COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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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: Detail Report on Medicaid Expenditures – September FY2027

This report is submitted in compliance with Item 295.C.1. of the 2026 Appropriation 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 Director, Department of Planning and Budget (DPB) and the Chairs 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 - September FY2027

Category	Base Medicaid		
	FY 2027 Official Forecast[3]	FY 2027 Appropriation[3]	Actual Expenditures through Sep FY 2027
General Medical Care: Managed Care	**10,988,691,967**	**10,670,608,817**	**3,509,523,520**
MCO Capitation Payments: Low-Income Adults & Children	3,350,860,522	3,188,043,689	1,007,538,796
MCO Capitation Payments: CCC+ Program	7,967,724,401	7,833,729,989	2,502,030,815
MCO Pharmacy Rebates *(Current Year)* [1]	-329,892,956	-351,164,861	-46,091
General Medical Care: Fee-For-Service	**1,952,495,189**	**1,966,510,456**	**446,058,433**
Inpatient Hospital	197,764,798	230,505,725	36,451,766
Outpatient Hospital	40,774,134	40,774,134	11,100,247
Physician/Practitioner Services	42,542,741	42,542,741	10,049,484
Clinic Services	207,252,609	207,252,609	35,856,499
Pharmacy *(Point of Sale Only)*	15,432,366	15,432,366	3,959,330
FFS Pharmacy Rebates *(Current Year POS, Hospital and Physician)*	-6,884,438	-6,884,438	0
Medicare Premiums Part A & B	549,564,384	549,564,384	128,025,980
Medicare Premiums Part D	440,671,885	440,671,885	103,545,285
Dental	315,678,098	296,952,438	77,464,040
Transportation	116,063,394	116,063,394	30,093,710
All Other *(Hospice, HIP Payments, DME)*	33,635,217	33,635,217	9,512,091
Behavioral Health & Rehabilitative Services: Fee-For-Service	**43,897,970**	**42,539,788**	**8,817,857**
MH Case Management	1,304,783	1,304,783	337,925
MH Residential Services *(PRTF primarily, also psych commty res svcs)*	13,721,252	12,363,070	2,299,886
MH Rehabilitative Services	9,491,622	9,491,622	2,075,373
Early Intervention & EPSDT-Authorized Services	19,380,312	19,380,312	4,104,672
Long-Term Care Services: Fee-For-Service	**3,300,974,890**	**3,357,776,605**	**852,969,653**
Nursing Facility	455,368,075	465,868,075	63,533,974
Private ICF/IIDs	149,475,500	149,475,500	34,652,399
PACE	187,570,276	187,570,276	53,951,433
HCBS Waivers: Personal Support	373,379,260	339,924,555	108,758,534
HCBS Waivers: Habilitation	1,920,315,442	2,000,071,862	530,093,223
HCBS Waivers: Nursing, EM/AT, Adult Day Care	123,302,877	123,302,877	36,930,714
HCBS Waivers: Case Management & Support	91,563,460	91,563,460	25,049,376
Supplemental Payments	**1,014,157,444**	**1,029,287,007**	**251,388,405**
DSH	25,605,321	25,605,321	3,206,943
IME/GME	660,324,008	660,324,008	135,071,513
Nursing Facility Supplemental	39,500,858	39,500,858	10,404,955
Physician Supplemental Payments	207,048,934	207,048,934	44,911,020
Government & Nonprofit Clinics	170,369	170,369	-
Private Hosp Physician Supplemental	-	15,129,563	547,823
Hospital Supplemental Payments	81,507,953	81,507,953	57,246,151
Private Acute Care Hospital Enhanced SupplementalPayments	3,146,415,131	3,146,415,131	469,935,238
Total Forecasted Medicaid Expenditures	**20,446,632,590**	**20,213,137,803**	**5,538,693,106**
Federal Funds	10,173,903,328	10,053,061,592	2,762,895,767
Rate Assessment	1,569,711,143	1,569,711,143	233,134,871
Coverage Assessment	-		-
Virginia Health Care Fund *(Includes Tobacco Tax, Pharmacy Rebates, etc.)*	399,050,000	399,050,000	85,000,000
Private Health System Physician Supplemental Payment	-	7,548,139	271,775
State Funds	8,303,968,119	8,183,766,929	2,457,390,692

