

OFPR Expenditure Review FINAL for SFY 2021

MaineCare Expenditure Detail FINAL for SFY 2021

MaineCare Expenditure Table 1 uses expenditure data from the State’s financial warehouse (MFASIS) through 12 months of FY 2021 to compare MaineCare expenditures by expenditure category for the last three fiscal years. MaineCare “All Funds” spending through 12 months of FY 2021 increased by \$233.6 million from FY 2020 to FY 2021. As detailed in MaineCare Table 1, FY 2021 spending through 12 months increased in the hospital services, devices and supplies, medical professionals, other professionals, laboratory and health homes expenditure categories. These increases were expected due to Medicaid expansion expenses increasing by \$242.8 million. See Exhibit A for a detailed breakdown. It should also be noted that the residential care account decreased by 6.9 million in FY 2021 due to numerous manual journal entries and does not reflect a decrease in payments made to providers.

FY 2021 MaineCare “All Funds” spending through 12 months increased by 6.8% over last year’s spending. MaineCare Expenditure Table 1 also shows that aggregate General Fund expenditures through 12 months of FY 2021 decreased by 12.0% compared to FY 2020. This decrease was expected due to two large items: 1) In the 1st Quarter of SFY 2020 multiple journal entries, totaling \$58.5 million, were completed to transfer funds from the federal MaineCare account into a General Fund MaineCare account, causing an increase in General Fund expenditures in SFY 2020. This transfer was made due to multiple disallowances of Riverview Psychiatric Center Disproportionate Share funding and 2) Due to the COVID pandemic there is a temporary increase to the FMAP during the crisis of 6.2%. The current General Fund spending is in-line with the legislatively approved amount for FY 2021. See Exhibit B for a detailed breakdown.

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

MaineCare Expenditure Table 1.

MaineCare and Related Expenditures Detail Through 12 Months

All Funds - Through 12 Months

Expenditure Categories	FY 2019	FY 2020	FY 2021	Chgs. FY 2020 to FY 2021	
	12 Months	12 Months	12 Months	\$	%
1 Hospital Services	\$663,248,714	\$783,049,179	\$871,154,901	\$88,105,722	11.3%
2 Residential Care	\$664,663,190	\$741,088,962	\$734,162,343	(\$6,926,618)	-0.9%
3 HCBS Waivers	\$517,168,501	\$537,502,108	\$560,874,988	\$23,372,880	4.3%
4 Pharmacy and Related	\$147,242,011	\$180,051,608	\$194,559,757	\$14,508,149	8.1%
5 Devices and Supplies	\$26,119,178	\$30,670,455	\$34,187,934	\$3,517,478	11.5%
6 Medical Professionals	\$137,295,177	\$158,998,232	\$186,395,844	\$27,397,612	17.2%
7 Other Professionals	\$12,674,517	\$7,747,871	\$18,281,982	\$10,534,111	136.0%
8 Dentistry	\$23,761,051	\$18,807,850	\$22,802,597	\$3,994,747	21.2%
9 Medicare Deductible and Co-insurance	\$94,099,048	\$87,918,393	\$89,140,974	\$1,222,582	1.4%
10 Medicare A, B, D Premiums	\$190,131,495	\$203,705,448	\$204,396,921	\$691,474	0.3%
11 Laboratory	\$10,952,852	\$10,866,452	\$16,028,748	\$5,162,296	47.5%
12 Health Homes	\$68,061,153	\$75,412,283	\$86,591,691	\$11,179,408	14.8%
13 Behavioral Health Services	\$174,080,656	\$192,226,753	\$207,843,880	\$15,617,128	8.1%
14 Clinic Services	\$58,103,399	\$63,160,137	\$77,480,962	\$14,320,825	22.7%
15 Home Health	\$16,643,807	\$11,261,885	\$13,198,052	\$1,936,167	17.2%
16 Rehabilitation Services	\$70,404,531	\$62,848,435	\$65,156,364	\$2,307,930	3.7%
17 Case Management	\$38,869,404	\$37,583,041	\$39,222,429	\$1,639,388	4.4%
18 School-Based Services	\$62,323,608	\$53,982,873	\$61,110,968	\$7,128,095	13.2%
19 Transportation Services	\$46,293,277	\$60,397,081	\$66,723,209	\$6,326,128	10.5%
20 Other Expenditure Codes	\$50,520,368	\$35,264,250	\$30,832,660	(\$4,431,590)	-12.6%
21 Accounting Adjustments	(\$1,485,065)	(\$8,827,573)	\$3,452,535	\$12,280,108	-139.1%
22 Other Adjustments	(\$21,736,698)	(\$20,364,159)	(\$26,653,060)	(\$6,288,901)	30.9%
All Funds Total	\$3,049,434,173	\$3,323,351,565	\$3,556,946,683	\$233,595,118	7.0%
Minus Accounting and Other Adjustments ¹	\$23,221,763	\$29,191,732	\$23,200,525	(\$5,991,207)	-20.5%
All Funds Adjusted Total	\$3,072,655,936	\$3,352,543,297	\$3,580,147,207	\$227,603,911	6.8%
General Fund Totals	\$861,455,544	\$870,421,015	\$762,443,383	(\$107,977,632)	-12.4%
Minus Accounting and Other Adjustments ¹	\$15,444,529	\$14,109,455	\$16,031,185	\$1,921,731	13.6%
General Fund Adjusted Totals	\$876,900,074	\$884,530,470	\$778,474,569	(\$106,055,901)	-12.0%

