

**FY  
21**

# **ANNUAL REPORT**



**ALABAMA MEDICAID AGENCY**





KAY IVEY  
Governor

# Alabama Medicaid Agency

501 Dexter Avenue  
P.O. Box 5624  
Montgomery, Alabama 36103-5624

[www.medicaid.alabama.gov](http://www.medicaid.alabama.gov)  
e-mail: [almedicaid@medicaid.alabama.gov](mailto:almedicaid@medicaid.alabama.gov)

Telecommunication for the Deaf: 1-800-253-0799  
334-242-5000 1-800-362-1504



STEPHANIE MCGEE AZAR  
Commissioner

Dear Governor Ivey,

It is my pleasure to submit to you the Alabama Medicaid Agency’s Annual Report for Fiscal Year (FY) 2021. Throughout this year, Medicaid experienced unprecedented challenges in providing essential healthcare services to the most vulnerable populations of our state during the COVID-19 public health emergency (PHE). Alabama Medicaid met this challenge by operating seamlessly, and we continuously looked for innovative ways to facilitate the delivery of quality and cost-efficient health care to Medicaid recipients. The Agency continued to send renewals to Medicaid recipients throughout the PHE, and recipients experienced no interruption to services from Medicaid.

In collaboration with the Alabama Departments of Public Health, Mental Health, Rehabilitative Services, Human Resources, Senior Services, Youth Services, other partners, as well as the Centers for Medicare and Medicaid Services, the Agency continuously provided flexibilities for healthcare services and settings during the COVID-19 PHE.

The Alabama Medicaid Agency commends you for understanding the needs of Alabama’s most vulnerable citizens – the very young and the elderly, and we appreciate your support of the Agency’s efforts. We look forward to continued cooperation among the Administration to provide effective and efficient healthcare services in Alabama.

Sincerely,

Stephanie McGee Azar  
Commissioner  
Alabama Medicaid Agency



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## Fiscal

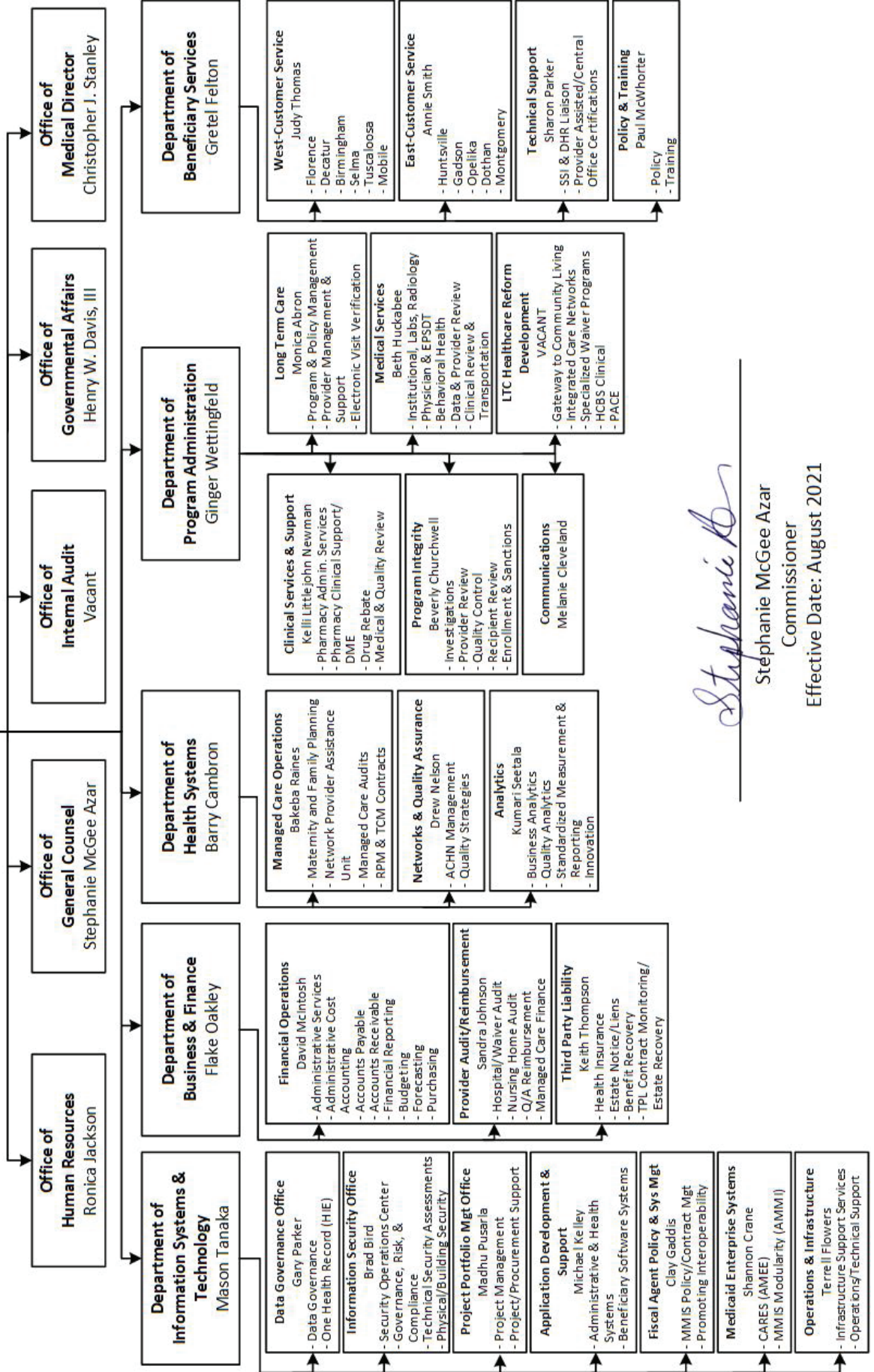
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# Alabama Medicaid Agency Organizational Chart

