

DHHS - MaineCare Emergency Supplemental Budget (LR 2678)
Summary of Governor's Proposals
Summary of Estimated Shortfall and Proposed Solutions

	FY 12	FY 13
Summary of DHHS Estimated MaineCare General Fund Shortfall ¹		
MaineCare Shortfall - DHHS Estimates (December 2011)	\$120,944,523	\$101,017,563
Proposed Administrative Savings (Financial Order Adjustments)	(\$13,710,000)	(\$17,140,000)
Net DHHS Estimated Shortfall Requiring Legislative Changes	\$107,234,523	\$83,877,563

Summary of General Fund Status - Before and After Governor's Proposals in LR 2678

Summary of General Fund Status - Prior to Proposed Solutions		
Beginning Balances - Through 125th Legislature, 1st Special Session	\$19,019,140	\$11,377,418
Net Changes to Balances - Prior to December 2011 Forecast	(\$18,286,976)	\$4,548,338
Net Changes from December 2011 Revenue Forecast	\$10,645,254	(\$9,643,359)
General Fund Budgeted Ending Balances - Prior to Shortfall	\$11,377,418	\$6,282,397
Summary of General Fund Status - After Proposed Solutions		
Beginning Balance	\$19,019,140	(\$3,172,332)
Net Changes to Balances - After Proposed Changes	(\$22,191,472)	\$3,128,028
General Fund Budgeted Ending Balances - After Proposed Solutions ²	(\$3,172,332)	(\$44,304)

Summary of Appropriations and Revenue/Transfers - Governor's Proposals in LR 2678

Resources (Transfers/Adjustments to Balance and Revenue):		
- General Fund Transfers and Adjustments to Balance	\$64,000,000	(\$98,500,000)
- General Fund Revenue	\$0	\$4,500,000
Net Increase (Decrease) to Resources	\$64,000,000	(\$94,000,000)
General Fund Appropriations:		
- General Fund Appropriations	\$78,549,750	(\$102,223,049)
Net Increase (Decrease) of Appropriations	\$78,549,750	(\$102,223,049)
Net Increase (Decrease) to Balance - Gov's Supplemental	(\$14,549,750)	\$8,223,049

Summary General Fund "Spending" and "Savings"

Initiatives Decreasing Resources ("Spending")		
- DHHS - MaineCare Spending (see Summary Page 2)	(\$107,257,307)	(\$83,917,563)
- Transfer to Maine Budget Stabilization Fund	\$0	(\$39,500,000)
Total Items Increasing Resources ("Savings")		
- DHHS - MaineCare Savings (see Summary Page 2)	\$33,707,557	\$186,140,612
- Increase Interfund Borrowing	\$59,000,000	(\$59,000,000)
- Fund for a Healthy Maine Racino Revenue to General Fund	\$0	\$4,500,000
Net Increase (Decrease) to General Fund Resources	(\$14,549,750)	\$8,223,049

Notes:

¹ Reflects estimates of the General Fund MaineCare "Shortfall" developed by DHHS.

² Budgeted ending balances do not reflect additional savings identified by the Streamline and Prioritize Core Government Services Task Force or additional General Fund savings from the distribution of statewide deappropriations.

DHHS - MaineCare Emergency Supplemental Budget (LR 2678)
Summary of Governor's Proposals
Department of Health and Human Services Proposals

