

## OFPR Expenditure Review through 2nd Quarter SFY 2021

### MaineCare Expenditure Detail through 2nd Quarter of SFY 2021

MaineCare Expenditure Table 1 uses expenditure data from the State’s financial warehouse (MFASIS) through 6 months of FY 2021 to compare MaineCare expenditures by expenditure category for the last three fiscal years. MaineCare “All Funds” spending through 6 months of FY 2021 increased by \$117.1 million from FY 2020 to FY 2021. As detailed in MaineCare Table 1, FY 2021 spending through 6 months increased in the hospital services, residential care, HCBS waivers, devices and supplies, medical professionals, other professionals, home health and Health Homes expenditure categories; and decreased in the Pharmacy and Related, dentistry and Medicare A, B, D Premiums expenditure categories. These increases were expected due to Medicaid expansion expenses increasing by \$117 million. See Exhibit A for a detailed breakdown.

FY 2021 MaineCare “All Funds” spending through 6 months increased by 7.4% over last year’s spending. MaineCare Expenditure Table 1 also shows that aggregate General Fund expenditures through 6 months of FY 2021 decreased by 23.8% compared to FY 2020. This decrease was expected due to two large items: 1) In the 1<sup>st</sup> 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 6 Months

*All Funds - Through 6 Months*

Expenditure Categories	FY 2019	FY 2020	FY 2021	Chgs. FY 2020 to FY 2021	
	6 Months	6 Months	6 Months	\$	%
1 Hospital Services	\$306,947,417	\$375,231,075	\$406,126,550	\$30,895,476	8.2%
2 Residential Care	\$325,708,391	\$350,274,568	\$376,218,839	\$25,944,271	7.4%
3 HCBS Waivers	\$250,490,398	\$270,734,131	\$301,252,212	\$30,518,081	11.3%
4 Pharmacy and Related	\$64,198,113	\$89,787,450	\$87,586,933	(\$2,200,517)	-2.5%
5 Devices and Supplies	\$12,122,366	\$14,744,956	\$17,007,720	\$2,262,764	15.3%
6 Medical Professionals	\$66,122,881	\$79,116,668	\$92,924,039	\$13,807,371	17.5%
7 Other Professionals	\$6,977,223	\$3,791,869	\$13,634,055	\$9,842,186	259.6%
8 Dentistry	\$12,727,949	\$11,651,310	\$11,167,528	(\$483,782)	-4.2%
9 Medicare Deductible and Co-insurance	\$45,947,639	\$44,157,445	\$42,542,221	(\$1,615,224)	-3.7%
10 Medicare A, B, D Premiums	\$92,373,564	\$98,693,552	\$98,040,089	(\$653,463)	-0.7%
11 Laboratory	\$4,855,742	\$6,258,077	\$7,549,890	\$1,291,812	20.6%
12 Health Homes	\$33,339,060	\$36,765,502	\$42,317,813	\$5,552,311	15.1%
13 Behavioral Health Services	\$91,094,215	\$95,907,557	\$102,654,950	\$6,747,393	7.0%
14 Clinic Services	\$25,882,488	\$33,176,158	\$35,026,348	\$1,850,190	5.6%
15 Home Health	\$7,824,796	\$5,596,234	\$6,397,514	\$801,280	14.3%
16 Rehabilitation Services	\$33,982,597	\$35,602,226	\$35,484,198	(\$118,028)	-0.3%
17 Case Management	\$18,977,401	\$18,930,409	\$19,262,610	\$332,201	1.8%
18 School-Based Services	\$28,936,944	\$31,583,961	\$28,499,538	(\$3,084,424)	-9.8%
19 Transportation Services	\$22,828,745	\$28,466,664	\$32,045,310	\$3,578,646	12.6%
20 Other Expenditure Codes	\$16,424,002	\$19,795,207	\$16,666,313	(\$3,128,894)	-15.8%
21 Accounting Adjustments	(\$2,682,980)	(\$3,034,433)	(\$5,626,819)	(\$2,592,386)	85.4%
22 Other Adjustments	(\$11,095,538)	(\$10,239,684)	(\$12,670,966)	(\$2,431,282)	23.7%
<b>All Funds Total</b>	<b>\$1,453,983,413</b>	<b>\$1,636,990,900</b>	<b>\$1,754,106,884</b>	<b>\$117,115,984</b>	<b>7.2%</b>
Minus Accounting and Other Adjustments <sup>1</sup>	\$13,778,518	\$13,274,117	\$18,297,785	\$5,023,667	37.8%
<b>All Funds Adjusted Total</b>	<b>\$1,467,761,930</b>	<b>\$1,650,265,017</b>	<b>\$1,772,404,668</b>	<b>\$122,139,651</b>	<b>7.4%</b>
<b>General Fund Totals</b>	<b>\$411,647,597</b>	<b>\$498,778,435</b>	<b>\$375,722,146</b>	<b>(\$123,056,288)</b>	<b>-24.7%</b>
Minus Accounting and Other Adjustments <sup>1</sup>	\$6,647,411	\$6,708,266	\$9,432,502	\$2,724,235	40.6%
<b>General Fund Adjusted Totals</b>	<b>\$418,295,009</b>	<b>\$505,486,701</b>	<b>\$385,154,648</b>	<b>(\$120,332,053)</b>	<b>-23.8%</b>

