|-------------|----------|-------------|---------|
| 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 FACILITY QLTY-TRANSFER |             |         |             |         |             |          |             |         |
| CORE                           |             |         |             |         |             |          |             |         |
| TRANSFERS OUT                  | 1,500,000   | 0.00    | 1,500,000   | 0.00    | 1,500,000   | 0.00     | 1,500,000   | 0.00    |
| TOTAL - TRF                    | 1,500,000   | 0.00    | 1,500,000   | 0.00    | 1,500,000   | 0.00     | 1,500,000   | 0.00    |
| GRAND TOTAL                    | \$1,500,000 | 0.00    | \$1,500,000 | 0.00    | \$1,500,000 | 0.00     | \$1,500,000 | 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                    | \$1,500,000 | 0.00    | \$1,500,000 | 0.00    | \$1,500,000 | 0.00     | \$1,500,000 | 0.00    |

## PROGRAM DESCRIPTION

**Department: Social Services**

**Program Name: MHD Non-Count Transfers**

**Program is found in the following core budget(s): multiple HB sections**

**HB Section: 11.445, 11.450, 11.495, 11.500, 11.535, 11.565,  
11.570, 11.575, 11.580, 11.585, 11.590**

### 1. What does this program do?

#### Reimbursement Allowance Transfers

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to receive federal Medicaid matching funds. The following transfers are used as accounting mechanisms to meet this requirement:

Pharmacy Reimbursement Allowance Transfer

Ambulance Service Reimbursement Allowance Transfer

Federal Reimbursement Allowance Transfer

Nursing Facility Reimbursement Allowance Transfer

NOTE: The provider assessment programs listed above have been reauthorized by the General Assembly through September 30, 2018.

#### Intergovernmental Transfer

State and local governmental units (including public providers) are authorized to transfer to the state Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal Medicaid matching funds. These transfers are called intergovernmental transfers (IGTs) and maximize eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

#### Nursing Facility Quality of Care Fund Transfer

In accordance with section 198.418.1, RSMo, funding is transferred from the Nursing Facility Federal Reimbursement Allowance Fund to the Nursing Facility Quality of Care Fund to be used by the Department of Health and Senior Services (upon appropriation) for conducting inspections and surveys and providing training and technical assistance to facilities licensed under the provisions of Chapter 198.

#### **Program Goals**

Reimbursement allowance transfers and intergovernmental transfers supplement state funding in support of the MO HealthNet program through the use of federally-approved accounting mechanisms.

#### **Program Objectives**

To maximize eligible costs for federal Medicaid funds.

#### **Reimbursement Methodology**

These transfers only represent an accounting mechanism to fund providers serving MO HealthNet participants through the fee-for-service and MO HealthNet Managed Care programs.

#### **Rate History**

This program does not utilize a rate reimbursement methodology.

## PROGRAM DESCRIPTION

Department: Social Services

Program Name: MHD Non-Count Transfers

Program is found in the following core budget(s): multiple HB sections

HB Section: 11.445, 11.450, 11.495, 11.500, 11.535, 11.565,  
11.570, 11.575, 11.580, 11.585, 11.590

**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. 198.418.1, 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

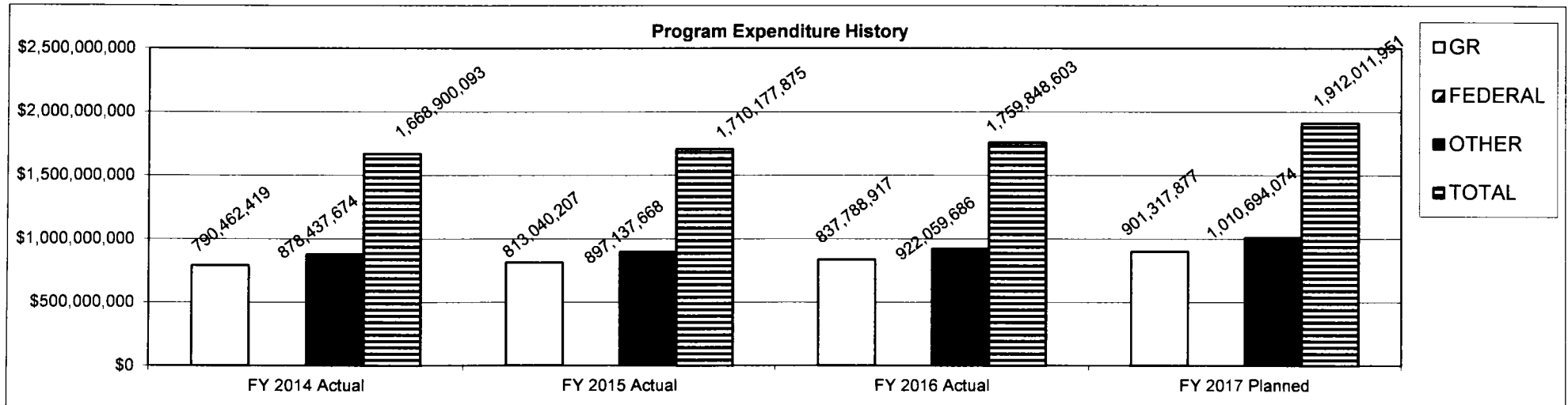
**3. Are there federal matching requirements? If yes, please explain.**

