



# COMMONWEALTH of VIRGINIA

**Richard D. Brown**  
Director

*Department of Planning and Budget*

200 N. Ninth St., Room 418  
Richmond, VA 23219

November 15, 2004

The Honorable John H. Chichester  
Chairman, Senate Finance Committee  
General Assembly Building, Room 626  
Capitol Square  
Richmond, Virginia 23219

Dear Mr. Chairman:

Please find attached the official consensus forecast of Virginia General Medicaid, Mental Illness Services, and Mental Health/Mental Retardation Community Services expenditures through fiscal year 2007. While these estimates are based upon the best information available to date, please note that they are subject to change if additional information becomes available.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard D. Brown", with a long, sweeping underline.

Richard D. Brown

Attachment

cc: The Honorable John M. Bennett  
The Honorable Jane H. Woods  
Betsey Daley, Staff Director, Senate Finance Committee



# COMMONWEALTH of VIRGINIA

**Richard D. Brown**  
Director

*Department of Planning and Budget*

200 N. Ninth St., Room 418  
Richmond, VA 23219

November 15, 2004

The Honorable Vincent F. Callahan, Jr.  
Chairman, House Appropriations Committee  
General Assembly Building, Room 947  
Capitol Square  
Richmond, Virginia 23219

Dear Mr. Chairman:

Please find attached the official consensus forecast of Virginia General Medicaid, Mental Illness Services, and Mental Health/Mental Retardation Community Services expenditures through fiscal year 2007. While these estimates are based upon the best information available to date, please note that they are subject to change if additional information becomes available.

Sincerely,

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Attachment

cc: The Honorable John M. Bennett  
The Honorable Jane H. Woods  
Robert Vaughn, Staff Director, House Appropriations Committee



# COMMONWEALTH of VIRGINIA

**Richard D. Brown**  
Director

*Department of Planning and Budget*

200 N. Ninth St., Room 418  
Richmond, VA 23219

November 15, 2004

Mr. Philip A. Leone, Director  
Joint Legislative Audit and Review Commission  
Suite 11, General Assembly Building  
Richmond, Virginia 23219

Dear Mr. Leone:

Please find attached the official consensus forecast of Virginia General Medicaid, Mental Illness Services, and Mental Health/Mental Retardation Community Services' expenditures through fiscal year 2007. While these estimates are based upon the best information available to date, please note that they are subject to change if additional information becomes available.

Sincerely,

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Richard D. Brown

Attachment

cc: The Honorable John M. Bennett  
The Honorable Jane H. Woods

# Official Consensus Medicaid Expenditure Forecast

## November 15, 2004

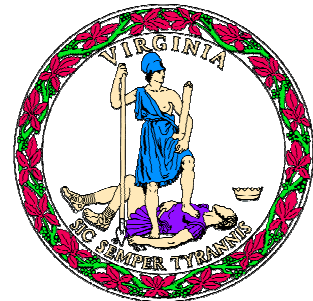
Expense Category		State Funds	Federal Funds	Total Expenditures	% Growth
<b>Total General Medicaid (45609)</b>	FY2001			\$2,486,700,189	
	FY2002			\$2,540,731,176	2.17%
	FY2003			\$2,907,949,204	14.45%
	FY2004			\$3,137,702,763	7.90%
	FY2005	\$1,790,632,662	\$1,770,572,968	\$3,561,205,630	13.50%
	FY2006	\$1,938,995,476	\$1,938,660,930	\$3,877,656,406	8.89%
	FY2007	\$2,084,440,259	\$2,083,346,881	\$4,167,787,141	7.48%
<b>Mental Illness Services* (45610)</b>	FY2001			\$29,301,593	
	FY2002			\$36,136,184	23.32%
	FY2003			\$52,375,927	44.94%
	FY2004			\$69,926,619	33.51%
	FY2005	\$44,120,079	\$44,120,079	\$88,240,157	26.19%
	FY2006	\$49,608,581	\$49,608,581	\$99,217,161	12.44%
	FY2007	\$55,844,735	\$55,844,735	\$111,689,471	12.57%
*Does not include Comprehensive Services Act expenditures					
<b>State Plan Option Services (45608)</b>	FY2001			\$72,161,333	
	FY2002			\$77,900,457	7.95%
	FY2003			\$102,762,961	31.92%
	FY2004			\$114,618,451	11.54%
	FY2005	\$62,985,173	\$62,985,173	\$125,970,345	9.90%
	FY2006	\$67,811,015	\$67,811,015	\$135,622,031	7.66%
	FY2007	\$72,683,348	\$72,683,348	\$145,366,695	7.19%
<b>Mental Retardation Waiver (45608)</b>	FY2001			\$174,353,926	
	FY2002			\$201,908,132	15.80%
	FY2003			\$226,224,386	12.04%
	FY2004			\$254,831,687	12.65%
	FY2005	\$145,397,553	\$145,397,553	\$290,795,106	14.11%
	FY2006	\$169,718,119	\$169,718,119	\$339,436,239	16.73%
	FY2007	\$175,616,669	\$175,616,669	\$351,233,338	3.48%
<b>Total Medicaid</b>	FY2001			\$2,762,517,041	
	FY2002			\$2,856,675,949	3.41%
	FY2003			\$3,289,312,478	15.14%
	FY2004			\$3,577,079,520	8.75%
	FY2005	\$2,043,135,467	\$2,023,075,772	\$4,066,211,239	13.67%
	FY2006	\$2,226,133,191	\$2,225,798,645	\$4,451,931,837	9.49%
	FY2007	\$2,388,585,011	\$2,387,491,633	\$4,776,076,645	7.28%

# Medicaid Expenditure Forecast Report FY 2005 – FY 2007

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*Department of Planning and Budget*

*November 30, 2004*

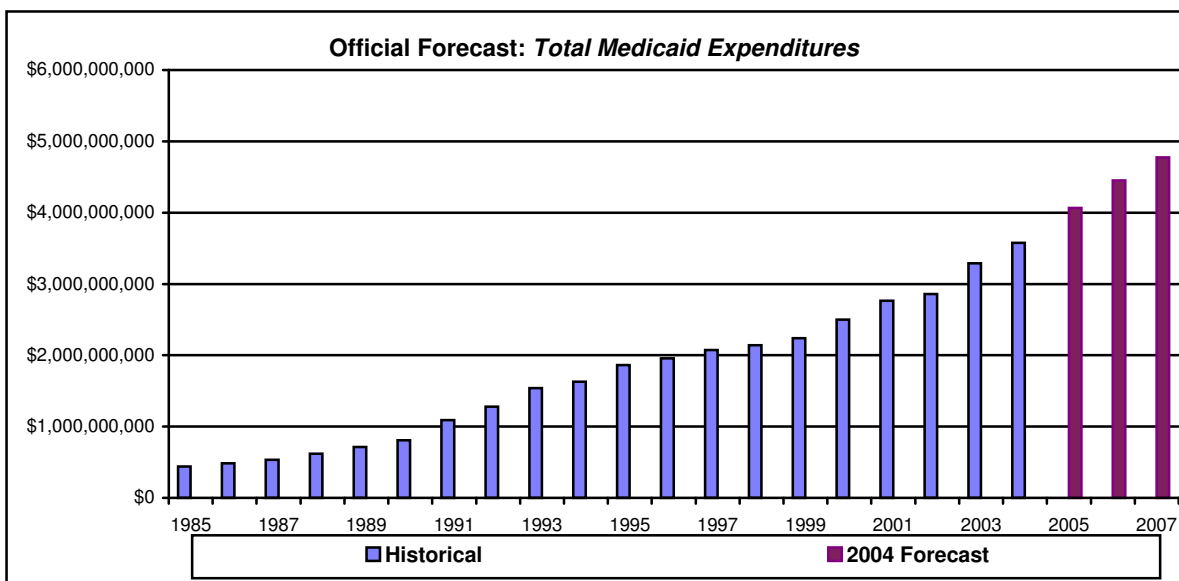


## **Summary**

Total Medicaid expenditures are projected to increase 13.67% (to \$4.066 billion) in FY 2005, an additional 9.49% (to \$4.451 billion) in FY 2006, and an additional 7.28% (to \$4.776 billion) in FY 2007.

