Social Services Estimating Conference
Medicaid Caseloads and Expenditures
July 23, 2021 and August 5 and 6, 2021
Executive Summary

The Social Services Estimating Conference convened on July 23, 2021, to adopt a new Medicaid caseload forecast; on August 5, 2021, to revise the series of FMAP projections; and on August 6, 2021, to update the expenditure projection for the period covering FY 2021-22 through FY 2026-27.

Caseload Estimating Conference – As a result of the caseload increases that have already materialized, as well as the uncertainty arising from the future course of the current COVID-19 Public Health Emergency, the Conference increased total caseload in FY 2021-22 to 5,042,246—well above the pre-pandemic peak of 4,017,726 seen in FY 2016-17 which was first surpassed last year. This is an increase of 206,664 or 4.27% over the forecast adopted in March 2021.

Caseload remains higher than the pre-pandemic peak throughout the remainder of the forecast, despite its expected decline after the Public Health Emergency (PHE) is lifted. As of the Conference date, the PHE had been extended through October 18, 2021. After its end, the caseload is projected to decrease to 4,940,073 in FY 2022-23; 4,846,282 in FY 2023-24; 4,754,208 in FY 2024-25; 4,666,979 in FY 2025-26; and 4,690,357 in FY 2026-27.

In terms of fiscal years, the new forecast shows an 11.4% increase in Medicaid caseload for FY 2021-22 over the prior fiscal year and a 2.0% decrease in FY 2022-23. See the table below for additional detail.

Total Medicaid Caseload	**FY 2021-22**	**FY 2022-23**
	5,042,246	**4,940,073**

SMMC			FFS		
	FY 2021-22	FY 2022-23		FY 2020-21	FY 2021-22
TANF 0-13	1,699,618	1,660,978	Other FFS	318,891	326,485
TANF 14+	1,561,795	1,498,887	Medically Needy	146,162	102,327
SSI Medicaid	321,896	332,686	QMB/SLMB/QI	495,193	509,614
SSI Dual	101,536	103,465	XXI Children (6-18)	4,700	4,689
HIV/AIDS Medicaid	9,821	10,969	General Assistance	6,570	8,903
HIV/AIDS Specialty Medicaid	10,198	10,946	Family Planning	47,329	47,992
HIV/AIDS Dual	4,240	4,294	Relative Caregiver	13,035	13,035
LTC Medicaid	10,966	11,687	Child Only	18,731	18,729
LTC Dual	79,153	80,724	Families with Adults	35,134	30,968
Child Welfare	66,122	67,114	Unemployed Parents	5,248	5,187
CMSN	84,850	89,264			
PDN	1,058	1,130			

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. The current projections also include a 6.2% enhanced FMAP rate as authorized by the Families First Coronavirus Response Act. Currently, the scheduled end of the PHE on October 18th extends the FMAP enhancement for the entire quarter containing that date. It is possible that the underlying public health emergency will be further extended into the 2022 calendar year. If so, there will be a reduction to the required state funds suggested by this forecast. Conversely, no reductions in federal Disproportionate Share Hospital (DGH) funding have been included in the forecast, even though the DSH reductions are set to go into effect in 2024 unless additional federal action is taken.

All years of the forecast now reflect the federal waiver authority for the size of the Low Income Pool (LIP); this authority continues through June 2030. The forecast also assumes continuation of Intergovernmental Transfers (IGTs) from local taxing authorities, as well as continuation of IGTs for DSH based on historical collections for this purpose. While IGT collections for LIP and DSH have no impact on managed care plan capitation rates, the Social Services Estimating Conference strongly cautions that IGTs for these purposes may be at risk in the future, resulting in lower supplemental payments to providers.

In the expenditure forecast, an overall rate increase of 3.6% was applied to the Prepaid Health Plans category at a granular level beginning October 1, 2021. This figure was suggested by the August 3, 2021 letter prepared by Milliman, Inc. (reference "Combined SMMC Rate Change for October 2021 through September 2022") and has been subsequently confirmed. In the outer years, the MMA capitation rate increase is projected to be 3.3% in October 2022, 3.5% in October 2023, 3.7% in October 2024, 3.9% in October 2025, and 4.1% in October 2026, as anticipated increases in medical inflation begin to take hold.

For the Prepaid Health Plan – Long Term Care (LTC) category, the actual rate increase on October 1, 2021, was 1.0%. This figure was initially provided in the same August 3, 2021 letter referenced above. In the outer years, LTC capitation rates are projected to increase 1.5% in October of each year.

For FY 2020-21, program expenditures were held at $32,052.6 million (the level adopted in March 2021) pending the final reconciliation. For FY 2021-22, program expenditures are expected to increase to $34,886.9 million (8.8% above the provisional 2020-21 fiscal year estimate). This level is higher than the appropriated level and higher than forecasted in March—but the additional need for state funds has been suppressed by the temporary FMAP boost described above and below. Overall, the new forecast anticipates a surplus in General Revenue funds for the current year of $223.3 million relative to the appropriated level. For FY 2022-23, program expenditures are expected to increase to $35,438.4 million (1.6% above the new estimate for the 2021-22 fiscal year). The General Revenue requirement for FY 2022-23 is $1,130.5 million above the FY 2022-23 base budget level, caused by the duel effects of an increasing caseload and the expected end of the supplementary federal funding.

Expenditure Forecast (millions)	FY 2021-22 Forecast	Surplus/Deficit	FY 2022-23 Forecast	Comparison to Base Budget
General Revenue	$8,237.1	$223.3	$9,471.4	($1,130.5)
Medical Care TF	20,662.2	(722.1)	19,846.1	(198.2)
Refugee Assistance TF	7.4	(3.6)	7.3	(3.5)
Public Medical Assistance TF	839.6	.0	857.6	(18.0)
Other State Funds	575.8	31.2	636.6	(26.2)
Grants and Donations TF	3,467.4	35.0	3,544.5	(99.4)
Health Care Trust Fund	762.6	18.6	707.7	73.5
Tobacco Settlement TF	334.8	.0	367.0	(32.2)
Total	**$34,886.9**	**($417.6)**	**$35,438.4**	**($1,434.5)**

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 enhancement through December 31, 2021. The confirmed base federal FMAP for 2021-22 is 61.03%, and preliminary Federal Funds Information for States (FFIS) projection for 2022-23 is 60.75%. After adjusting for FFCRA and the State's fiscal year, the effective state FMAP for 2021-22 is 64.36%. The 2021-22 federal share is higher than expected in the prior forecast due to the extension of the public health emergency.