	FY 12	FY 13
Proposed Reductions/Savings		
MaineCare and Related		
MaineCare Eligibility/ Recipients Reductions	(\$16,269,023)	(\$52,966,511)
Reduce MaineCare Optional Services - Private Non-Medical Institutions (PNMIs)	\$0	(\$60,391,784)
Reduce MaineCare Optional Services - Other Services	(\$2,036,400)	(\$10,614,920)
MaineCare Prescription Drug Benefit/Payment Reductions	(\$2,152,426)	(\$10,303,384)
Shift MaineCare Seed to FHM (See page 3 for FHM proposals offsetting shift)	(\$1,003,844)	(\$25,031,096)
MaineCare Hospital Reimbursement Reductions	(\$1,428,472)	(\$9,457,774)
MaineCare Developmental Services Payment Reform	\$0	(\$3,000,000)
Subtotal MaineCare Savings/Reductions	(\$22,890,165)	(\$171,765,469)
Other DHHS savings		
DHHS Management - Salary Savings	(\$5,000,000)	(\$3,000,000)
Office of Medical Services Lapsed Balance	(\$5,000,000)	\$0
Adult Mental Health - Crisis Intervention Services	\$0	(\$2,084,746)
Developmental Services - Rental Assistance	\$0	(\$1,200,000)
Children's Services (Head Start, Child Welfare, Mental Health)	(\$800,000)	(\$7,995,971)
Other	(\$17,392)	(\$94,426)
Subtotal Other DHHS Savings/Reductions	(\$10,817,392)	(\$14,375,143)
Total DHHS Savings/Reductions	(\$33,707,557)	(\$186,140,612)
Proposed Spending		
MaineCare and Related		
Cycle Payments Shortfall ¹	\$107,257,307	\$72,128,211
MaineCare Federal Medical Assistance Percentage (FMAP) - 63.27% to 62.57% 10/1/2012	\$0	\$11,775,773
Subtotal MaineCare Spending	\$107,257,307	\$83,903,984
Other DHHS		
Foster Care FMAP	\$0	\$13,579
Subtotal Other DHHS Spending	\$0	\$13,579
Total DHHS Spending ¹	\$107,257,307	\$83,917,563

¹ DHHS has identified additional administrative offsets of \$13.7 million in FY 12 and \$17.1 million in FY 13 to help fund the total estimated MaineCare shortfall of \$120.9 million in FY 12 and \$101.0 million in FY 13.

DHHS - MaineCare Emergency Supplemental Budget (LR 2678)
Summary of Governor's Proposals
Fund for a Healthy Maine (FHM)

	FY 12	FY 13
Allocations - Fund for a Healthy Maine		
FHM "Spending" Initiatives		
FHM Funding for Maine Care Shifted from Other Programs		
FHM - Medical Care (0960-01)	\$1,003,844	\$25,031,096
FHM Spending for Federal Medical Assistance Percentage (FMAP) Decrease		
FHM - Substance Abuse (0948-02)	\$0	\$17,976
FHM - Medical Care (0960-01)	\$0	\$113,010
	\$0	\$130,986
FHM Total "Spending" Initiatives	\$1,003,844	\$25,162,082
FHM "Savings"/Reduction Initiatives		
FHM Redistribution Proposals Reflecting FY 13 Funding Eliminations		
FHM - Bureau of Health - Oral Health (0953-01)	\$0	(\$600,000)
FHM - Bureau of Health - Home Visits (0953-06)	\$0	(\$2,653,383)
FHM - Bureau of Health - Community School Grants (0953-07) *	\$0	(\$7,529,890)
FHM - Family Planning (0956-01)	\$0	(\$401,430)
FHM - Donated Dental (0958-01)	\$0	(\$36,463)
FHM - Head Start (0959-01)	(\$700,000)	(\$1,354,580)
FHM - Purchased Social Services (0961-01)	\$0	(\$3,942,236)
FHM - Drugs for the Elderly and Disabled (Z015-01)	(\$303,844)	(\$11,934,230)
FHM - Immunization (Z048-01)	\$0	(\$1,078,884)
	(\$1,003,844)	(\$29,531,096)
Net Changes to FHM Allocations	\$0	(\$4,369,014)
FHM Revenue and Transfer Initiatives		
Transfer of remaining FY 2012-13 Racino Revenue to General Fund	\$0	(\$4,500,000)
Net Increase (Decrease) to FHM Balance in LR 2678	\$0	(\$130,986)

* Funding not completely eliminated - Personal Services allocation of \$252,062 and All Other of \$6,970 remaining.