

## OFPR Expenditure Review through 3rd Quarter SFY 2022

### MaineCare Expenditure Detail through 3<sup>rd</sup> Quarter of SFY 2022

MaineCare Expenditure Table 1 uses expenditure data from the State’s financial warehouse (MFASIS) through 9 months of FY 2022 to compare MaineCare expenditures by expenditure category for the last three fiscal years. MaineCare “All Funds” spending through 9 months of FY 2022 increased by \$365.2 million from FY 2021 to FY 2022. As detailed in MaineCare Table 1, FY 2022 spending through 9 months increased in the hospital services, residential care, HCBS waivers, laboratory, rehabilitation services and case management expenditure categories; and decreased in the other professionals, dentistry and school-based services expenditure categories. These increases were expected due to two items: 1) Medicaid expansion expenses increased by over \$78 million, 2) Federal funds increased by 272.5 million in SFY 2022 due to the Section 9817 of the federal American Rescue Plan Act (Public Law No: 117-2), which allowed for a 10% additional federal match for certain home and community-based services (HCBS) to be reinvested in those HCBS services. See Exhibit A and D for a detailed breakdown of the Medicaid Expansion expenditures and for the Section 9817 of the federal American Rescue Plan Act increased federal funding.

FY 2022 MaineCare “All Funds” spending through 9 months increased by 13.9% over last year’s spending. MaineCare Expenditure Table 1 also shows that aggregate General Fund expenditures through 9 months of FY 2022 increased by 5.6% compared to FY 2021. This increase was expected due to two items: 1) Medicaid expansion expenses increased by over \$7.3 million, 2) Rate increases and program changes to multiple services during the 130th legislature effective July 1, 2021. See Exhibit B for a more detailed breakdown of these expected changes. The current General Fund spending is in-line with the legislatively approved amount for FY 2022.

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 9 Months

*All Funds - Through 9 Months*

Expenditure Categories	FY 2020	FY 2021	FY 2022	Chgs. FY 2021 to FY 2022	
	9 Months	9 Months	9 Months	\$	%
1 Hospital Services	\$578,714,524	\$642,846,545	\$736,449,797	\$93,603,251	14.6%
2 Residential Care	\$529,513,613	\$553,131,043	\$652,156,618	\$99,025,575	17.9%
3 HCBS Waivers	\$411,053,890	\$412,712,358	\$511,924,441	\$99,212,083	24.0%
4 Pharmacy and Related	\$134,566,808	\$137,518,876	\$152,292,595	\$14,773,719	10.7%
5 Devices and Supplies	\$22,319,766	\$25,423,459	\$26,387,130	\$963,671	3.8%
6 Medical Professionals	\$123,210,719	\$138,372,268	\$143,784,209	\$5,411,941	3.9%
7 Other Professionals	\$6,288,875	\$16,203,929	\$14,418,101	(\$1,785,828)	-11.0%
8 Dentistry	\$17,003,938	\$16,909,115	\$16,110,120	(\$798,995)	-4.7%
9 Medicare Deductible and Co-insurance	\$68,719,841	\$65,902,438	\$67,017,184	\$1,114,746	1.7%
10 Medicare A, B, D Premiums	\$150,499,855	\$150,660,166	\$167,796,937	\$17,136,771	11.4%
11 Laboratory	\$9,016,073	\$11,605,806	\$13,529,644	\$1,923,838	16.6%
12 Health Homes	\$55,661,965	\$64,189,723	\$65,081,641	\$891,918	1.4%
13 Behavioral Health Services	\$145,849,317	\$155,019,098	\$154,273,954	(\$745,144)	-0.5%
14 Clinic Services	\$50,186,154	\$56,303,272	\$59,408,657	\$3,105,385	5.5%
15 Home Health	\$8,359,818	\$9,207,851	\$10,029,290	\$821,439	8.9%
16 Rehabilitation Services	\$51,227,588	\$49,758,724	\$74,914,181	\$25,155,457	50.6%
17 Case Management	\$28,470,684	\$29,118,193	\$40,150,962	\$11,032,769	37.9%
18 School-Based Services	\$47,765,394	\$42,954,118	\$41,979,116	(\$975,002)	-2.3%
19 Transportation Services	\$44,296,600	\$48,935,794	\$52,224,926	\$3,289,132	6.7%
20 Other Expenditure Codes	\$28,862,393	\$24,267,195	\$23,351,187	(\$916,008)	-3.8%
21 Accounting Adjustments	(\$5,012,707)	\$2,565,424	(\$2,088,256)	(\$4,653,680)	-181.4%
22 Other Adjustments	(\$16,178,555)	(\$20,066,191)	(\$22,441,273)	(\$2,375,083)	11.8%
<b>All Funds Total</b>	<b>\$2,490,396,553</b>	<b>\$2,633,539,205</b>	<b>\$2,998,751,161</b>	<b>\$365,211,955</b>	<b>13.9%</b>
Minus Accounting and Other Adjustments <sup>1</sup>	\$21,191,261	\$17,500,766	\$24,529,529	\$7,028,763	40.2%
<b>All Funds Adjusted Total</b>	<b>\$2,511,587,814</b>	<b>\$2,651,039,971</b>	<b>\$3,023,280,689</b>	<b>\$372,240,718</b>	<b>14.0%</b>
<b>General Fund Totals</b>	<b>\$769,244,992</b>	<b>\$595,004,710</b>	<b>\$628,406,693</b>	<b>\$33,401,983</b>	<b>5.6%</b>
Minus Accounting and Other Adjustments <sup>1</sup>	\$10,836,411	\$3,466,875	\$8,804,755	\$5,337,880	154.0%
<b>General Fund Adjusted Totals</b>	<b>\$780,081,403</b>	<b>\$598,471,585</b>	<b>\$637,211,448</b>	<b>\$38,739,863</b>	<b>6.5%</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 3rd Quarter SFY 2022

