



# COMMONWEALTH of VIRGINIA

## *Department of Medical Assistance Services*

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**June 20, 2026**

### **MEMORANDUM**

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

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

**FROM:** Steve Ford  
Director, Virginia Department of Medical Assistance Services

**SUBJECT:** Detail Report on Medicaid Expenditures – May FY26

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 B. Figueroa, Secretary of Health and Human Resources

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

Category	Base Medicaid			Medicaid Expansion		
	FY 2026	FY 2026	Actual	FY 2026	FY 2026	Actual
	Official Forecast <sup>3</sup>	Appropriation <sup>3</sup>	Expenditures through May FY 2026	Forecast <sup>3</sup>	Appropriation <sup>3</sup>	Expenditures through May FY 2026
<b>General Medical Care: Managed Care</b>	<b>10,008,647,396</b>	<b>9,959,931,077</b>	<b>9,095,661,513</b>	<b>5,269,070,230</b>	<b>5,280,339,165</b>	<b>4,856,150,337</b>
MCO Capitation Payments: Low-Income Adults & Children	3,191,996,155	3,180,108,055	2,931,723,621	3,647,457,247	3,658,726,182	3,368,391,245
MCO Capitation Payments: CCC+ Program	7,140,812,782	7,103,984,563	6,467,302,579	2,022,623,337	2,022,623,337	1,859,824,283
MCO Pharmacy Rebates (Current Year) <sup>1</sup>	-324,161,541	-324,161,541	-303,364,688	-401,010,354	-401,010,354	-372,065,191
<b>General Medical Care: Fee-For-Service</b>	<b>1,947,481,276</b>	<b>1,947,481,276</b>	<b>1,699,729,317</b>	<b>570,305,058</b>	<b>570,305,058</b>	<b>513,210,473</b>
Inpatient Hospital	180,943,367	180,943,367	156,001,785	249,230,534	249,230,534	233,101,067
Outpatient Hospital	40,929,949	40,929,949	37,555,117	46,031,258	46,031,258	46,562,129
Physician/Practitioner Services	43,023,555	43,023,555	40,482,293	37,000,800	37,000,800	31,379,124
Clinic Services	235,980,396	235,980,396	158,795,995	8,908,094	8,908,094	7,775,247
IHC Clinic Regular FMAP	-	-	113,250	200,742	200,742	200,742
Pharmacy (Point of Sale Only)	14,755,522	14,755,522	12,051,901	16,076,428	16,076,428	12,951,569
FFS Pharmacy Rebates (Current Year POS, Hospital and Physician)	-6,764,855	-6,764,855	-5,774,070	-4,870,571	-4,870,571	-3,245,561
Medicare Premiums Part A & B	545,043,361	545,043,361	492,108,088	13,966,985	13,966,985	11,178,820
Medicare Premiums Part D	436,639,475	436,639,475	400,284,001	15,535,580	15,535,580	12,075,029
Dental	306,421,753	306,421,753	269,930,619	175,709,863	175,709,863	150,282,091
Transportation	118,851,160	118,851,160	108,748,935	10,088,628	10,088,628	8,323,243
Indian Health Clinics (100% Fed)	-	0	-108,444	-200,742	-200,742	-200,742
All Other (Hospice, HIP Payments, Medical Appliances)	31,657,593	31,657,593	29,539,847	2,627,459	2,627,459	2,827,715
<b>Behavioral Health &amp; Rehabilitative Services: Fee-For-Service</b>	<b>42,318,153</b>	<b>42,318,153</b>	<b>32,765,995</b>	<b>20,398,957</b>	<b>20,398,957</b>	<b>20,985,914</b>
MH Case Management	1,297,083	1,297,083	1,247,017	-	-	612,306
MH Residential Services (PRTF primarily, also psych commty res svcs)	13,303,141	13,303,141	7,966,325	-	-	1,316
MH Rehabilitative Services	9,251,106	9,251,106	7,810,109	-	-	20,369,721
Early Intervention & EPSDT-Authorized Services	18,466,824	18,466,824	15,742,544	-	-	2,571
<b>Long-Term Care Services: Fee-For-Service</b>	<b>3,093,289,814</b>	<b>3,093,289,814</b>	<b>2,781,242,450</b>	<b>135,518,112</b>	<b>135,518,112</b>	<b>118,585,639</b>
Nursing Facility	438,519,520	438,519,520	336,023,775	37,774,528	37,774,528	20,641,486
Private ICF/IIDs	143,644,037	143,644,037	115,182,465	-	-	4,221,039
PACE	163,073,974	163,073,974	150,147,388	-	-	6,931,176
HCBS Waivers: Personal Support	361,501,435	361,501,435	327,201,309	97,743,584	97,743,584	14,581,558
HCBS Waivers: Habilitation	1,781,455,125	1,781,455,125	1,655,964,805	-	-	62,591,475
HCBS Waivers: Nursing, EM/AT, Adult Day Care	115,006,488	115,006,488	113,811,407	-	-	5,375,078
HCBS Waivers: Case Management & Support	90,089,235	90,089,235	82,911,300	-	-	4,243,827
<b>Supplemental Payments</b>	<b>1,052,002,370</b>	<b>1,076,162,844</b>	<b>908,586,719</b>	<b>263,252,757</b>	<b>295,762,826</b>	<b>147,072,529</b>
DSH	27,164,850	27,164,850	20,515,396	-	-	-
IME/GME	648,213,867	648,213,867	546,225,607	-	-	21,876,250
Nursing Facility Supplemental	39,500,858	39,500,858	23,616,305	406,815	406,815	171,053
Physician Supplemental Payments	200,990,222	200,990,222	115,834,701	198,563,595	198,563,595	77,839,306
Government & Nonprofit Clinics	227,159	227,159	-	-	-	-
Private Hosp Physician Supplemental	-	24,160,474	15,942,082	-	32,510,069	19,611,336
Hospital Supplemental Payments	135,905,414	135,905,414	186,452,627	64,282,347	64,282,347	27,574,587
Private Acute Care Hospital Enhanced Supplemental Payments	2,754,322,900	3,572,491,024	3,239,832,947	2,189,046,095	2,874,978,958	3,130,846,478
<b>Total Forecasted Medicaid Expenditures</b>	<b>18,898,061,310</b>	<b>19,691,674,189</b>	<b>17,757,818,940</b>	<b>8,447,591,209</b>	<b>9,177,303,076</b>	<b>8,786,851,369</b>
Federal Funds	9,494,614,596	9,906,868,065	8,857,070,708	7,580,403,180	8,193,595,977	7,867,274,935
Rate Assessment	1,363,703,504	1,755,271,270	1,604,565,333	218,904,609	313,084,647	313,084,645
Coverage Assessment	-	-	-	648,283,418	667,368,069	604,530,657
Virginia Health Care Fund (Includes Tobacco Tax, Pharmacy Rebates, etc.)	440,698,220	435,930,462	300,046,286	-	-	-
Private Health System Physician Supplemental Payment	-	12,739,478	7,534,489	-	3,254,381	1,961,133
State Funds	7,599,044,990	7,580,864,915	6,988,802,126	-	-	-