Projections in this report include expenditures for General Medicaid, Mental Illness Services, Mental Retardation Waiver, and MHMR State Plan Option Services. The main factors affecting expenditures are:

- Continuing growth in the number of indigent adults, children, and pregnant women enrolled in Medicaid. The growth rates in FY 2004 were 9.56%, 13.70%, and 7.22%, respectively. The overall growth rate for the Medicaid enrollees was 9.07% in FY 2004, which was significantly higher than the 5.77% overall growth rate in FY 2003.
- Reclassification of non-emergency transportation expenditures from administrative budget to medical services budget.
- Increases in enrollment and in rates paid to HMOs.
- Increases in the cost per day of nursing facility care.
- Growth in private inpatient hospital costs.
- Increased non-claims based payments to teaching hospitals.
- Increases in federally established Medicare Part B and Part A premiums.
- Increases in outpatient hospital services costs.
- Growth in utilization of other long-term care services.
- Growth in utilization of physician services.
- Historically lower, but moderate growth in pharmacy unit costs and utilization.
- Continuing growth in cost per recipient and in the number of recipients receiving mental illness services.
- Growth in utilization of MHMR state plan option services.
- Growth in the number of available slots and in utilization in the MR waiver program.

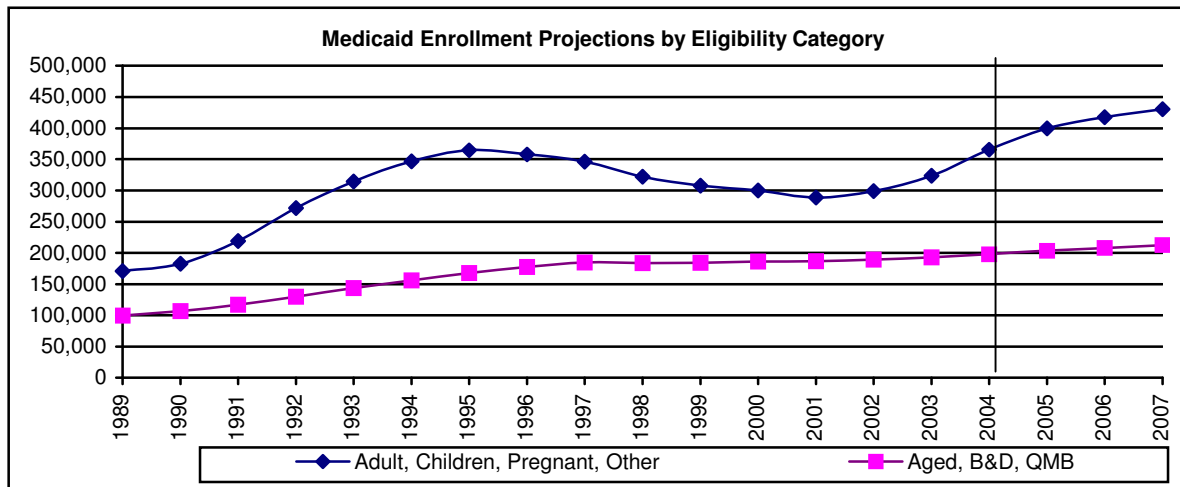


## Methodology

Section 32.1-323.1 of the *Code of Virginia* mandates that by November 15 of each year, DPB with the cooperation of DMAS, shall prepare and submit an estimate of Medicaid expenditures for the current year and the next two years. Both agencies prepare independent forecasts using time series and regression analysis on monthly level expenditure and utilization data. These forecasts are evaluated and a consensus forecast is adopted.

## Medicaid Enrollment Projections

Overall Medicaid enrollment declined significantly during the last half of the 1990s largely due to welfare reform and the strong Virginia economy. However, this decline reversed course beginning in FY 2002 and the indigent adult and children populations have been increasing since that time. Some of this increase is related to outreach associated with the Family Access to Medical Insurance Security (FAMIS) program and the identification of children eligible for Medicaid while screening for FAMIS eligibility. In addition, enrollment for the Aged, Blind & Disabled (ABD) categories has increased in recent years due partly to a Medicaid expansion beginning in FY 2002 to cover ABDs up to 80 percent of the federal poverty level. The rest of the increase is believed to be the result of the economic conditions.

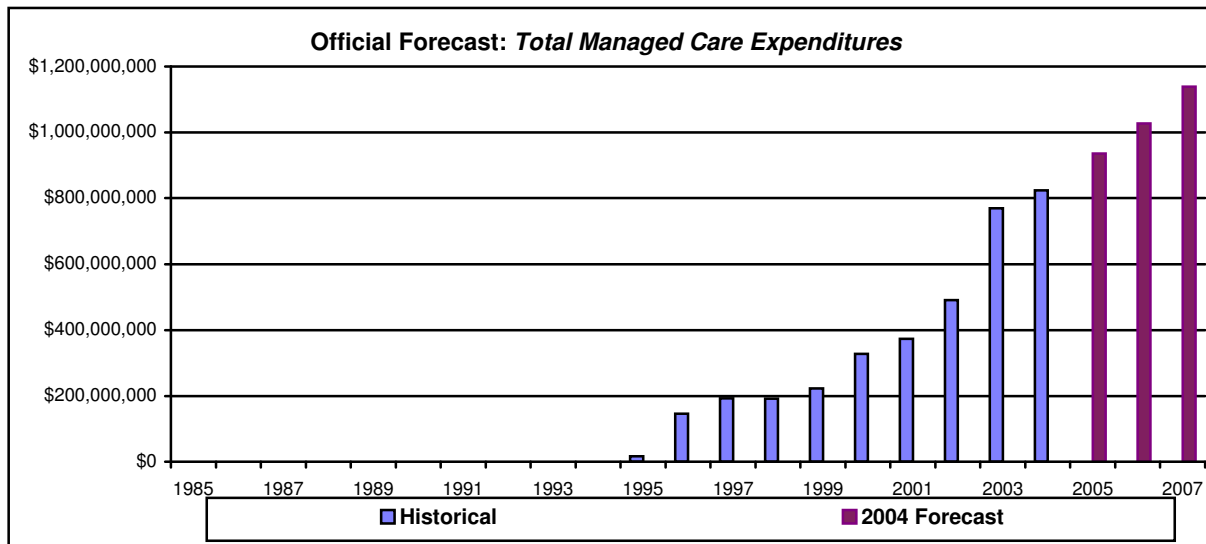


Fiscal Year	Adult, Children, Pregnant, Other	Forecast	Percent Change	Aged, B&D, QMB	Forecast	Percent Change
2001	288,732		-3.72%	186,638		0.29%
2002	299,206		3.63%	188,970		1.25%
2003	323,461		8.11%	192,904		2.08%
2004	365,295		12.93%	197,928		2.60%
2005		399,609	9.39%		203,550	2.84%
2006		417,879	4.57%		208,329	2.35%
2007		430,579	3.04%		212,551	2.03%

## Managed Care Expenditures

The Medallion II managed care program was expanded four times in January 1996, April 1999, October 2000, and December 2001. In December 2001, the program was expanded to include 46 additional localities. This expansion resulted in the transfer of approximately 75,000 eligible persons from the fee-for-service population into the managed care population, dramatically shifting expenditures from the fee-for-service program to the Managed Care program. In addition to increases in the managed care population, HMO rates are also rising. Historically, HMO rates have been adjusted annually at the beginning of each fiscal year. The FY 2003 expenditures include one month of premiums carried over from FY 2002.