### Exhibit A

#### Medicaid Expansion Impact - ALL Funds

*Through the 3rd Quarter of SFY 2022*

Expenditure Categories	SFY 2021	SFY 2022	Difference
1 Hospital Services	\$ 224,120,698	\$ 283,308,203	\$ 59,187,505
2 Residential Care	\$ 9,540,146	\$ 8,804,580	\$ (735,566)
3 HCBS Waivers	\$ 2,712,824	\$ (1,294,680)	\$ (4,007,504)
4 Pharmacy and Related	\$ 52,068,007	\$ 58,028,763	\$ 5,960,756
5 Devices and Supplies	\$ 4,479,037	\$ 5,555,549	\$ 1,076,512
6 Medical Professionals	\$ 37,153,589	\$ 42,448,221	\$ 5,294,632
7 Other Professionals	\$ 1,572,840	\$ 1,877,373	\$ 304,534
8 Dentistry	\$ 2,064,921	\$ 1,956,389	\$ (108,532)
9 Medicare Deductible and Co-insurance	\$ 232,951	\$ 386,844	\$ 153,893
11 Laboratory	\$ 4,919,533	\$ 5,585,209	\$ 665,676
12 Health Homes	\$ 9,893,667	\$ 11,887,043	\$ 1,993,376
13 Behavioral Health Services	\$ 20,705,758	\$ 24,294,012	\$ 3,588,254
14 Clinic Services	\$ 16,624,454	\$ 18,802,260	\$ 2,177,805
15 Home Health	\$ 1,269,923	\$ 1,329,042	\$ 59,119
16 Rehabilitation Services	\$ 1,028,704	\$ 978,206	\$ (50,498)
17 Case Management	\$ 1,144,004	\$ 1,263,446	\$ 119,443
18 School Based Services	\$ 29,713	\$ 34,507	\$ 4,794
19 Transportation Services	\$ 13,791,545	\$ 16,507,668	\$ 2,716,122
20 Other Expenditure Codes	\$ 12,847	\$ 10,693	\$ (2,154)
<b>Medicaid Expansion Total</b>	<b>\$ 403,365,160</b>	<b>\$ 481,763,328</b>	<b>\$ 78,398,167</b>

