



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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March 20, 2026

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: Steve Ford
Director, Virginia Department of Medical Assistance Services

SUBJECT: Monthly Expenditure Report (February Data)

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.

SF/wrf

Enclosure

Pc: The Honorable Marvin Figueroa, Secretary of Health and Human Resources

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

Category	Base Medicaid			Medicaid Expansion		
	FY 2026 Official Forecast ¹	FY 2026 Appropriation ¹	Actual Expenditures through February FY 2026	FY 2025 Official Forecast ²	FY 2025 Appropriation ³	Actual Expenditures through February FY 2026
General Medical Care: Managed Care	10,178,554,946	9,667,654,694	6,721,358,131	5,284,162,679	5,455,964,347	3,661,429,443
MCO Capitation Payments: Low-Income Adults & Children	3,191,996,155	3,321,496,777	2,163,410,488	3,647,457,247	3,978,315,839	2,471,064,365
MCO Capitation Payments: CCC+ Program	7,310,720,332	6,678,494,314	4,689,445,867	2,037,715,786	1,787,719,079	1,357,798,485
MCO Pharmacy Rebates (Current Year)	-324,161,541	-332,336,397	-131,498,225	-401,010,354	-310,070,571	-167,433,407
General Medical Care: Fee-For-Service	1,947,481,276	1,683,402,493	1,258,706,559	570,305,058	580,799,135	374,428,858
Inpatient Hospital	180,943,367	155,510,684	107,280,000	249,230,534	204,374,622	168,919,957
Outpatient Hospital	40,929,949	39,775,357	27,164,692	46,031,258	52,341,521	33,180,857
Physician/Practitioner Services	43,023,555	41,610,221	29,654,699	37,000,800	33,886,112	22,782,076
Clinic Services	235,980,396	139,550,306	130,648,388	8,908,094	7,585,479	5,703,773
IHC Clinic Regular FMAP	-	60,216,599	113,250	200,742	66,973,213	200,742
Pharmacy (Point of Sale Only)	14,755,522	14,632,772	8,870,903	16,076,428	15,786,190	9,367,843
FFS Pharmacy Rebates (Current Year POS, Hospital and Physician)	-6,764,855	-29,747,407	-2,836,930	-4,870,571	0	-926,864
Medicare Premiums Part A & B	545,043,361	478,690,918	362,922,320	13,966,985	9,639,128	9,086,153
Medicare Premiums Part D	436,639,475	409,670,013	296,796,338	15,535,580	3,658,063	9,476,954
Dental	306,421,753	301,054,455	195,560,091	175,709,863	173,592,010	108,494,916
Transportation	118,851,160	80,384,650	82,149,774	10,088,628	6,552,813	6,267,062
Indian Health Clinics (100% Fed)	-	-34,532,223	-108,444	-200,742	3,155,806	-200,742
All Other (Hospice, HIP Payments, Medical Appliances)	31,657,593	26,586,147	20,491,476	2,627,459	3,254,178	2,076,131
Behavioral Health & Rehabilitative Services: Fee-For-Service	42,318,153	51,309,093	24,506,011	20,398,957	14,794,582	15,063,201
MH Case Management	1,297,083	1,433,978	884,482	-	-	450,689
MH Residential Services (PRTF primarily, also psych commty res svcs)	13,303,141	16,691,989	6,152,168	-	-	1,316
MH Rehabilitative Services	9,251,106	15,191,770	5,559,776	-	-	14,609,795
Early Intervention & EPSDT-Authorized Services	18,468,824	17,991,357	11,909,585	-	-	1,401
Long-Term Care Services: Fee-For-Service	2,923,382,264	2,948,760,714	1,921,042,110	120,425,662	105,111,640	77,209,774
Nursing Facility	268,611,970	327,711,439	156,613,805	22,682,078	41,257,885	6,642,593
Private ICF/IIDs	143,644,037	145,160,659	83,763,792	-	-	3,105,111
PACE	163,073,974	153,099,718	106,939,877	-	-	4,909,366
HCBS Waivers: Personal Support	361,501,435	394,561,628	239,822,626	97,743,584	63,853,755	10,880,545
HCBS Waivers: Habilitation	1,781,455,125	1,726,975,893	1,193,668,520	-	-	44,737,800
HCBS Waivers: Nursing, EM/AT, Adult Day Care	115,006,488	113,680,960	80,297,410	-	-	3,894,267
HCBS Waivers: Case Management & Support	90,089,235	87,570,417	59,936,079	-	-	3,040,092
Supplemental Payments	1,052,002,370	937,534,621	662,926,377	263,252,757	214,964,491	99,637,311
DSH	27,164,850	-	14,607,349	-	-	-
IME/GME	648,213,867	-	432,031,210	-	-	13,921,250
Nursing Facility Supplemental	39,500,858	-	12,655,564	406,815	-	164,244
Physician Supplemental Payments	200,990,222	-	71,960,293	194,353,303	-	47,682,349
Government & Nonprofit Clinics	227,159	-	-	-	-	-
Private Hosp Physician Supplemental	-	-	15,161,245	-	-	18,575,040
Hospital Supplemental Payments	135,905,414	-	136,510,716	68,492,639	-	19,294,430
Private Acute Care Hospital Enhanced Supplemental Payments	2,754,322,300	1,927,420,963	1,763,053,205	2,189,046,095	2,645,953,388	1,794,135,744
Total Forecasted Medicaid Expenditures	18,898,061,310	17,216,082,578	12,371,592,392	8,447,591,208	9,017,587,583	6,021,904,331
Federal Funds	9,494,614,596	8,620,791,997	6,174,403,025	7,580,403,180	8,120,597,973	5,391,928,740
Rate Assessment	1,363,703,504	953,345,416	871,934,904	218,904,609	264,595,339	179,413,572
Coverage Assessment	-	-	-	648,283,418	629,143,639	448,704,515
Virginia Health Care Fund (Includes Tobacco Tax, Pharmacy Rebates, etc.)	440,698,220	440,500,000	200,015,752	-	-	-
Private Health System Physician Supplemental Payment	-	12,507,453	7,147,116	-	3,250,632	1,857,504
State Funds	7,599,044,990	7,188,937,712	5,118,091,597	-	-	-