No

**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 DESCRIPTION

Department: Social Services

Program Name: MHD Non-Count Transfers

Program is found in the following core budget(s): multiple HB sections

HB Section: 11.445, 11.450, 11.495, 11.500, 11.535, 11.565,  
11.570, 11.575, 11.580, 11.585, 11.590

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

Pharmacy Reimbursement Allowance Fund (0144)  
Ambulance Service Reimbursement Allowance Fund (0958)  
DSS Intergovernmental Transfer Fund (0139)  
Federal Reimbursement Allowance Fund (0142)  
Nursing Facility Reimbursement Allowance Fund (0196)

### 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

**NEW DECISION ITEM**

RANK: 26 OF 26

Department: Social Services

Budget Unit 90840C, 90845C

Division: MO HealthNet

DI Name: FRA Transfer Authority Increase

DI# 1886013

HB Section: 11.565 & 11.570

**1. AMOUNT OF REQUEST**

| FY 2018 Budget Request |                   |         |                   |                   |   |
|------------------------|-------------------|---------|-------------------|-------------------|---|
|                        | GR                | Federal | Other             | Total             | E |
| PS                     |                   |         |                   |                   |   |
| EE                     |                   |         |                   |                   |   |
| PSD                    |                   |         |                   |                   |   |
| TRF                    | 21,593,878        |         | 21,593,878        | 43,187,756        |   |
| Total                  | <b>21,593,878</b> |         | <b>21,593,878</b> | <b>43,187,756</b> |   |
| FTE                    | 0.00              | 0.00    | 0.00              | 0.00              |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: Federal Reimbursement Allowance Fund (0142)

| FY 2018 Governor's Recommendation |                   |         |                   |                   |   |
|-----------------------------------|-------------------|---------|-------------------|-------------------|---|
|                                   | GR                | Federal | Other             | Total             | E |
| PS                                |                   |         |                   |                   |   |
| EE                                |                   |         |                   |                   |   |
| PSD                               |                   |         |                   |                   |   |
| TRF                               | 21,593,878        |         | 21,593,878        | 43,187,756        |   |
| Total                             | <b>21,593,878</b> |         | <b>21,593,878</b> | <b>43,187,756</b> |   |
| FTE                               | 0.00              | 0.00    | 0.00              | 0.00              |   |

|                    |   |   |   |   |
|--------------------|---|---|---|---|
| <b>Est. Fringe</b> | 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: Federal Reimbursement Allowance Fund (0142)

**2. THIS REQUEST CAN BE CATEGORIZED AS:**

|                                          |                                                               |                                                |
|------------------------------------------|---------------------------------------------------------------|------------------------------------------------|
| <input type="checkbox"/> New Legislation | <input type="checkbox"/> New Program                          | <input type="checkbox"/> Fund Switch           |
| <input type="checkbox"/> Federal Mandate | <input type="checkbox"/> Program Expansion                    | <input type="checkbox"/> Cost to Continue      |
| <input type="checkbox"/> GR Pick-Up      | <input type="checkbox"/> Space Request                        | <input type="checkbox"/> Equipment Replacement |
| <input type="checkbox"/> Pay Plan        | <input checked="" type="checkbox"/> Other: Increase Authority |                                                |

**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.**

Based on projected MO HealthNet transfers for fiscal year 2017, it is anticipated that additional non-count appropriation authority will be necessary to operate the Federal Reimbursement Allowance Fund Transfer in FY 2018.

**NEW DECISION ITEM**  
**RANK: 26 OF 26**

**Department: Scoial Services**  
**Division: MO HealthNet**  
**DI Name: FRA Transfer Authority Increase**

**DI# 1886013**

**Budget Unit 90840C, 90845C**

**HB Section: 11.565 & 11.570**

**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.)**

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to receive federal Medicaid matching funds. The Federal Reimbursement Allowance Transfers are used as accounting mechanisms to meet this requirement. Based on projected FY 2017 transfers, additional authority for FY 2018 is needed as follows:

|                                 | GR*          | Other*       | Total        |
|---------------------------------|--------------|--------------|--------------|
| <b>Estimated Shortfalls</b>     |              |              |              |
| Federal Reimbursement Allowance | \$21,593,878 | \$21,593,878 | \$43,187,756 |