**Governor**  
Kay Ivey

**Commissioner**  
Stephanie McGee Azar



*Stephanie McGee Azar*  
Stephanie McGee Azar  
Commissioner  
Effective Date: August 2021

# Alabama Medicaid continued Seamless Operations throughout COVID-19 Emergency

In an effort to provide quality care throughout the COVID-19 public health emergency (PHE), the Alabama Medicaid Agency (Medicaid) implemented temporary policy and procedural changes to aid both providers and recipients during the unprecedented time.

Throughout Fiscal Year (FY) 2021, copayments continued to be waived for all services including, but not limited to doctor visits, optometric services, certified nurse practitioner visits, health care center visits, rural health clinic visits, inpatient hospital, outpatient hospital, prescription drugs, medical equipment, supplies and appliances, and ambulatory surgical centers.



In addition to copayments, Early, Periodic, Screening Diagnosis and Treatment (EPSDT) referral requirements, telemedicine services referral requirements, inpatient hospital stays, ambulatory location restrictions, prior authorization and recipient signature requirements continued to be waived until the conclusion of the COVID-19 PHE. Furthermore, Medicaid recipients remained eligible for benefits under the Maintenance of Effort (MOE) condition.



With support from the U.S. Department of Health and Human Services (HHS), through the Health Resources and Services Administration (HRSA), the Agency announced \$20 billion in new funding for providers on the frontlines of the coronavirus pandemic.

This provider relief funding was used to cover lost revenue attributable to COVID-19 and other health related expenses such as the need for supplies, equipment, workforce training, or to acquire additional resources such as facilities and technology.

Medicaid is dedicated to making the transition to normal operations seamless for both providers and recipients. Therefore, Medicaid continued to send out renewals throughout the pandemic in order to prevent interruption in services to eligible individuals during the redetermination period.

The PHE expiration date was extended numerous times throughout 2021 as the COVID-19 vaccine was made available with no cost to recipients.

Medicaid providers who utilized the COVID-19 vaccine were reimbursed by the federal government.

Throughout FY 2021 and the ongoing COVID-19 PHE, Medicaid continued to provide essential healthcare services to recipients with a strong focus on facilitating the delivery of quality and cost-efficient health care.

