COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

CHERYL ROBERTS
DIRECTOR

SUITE 1300
600 EAST BROAD STREET
RICHMOND, VA 23219
804/786-7933
804/343-0634 (TDD)

October 20, 2025

MEMORANDUM

TO: The Honorable Luke E. Torian
Chair, House Appropriations Committee

The Honorable L. Louise Lucas
Chair, Senate Finance and Appropriations Committee

Michael Maul
Director, Department of Planning and Budget

FROM: Cheryl J. Roberts
Director, Virginia Department of Medical Assistance Services

SUBJECT: Detail Report on Medicaid Expenditures – September FY2026

This report is submitted in compliance with Item 292.B.1. of the 2025 Appropriations Act which states:

The Department of Medical Assistance Services (DMAS) shall submit monthly expenditure reports of the Medicaid program by service that shall compare expenditures to the official Medicaid forecast, adjusted to reflect budget actions from each General Assembly Session. In addition, the department shall include information on service level detail, including explanations of budget and expenditure variances. The monthly report shall be submitted to the Department of Planning and Budget and the Chairmen of the House Appropriations and Senate Finance and Appropriations Committees within 20 days after the end of each month.

Should you have any questions or need additional information, please feel free to contact me at (804) 664-2660.

CJR/wrf

Enclosure

Pc: The Honorable Janet V. Kelly, Secretary of Health and Human Resources

#

Department of Medical Assistance Services
Detail Report on Medicaid Expenditures - September FY2026

Category	Base Medicaid			Medicaid Expansion		
	FY 2026 Official Forecast[3]	FY 2026 Appropriation[3]	Actual Expenditures through September FY 2026	FY 2025 Official Forecast[3]	FY 2025 Appropriation[3]	Expenditures through September FY 2026
General Medical Care: Managed Care	**9,660,587,839**	**9,667,654,694**	**3,314,073,155**	**5,450,172,112**	**5,455,964,347**	**1,384,122,945**
MCO Capitation Payments: Low-Income Adults & Children	3,314,429,922	3,321,496,777	1,036,862,550	3,981,749,985	3,978,315,839	898,965,134
MCO Capitation Payments: CCC+ Program	6,678,494,314	6,678,494,314	2,277,236,620	1,778,492,698	1,787,719,079	486,292,324
MCO Pharmacy Rebates *(Current Year)* [1]	-332,336,397	-332,336,397	(26,015)	-310,070,571	-310,070,571	(1,134,513)
General Medical Care: Fee-For-Service	**1,720,772,147**	**1,683,402,493**	**551,430,632**	**580,799,135**	**580,799,135**	**151,590,838**
Inpatient Hospital	155,510,684	155,510,684	39,328,082	204,374,622	204,374,622	67,012,753
Outpatient Hospital	39,775,357	39,775,357	10,813,362	52,341,521	52,341,521	13,316,180
Physician/Practitioner Services	41,610,221	41,610,221	12,155,903	33,886,112	33,886,112	8,627,887
Clinic Services	139,550,306	139,550,306	72,226,690	7,585,479	7,585,479	2,205,525
IHC Clinic Regular FMAP	60,216,599	60,216,599	113,250	66,973,213	66,973,213	200,742
Pharmacy *(Point of Sale Only)*	14,632,772	14,632,772	3,633,114	15,786,190	15,786,190	3,612,201
FFS Pharmacy Rebates *(Current Year POS, Hospital and Physician)*	-29,747,407	-29,747,407	0	-	-	1,103,748
Medicare Premiums Part A & B	478,690,918	478,690,918	156,559,278	9,639,128	9,639,128	4,681,344
Medicare Premiums Part D	409,670,013	409,670,013	130,150,154	3,658,063	3,658,063	4,302,318
Dental	301,054,455	301,054,455	77,866,367	173,592,010	173,592,010	42,839,760
Transportation	80,384,650	80,384,650	40,772,026	6,552,813	6,552,813	3,009,773
Indian Health Clinics (100% Fed)	2,837,431	(34,532,223)	(108,444)	3,155,806	3,155,806	(200,742)
All Other *(Hospice, HIP Payments, Medical Appliances)*	26,586,147	26,586,147	7,920,850	3,254,178	3,254,178	879,349
Behavioral Health & Rehabilitative Services: Fee-For-Service	**43,154,794**	**51,309,093**	**9,445,657**	**14,794,582**	**14,794,582**	**6,170,271**
MH Case Management	1,433,978	1,433,978	346,373	-	-	173,375
MH Residential Services *(PRTF primarily, also psych commty res svcs)*	16,691,989	16,691,989	2,708,141	-	-	1,316
MH Rehabilitative Services	7,037,471	15,191,770	2,112,139	-	-	5,995,272
Early Intervention & EPSDT-Authorized Services	17,991,357	17,991,357	4,279,004	-	-	308
Long-Term Care Services: Fee-For-Service	**2,946,862,626**	**2,948,760,714**	**723,128,148**	**103,679,998**	**105,111,640**	**29,317,071**
Nursing Facility	327,711,439	327,711,439	62,605,352	39,826,243	41,257,885	2,840,118
Private ICF/IIDs	145,160,659	145,160,659	31,760,536	-	-	1,207,923
PACE	153,099,718	153,099,718	39,406,047	-	-	1,733,120
HCBS Waivers: Personal Support	394,561,628	394,561,628	87,729,442	63,853,755	63,853,755	4,230,924
HCBS Waivers: Habilitation	1,726,975,893	1,726,975,893	448,555,197	-	-	16,557,692
HCBS Waivers: Nursing, EM/AT, Adult Day Care	111,782,872	113,680,960	30,513,297	-	-	1,640,811
HCBS Waivers: Case Management & Support	87,570,417	87,570,417	22,558,277	-	-	1,106,482
Supplemental Payments *(DSH, IME/GME, Dx,SGO/NSGO Hosp, SGO/NSGO NF)*	**913,606,172**	**913,606,172**	**205,579,132**	**182,458,171**	**182,458,171**	**35,522,304**
DSH/IME/GME Payments	582,653,613		132,978,160	-		5,966,250
Multi-settlement	146,766,712		35,199,722	77,339,269		6,860,701
Hospital / Nursing Facility Supplemental Payments	42,439,967		3,949,347	-		101,704
Physician Supplemental Payments	141,646,668		33,451,904	105,040,108		91,498
Government & Nonprofit Clinics	99,212		-	78,794		-
Private Acute Care Hospital Enhanced SupplementalPayments	1,927,420,963	1,927,420,963	452,631,527	2,645,953,388	2,645,953,388	359,736,868
Total Forecasted Medicaid Expenditures	**17,212,404,541**	**17,192,154,129**	**5,256,288,251**	**8,977,857,386**	**8,985,081,263**	**1,966,460,297**
Federal Funds	8,603,793,130	8,609,371,002	2,651,171,031	8,084,828,898	8,091,342,285	1,755,731,886
Rate Assessment	953,345,416	953,345,416	221,834,711	264,595,339	264,595,339	35,973,686
Coverage Assessment	-	-	-	628,433,149	629,143,639	174,754,726
Virginia Health Care Fund*(Includes Tobacco Tax, Pharmacy Rebates, etc.)*	440,698,220	440,500,000	100,000,000	-	-	-
General Funds	7,214,567,777	7,188,937,712	2,283,282,509	-	-	-