The rates paid to HMO providers on average increased 8% in FY 2005 and the forecast projects an additional 8% in FY 2006 and 2007, which is somewhat conservative compared to the industry trends. The projections incorporate an additional increase of \$8.5 million in FY 2006 and \$8.7 million in FY 2007 to reflect higher rates as a result of setting the inpatient hospital adjustment factor at 75% of operating costs. Finally, the forecast assumes a reduction in HMO expenditures of \$28.2 million in FY 2006 and \$29 million in FY 2007 from carving out the dental services from managed care. The dental carve out expenditures will appear in expenditures for all other services.



Fiscal Year	Historical	Official Forecast	Percent Change
2001	\$373,243,302		14.00%
2002	\$491,316,346		31.63%
2003	\$769,703,732		56.66%
2004	\$823,415,160		6.98%
2005		\$935,368,937	13.60%
2006		\$1,027,226,850	9.82%
2007		\$1,138,653,410	10.85%

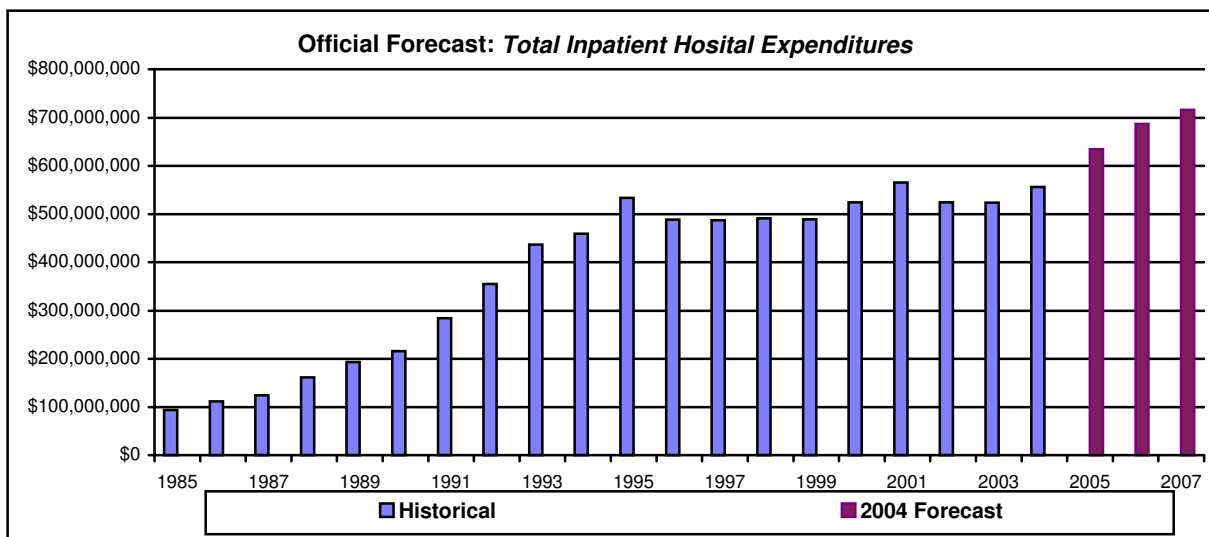


## **Fee-For-Service Categories: Inpatient Hospital Expenditures**

In the recent past, the inpatient hospital payments were relatively steady partly because of the managed care expansions. As there is no other managed care expansions currently assumed in the forecast and the fee-for-service population is now increasing, the inpatient expenditures are expected to start increasing.

The inpatient hospital services forecast includes \$270.1 million in FY 2005, \$284.9 million in FY 2006, and \$299.2 million in FY 2007 for non-claims based payments. The forecast also reflects planned rate increases and policy changes mandated in the 2003 and 2004 Appropriation Acts. A summary of these adjustments is provided below.

<i>Description</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
FY05 Rebasement of hospital rates	\$13,768,036	\$19,396,956	\$19,858,271
FY06 Setting adjustment factor at 75%	\$0	\$14,362,407	\$14,793,279
Neonatal intensive care unit disproportionate share increase	\$1,500,000	\$1,500,000	\$1,500,000
Savings from disease state management	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)

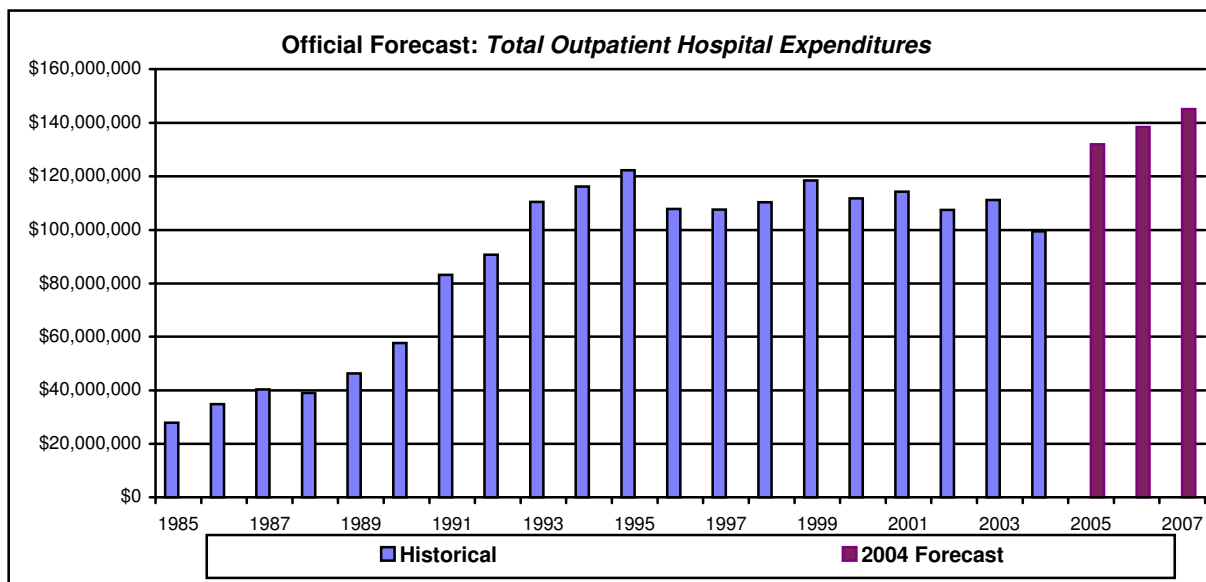


<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$565,117,506		7.75%
2002	\$524,372,757		-7.21%
2003	\$523,374,267		-0.19%
2004	\$555,922,761		6.22%
2005		\$634,343,223	14.11%
2006		\$686,858,373	8.28%
2007		\$716,161,376	4.27%

## **Fee-For-Service Categories: Outpatient Hospital Expenditures**

The outpatient hospital payments have also been relatively steady as a result of managed care expansions. The decrease in FY 2004 resulted primarily from cost saving initiatives such as reductions in reimbursement rates and capital payment rates for outpatient hospital services. As the forecast assumes no other managed care expansions or any significant cost saving initiatives, the outpatient expenditures are expected to start increasing.