Unforecasted Medicaid Expenditures			
Mental Health Services CSA	-	79,426,681	81,191,002
Federal Funds	-	48,212,331	41,091,561
State Funds	-	31,214,350	40,099,441
Payments for Graduate Medical Education Residencies (45606)	-	11,700,000	6,650,000
Federal Funds	-	5,850,000	3,360,985
State Funds	-	5,850,000	3,289,015
DBHDS Facility Reimbursements (45607)	-	59,169,094	40,793,940
Federal Funds	-	30,170,321	20,650,156
State Funds	-	28,998,773	20,143,784
Pharmacy Rebate Holding Acct Balance to be Reclassed in the following month ²	-	-	(17,668,389)

CHIP			
FAMIS Expenditures (446)	529,957,554	477,247,426	370,699,440
Federal Funds	349,775,350	313,258,837	244,592,178
Special Funds	14,065,627	14,065,627	7,032,814
State Funds	166,116,577	149,922,962	119,074,448
M-CHIP Expenditures (466)	316,975,150	335,777,426	229,392,209
Federal Funds	211,393,906	221,273,794	152,326,472
State Funds	105,581,244	114,503,632	77,065,737

Summary of Rebates by Quarter	Base Medicaid				Medicaid Expansion			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MCO Pharmacy Rebates - Current Year	26,015	75,026	135,991,684	-	30,765	63,697	166,222,185	-
FFS Pharmacy Rebates - Current Year	-	-	2,867,486	-	-	-	2,030,613	-
MCO Pharmacy Rebates - Prior Year	118,678,653	160,312,221	1,246,946	-	145,804,261	222,925,816	1,415,903	-
FFS Pharmacy Rebates - Prior Year	2,199,022	(2,626,094)	(241,007)	-	1,281,768	2,194,071	(142,975)	-

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 reclassified in the following month into revenue or expenditure refunds in Base Medicaid or Expansion, MCO or FFS.

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