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

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Exhibit A

Outline of All Funds Expenditure Increases through 4th Quarter of SFY 2021

Medicaid Expansion Impact - By Funds

Through the 4th Quarter of SFY 2021

Expenditure Categories	SFY 2020	SFY 2021	Difference
1 Hospital Services	\$ 128,494,255	\$ 301,874,446	\$ 173,380,192
2 Residential Care	\$ 8,246,273	\$ 12,545,459	\$ 4,299,186
3 HCBS Waivers	\$ 1,936,493	\$ 2,814,067	\$ 877,575
4 Pharmacy and Related	\$ 66,352,673	\$ 73,464,254	\$ 7,111,581
5 Devices and Supplies	\$ 3,921,730	\$ 6,306,138	\$ 2,384,408
6 Medical Professionals	\$ 31,143,933	\$ 51,260,222	\$ 20,116,290
7 Other Professionals	\$ 1,365,098	\$ 2,185,868	\$ 820,770
8 Dentistry	\$ 1,590,054	\$ 2,845,823	\$ 1,255,769
9 Medicare Deductible and Co-insurance	\$ 157,816	\$ 361,133	\$ 203,316
11 Laboratory	\$ 4,352,925	\$ 6,811,194	\$ 2,458,269
12 Health Homes	\$ 6,551,474	\$ 13,745,744	\$ 7,194,270
13 Behavioral Health Services	\$ 19,317,004	\$ 28,217,415	\$ 8,900,410
14 Clinic Services	\$ 15,747,370	\$ 23,433,776	\$ 7,686,406
15 Home Health	\$ 1,259,255	\$ 1,840,724	\$ 581,469
16 Rehabilitation Services	\$ 555,686	\$ 1,431,756	\$ 876,070
17 Case Management	\$ 1,160,948	\$ 1,532,926	\$ 371,978
18 School Based Services	\$ 47,675	\$ 51,569	\$ 3,894
19 Transportation Services	\$ 15,129,185	\$ 19,413,839	\$ 4,284,654
20 Other Expenditure Codes	\$ 12,632	\$ 16,949	\$ 4,317
Medicaid Expansion Total	\$ 307,342,480	\$ 550,153,302	\$ 242,810,823

Total of all Differences **\$ 242,810,823**

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Exhibit B

Outline of General Funds Expenditure Overall Decrease through 4th Quarter of SFY 2021