<sup>1</sup> 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.

## OFPR Expenditure Review through 2nd Quarter SFY 2021

### Exhibit A

#### Outline of All Funds Expenditure Increases through 2nd Quarter of SFY 2021

#### Medicaid Expansion Impact - By Funds

*Through the 2nd Quarter of SFY 2021*

Expenditure Categories	SFY 2020	SFY 2021	Difference
1 Hospital Services	\$ 63,801,679	\$ 145,728,161	\$ 81,926,482
2 Residential Care	\$ 3,349,685	\$ 6,262,675	\$ 2,912,989
3 HCBS Waivers	\$ 1,652,494	\$ 2,319,042	\$ 666,548
4 Pharmacy and Related	\$ 31,404,693	\$ 33,498,048	\$ 2,093,356
5 Devices and Supplies	\$ 1,607,336	\$ 3,010,436	\$ 1,403,100
6 Medical Professionals	\$ 13,670,619	\$ 24,534,865	\$ 10,864,246
7 Other Professionals	\$ 534,126	\$ 1,020,990	\$ 486,864
8 Dentistry	\$ 853,163	\$ 1,331,614	\$ 478,452
9 Medicare Deductible and Co-insurance	\$ 65,019	\$ 122,571	\$ 57,552
11 Laboratory	\$ 2,419,880	\$ 3,220,825	\$ 800,946
12 Health Homes	\$ 1,782,090	\$ 6,272,266	\$ 4,490,176
13 Behavioral Health Services	\$ 8,311,380	\$ 13,673,579	\$ 5,362,198
14 Clinic Services	\$ 7,614,944	\$ 10,214,853	\$ 2,599,908
15 Home Health	\$ 611,281	\$ 841,485	\$ 230,204
16 Rehabilitation Services	\$ 297,748	\$ 720,968	\$ 423,220
17 Case Management	\$ 536,291	\$ 755,057	\$ 218,766
18 School Based Services	\$ 36,038	\$ 14,666	\$ (21,373)
19 Transportation Services	\$ 6,222,650	\$ 8,821,772	\$ 2,599,122
20 Other Expenditure Codes	\$ 7,274	\$ 8,741	\$ 1,468
<b>Medicaid Expansion Total</b>	<b>\$ 144,778,390</b>	<b>\$ 262,372,614</b>	<b>\$ 117,594,225</b>