Unforecasted Medicaid Expenditures			
Mental Health Services CSA	-	108,720,460	111,368,644
Federal Funds	-	48,212,331	56,298,075
State Funds	-	60,508,129	55,070,569
Payments for Graduate Medical Education Residencies (45606)	-	11,700,000	9,125,001
Federal Funds	-	5,850,000	4,608,138
State Funds	-	5,850,000	4,516,863
DBHDS Facility Reimbursements (45607)	-	59,343,994	63,778,754
Federal Funds	-	30,170,321	32,232,206
State Funds	-	29,173,673	31,546,548
Pharmacy Rebate Holding Acct Balance to be Reclassed in the following month <sup>2</sup>	-	-	(2,353,245)

CHIP			
<b>FAMIS Expenditures (446)</b>	<b>529,957,554</b>	<b>543,457,554</b>	<b>495,527,865</b>
Federal Funds	349,775,350	355,775,350	326,262,026
Special Funds	14,065,627	14,065,627	14,065,627
State Funds	166,116,577	173,616,577	155,200,212
<b>M-CHIP Expenditures (466)</b>	<b>316,975,150</b>	<b>337,975,150</b>	<b>306,002,021</b>
Federal Funds	211,393,906	224,393,906	202,508,157
State Funds	105,581,244	113,581,244	103,493,864

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	142,743,956	169,167,319	30,765	63,697	174,094,595	196,759,394
FFS Pharmacy Rebates - Current Year	-	-	3,025,653	2,819,678	-	-	2,247,792	2,101,517
MCO Pharmacy Rebates - Prior Year	118,678,653	160,312,221	6,146,131	21,293,091	145,804,261	222,925,816	15,890,514	3,208,161
FFS Pharmacy Rebates - Prior Year	2,199,022	(2,626,094)	(16,029,336)	(9,137,893)	1,281,768	2,194,071	(47,983)	163,837

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Forecast is Official Forecast as of 11/1/2025. Appropriation is per 2026 Amendments to the 2025 Appropriation Act updated with funding changes.