The forecast assumes \$1 million savings in FY 2005 through FY 2007 from the implementation of disease state management.

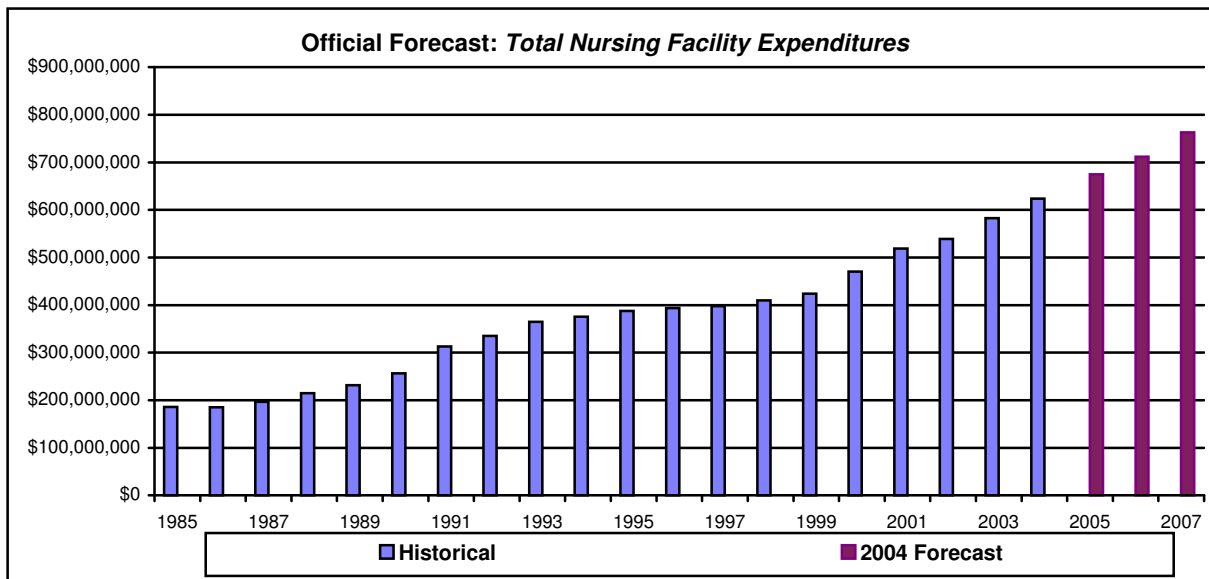


<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$114,226,353		2.30%
2002	\$107,438,441		-5.94%
2003	\$111,118,885		3.43%
2004	\$99,442,265		-10.51%
2005		\$131,977,229	32.72%
2006		\$138,426,408	4.89%
2007		\$145,078,708	4.81%

## **Fee-For-Service Categories: Nursing Facility Expenditures**

The growth in nursing facility expenditures has been primarily a result of increasing costs, rather than utilization. Medicaid utilization of nursing home beds has actually decreased from its high point in the early 1990's as utilization in Medicaid home and community based waivers, which are designed to prevent institutionalization of Medicaid recipients, has increased. On the other hand, costs incurred by nursing facilities have increased significantly. The 1999 and 2000 Appropriation Acts provided additional funding for nursing facility reimbursements. These rate increases were in addition to the inflation adjustments which nursing facilities receive annually. Also, regulations require that the nursing facility reimbursement rates be rebased every two years. The rates were rebased in FY 2003 and in FY 2005 and are scheduled to be rebased again effective July 1, 2006.

The forecast incorporates \$19.4 million in FY 2006 and FY 2007 for the \$3 a day increase in nursing facility rates authorized for FY 2006 in the 2004 Appropriation Act. The forecast also adds \$653,790 in FY 2005, \$1.3 million in FY 2006, and \$1.3 million in FY 2007 for the therapeutic bed payments to nursing facilities.



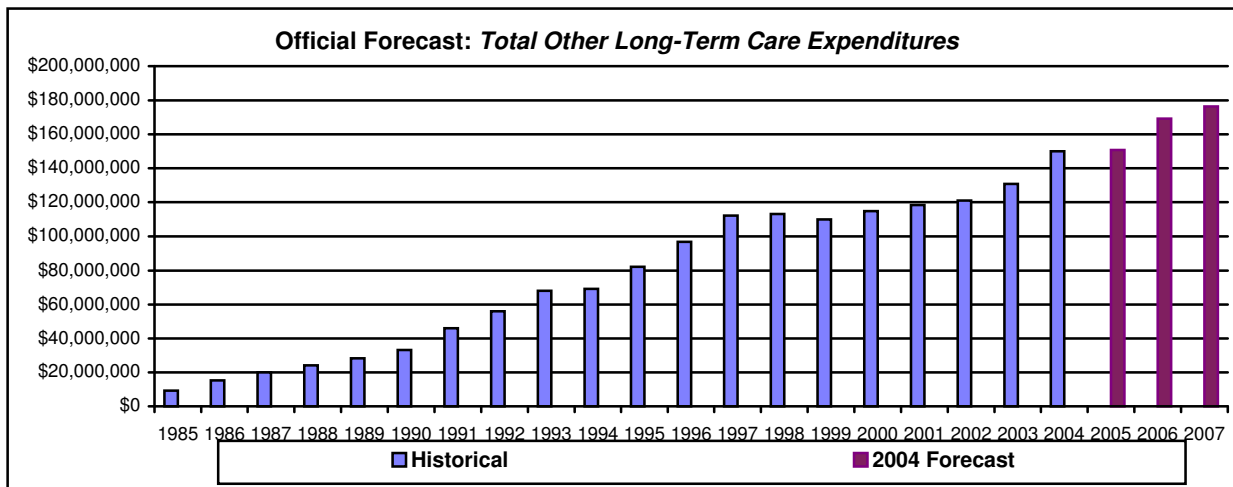
<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$519,117,960		10.24%
2002	\$539,268,035		3.88%
2003	\$582,787,275		8.07%
2004	\$623,759,304		7.03%
2005		\$674,973,871	8.21%
2006		\$712,009,936	5.49%
2007		\$762,831,185	7.14%

## **Fee-For-Service Categories: Other Long-Term Care Expenditures**

Expenditures for other long-term care services grew significantly during the 1990's as the number of individuals receiving personal care services more than doubled from 1990 to 1997. Utilization and expenditures were relatively steady until 2002 and since then have increased. Also, the Developmental Disabilities (DD) Waiver was initiated in FY 2002 and expenditures have increased significantly.

