November 16, 2015

The Honorable Walter A. Stosch  
Co-Chairman, Finance Committee  
Senate of Virginia  
4551 Cox Road, Suite 110  
Glen Allen, Virginia 23060-6740

The Honorable Charles J. Colgan, Sr.  
Co-Chairman, Finance Committee  
Senate of Virginia  
10677 Aviation Lane  
Manassas, Virginia 20110-2701

Dear Senators Stosch and Colgan:

Pursuant to Item 304, Paragraph A., Chapter 665, 2015 Acts of Assembly,  
please find enclosed the official consensus forecast of Virginia General Medicaid, Long-Term Care, and Mental Health Services expenditures through fiscal year 2018. While these estimates are based on the best information to date, please note that they are subject to change if additional information becomes available.

If you have any questions or concerns, please let me know.

Sincerely,

Daniel S. Timberlake

Enclosure

c:  The Honorable Richard D. Brown  
The Honorable William A. Hazel, Jr., M.D.  
Ms. Betsey Daley
November 16, 2015

The Honorable Stephen H. Martin  
Chairman, Education and Health Committee  
Senate of Virginia  
Post Office Box 700  
Chesterfield, Virginia 23832  

Dear Senator Martin:

Pursuant to Item 304, Paragraph A., Chapter 665, 2015 Acts of Assembly, please find enclosed the official consensus forecast of Virginia General Medicaid, Long-Term Care, and Mental Health Services expenditures through fiscal year 2018. While these estimates are based on the best information to date, please note that they are subject to change if additional information becomes available.

If you have any questions or concerns, please let me know.

Sincerely,

Daniel S. Timberlake

Enclosure

c: The Honorable Richard D. Brown  
The Honorable William A. Hazel, Jr., M.D.  
Ms. Betsey Daley
November 16, 2015

The Honorable S. Chris Jones
Chairman, Appropriations Committee
Virginia House of Delegates
Post Office Box 5059
Suffolk, Virginia 23435

Dear Delegate Jones:

Pursuant to Item 304, Paragraph A., Chapter 665, 2015 Acts of Assembly, please find enclosed the official consensus forecast of Virginia General Medicaid, Long-Term Care, and Mental Health Services expenditures through fiscal year 2018. While these estimates are based on the best information to date, please note that they are subject to change if additional information becomes available.

If you have any questions or concerns, please let me know.

Sincerely,

Daniel S. Timberlake

Enclosure

c: The Honorable Richard D. Brown
   The Honorable William A. Hazel, Jr., M.D.
   Mr. Robert Vaughn
November 16, 2015

The Honorable Robert D. Orrock, Sr., Chairman
Health, Welfare, and Institutions Committee
Virginia House of Delegates
Post Office Box 458
Thornburg, Virginia 22565

Dear Delegate Orrock:

Pursuant to Item 304, Paragraph A., Chapter 665, 2015 Acts of Assembly, please find enclosed the official consensus forecast of Virginia General Medicaid, Long-Term Care, and Mental Health Services expenditures through fiscal year 2018. While these estimates are based on the best information to date, please note that they are subject to change if additional information becomes available.

If you have any questions or concerns, please let me know.

Sincerely,

Daniel S. Timberlake

Enclosure

c: The Honorable Richard D. Brown
The Honorable William A. Hazel, Jr., M.D.
Mr. Robert Vaughn
November 16, 2015

Mr. Hal E. Greer, Director  
Joint Legislative Audit and Review Commission  
Virginia General Assembly Building, Suite 1100  
State Capitol Complex  
Richmond, Virginia 23219

Dear Mr. Greer:

Pursuant to Item 304, Paragraph A., Chapter 665, 2015 Acts of Assembly, please find enclosed the official consensus forecast of Virginia General Medicaid, Long-Term Care, and Mental Health Services expenditures through fiscal year 2018. While these estimates are based upon the best information to date, please note that they are subject to change if additional information becomes available.

If you have any questions or concerns, please let me know.