### Exhibit B

#### Medicaid Expansion Impact - General Fund

*Through the 3rd Quarter of SFY 2022*

Expenditure Categories	SFY 2021	SFY 2022	Difference
1 Hospital Services	\$ 26,390,995	\$ 31,538,060	\$ 5,147,065
2 Residential Care	\$ 988,713	\$ 912,226	\$ (76,487)
3 HCBS Waivers	\$ 2,736,364	\$ (1,294,680)	\$ (4,031,044)
4 Pharmacy and Related	\$ 11,867,546	\$ 15,520,258	\$ 3,652,712
5 Devices and Supplies	\$ 627,436	\$ 857,267	\$ 229,831
6 Medical Professionals	\$ 4,498,041	\$ 5,301,292	\$ 803,251
7 Other Professionals	\$ 198,095	\$ 237,098	\$ 39,003
8 Dentistry	\$ 271,407	\$ 260,415	\$ (10,992)
9 Medicare Deductible and Co-insurance	\$ 32,130	\$ 51,493	\$ 19,363
11 Laboratory	\$ 600,436	\$ 702,708	\$ 102,272
12 Health Homes	\$ 1,180,939	\$ 1,469,746	\$ 288,806
13 Behavioral Health Services	\$ 2,450,415	\$ 2,917,364	\$ 466,949
14 Clinic Services	\$ 2,020,516	\$ 2,354,444	\$ 333,928
15 Home Health	\$ 136,687	\$ 147,898	\$ 11,211
16 Rehabilitation Services	\$ 120,400	\$ 122,142	\$ 1,742
17 Case Management	\$ 120,729	\$ 144,352	\$ 23,623
18 School Based Services	\$ 2,971	\$ 3,450	\$ 479
19 Transportation Services	\$ 1,783,606	\$ 2,161,845	\$ 378,239
20 Other Expenditure Codes	\$ 1,294	\$ 1,069	\$ (225)
<b>Medicaid Expansion Total</b>	<b>\$ 56,028,721</b>	<b>\$ 63,408,448</b>	<b>\$ 7,379,727</b>

Quarterly Estimated Increase From Rate Changes through the 2nd Quarter SFY 2022. Many of the changes were effective July 1, 2022 and would increase overall spending. These are estimates based on the initial appropriations and allocations provided by the legislature and will not be exact spending.

\$34,318,883.25

Estimated General Fund increase when including program changes and rate increases **\$ 41,698,610**

## OFPR Expenditure Review through 3rd Quarter SFY 2022

### Exhibit C

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

#### Medicaid Expansion Impact - by SFY

Through 03/31/22

Expenditure Categories	SFY 2019	SFY 2020	SFY 2021	SFY 2022	Total
1 Hospital Services	\$ 27,510,310	\$ 128,494,255	\$ 301,874,446	\$ 283,308,203	\$ 741,187,214
2 Residential Care	\$ 1,280,714	\$ 8,246,273	\$ 12,545,459	\$ 8,804,580	\$ 30,877,026
3 HCBS Waivers	\$ 6,563	\$ 1,936,493	\$ 2,814,067	\$ (1,294,680)	\$ 3,462,444
4 Pharmacy and Related	\$ 8,512,542	\$ 66,352,673	\$ 73,464,254	\$ 58,028,763	\$ 206,358,232
5 Devices and Supplies	\$ 508,123	\$ 3,921,730	\$ 6,306,138	\$ 5,555,549	\$ 16,291,539
6 Medical Professionals	\$ 5,673,060	\$ 31,143,933	\$ 51,260,222	\$ 42,448,221	\$ 130,525,436
7 Other Professionals	\$ 242,429	\$ 1,365,098	\$ 2,185,868	\$ 1,877,373	\$ 5,670,768
8 Dentistry	\$ 340,460	\$ 1,590,054	\$ 2,845,823	\$ 1,956,389	\$ 6,732,727
9 Medicare Deductible and Co-insurance	\$ 28,721	\$ 157,816	\$ 361,133	\$ 386,844	\$ 934,514
11 Laboratory	\$ 1,131,354	\$ 4,352,925	\$ 6,811,194	\$ 5,585,209	\$ 17,880,681
12 Health Homes	\$ 8,642	\$ 6,551,474	\$ 13,745,744	\$ 11,887,043	\$ 32,192,903
13 Behavioral Health Services	\$ 3,119,624	\$ 19,317,004	\$ 28,217,415	\$ 24,294,012	\$ 74,948,055
14 Clinic Services	\$ 4,250,471	\$ 15,747,370	\$ 23,433,776	\$ 18,802,260	\$ 62,233,877
15 Home Health	\$ 257,244	\$ 1,259,255	\$ 1,840,724	\$ 1,329,042	\$ 4,686,265
16 Rehabilitation Services	\$ 63,255	\$ 555,686	\$ 1,431,756	\$ 978,206	\$ 3,028,902
17 Case Management	\$ 211,703	\$ 1,160,948	\$ 1,532,926	\$ 1,263,446	\$ 4,169,024
18 School Based Services	\$ 5,034	\$ 47,675	\$ 51,569	\$ 34,507	\$ 138,786
19 Transportation Services	\$ 1,086,670	\$ 15,129,185	\$ 19,413,839	\$ 16,507,668	\$ 52,137,362
20 Other Expenditure Codes	\$ 1,535	\$ 12,632	\$ 16,949	\$ 10,693	\$ 41,808
<b>Medicaid Expansion Total</b>	<b>\$ 54,238,452</b>	<b>\$ 307,342,480</b>	<b>\$ 550,153,302</b>	<b>\$ 481,763,328</b>	<b>\$ 1,393,497,562</b>