Expenditures in FY 2005 are projected at the same level, as FY 2004 as average monthly expenditures for personal care has remained relatively stable in the past year. Part of this may be due to the transition of some individuals into the consumer directed model. Payments for personal care services that are provided through a consumer directed model are paid manually and are reflected in the all other expenditure category. Following is the summary of policy adjustments incorporated under this expenditure category.

<i>Description</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
Addition of 105 DD waiver slots	\$2,956,178	\$4,319,350	\$4,319,350
Modifications to AIDS waiver	(\$2,341,736)	(\$2,341,736)	(\$2,341,736)
Personal care rate increase	\$0	\$6,000,000	\$6,000,000
Dementia waiver	\$0	\$3,710,100	\$3,710,100

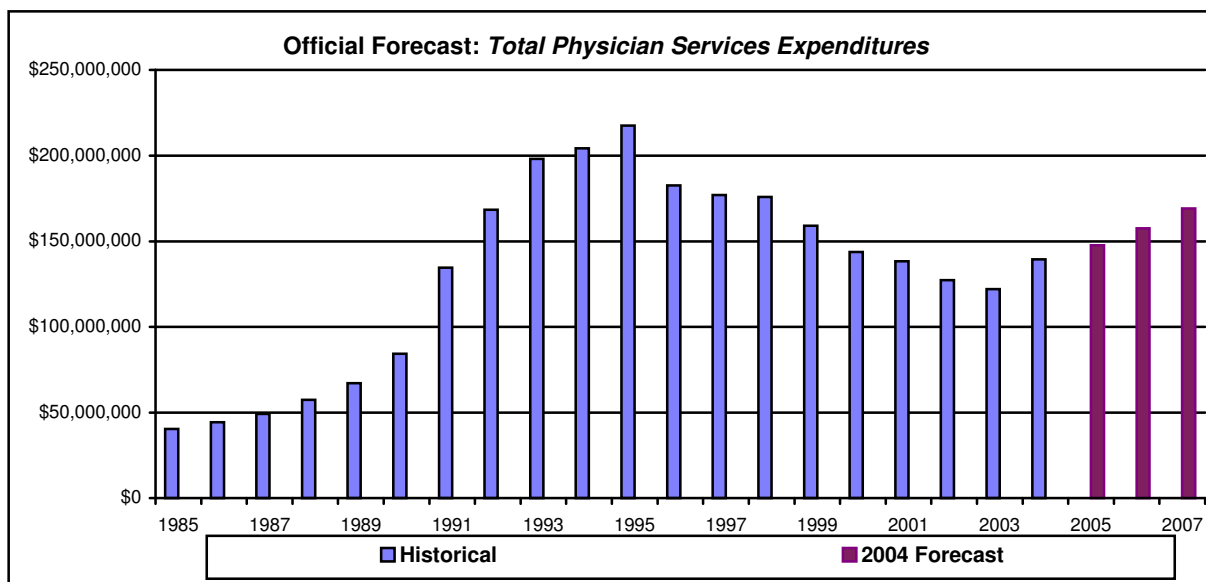


<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$118,420,308		3.13%
2002	\$121,101,659		2.26%
2003	\$130,783,592		7.99%
2004	\$150,009,379		14.70%
2005		\$150,867,484	0.57%
2006		\$169,364,955	12.26%
2007		\$176,397,539	4.15%

## **Fee-For-Service Categories: Physician Services Expenditures**

Physician services utilization is very responsive to enrollment changes. The utilization of physician services declined significantly since the second half of 1990s in response to the managed care initiatives. Because there are no more planned managed care expansions and because the enrollment is growing, the utilization of and the expenditures for physician services are expected to increase.

The forecast reflects \$280,604 in FY 2005, \$297,438 in FY 2006, and \$297,438 in expenditures for the emergency room physician rate increase.



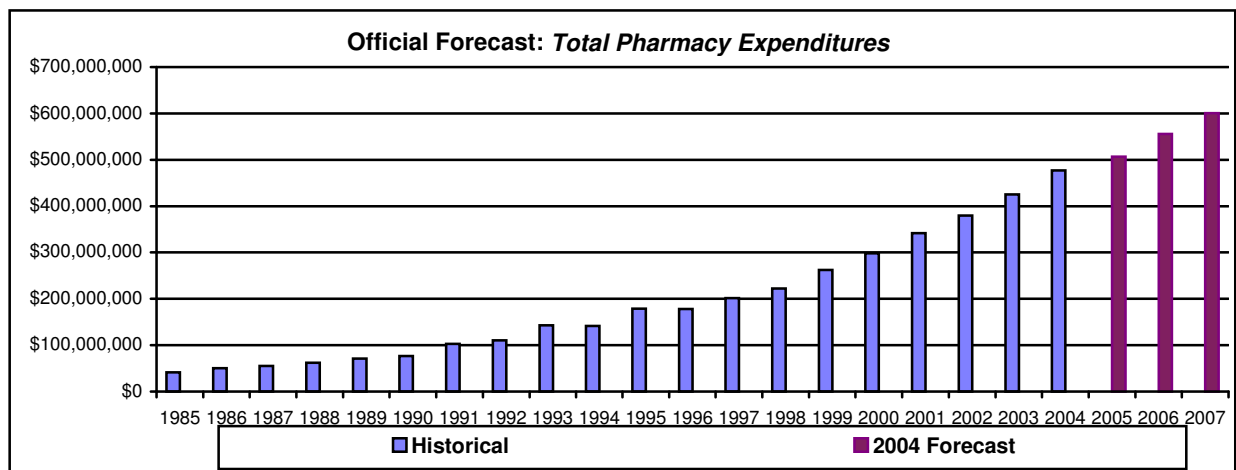
<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$138,450,315		-3.68%
2002	\$127,307,456		-8.05%
2003	\$122,063,767		-4.12%
2004	\$139,528,036		14.31%
2005		\$147,746,536	5.89%
2006		\$157,685,159	6.73%
2007		\$169,023,259	7.19%

## **Fee-For-Service Categories: Pharmacy Expenditures**

The pharmacy expenditures are net of rebates collected. Despite continued decreases in the Medicaid fee-for-service population since the late 1990s, growth in pharmacy expenditures has been in the double-digits. One reason for this was that the recipients with the highest costs were not included in the HMO expansions. Higher prescription drugs utilization and the introduction of many new expensive drugs into the market have and will continue to contribute to expenditure growth. However, the implementation of the preferred drug list in the middle of FY 2004 appears to have moderated the growth rate in most recent pharmacy expenditures.

The forecast assumes that the addition of 860 new MR waiver slots will increase pharmacy expenditures by \$1.3 million in FY 2005, \$2.2 million in FY 2006, and \$2.3 million in FY 2007. Also, maximum allowable costs (MAC) will be reduced in FY 2005. A summary of the policy adjustments made to the forecast is provided below.