\*Both GR and Other Fund apropriations are classified as non-count

**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<br>DOLLARS | Dept Req<br>GR FTE | Dept Req FED<br>DOLLARS | Dept Req<br>FED FTE | Dept Req<br>OTHER<br>DOLLARS | Dept Req<br>OTHER<br>FTE | Dept Req<br>TOTAL<br>DOLLARS | Dept Req<br>TOTAL<br>FTE | Dept Req<br>One-Time<br>DOLLARS | E |
|-------------------------------|------------------------|--------------------|-------------------------|---------------------|------------------------------|--------------------------|------------------------------|--------------------------|---------------------------------|---|
|                               |                        |                    |                         |                     |                              |                          | 0                            | 0.0                      |                                 |   |
|                               |                        |                    |                         |                     |                              |                          | 0                            | 0.0                      |                                 |   |
| <b>Total PS</b>               | 0                      | 0.0                | 0                       | 0.0                 | 0                            | 0.0                      | 0                            | 0.0                      | 0                               |   |
| <b>Total EE</b>               | 0                      |                    | 0                       |                     | 0                            |                          | 0                            |                          | 0                               |   |
| Program Distributions         |                        |                    |                         |                     |                              |                          | 0                            |                          |                                 |   |
| <b>Total PSD</b>              | 0                      |                    | 0                       |                     | 0                            |                          | 0                            |                          | 0                               |   |
| Transfers                     | 21,593,878             |                    |                         |                     | 21,593,878                   |                          | 43,187,756                   |                          |                                 |   |
| <b>Total TRF</b>              | 21,593,878             |                    | 0                       |                     | 21,593,878                   |                          | 43,187,756                   |                          | 0                               |   |
| <b>Grand Total</b>            | 21,593,878             | 0.0                | 0                       | 0.0                 | 21,593,878                   | 0.0                      | 43,187,756                   | 0.0                      | 0                               |   |

**NEW DECISION ITEM**  
**RANK: 26 OF 26**

**Department: Scoial Services**  
**Division: MO HealthNet**  
**DI Name: FRA Transfer Authority Increase**

**DI# 1886013**

**Budget Unit 90840C, 90845C**  
**HB Section: 11.565 & 11.570**

| Budget Object Class/Job Class | Gov Rec GR<br>DOLLARS | Gov Rec GR<br>FTE | Gov Rec FED<br>DOLLARS | Gov Rec<br>FED FTE | Gov Rec<br>OTHER<br>DOLLARS | Gov Rec<br>OTHER<br>FTE | Gov Rec<br>TOTAL<br>DOLLARS | Gov Rec<br>TOTAL<br>FTE | Gov Rec<br>One-Time<br>DOLLARS | E |
|-------------------------------|-----------------------|-------------------|------------------------|--------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|--------------------------------|---|
|                               |                       |                   |                        |                    |                             |                         | 0                           | 0.0                     |                                |   |
|                               |                       |                   |                        |                    |                             |                         | 0                           | 0.0                     |                                |   |
| <b>Total PS</b>               | <b>0</b>              | <b>0.0</b>        | <b>0</b>               | <b>0.0</b>         | <b>0</b>                    | <b>0.0</b>              | <b>0</b>                    | <b>0.0</b>              | <b>0</b>                       |   |
|                               |                       |                   |                        |                    |                             |                         | 0                           |                         |                                |   |
| <b>Total EE</b>               | <b>0</b>              |                   | <b>0</b>               |                    | <b>0</b>                    |                         | <b>0</b>                    |                         | <b>0</b>                       |   |
| Program Distributions         |                       |                   |                        |                    |                             |                         | 0                           |                         |                                |   |
| <b>Total PSD</b>              | <b>0</b>              |                   | <b>0</b>               |                    | <b>0</b>                    |                         | <b>0</b>                    |                         | <b>0</b>                       |   |
| Transfers                     | 21,593,878            |                   |                        |                    | 21,593,878                  |                         | 43,187,756                  |                         |                                |   |
| <b>Total TRF</b>              | <b>21,593,878</b>     |                   | <b>0</b>               |                    | <b>21,593,878</b>           |                         | <b>43,187,756</b>           |                         | <b>0</b>                       |   |
| <b>Grand Total</b>            | <b>21,593,878</b>     | <b>0.0</b>        | <b>0</b>               | <b>0.0</b>         | <b>21,593,878</b>           | <b>0.0</b>              | <b>43,187,756</b>           | <b>0.0</b>              | <b>0</b>                       |   |

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

**6a. Provide an effectiveness measure.**

N/A

**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:**

N/A



# DECISION ITEM DETAIL

| Budget Unit                               | FY 2016    | FY 2016     | FY 2017    | FY 2017     | FY 2018             | FY 2018     | FY 2018             | FY 2018     |
|-------------------------------------------|------------|-------------|------------|-------------|---------------------|-------------|---------------------|-------------|
| 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         |
| <b>GR FRA-TRANSFER</b>                    |            |             |            |             |                     |             |                     |             |
| <b>FRA - Increase Authority - 1886013</b> |            |             |            |             |                     |             |                     |             |
| TRANSFERS OUT                             | 0          | 0.00        | 0          | 0.00        | 21,593,878          | 0.00        | 21,593,878          | 0.00        |
| TOTAL - TRF                               | 0          | 0.00        | 0          | 0.00        | 21,593,878          | 0.00        | 21,593,878          | 0.00        |
| <b>GRAND TOTAL</b>                        | <b>\$0</b> | <b>0.00</b> | <b>\$0</b> | <b>0.00</b> | <b>\$21,593,878</b> | <b>0.00</b> | <b>\$21,593,878</b> | <b>0.00</b> |
| GENERAL REVENUE                           | \$0        | 0.00        | \$0        | 0.00        | \$21,593,878        | 0.00        | \$21,593,878        | 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        |