Unforecasted Medicaid Expenditures			
Mental Health Services CSA	-	**79,426,681**	**29,902,530**
Federal Funds	-	48,212,331	37,176,831
State Funds	-	31,214,350	35,601,868
Payments for Graduate Medical Education Residencies (45606)		**11,700,000**	**1,675,000**
Federal Funds		5,850,000	854,083
State Funds		5,850,000	820,917
DBHDS Facility Reimbursements (45607)		**59,169,094**	**15,680,307**
Federal Funds		30,170,321	7,995,391
State Funds		28,998,773	7,684,916
Pharmacy Rebate Holding Acct Balance to be Reclassed in the following month[2]		-	**(174,494,012)**

CHIP			
FAMIS Expenditures (446)	**477,127,901**	**477,247,426**	**160,721,399**
Federal Funds	313,180,697	313,258,837	107,280,758
Special Funds	14,065,627	14,065,627	3,516,407
State Funds	149,881,577	149,922,962	49,924,234
M-CHIP Expenditures (466)	**335,637,815**	**335,777,426**	**110,446,378**
Federal Funds	221,182,468	221,273,794	74,475,881
State Funds	114,455,347	114,503,632	35,970,497

Summary of Rebates by Quarter	Base Medicaid				Medicaid Expansion			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MCO Pharmacy Rebates - Current Year	26,015				30,765			
FFS Pharmacy Rebates - Current Year								
MCO Pharmacy Rebates - Prior Year	118,678,653				145,804,261			
FFS Pharmacy Rebates - Prior Year	2,199,022				1,281,768			

[1] Pharmacy rebates received in the first half of the year are from prior year invoices and treated as revenue in the Virginia Health Care Fund.

[2] This represents the Pharmacy Rebate receipts currently in the holding account, which will be reclassed in the following month into revenue or expenditure refunds in Base Medicaid or Expansion, MCO or FFS.

[3] Forecast is Official Forecast as of 11/1/2024. Appropriation is per 2025 Appropriation Act, Chapter 275 updated with funding changes.