<i>Description</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
MAC savings	(\$8,050,000)	(\$11,700,000)	(\$11,700,000)
Dispensing fee increase	\$0	\$1,738,498	\$1,738,498
Auxiliary grant rate increase	\$0	\$1,982,438	\$1,982,438

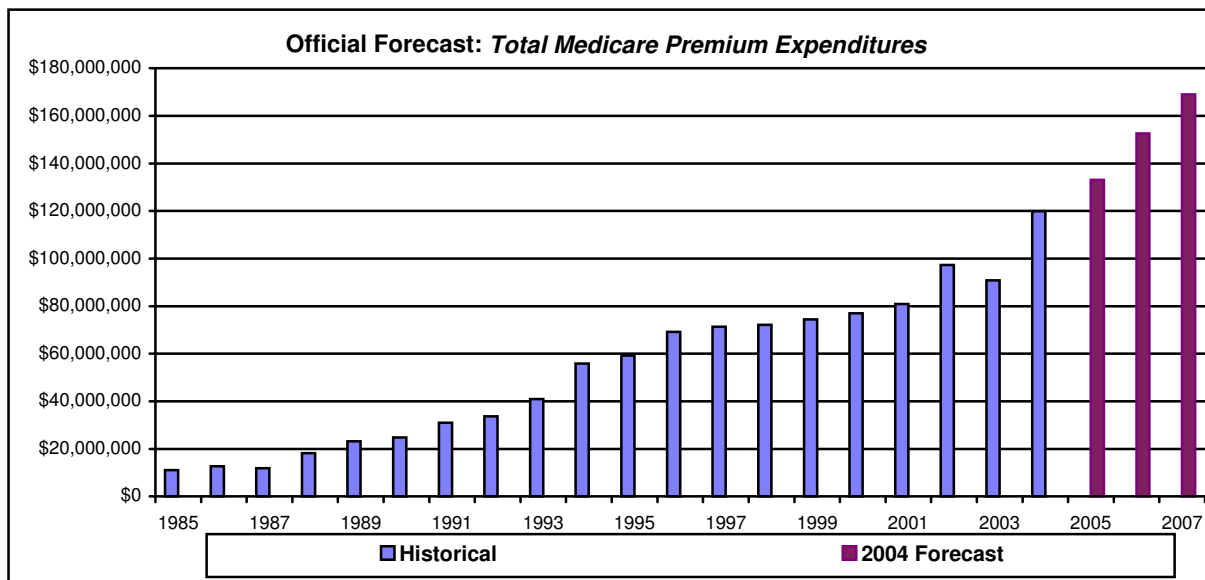


<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$341,981,030		14.61%
2002	\$379,585,080		11.00%
2003	\$425,408,787		12.07%
2004	\$477,255,331		12.19%
2005		\$506,893,209	6.21%
2006		\$555,438,006	9.58%
2007		\$600,370,275	8.09%

## **Fee-For-Service Categories: Medicare Premium Expenditures**

Medicaid covers the monthly Medicare premiums for the Medicare/Medicaid dual eligible population. The number of individuals for whom premiums are paid increased steadily between FY 1996 and FY 2003. The cost of the premiums is adjusted each January when the federal government revises the Medicare rates. In FY 2002, approximately \$7.7 million was paid for July 2002 (FY 2003) Medicare premiums. Also, there were 13 payments rather than 12 in FY 2004 because federal government started requiring premiums paid one month in advance and started assessing interest for payments that are not made on time.

The higher expenditures for this category are mainly driven by the large increase in federally established rates. As of January 2005, Part B premiums will be 17% higher. This increase is well above the historical rate increases averaging about 4% per year. Additionally, Part A premiums will increase as well. Lastly, consistent with the recent enrollment growth, the rate of growth in dual eligible population is somewhat higher than prior years.



<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$80,885,040		5.05%
2002	\$97,298,222		20.29%
2003	\$90,894,139		-6.58%
2004	\$119,820,296		31.82%
2005		\$133,039,136	11.03%
2006		\$152,688,124	14.77%
2007		\$169,061,877	10.72%

## **Fee-For-Service Categories: All Other Services Expenditures**

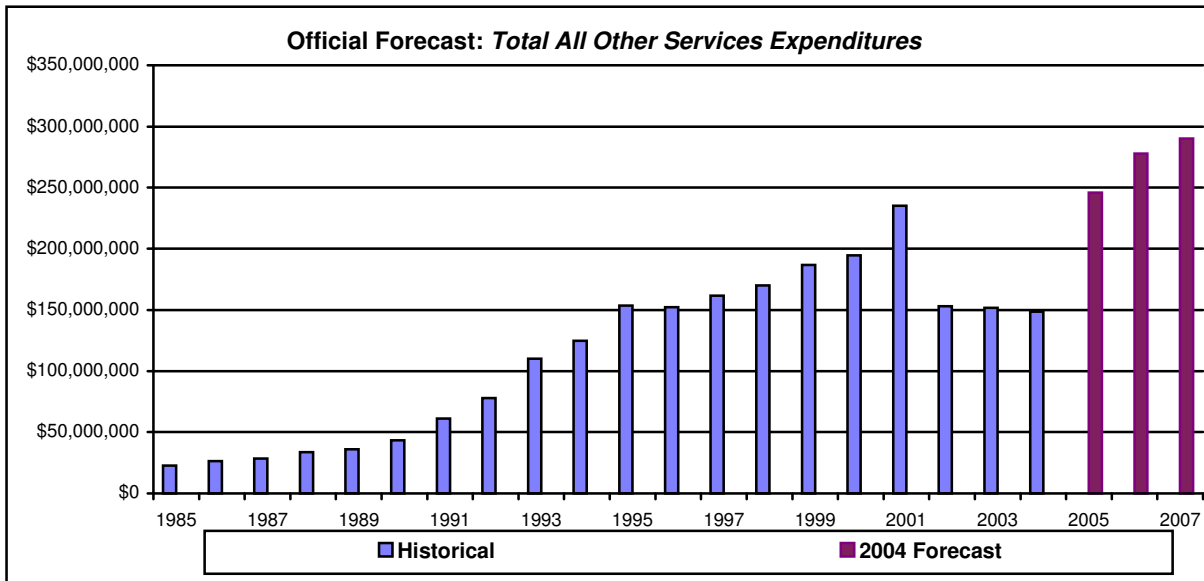
This category includes dental, emergency transportation, durable medical equipment, EPSDT screenings, and other clinic services (rural health clinics, Health Department clinics, physical therapy/occupational therapy clinics). The expansion of managed care in December of 2001 reduced expenditures in several categories (i.e., dental, EPSDT screenings, other clinic, and emergency transportation).

In FY 2001 there was a one-time expenditure of \$25 million for a federal financial participation (FFP) rate adjustment. The reduction in expenditures in FY 2002 was a result of changing coverage of non-emergency transportation services from a medical expense to an administrative expense. Starting from FY 2005, non-emergency transportation services will be reclassified as a medical expense. The forecast includes \$44.4 million in FY 2005, \$48.9 million in FY 2006, and \$48.9 million in FY 2007 for non-emergency transportation services. Also, the forecast includes \$28.2 million in FY 2006 and \$29 million in FY 2007 for carving dental services out of the managed care expenditures as well as \$1.5 million in FY 2006 and \$1.6 million in FY 2007 for increased utilization from the carve out. In addition, the forecast assumes that the addition of 860 new MR waiver slots will increase non-emergency transportation expenditures by \$3.1 million in FY 2005, \$4.3 million in FY 2006, and \$4.5 million in FY 2007.

The following table summarizes several other policy adjustments made to the forecast under this category.

