COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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MEMORANDUM

TO: The 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 – October 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 - October FY2027

Category	Base Medicaid		
	FY 2027 Official Forecast[3]	FY 2027 Appropriation[3]	Actual Expenditures through Oct FY 2027
General Medical Care: Managed Care	**10,988,691,967**	**10,670,608,817**	**3,522,920,065**
MCO Capitation Payments: Low-Income Adults & Children	3,350,860,522	3,188,043,689	1,024,145,664
MCO Capitation Payments: CCC+ Program	7,967,724,401	7,833,729,989	2,498,939,884
MCO Pharmacy Rebates *(Current Year)* [1]	-329,892,956	-351,164,861	-165,484
General Medical Care: Fee-For-Service	**1,952,495,189**	**1,966,510,456**	**614,570,603**
Inpatient Hospital	197,764,798	230,505,725	55,459,388
Outpatient Hospital	40,774,134	40,774,134	15,611,717
Physician/Practitioner Services	42,542,741	42,542,741	13,723,209
Clinic Services	207,252,609	207,252,609	54,085,591
Pharmacy *(Point of Sale Only)*	15,432,366	15,432,366	5,391,158
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	171,300,990
Medicare Premiums Part D	440,671,885	440,671,885	138,263,521
Dental	315,678,098	296,952,438	106,963,320
Transportation	116,063,394	116,063,394	40,732,404
All Other *(Hospice, HIP Payments, DME)*	33,635,217	33,635,217	13,039,305
Behavioral Health & Rehabilitative Services: Fee-For-Service	**43,897,970**	**42,539,788**	**12,030,131**
MH Case Management	1,304,783	1,304,783	467,218
MH Residential Services *(PRTF primarily, also psych commty res svcs)*	13,721,252	12,363,070	3,040,406
MH Rehabilitative Services	9,491,622	9,491,622	2,979,502
Early Intervention & EPSDT-Authorized Services	19,380,312	19,380,312	5,543,005
Long-Term Care Services: Fee-For-Service	**3,300,974,890**	**3,357,776,605**	**1,136,280,946**
Nursing Facility	455,368,075	465,868,075	84,598,719
Private ICF/IIDs	149,475,500	149,475,500	44,406,956
PACE	187,570,276	187,570,276	59,512,555
HCBS Waivers: Personal Support	373,379,260	339,924,555	142,050,998
HCBS Waivers: Habilitation	1,920,315,442	2,000,071,862	721,401,092
HCBS Waivers: Nursing, EM/AT, Adult Day Care	123,302,877	123,302,877	51,209,974
HCBS Waivers: Case Management & Support	91,563,460	91,563,460	33,100,650
Supplemental Payments	**1,014,157,444**	**1,029,287,007**	**258,274,117**
DSH	25,605,321	25,605,321	3,206,943
IME/GME	660,324,008	660,324,008	138,616,988
Nursing Facility Supplemental	39,500,858	39,500,858	14,014,875
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	56,976,467
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**	**6,014,011,100**
Federal Funds	10,173,903,328	10,053,061,592	2,982,031,898
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	2,713,572,555

Department of Medical Assistance Services
Detail Report on Medicaid Expenditures - October FY2027

Category	Medicaid Expansion		
	FY 2027 Official Forecast[3]	FY 2027 Appropriation[3]	Actual Expenditures through Oct FY 2027
General Medical Care: Managed Care	**5,582,093,733**	**5,278,263,514**	**1,874,277,857**
MCO Capitation Payments: Low-Income Adults & Children	3,810,522,981	3,636,315,263	1,186,522,174
MCO Capitation Payments: CCC+ Program	2,179,643,943	2,087,581,940	687,877,979
MCO Pharmacy Rebates *(Current Year)* [1]	-408,073,191	-445,633,689	-122,296
General Medical Care: Fee-For-Service	**596,882,926**	**582,472,902**	**201,071,997**
Inpatient Hospital	264,849,432	282,027,408	89,899,620
Outpatient Hospital	45,646,212	45,646,212	19,496,377
Physician/Practitioner Services	37,455,874	37,455,874	12,642,521
Clinic Services	9,302,800	9,302,800	3,100,914
Pharmacy *(Point of Sale Only)*	17,703,241	17,703,241	5,696,871
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	2,684,933
Medicare Premiums Part D	15,741,330	15,741,330	2,966,809
Dental	185,437,864	153,849,864	59,949,001
Transportation	10,597,005	10,597,005	3,188,126
All Other *(Hospice, HIP Payments, DME)*	2,570,015	2,570,015	1,446,825
Behavioral Health & Rehabilitative Services: Fee-For-Service	**20,563,198**	**17,196,708**	**9,630,334**
MH Case Management	-	-	241,323
MH Residential Services *(PRTF primarily, also psych commty res svcs)*	-	-	-
MH Rehabilitative Services	-	-	9,354,467
Early Intervention & EPSDT-Authorized Services	-	-	34,544
Long-Term Care Services: Fee-For-Service	**158,700,495**	**157,622,989**	**48,354,280**
Nursing Facility	38,702,071	38,702,071	3,538,938
Private ICF/IIDs	-	-	1,913,599
PACE	-	-	2,715,963
HCBS Waivers: Personal Support	119,998,424	118,242,156	6,402,860
HCBS Waivers: Habilitation	-	678,762	29,556,311
HCBS Waivers: Nursing, EM/AT, Adult Day Care	-	-	2,482,866
HCBS Waivers: Case Management & Support	-	-	1,743,743
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**	**2,672,165,378**
Federal Funds	8,111,979,523	7,838,977,246	2,392,297,893
Rate Assessment	243,907,897	243,907,897	50,039,586
Coverage Assessment	709,002,210	677,003,511	229,807,195
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 Oct FY 2027
Unforecasted Medicaid Expenditures			
Mental Health Services CSA	-	**93,212,709**	**42,762,208**
Federal Funds	-	59,887,020	21,507,920
State Funds	-	33,325,689	21,254,288
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**	**27,095,299**
Federal Funds		29,126,649	13,633,744
State Funds		29,587,996	13,461,555
Pharmacy Rebate Holding Acct Balance to be Reclassed in the following month[2]		**-**	**(235,647,534)**

CHIP			
FAMIS Expenditures (446)	**564,381,627**	**502,572,301**	**167,068,930**
Federal Funds	369,008,776	327,403,985	108,835,998
Special Funds	14,065,627	14,065,627	3,516,407
State Funds	181,307,224	161,102,689	54,716,525
M-CHIP Expenditures (466)	**328,647,010**	**322,834,597**	**109,139,345**
Federal Funds	216,265,940	212,360,938	71,062,414
State Funds	112,381,070	110,473,659	38,076,931

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	38,111,543	-	-	124,396,617	54,295,774	-	-
FFS Pharmacy Rebates - Prior Year	1,783,747	1,041,299	-	-	1,305,383	778,284	-	-

[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.