Department of Medical Assistance Services

Detail Report on Medicaid Expenditures - September FY2027

Category	Medicaid Expansion		
	FY 2027 Official Forecast[3]	FY 2027 Appropriation[3]	Actual Expenditures through Sep FY 2027
General Medical Care: Managed Care	**5,582,093,733**	**5,278,263,514**	**1,871,146,482**
MCO Capitation Payments: Low-Income Adults & Children	3,810,522,981	3,636,315,263	1,183,610,067
MCO Capitation Payments: CCC+ Program	2,179,643,943	2,087,581,940	687,574,348
MCO Pharmacy Rebates *(Current Year)* [1]	-408,073,191	-445,633,689	-37,933
General Medical Care: Fee-For-Service	**596,882,926**	**582,472,902**	**138,950,834**
Inpatient Hospital	264,849,432	282,027,408	60,382,134
Outpatient Hospital	45,646,212	45,646,212	13,344,417
Physician/Practitioner Services	37,455,874	37,455,874	8,776,077
Clinic Services	9,302,800	9,302,800	1,800,387
Pharmacy *(Point of Sale Only)*	17,703,241	17,703,241	4,197,670
FFS Pharmacy Rebates *(Current Year POS, Hospital and Physician)*	-4,956,355	-4,956,355	0
Medicare Premiums Part A & B	12,535,508	12,535,508	1,981,179
Medicare Premiums Part D	15,741,330	15,741,330	2,227,031
Dental	185,437,864	153,849,864	42,840,089
Transportation	10,597,005	10,597,005	2,328,444
All Other *(Hospice, HIP Payments, DME)*	2,570,015	2,570,015	1,073,405
Behavioral Health & Rehabilitative Services: Fee-For-Service	**20,563,198**	**17,196,708**	**6,903,056**
MH Case Management	-	-	180,717
MH Residential Services *(PRTF primarily, also psych commty res svcs)*	-	-	-
MH Rehabilitative Services	-	-	6,716,251
Early Intervention & EPSDT-Authorized Services	-	-	6,088
Long-Term Care Services: Fee-For-Service	**158,700,495**	**157,622,989**	**36,353,901**
Nursing Facility	38,702,071	38,702,071	2,658,978
Private ICF/IIDs	-	-	1,855,447
PACE	-	-	2,543,197
HCBS Waivers: Personal Support	119,998,424	118,242,156	4,842,063
HCBS Waivers: Habilitation	-	678,762	21,437,773
HCBS Waivers: Nursing, EM/AT, Adult Day Care	-	-	1,692,633
HCBS Waivers: Case Management & Support	-	-	1,323,810
Supplemental Payments	**267,570,308**	**287,218,375**	**38,435,044**
DSH	-	-	-
IME/GME	-	-	-
Nursing Facility Supplemental	406,815	406,815	86,451
Physician Supplemental Payments	198,563,595	198,563,595	31,533,511
Government & Nonprofit Clinics	27,464,696	27,464,696	-
Private Hosp Physician Supplemental	-	19,648,067	207,054
Hospital Supplemental Payments	41,135,202	41,135,202	6,608,029
Private Acute Care Hospital Enhanced SupplementalPayments	2,439,078,969	2,439,078,969	500,395,865
Total Forecasted Medicaid Expenditures	**9,064,889,629**	**8,761,853,457**	**2,592,185,181**
Federal Funds	8,111,979,523	7,838,977,246	2,325,341,422
Rate Assessment	243,907,897	243,907,897	50,039,586
Coverage Assessment	709,002,210	677,003,511	216,783,467
Virginia Health Care Fund *(Includes Tobacco Tax, Pharmacy Rebates, etc.)*	-	-	-
Private Health System Physician Supplemental Payment	-	1,964,807	20,705
State Funds	-	-	-

	FY 2027 Official Forecast[3]	FY 2027 Appropriation[3]	Actual Expenditures through Sep FY 2027
Unforecasted Medicaid Expenditures			
Mental Health Services CSA	-	**93,212,709**	**31,963,083**
Federal Funds	-	59,887,020	16,106,198
State Funds	-	33,325,689	15,856,885
Payments for Graduate Medical Education Residencies (45606)		**17,100,000**	**2,475,001**
Federal Funds		8,550,000	1,247,153
State Funds		8,550,000	1,227,848
DBHDS Facility Reimbursements (45607)		**58,714,645**	**21,751,529**
Federal Funds		29,126,649	10,961,343
State Funds		29,587,996	10,790,186
Pharmacy Rebate Holding Acct Balance to be Reclassed in the following month[2]		-	**(94,408,466)**

CHIP			
FAMIS Expenditures (446)	**564,381,627**	**502,572,301**	**152,993,761**
Federal Funds	369,008,776	327,403,985	99,650,689
Special Funds	14,065,627	14,065,627	3,516,407
State Funds	181,307,224	161,102,689	49,826,665
M-CHIP Expenditures (466)	**328,647,010**	**322,834,597**	**106,697,661**
Federal Funds	216,265,940	212,360,938	69,433,485
State Funds	112,381,070	110,473,659	37,264,176

Prior Year Rebates by Quarter	**Base Medicaid**				**Medicaid Expansion**			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MCO Pharmacy Rebates - Prior Year	87,407,813	-	-	-	124,396,617	-	-	-
FFS Pharmacy Rebates - Prior Year	1,783,747	-	-	-	1,305,383	-	-	-

[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 11/1/2025. Appropriation is per 2026 Appropriation Act updated with funding changes.