<i>Description</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
Copay increase	\$0	(\$1,000,000)	(\$1,000,000)
Infant formula coverage for WIC children	\$820,000	\$4,100,000	\$4,100,000
Family planning audit payback – All GF	\$8,500,000	\$0	\$0
Institute for Mental Disease audit – All GF	\$4,000,000	\$0	\$0



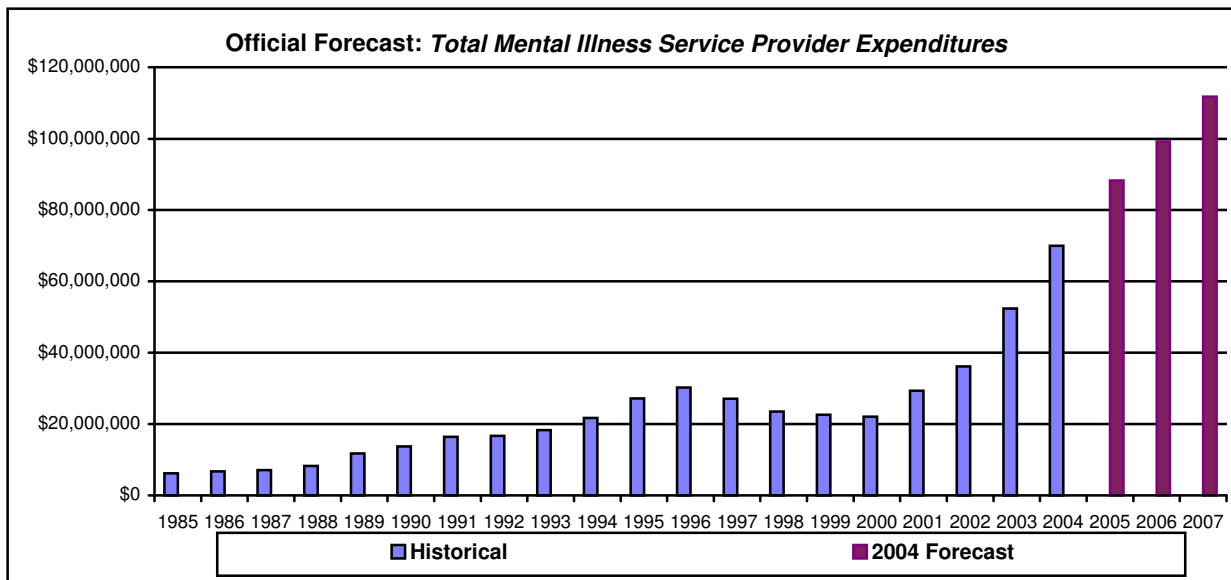


<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$235,258,375		20.98%
2002	\$153,043,180		-34.95%
2003	\$151,814,760		-0.80%
2004	\$148,550,231		-2.15%
2005		\$245,996,004	65.60%
2006		\$277,958,591	12.99%
2007		\$290,209,512	4.41%

## **Fee-For-Service Categories: Mental Illness Services Expenditures**

As of July 2000, in response to direction from CMS, DMAS began enrolling private providers to provide mental health state plan option services. Previously, the provision of these services had been limited to Community Service Boards. Overall expenditures to private mental illness service providers increased substantially since then as result of increased utilization and costs.

The forecast includes \$7.5 million in FY 2005, \$7.7 million in FY 2006, and \$7.9 million in FY 2007 for inpatient residential services for children not covered through the Comprehensive Services Act. The majority of expenditures made for residential services are funded by transfers from the Office of Comprehensive Services, but a portion of the services are provided to children that are not served through CSA.

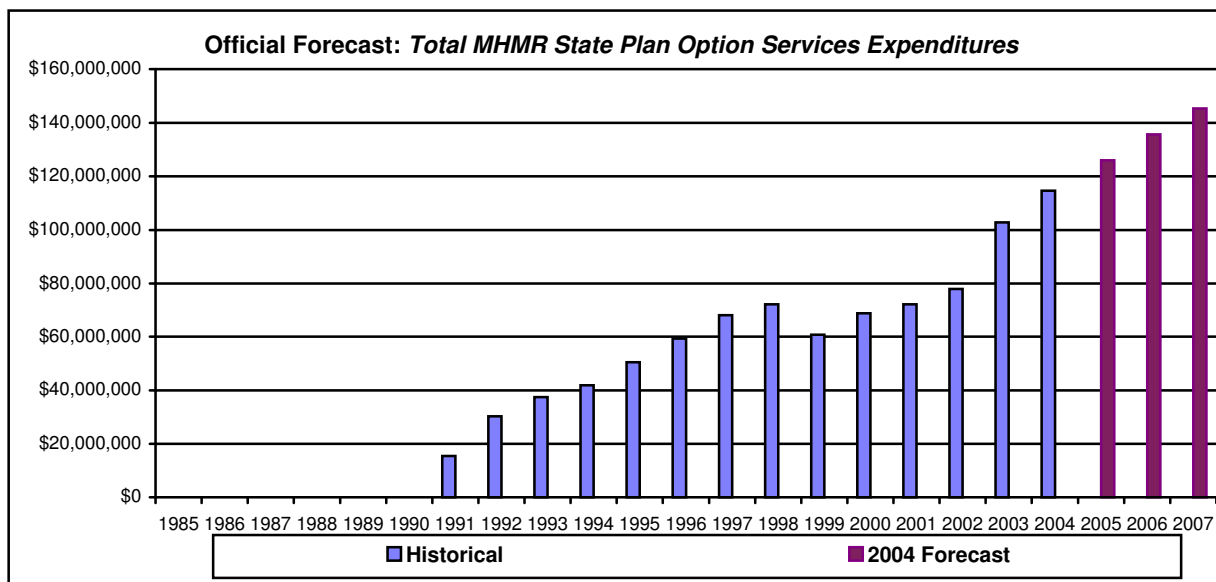


<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$29,301,593		33.05%
2002	\$36,136,184		23.32%
2003	\$52,375,927		44.94%
2004	\$69,926,619		33.51%
2005		\$88,240,157	26.19%
2006		\$99,217,161	12.44%
2007		\$111,689,471	12.57%

## **Fee-For-Service Categories: MHMR State Plan Option Services**

MHMR State Plan Option Services are services authorized by the Department of Mental Health, Mental Retardation, and Substance Abuse Services (DMHMRSAS) and provided by Community Service Boards or organizations they contract with. General Assembly provided a substantial rate increase for SPO case management services beginning in FY 2003. Both utilization and costs are expected to increase.

The forecast incorporates \$1.4 million in FY 2005, \$2.4 million in FY 2006, and \$2.5 million in FY 2007 for expected increase in SPO expenditures from the additional 860 new MR waiver slots.