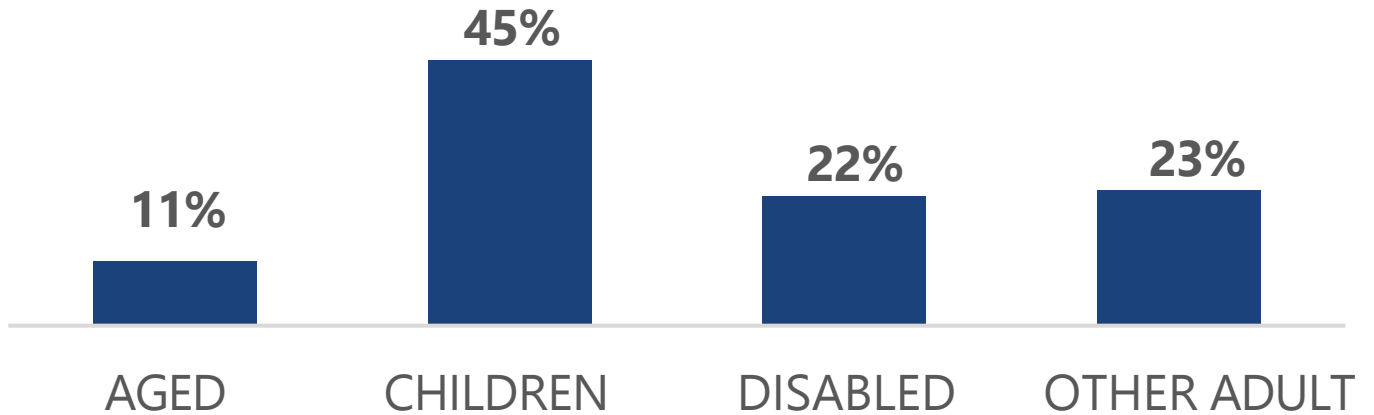
# ALABAMA MEDICAID AGENCY COVID-19 Public Health Emergency (COVID-19 PHE)

**300,947**  
Total  
tested

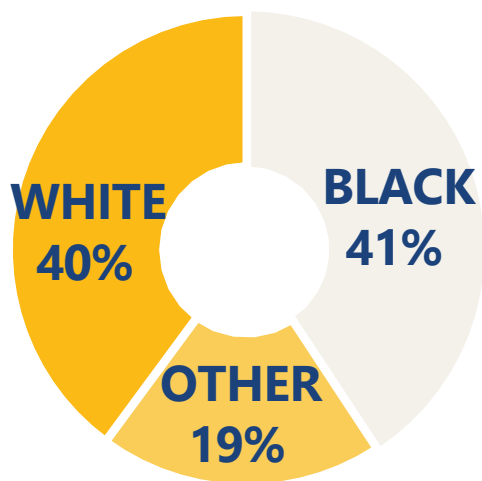
**55,327**  
Total  
diagnosed

**\$125.7M**  
Total  
paid<sup>1</sup>

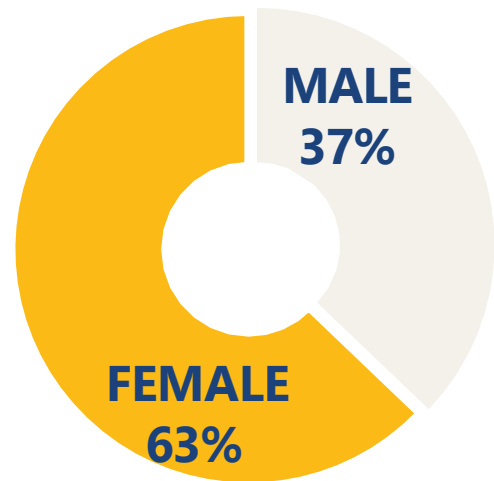
## Percent of diagnosed cases by aid category



