

**Social Services Estimating Conference
Medicaid Caseloads and Expenditures
November 19, 2020, December 2, 2020 and December 8, 2020
Executive Summary**

The Social Services Estimating Conference convened on November 19, 2020, to adopt a new Medicaid caseload forecast; on December 2, 2020 to revise the series of FMAP projections; and on December 8, 2020, to update the expenditure projection for the period covering FY 2020-21 through FY 2025-26.

Caseload Estimating Conference –The final revised caseload for FY 2019-20 is 3,814,034 or 2,556 (0.07%) lower than the estimate adopted in August 2020. As a result of the uncertainty arising from the future course of the COVID-19 pandemic and its differential effects on the economy, the Conference increased total caseload in FY 2020-21 to 4,442,013—well above the prior peak of 4,017,726 seen in FY 2016-17. Caseload then remains higher than the old peak throughout the forecast, despite its expected decline in the outer years as the unemployment rate improves.

The new projection for FY 2020-21 reaches 4,442,013, an increase of 81,027 (1.86%) over the prior forecast. This increase continues with caseload projected to rise to 4,588,090 in FY 2021-22. In the out-years, caseload is projected to decline to 4,483,627 in FY 2022-23; 4,398,667 in FY 2023-24; 4,319,779 in FY 2024-25; and 4,243,237 in FY 2025-26.

In terms of fiscal years, the new estimate shows a 16.5% increase in Medicaid caseload for FY 2020-21 over the prior fiscal year and a further 3.3% increase in FY 2021-22. See the table below for additional detail.

Total Medicaid Caseload			FY 2020-21			FY 2021-22
			4,442,013			4,588,090
	SMMC		FFS			
	FY 2020-21	FY 2021-22		FY 2020-21	FY 2021-22	
TANF 0-13	1,598,031	1,636,922	Other FFS	252,691	267,932	
TANF 14+	1,203,148	1,249,720	Medically Needy	101,340	123,246	
SSI Medicaid	302,634	307,163	QMB/SLMB/QI	484,748	501,380	
SSI Dual	100,870	102,483	XXI Children (6-18)	4,716	4,792	
HIV/AIDS Medicaid	7,989	8,532	General Assistance	562	562	
HIV/AIDS Specialty Medicaid	8,650	9,246	Family Planning	54,313	53,797	
HIV/AIDS Dual	4,424	4,437	Relative Caregiver	15,981	16,315	
LTC Medicaid	10,003	10,777	Child Only	20,613	20,508	
LTC Dual	82,331	84,196	Families with Adults	41,348	36,470	
Child Welfare	65,145	66,122	Unemployed Parents	9,454	7,732	
CMSN	72,058	74,689				
PDN	964	1,069				

NOTE: Caseload is projected separately for the Statewide Medicaid Managed Care (SMMC) and Fee for Service (FFS) categories. The SMMC enrollment is forecasted by enrollment categories that align with capitation rate cell groupings (e.g. TANF, SSI, HIV/AIDS, etc.) and by geographic Medicaid super-regions. The FFS enrollment is forecasted by statewide enrollment categories that align with Medicaid eligibility groupings (e.g. Medically Needy, QMB/SLMB/QI, Family Planning, etc.). While the names of some of the current FFS categories are unchanged from prior methodologies, the current groups are not directly comparable to the historical groups shown in forecasts prior to July 2016.

Expenditure Estimating Conference – The new expenditure forecast takes account of the Medicaid caseload growth described above. While the Conference is aware that reductions in federal Disproportionate Share Hospital Funding attributable to the passage of the Affordable Care Act (ACA) are possible, they have not been included at this time. The DSH reductions were scheduled to go into effect on December 1, 2020; however, a delay in this date is under discussion as part of the omnibus government spending package currently being negotiated. Conversely, the forecast adheres to the existing federal waiver authority for the size of the Low Income Pool (LIP) for FY 2020-21 which is currently set to expire June 2022. The forecast assumes continuation of Intergovernmental Transfers (IGTs) from local taxing authorities. The forecast also assumes continuation of IGTs for DSH based on historical collections for this purpose for FY 2020-21 through FY 2025-26. While IGT collections for LIP and DSH have no impact on managed care plan capitation rates, the SSEC strongly cautions that IGTS for these purposes may be at risk beginning in FY 2020-21 and may result in lower supplemental payments to providers. The Health Insurance Provider Fee, a tax related to the ACA, has been repealed effective 2021 and will remain in effect for 2020 per the existing federal budget bill.

