

A red-tinted image of the Statue of Liberty's head and crown on the right, and a perspective view of a grid pattern on the left, both set against a white background.

2014-15 Global Cap Update

August, 14 2014





Agenda

- **Global Cap Overview**
- **2014-15 Global Cap Projections**
- **Preliminary results through June 2014**
- **Article VII Highlights**



Global Cap Overview

- **Remained under the cap for three consecutive years:**
 - ***2011-12: \$14 million;***
 - ***2012-13: \$2 million; and***
 - ***2013-14: \$39 million***
- **Through March 2014 total Medicaid enrollment reached 5.7 million; an increase of 446,451 enrollees over the prior year of which approximately 230,000 are attributed to the Affordable Care Act.**



2014-15 Global Cap Projections

- **The Global Spending Cap is projected to grow \$540 million in 2014-15; highlights include:**

<p>Price (+\$972 million)</p>	<ul style="list-style-type: none"> • \$432M (4.9%) for mainstream managed care • \$253M (7%) for long term managed care (includes wage parity) • \$162M for Nursing Homes (includes July 2013 & January 2014 case mix; cash receipts assessment reconciliation) • \$125M for various FFS rate packages
<p>Utilization (+\$343 million)</p>	<ul style="list-style-type: none"> • annualization of FY 2014 net enrollment growth (446,451 recipients); • new enrollment for FY 2015, including enrollment under the NYSoH Exchange
<p>MRT/One-Timers/Other (-\$775 million)</p>	<ul style="list-style-type: none"> • \$1.1B for ACA enhanced FFP • \$285M in lower MH Stabilization funds; offset by • \$300M for Financial Plan relief • \$302M for 2% ATB restoration



Preliminary results through June 2014

- Preliminary Medicaid expenditures through June 2014 are \$10 million or 0.2% below projections.

Medicaid Spending – FY 2015 (dollars in millions)			
Category of Service	Estimated	Actual	Variance
Medicaid Managed Care	\$2,858	\$2,861	\$3
Mainstream Managed Care	\$2,119	\$2,130	\$11
Long Term Managed Care	\$739	\$731	(\$8)
Family Health Plus	\$148	\$165	\$17
Total Fee For Service	\$2,360	\$2,337	(\$23)
Inpatient	\$758	\$762	\$4
Outpatient/Emergency Room	\$104	\$107	\$3
Clinic	\$150	\$147	(\$3)
Nursing Homes	\$820	\$815	(\$5)
Other Long Term Care	\$183	\$178	(\$5)
Non-Institutional	\$345	\$328	(\$17)
Medicaid Administration Costs	\$113	\$117	\$4
OHIP Budget / State Operations	\$38	\$28	(\$10)
Medicaid Audits	(\$72)	(\$63)	\$9
All Other	\$572	\$562	(\$10)
Local Funding Offset	(\$1,844)	(\$1,844)	\$0
TOTAL	\$4,173	\$4,163	(\$10)



Article VII Highlights

- **Extends Global Cap through March 2016 and includes expanded reporting requirements.**
- **Repeals 2% Across the Board payment reduction effective April 1, 2014.**
 - *Provides flexibility in restoring alternate savings measures.*
- **Creates a Global Cap Dividend payment.**
- **Dedicates \$110 million to successfully transform the Behavioral Health Systems as the State transitions to Managed Care.**
- **Authorizes the State to create a Basic Health Program (BHP).**