## Percent of diagnosed cases by race



## Percent of diagnosed cases by gender



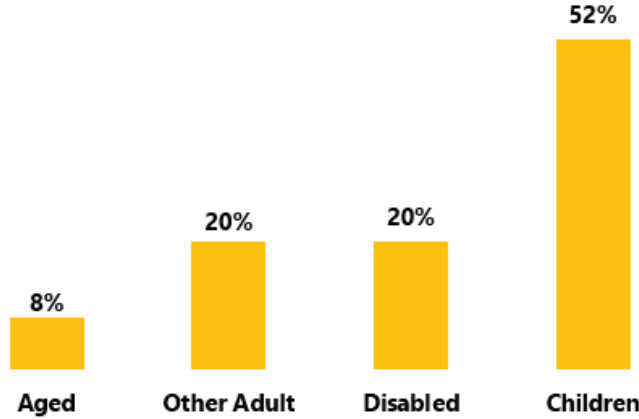
<sup>1</sup>Total cost for all recipients after diagnosis [top 10 level]

Data as of 9/10/2021 checkwrite



# FISCAL YEAR 2021 ALABAMA MEDICAID AGENCY AT A GLANCE

## Distribution of Recipients



**25%** of Alabama citizens are eligible for Medicaid at least one month of the year



OVER

**1**

**million**

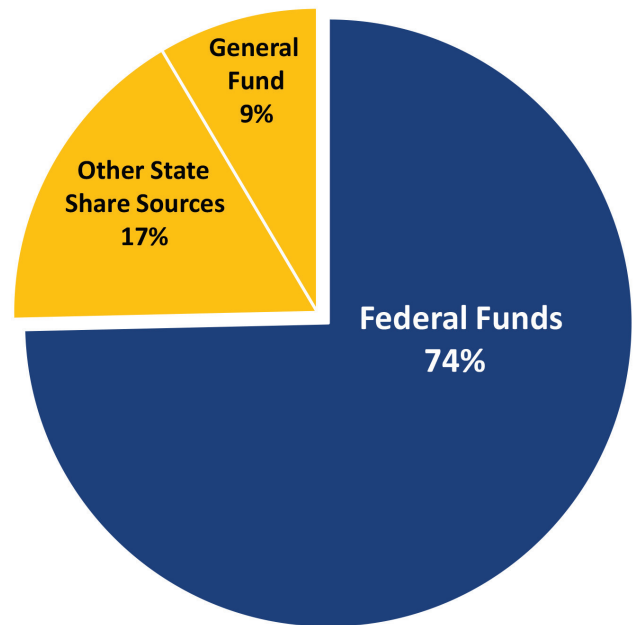


recipients served at any point during the fiscal year

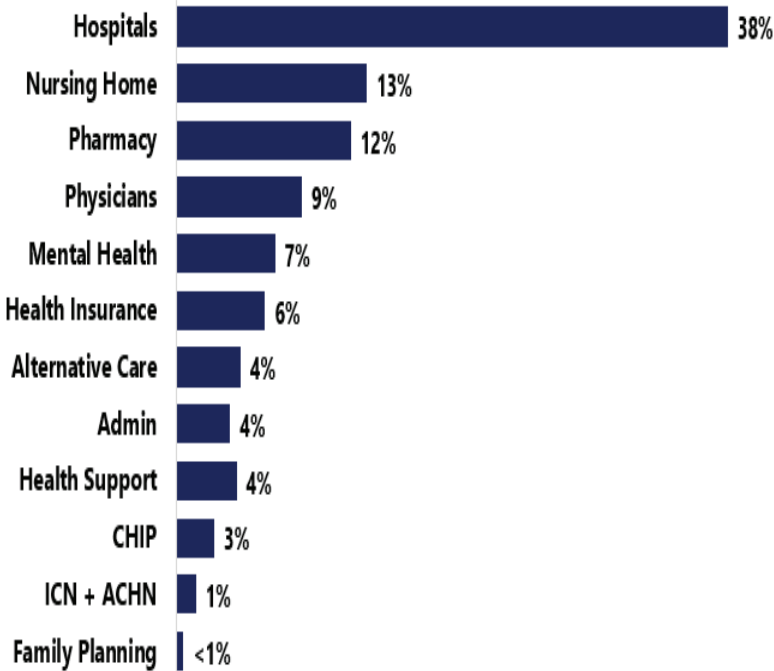


**\$6.98 billion**  
in medical benefits

## Medicaid Source of Funds



## Medicaid Use of Funds



Total Expenditures: **\$7.67 Billion**

Medicaid patients accounted for

**51%**

of total nursing home bed days

**50%+**

of all Alabama births are paid by Medicaid



# The Medicaid Agency



**MISSION:** To provide a system of financing health care for eligible Alabamians in accordance with established statutes and Executive Orders.