In the current expenditure forecast, an overall rate increase of 1.5% was applied to the Prepaid Health Plans category at a granular level beginning October 1, 2020. This figure was suggested by the August 4, 2020 letter prepared by Milliman, Inc., “Social Services Estimating Conference – RY 20/21 Draft Estimates and Combined SMMC Rate Change for October 2020 through September 2021.” In the out-years, the MMA capitation rate increase is projected to be 2.0% in October 2021, 2.3% in October 2022, 2.5% in October 2023, 2.7% in October 2024, and 2.8% in October 2025 as expected increases in medical inflation begin to take hold.

In the current expenditures forecast, a rate increase of 1.5% was applied to the Prepaid Health Plan – Long Term Care (LTC) category beginning October 1, 2020. This figure was provided in the same August 4, 2020 letter referenced above. In the out-years, LTC capitation rates are projected to increase 1.5% in October of each year.

Final, reconciled program expenditures for FY 2019-20 totaled \$26,648.0 million. For FY 2020-21, program expenditures are expected to increase to \$31,640.5 million (18.7% above the 2019-20 fiscal year total). This level is higher than the appropriated level and higher than forecasted in August—but the need for state funds is suppressed by the temporary FMAP boost described below. Overall, the new forecast anticipates a surplus in General Revenue funds for the current year of \$342.8 million relative to the appropriated level. For FY 2021-22, program expenditures are expected to increase to \$32,566.8 million (2.9% above the new estimate for the 2020-21 fiscal year). The General Revenue requirement for FY 2021-22 is \$1,244.9 million above the FY 2021-22 base budget level, primarily caused by the end of the supplementary federal funding.

Expenditure Forecast (millions)	FY 2020-21	Surplus/Deficit	FY 2021-22	Comparison to
	Forecast	Appropriated Level	Forecast	Base Budget
General Revenue	\$6,791.8	\$342.8	\$8,379.5	(\$1,244.9)
Medical Care TF	19,354.2	(2,538.9)	18,332.4	(1,606.1)
Refugee Assistance TF	16.0	(4.0)	16.9	(4.9)
Public Medical Assistance TF	766.5	0.0	831.0	(64.5)
Other State Funds	498.7	69.0	576.5	(8.8)
Grants and Donations TF	3,165.9	143.9	3,376.9	(122.1)
Health Care Trust Fund	726.7	0.0	779.4	(52.7)
Tobacco Settlement TF	320.8	11.2	274.3	8.9
Total	\$31,640.5	(\$1,976.1)	\$32,566.8	(\$3,095.3)

Federal Medical Assistance Percentage – Using new population and personal income data for the nation and for Florida, the Conference made modifications to the Federal Medical Assistance Percentage (FMAP) levels used for state budgeting purposes. Further adjustments were made to reflect the Families First Coronavirus Response Act (FFCRA; P.L. 116-127), signed into law March 18, 2020, which provided states and territories with a temporary 6.2 percentage -point increase in the regular FMAP. Based on the recent determination by the US Secretary of Health and Human Services that a Public Health Emergency still exists, the Conference applied the FFCRA FMAP through March 2021. The confirmed base federal FMAP for 2019-20 is 61.47%, for 2020-21 is 61.96%, and for 2021-22 is 61.03%. After adjusting for FFCRA and the State’s fiscal year, the effective state FMAP for 2020-21 is 66.49% and for 2021-22 is 61.26%. The 2020-21 federal share is higher than expected in the prior forecast, and FY 2021-22 is lower than expected in the prior forecast.