## OFPR Expenditure Review through 2nd Quarter SFY 2021

### Exhibit B

#### Outline of General Funds Expenditure Overall Decrease through 2nd Quarter of SFY 2021

#### Medicaid Expansion Impact - By Funds

*Through the 2nd Quarter of SFY 2021*

Expenditure Categories	SFY 2020	SFY 2021	Difference
1 Hospital Services	\$ 6,028,181	\$ 17,117,506	\$ 11,089,326
2 Residential Care	\$ 244,477	\$ 651,965	\$ 407,489
3 HCBS Waivers	\$ 1,652,494	\$ 2,319,042	\$ 666,548
4 Pharmacy and Related	\$ 3,418,180	\$ 7,399,885	\$ 3,981,705
5 Devices and Supplies	\$ 183,990	\$ 408,786	\$ 224,797
6 Medical Professionals	\$ 1,369,928	\$ 2,953,194	\$ 1,583,266
7 Other Professionals	\$ 63,666	\$ 126,930	\$ 63,265
8 Dentistry	\$ 95,933	\$ 174,162	\$ 78,229
9 Medicare Deductible and Co-insurance	\$ 6,618	\$ 15,588	\$ 8,970
11 Laboratory	\$ 220,818	\$ 386,899	\$ 166,082
12 Health Homes	\$ 170,919	\$ 741,513	\$ 570,594
13 Behavioral Health Services	\$ 752,780	\$ 1,602,096	\$ 849,316
14 Clinic Services	\$ 712,165	\$ 1,227,077	\$ 514,912
15 Home Health	\$ 53,027	\$ 88,663	\$ 35,637
16 Rehabilitation Services	\$ 28,368	\$ 82,938	\$ 54,570
17 Case Management	\$ 42,794	\$ 78,538	\$ 35,743
18 School Based Services	\$ 2,522	\$ 1,466	\$ (1,056)
19 Transportation Services	\$ 639,394	\$ 1,132,504	\$ 493,110
20 Other Expenditure Codes	\$ 534	\$ 882	\$ 348
<b>Medicaid Expansion Total</b>	<b>\$ 15,686,788</b>	<b>\$ 36,509,637</b>	<b>\$ 20,822,849</b>

*Estimated Expenditure decrease due to COVID FMAP Increase of 6.2%*

\$ (81,747,037.97)

*One-time DSH Journal in 1st Quarter of SFY 2020.*

(\$58,501,189)

**Total of all Differences \$ (119,425,378)**

## OFPR Expenditure Review through 2nd Quarter SFY 2021

### Exhibit C

#### Outline of All Funds Expenditures on Medicaid Expansion Since Inception

#### Medicaid Expansion Impact - by SFY

*Through 12/31/20*

Expenditure Categories	SFY 2019	SFY 2020	SFY 2021	Total
1 Hospital Services	\$ 27,510,310	\$ 128,494,255	\$ 145,728,161	\$ 301,732,726
2 Residential Care	\$ 1,280,714	\$ 8,246,273	\$ 6,262,675	\$ 15,789,662
3 HCBS Waivers	\$ 6,563	\$ 1,936,493	\$ 2,319,042	\$ 4,262,098
4 Pharmacy and Related	\$ 8,512,542	\$ 66,352,673	\$ 33,498,048	\$ 108,363,263
5 Devices and Supplies	\$ 508,123	\$ 3,921,730	\$ 3,010,436	\$ 7,440,289
6 Medical Professionals	\$ 5,673,060	\$ 31,143,933	\$ 24,534,865	\$ 61,351,858
7 Other Professionals	\$ 242,429	\$ 1,365,098	\$ 1,020,990	\$ 2,628,517
8 Dentistry	\$ 340,460	\$ 1,590,054	\$ 1,331,614	\$ 3,262,129
9 Medicare Deductible and Co-insurance	\$ 28,721	\$ 157,816	\$ 122,571	\$ 309,108
11 Laboratory	\$ 1,131,354	\$ 4,352,925	\$ 3,220,825	\$ 8,705,104
12 Health Homes	\$ 8,642	\$ 6,551,474	\$ 6,272,266	\$ 12,832,381
13 Behavioral Health Services	\$ 3,119,624	\$ 19,317,004	\$ 13,673,579	\$ 36,110,207
14 Clinic Services	\$ 4,250,471	\$ 15,747,370	\$ 10,214,853	\$ 30,212,694
15 Home Health	\$ 257,244	\$ 1,259,255	\$ 841,485	\$ 2,357,985
16 Rehabilitation Services	\$ 63,255	\$ 555,686	\$ 720,968	\$ 1,339,908
17 Case Management	\$ 211,703	\$ 1,160,948	\$ 755,057	\$ 2,127,709
18 School Based Services	\$ 5,034	\$ 47,675	\$ 14,666	\$ 67,375
19 Transportation Services	\$ 1,086,670	\$ 15,129,185	\$ 8,821,772	\$ 25,037,627
20 Other Expenditure Codes	\$ 1,535	\$ 12,632	\$ 8,741	\$ 22,908
<b>Medicaid Expansion Total</b>	<b>\$ 54,238,452</b>	<b>\$ 307,342,480</b>	<b>\$ 262,372,614</b>	<b>\$ 623,953,546</b>