**VISION:** To play a key leadership role in ensuring availability and access to appropriate health care for all Alabamians.

## VALUES:

- **Respect**  
*We are a caring organization that treats each individual with dignity, empathy, and honesty.*
- **Integrity**  
*Our stakeholders can depend on the quality, trustworthiness, and reliability of our Agency's employees and representatives.*
- **Excellence**  
*We are committed to maximizing our resources to ensure the residents of Alabama have access to quality health care.*
- **Teamwork**  
*Our success depends upon establishing and maintaining effective collaborative partnerships.*
- **Innovation**  
*We willingly embrace new ideas and new ways of doing things to effectively meet a changing health care environment.*

# FY 2021 Eligibility

## Eligibles

The Medicaid program covered over 25 percent of all Alabama citizens at some point during FY 2021, including nearly 54 percent of all children.



More than half of all deliveries to Alabama residents were funded by Medicaid.

Meanwhile, aged and disabled recipients represented a smaller percentage (28 percent) of eligible individuals. Costs associated with this group accounted for approximately 61 percent of all expenditures for the Agency in FY 21.

Applicants undergo a rigorous screening and verification process before being approved for benefits. In addition to income, citizenship and other records are validated. Elderly and disabled applicants are also screened for resources and transfer of assets. In almost all cases, Alabama's financial eligibility limits are at the federal minimum level.

## Qualifying Agencies

Three agencies other than Medicaid determine Medicaid eligibility.

The Alabama Department of Human Resources certifies foster children, children who receive state or federal adoption assistance, and other groups that are not eligible for Supplemental Security Income (SSI).

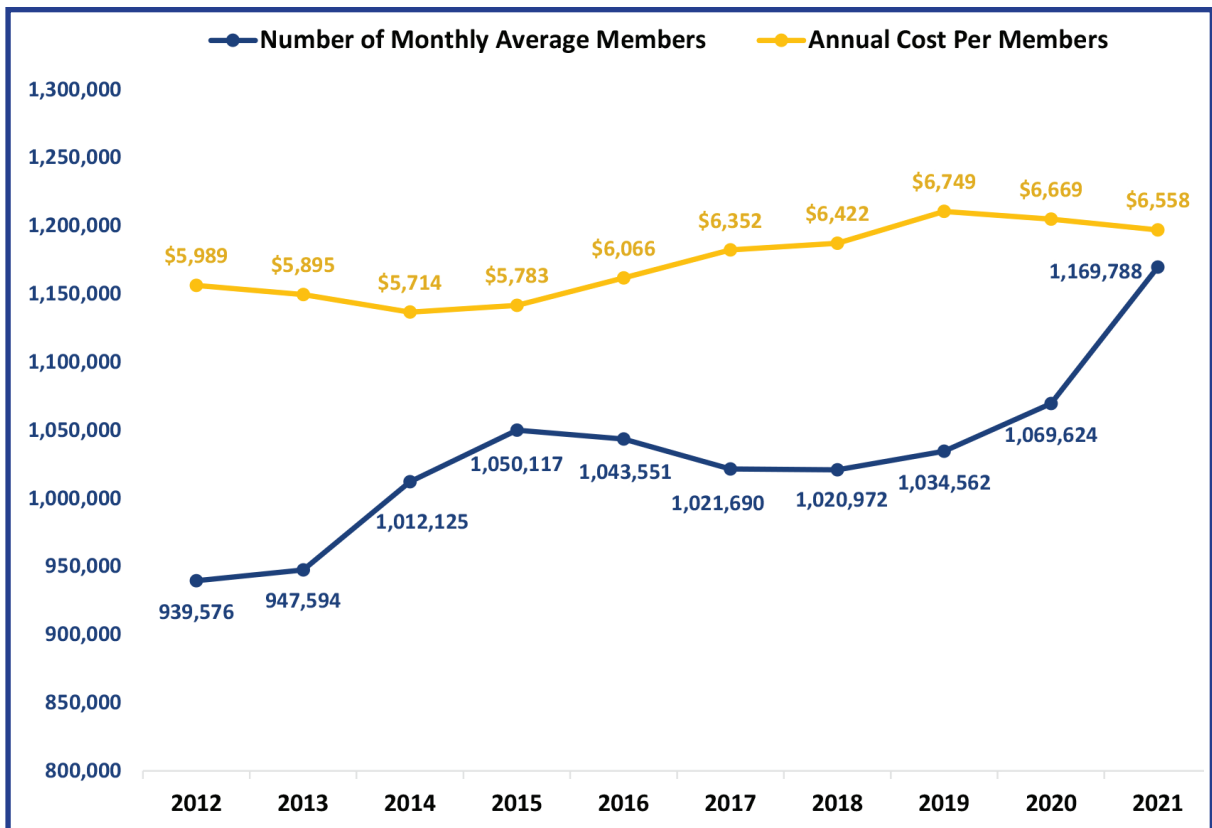
The Social Security Administration certifies aged, blind and disabled persons who have very low income and qualify for cash assistance through the SSI program.