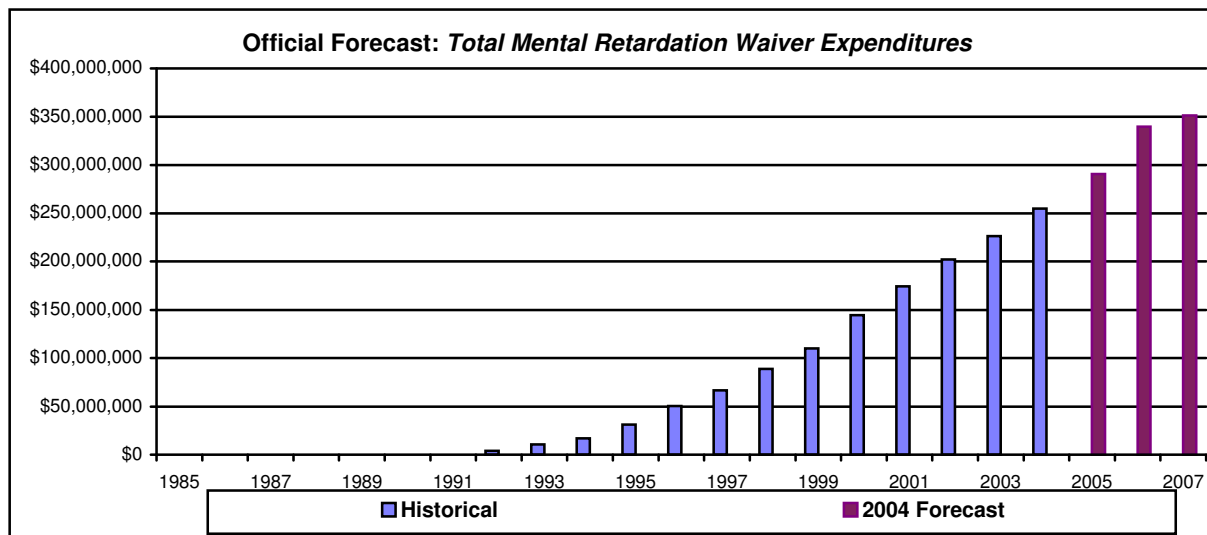
<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$72,161,333		4.92%
2002	\$77,900,457		7.95%
2003	\$102,762,961		31.92%
2004	\$114,618,451		9.20%
2005		\$125,970,345	7.89%
2006		\$135,622,031	6.92%
2007		\$145,366,695	6.92%

## **Fee-For-Service Categories: Mental Retardation Waiver**

Expenditures for the MR Waiver have grown significantly due to increases in appropriated funds. The increased funding has resulted in an expansion in individuals receiving services under the waiver. The average cost per recipient for those now coming onto the waiver as well as the number of recipients is anticipated to be higher.

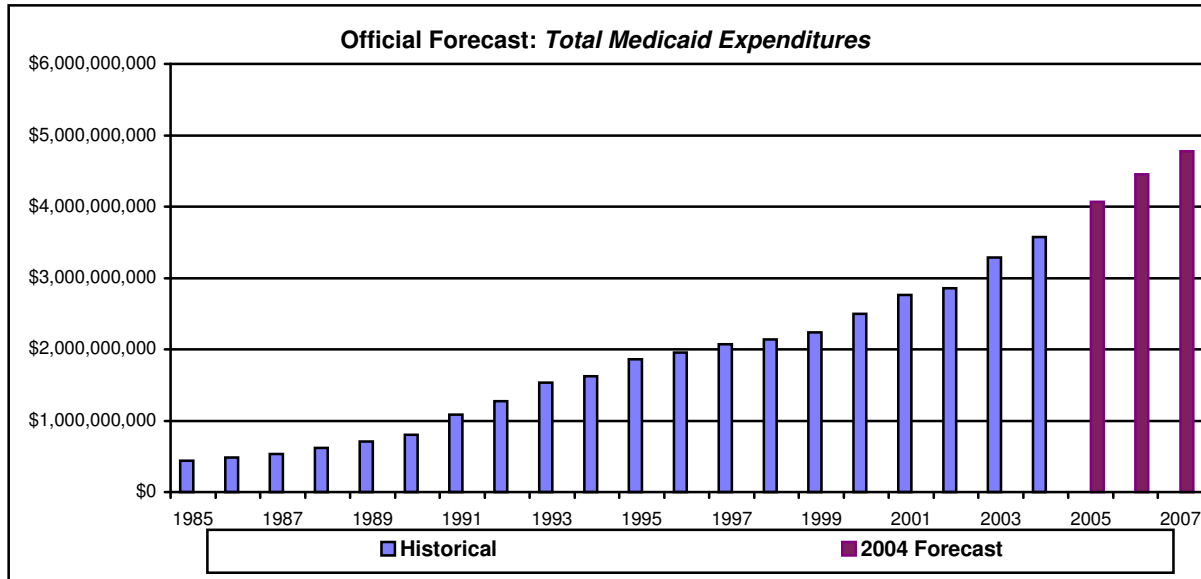
The projections incorporate \$26.4 million in FY 2005, \$42.9 million in FY 2006, and \$42.9 million in FY 2007 for the addition of 860 new slots. These amounts represent the amount of funds to be spent directly on MR waiver services, additional funds are included in other items of the forecast to reflect the costs of other services related to the increase in slots. With the newest expansion, the number of available slots is 6,571. The following table summarizes the other policy adjustments made to the forecast under this category.

<i>Description</i>	<i>FY05</i>	<i>FY06</i>	<i>FY07</i>
MR waiver rate increase	\$1,000,000	\$9,400,000	\$9,400,000
New day support waiver	\$0	\$5,837,400	\$5,837,400



<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Percent Change</b>
2001	\$174,353,926		20.62%
2002	\$201,908,132		15.80%
2003	\$226,224,386		12.04%
2004	\$254,831,687		12.65%
2005		\$290,795,106	14.11%
2006		\$339,436,239	16.73%
2007		\$351,233,338	3.48%

## Total Medicaid Expenditures: FY 2005 – FY 2007



*Total Forecast: General Medicaid, Private Mental Illness Service Providers, MHMR Community Services (45609, 45610, 45608)*

<b>Fiscal Year</b>	<b>Historical</b>	<b>Official Forecast</b>	<b>Dollar Change</b>	<b>Percent Change</b>
2001	\$2,762,517,041		\$264,322,351	10.58%
2002	\$2,856,675,949		\$94,158,908	3.41%
2003	\$3,289,312,478		\$432,636,529	15.14%
2004	\$3,577,079,520		\$287,767,042	8.75%
2005		\$4,066,211,239	\$489,131,719	13.67%
2006		\$4,451,931,837	\$385,720,598	9.49%
2007		\$4,776,076,645	\$324,144,808	7.28%

<b>Fiscal Year</b>	<b>Program</b>	<b>State Funds</b>	<b>Federal Funds</b>	<b>Total</b>
<b>2005</b>				
General Medicaid	45609	\$1,790,632,662	\$1,770,572,968	\$3,561,205,630
Private Mental Illness Service Providers	45610	\$44,120,079	\$44,120,079	\$88,240,157
MHMR Community Services	45608	\$208,382,726	\$208,382,726	\$416,765,452
		\$2,043,135,467	\$2,023,075,772	\$4,066,211,239
<b>2006</b>				
General Medicaid	45609	\$1,938,995,476	\$1,938,660,930	\$3,877,656,406
Private Mental Illness Service Providers	45610	\$49,608,581	\$49,608,581	\$99,217,161
MHMR Community Services	45608	\$237,529,135	\$237,529,135	\$475,058,269
		\$2,226,133,191	\$2,225,798,645	\$4,451,931,837
<b>2007</b>				
General Medicaid	45609	\$2,084,440,259	\$2,083,346,881	\$4,167,787,141
Private Mental Illness Service Providers	45610	\$55,844,735	\$55,844,735	\$111,689,471
MHMR Community Services	45608	\$248,300,017	\$248,300,017	\$496,600,033
		\$2,388,585,011	\$2,387,491,633	\$4,776,076,645