Medicaid Expansion Impact - By Funds

Through the 4th Quarter of SFY 2021

Expenditure Categories	SFY 2020	SFY 2021	Difference
1 Hospital Services	\$ 13,764,773	\$ 35,777,022	\$ 22,012,249
2 Residential Care	\$ 739,532	\$ 1,297,322	\$ 557,790
3 HCBS Waivers	\$ 1,936,493	\$ 2,837,608	\$ 901,115
4 Pharmacy and Related	\$ 9,201,707	\$ 16,739,324	\$ 7,537,617
5 Devices and Supplies	\$ 501,428	\$ 898,608	\$ 397,179
6 Medical Professionals	\$ 3,572,151	\$ 6,253,438	\$ 2,681,287
7 Other Professionals	\$ 167,225	\$ 277,106	\$ 109,880
8 Dentistry	\$ 196,933	\$ 372,021	\$ 175,087
9 Medicare Deductible and Co-insurance	\$ 19,453	\$ 49,458	\$ 30,004
11 Laboratory	\$ 458,180	\$ 834,298	\$ 376,118
12 Health Homes	\$ 752,003	\$ 1,655,956	\$ 903,953
13 Behavioral Health Services	\$ 2,047,463	\$ 3,357,809	\$ 1,310,346
14 Clinic Services	\$ 1,698,067	\$ 2,861,887	\$ 1,163,820
15 Home Health	\$ 121,747	\$ 200,437	\$ 78,690
16 Rehabilitation Services	\$ 61,863	\$ 169,121	\$ 107,258
17 Case Management	\$ 113,349	\$ 163,826	\$ 50,477
18 School Based Services	\$ 3,749	\$ 5,156	\$ 1,407
19 Transportation Services	\$ 1,753,003	\$ 2,519,106	\$ 766,103
20 Other Expenditure Codes	\$ 1,070	\$ 1,749	\$ 679
Medicaid Expansion Total	\$ 37,110,190	\$ 76,271,250	\$ 39,161,060

Estimated Expenditure decrease due to COVID FMAP Increase of 6.2% \$ (109,848,184.83)

One-time DSH Journal in 1st Quarter of SFY 2020. (\$58,501,189)

Total of all Differences **\$ (129,188,314)**

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Exhibit C

Outline of All Funds Expenditures on Medicaid Expansion Since Inception

Medicaid Expansion Impact - by SFY

Through 06/30/21

Expenditure Categories	SFY 2019	SFY 2020	SFY 2021	Total
1 Hospital Services	\$ 27,510,310	\$ 128,494,255	\$ 301,874,446	\$ 457,879,011
2 Residential Care	\$ 1,280,714	\$ 8,246,273	\$ 12,545,459	\$ 22,072,446
3 HCBS Waivers	\$ 6,563	\$ 1,936,493	\$ 2,814,067	\$ 4,757,124
4 Pharmacy and Related	\$ 8,512,542	\$ 66,352,673	\$ 73,464,254	\$ 148,329,469
5 Devices and Supplies	\$ 508,123	\$ 3,921,730	\$ 6,306,138	\$ 10,735,990
6 Medical Professionals	\$ 5,673,060	\$ 31,143,933	\$ 51,260,222	\$ 88,077,215
7 Other Professionals	\$ 242,429	\$ 1,365,098	\$ 2,185,868	\$ 3,793,395
8 Dentistry	\$ 340,460	\$ 1,590,054	\$ 2,845,823	\$ 4,776,338
9 Medicare Deductible and Co-insurance	\$ 28,721	\$ 157,816	\$ 361,133	\$ 547,670
11 Laboratory	\$ 1,131,354	\$ 4,352,925	\$ 6,811,194	\$ 12,295,472
12 Health Homes	\$ 8,642	\$ 6,551,474	\$ 13,745,744	\$ 20,305,860
13 Behavioral Health Services	\$ 3,119,624	\$ 19,317,004	\$ 28,217,415	\$ 50,654,043
14 Clinic Services	\$ 4,250,471	\$ 15,747,370	\$ 23,433,776	\$ 43,431,618
15 Home Health	\$ 257,244	\$ 1,259,255	\$ 1,840,724	\$ 3,357,223
16 Rehabilitation Services	\$ 63,255	\$ 555,686	\$ 1,431,756	\$ 2,050,696
17 Case Management	\$ 211,703	\$ 1,160,948	\$ 1,532,926	\$ 2,905,578
18 School Based Services	\$ 5,034	\$ 47,675	\$ 51,569	\$ 104,278
19 Transportation Services	\$ 1,086,670	\$ 15,129,185	\$ 19,413,839	\$ 35,629,694
20 Other Expenditure Codes	\$ 1,535	\$ 12,632	\$ 16,949	\$ 31,115
Medicaid Expansion Total	\$ 54,238,452	\$ 307,342,480	\$ 550,153,302	\$ 911,734,234