### Exhibit D

#### All Federal Funds by Unit-Unit Name

With Only the Items impacted by Section 9817- 10% HCBS Reinvestment

UNIT-UNIT NAME	SFY 2021	SFY 2022	Grand Total	Change from 2021 - 2022
1224 - MR WAIVER	\$ 210,344,995.22	\$ (75,496,499.55)	\$ 134,848,495.67	\$ (285,841,494.77)
3H17 - MEDICAID 10% ARP SEC 9817 SAVINGS	\$ -	\$ 5,156,407.93	\$ 5,156,407.93	\$ 5,156,407.93
3H90 - BCH 10% ARP SEC 9817 SAVINGS	\$ -	\$ -	\$ -	\$ -
3HW0 - MEDICAID 10% HCBS SECTION 20	\$ -	\$ 3,869,306.72	\$ 3,869,306.72	\$ 3,869,306.72
3HW1 - MEDICAID 10% HCBS SECTION 21	\$ -	\$ 347,212,511.90	\$ 347,212,511.90	\$ 347,212,511.90
3HW2 - MEDICAID 10% HCBS SECTION 19	\$ -	\$ 33,083,768.53	\$ 33,083,768.53	\$ 33,083,768.53
3HW8 - MEDICAID 10% HCBS SECTION 18	\$ -	\$ 15,597,790.46	\$ 15,597,790.46	\$ 15,597,790.46
3HW9 - MEDICAID 10% HCBS SECTION 29	\$ -	\$ 58,270,692.66	\$ 58,270,692.66	\$ 58,270,692.66
3HX0 - CA EXP 10% HCBS SECTION 20	\$ -	\$ 807.50	\$ 807.50	\$ 807.50
3HX1 - CA EXP 10% HCBS SECTION 21	\$ -	\$ 5,130,751.50	\$ 5,130,751.50	\$ 5,130,751.50
3HX2 - CA EXP 10% HCBS SECTION 19	\$ -	\$ 1,315,602.61	\$ 1,315,602.61	\$ 1,315,602.61
3HX8 - CA EXP 10% HCBS SECTION 18	\$ -	\$ 9,468.95	\$ 9,468.95	\$ 9,468.95
3HX9 - CA EXP 10% HCBS SECTION 29	\$ -	\$ 1,007,903.70	\$ 1,007,903.70	\$ 1,007,903.70
3HY2 - PC EXP 10% HCBS SECTION 19	\$ -	\$ 122,615.54	\$ 122,615.54	\$ 122,615.54
3HY8 - PC EXP 10% HCBS SECTION 18	\$ -	\$ 5,476.10	\$ 5,476.10	\$ 5,476.10
3HY9 - PC EXP 10% HCBS SECTION 29	\$ -	\$ 11,580.88	\$ 11,580.88	\$ 11,580.88
3NH1 - MEDICAID HCBS SERVICES REINVEST	\$ -	\$ 21,541,962.28	\$ 21,541,962.28	\$ 21,541,962.28
3NH2 - BCH HCBS SERVICES REINVEST	\$ -	\$ 2,591.68	\$ 2,591.68	\$ 2,591.68
3RH1 - MEDICAID 10% ARP SEC 9817 REINVEST	\$ -	\$ 19,284,535.31	\$ 19,284,535.31	\$ 19,284,535.31
3RH2 - BCH 10% ARP SEC 9817 REINVEST	\$ -	\$ 972.18	\$ 972.18	\$ 972.18
3RW0 - MEDICAID 10% HCBS SECTION 20 REINVEST	\$ -	\$ 318,696.30	\$ 318,696.30	\$ 318,696.30
3RW1 - MEDICAID 10% HCBS SECTION 21 REINVEST	\$ -	\$ 35,527,837.07	\$ 35,527,837.07	\$ 35,527,837.07
3RW2 - MEDICAID 10% HCBS SECTION 19 REINVEST	\$ -	\$ 4,333,135.43	\$ 4,333,135.43	\$ 4,333,135.43
3RW8 - MEDICAID 10% HCBS SECTION 18 REINVEST	\$ -	\$ 1,478,704.56	\$ 1,478,704.56	\$ 1,478,704.56
3RW9 - MEDICAID 10% HCBS SECTION 29 REINVEST	\$ -	\$ 5,147,045.26	\$ 5,147,045.26	\$ 5,147,045.26
<b>Grand Total</b>	<b>\$ 1,799,250,264.71</b>	<b>\$ 2,117,412,549.96</b>	<b>\$ 3,916,662,814.67</b>	<b>\$ 272,588,670.28</b>