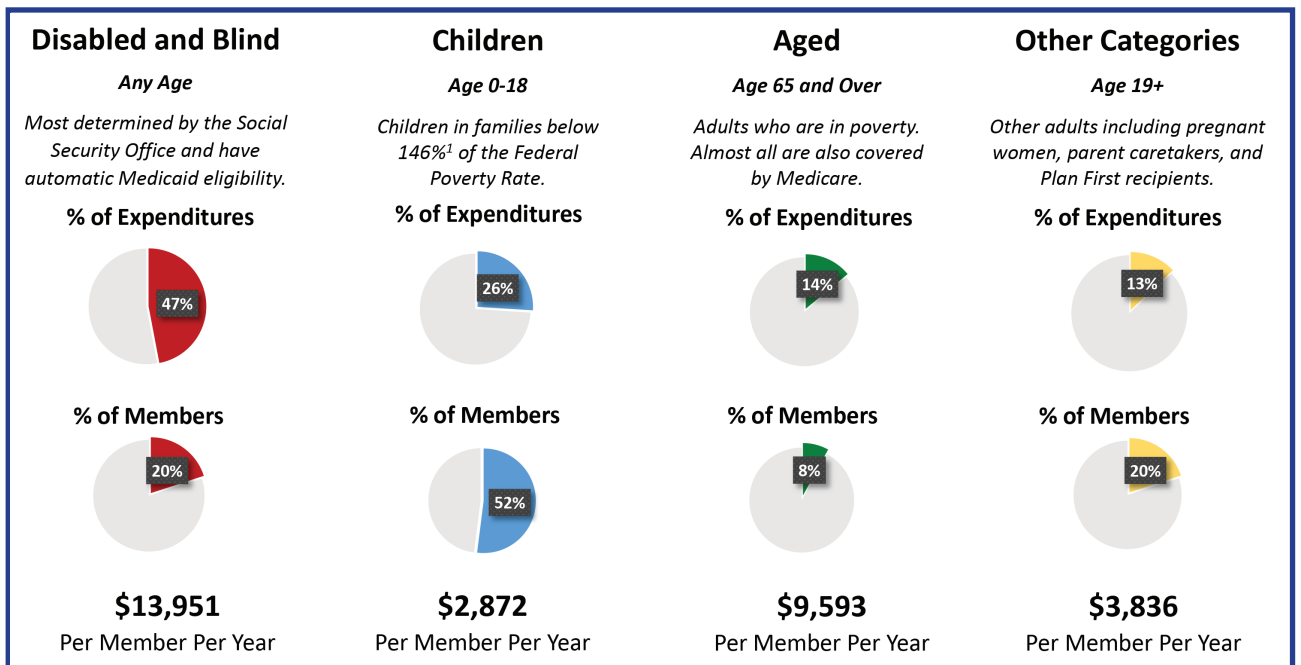
Medicaid is responsible for certifying applicants for Medicaid through the Alabama Breast and Cervical Cancer program; certain children in group homes certified by the Department of Youth Services; Aged, Blind, or Disabled individuals who are ineligible for SSI; and low-income Medicare beneficiaries seeking Medicaid's help paying for their Medicare premiums and/or copayments.