Sincerely,

Daniel S. Timberlake

Enclosure

c: The Honorable Richard D. Brown  
The Honorable William A. Hazel, Jr., M.D.
Virginia Department of Medical Assistance Services  
Report: Official Consensus Forecast  
November 16, 2015

<table>
<thead>
<tr>
<th>Service Category</th>
<th>FY 2016 Consensus Forecast</th>
<th>FY 2017 Consensus Forecast</th>
<th>FY 2018 Consensus Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Medical Care (45609)</strong></td>
<td></td>
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<tr>
<td>Managed Care Capitation Payments</td>
<td>5,405,683,883</td>
<td>5,555,944,031</td>
<td>5,739,874,324</td>
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<tr>
<td>Inpatient Hospital</td>
<td>3,224,139,258</td>
<td>3,386,152,614</td>
<td>3,552,224,853</td>
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<tr>
<td>Indigent Care Payments</td>
<td>407,500,661</td>
<td>395,899,250</td>
<td>393,856,743</td>
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<tr>
<td>Outpatient Hospital</td>
<td>555,383,082</td>
<td>516,170,712</td>
<td>530,636,513</td>
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<tr>
<td>Physician/Practitioner Services</td>
<td>106,648,276</td>
<td>106,315,722</td>
<td>106,775,676</td>
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<tr>
<td>Clinic Services</td>
<td>127,001,105</td>
<td>121,181,199</td>
<td>117,036,066</td>
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<td>Pharmacy</td>
<td>82,577,547</td>
<td>80,831,876</td>
<td>81,085,332</td>
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<tr>
<td>FFS Pharmacy Reimbursements</td>
<td>115,963,542</td>
<td>132,801,769</td>
<td>132,963,267</td>
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<tr>
<td>Medicare Premiums Part A &amp; B</td>
<td>(58,024,186)</td>
<td>(71,981,526)</td>
<td>(84,252,313)</td>
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<tr>
<td>Dental</td>
<td>271,195,964</td>
<td>298,799,637</td>
<td>307,600,952</td>
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<tr>
<td>Transportation</td>
<td>217,854,031</td>
<td>221,324,939</td>
<td>229,694,328</td>
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<tr>
<td>All Other</td>
<td>154,718,340</td>
<td>161,320,268</td>
<td>163,627,259</td>
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<tr>
<td><strong>Behavioral Health &amp; Rehabilitative Services (45608)</strong></td>
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<tr>
<td>MH Case Management</td>
<td>745,326,462</td>
<td>787,680,604</td>
<td>797,439,046</td>
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<td>MH Residential Services</td>
<td>81,079,271</td>
<td>81,116,766</td>
<td>80,740,250</td>
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<tr>
<td>Early Intervention &amp; EPSDT-Authorized Services</td>
<td>539,798,753</td>
<td>569,646,456</td>
<td>572,600,295</td>
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<tr>
<td><strong>Long-Term Care Services (45610)</strong></td>
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<tr>
<td>Nursing Facility</td>
<td>94,851,100</td>
<td>106,460,822</td>
<td>113,896,609</td>
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<td>Private ICF/MRs</td>
<td>2,522,357,581</td>
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<td>2,723,236,554</td>
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<td>PACE</td>
<td>2,195,964,031</td>
<td>2,324,939,399</td>
<td>2,395,600,952</td>
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<tr>
<td>HCBC Waivers: Personal Support</td>
<td>154,718,340</td>
<td>161,320,268</td>
<td>163,627,259</td>
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<td>HCBC Waivers: Habilitation</td>
<td>771,841,955</td>
<td>835,149,095</td>
<td>853,271,005</td>
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<tr>
<td>HCBC Waivers: Case Management &amp; Support</td>
<td>648,657,115</td>
<td>690,747,025</td>
<td>697,611,201</td>
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<tr>
<td><strong>Total Medicaid - DMAS</strong></td>
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<td></td>
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<tr>
<td><strong>Annual Percentage Growth</strong></td>
<td>9.3%</td>
<td>3.6%</td>
<td>2.9%</td>
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<tr>
<td><strong>State Funds</strong></td>
<td>4,244,791,552</td>
<td>4,585,572,491</td>
<td>4,719,824,166</td>
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<tr>
<td><strong>Federal Funds</strong></td>
<td>4,244,576,375</td>
<td>4,415,073,646</td>
<td>4,540,725,759</td>
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<tr>
<td><strong>TOTAL Funds</strong></td>
<td>8,673,367,926</td>
<td>9,000,646,137</td>
<td>9,260,549,925</td>
</tr>
</tbody>
</table>