Medicaid and the Alabama Department of Public Health's ALL Kids program are responsible for certification of the following eligibility groups: Parents and Other Caretaker Relatives (formerly known as MLIF); children under age 19 eligible for Medicaid or ALL Kids; pregnant women; Plan First (Family Planning) Program; Former Foster Care youth; and Emergency Services for non-citizens.

## FY 2012-2021 Enrollment and Annual Cost Per Enrollee



## FY 2021 Who Does Alabama Medicaid Serve?



Expenditures, dates of service, include claims, capitations, and access payments based on dates of service in FY 2021. Per Member Per Year (PMPY) calculations not for the purpose of determining managed care rates and do not align to date paid numbers.

<sup>1</sup> The income limit for this group is 141% of the Federal Poverty Level, but in cases of excess income, a Federal Poverty Level disregard of 5% then applies.

Enrollment has been impacted by MOE during COVID-19 PHE.

## FY 2019-2021 Medicaid and Alabama Overview

<b>Expenditures and Funding Sources</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Expenditures</b>			
Medicaid Agency Expenditures <sup>1</sup>	\$6,982,221,485	\$7,133,013,111	\$7,671,310,210
Percent Change from Prior Year	6.5%	2.2%	7.5%
Medicaid Medical Services Expenditures <sup>2</sup>	\$6,241,982,596	\$6,429,867,779	\$6,983,486,591
Percent Change from Prior Year	7.1%	3.0%	8.6%
Average Medicaid Medical Services Expenditures per Monthly Average Eligible <sup>3</sup>	\$6,033	\$6,011	\$5,970
Percent Change from Prior Year	5.7%	5.3%	-1.1%
Medicaid Medical Services Expenditures per Capita <sup>4</sup>	\$1,273	\$1,280	\$1,386
<b>Funding Sources (Receipts)</b>			
Overall Federal Funding Percentage <sup>5</sup>	71.4%	74.0%	75.0%
Overall State Funding Percentage	28.6%	26.0%	25.0%
State General Fund Percentage	10.8%	9.9%	10.4%
<b>Utilization</b>			
<b>Alabama Population<sup>6</sup></b>			
Total	4,903,185	5,024,803	5,039,877
Adults	3,622,329	3,645,218	3,724,437
Children <sup>7</sup>	1,280,856	1,276,314	1,315,440
As a Percent of the Alabama Population	26.1%	25.4%	26.1%
<b>Eligibles</b>			
<b>Monthly Average Medicaid Eligibility<sup>8</sup></b>			
Monthly Average Eligibles	1,034,562	1,069,624	1,169,788
Percent Change from Prior Year	1.3%	4.8%	13.1%
As a Percent of the Alabama Population	21.1%	21.3%	23.2%
Monthly Average Adult Eligibles	455,971	467,576	506,661
As a Percent of the Alabama Population	12.6%	12.8%	13.6%
Monthly Average Child Eligibles <sup>7</sup>	578,591	602,048	663,127
As a Percent of the Alabama Population	45.2%	47.2%	50.4%
<b>Annual Medicaid Eligibility<sup>9</sup></b>			
Annual Eligibles	1,199,951	1,197,320	1,253,365
Percent Change from Prior Year	-0.6%	-0.8%	4.5%
As a Percent of the Alabama Population	24.5%	23.8%	24.9%
Annual Eligible Adults	527,449	525,354	546,289
As a Percent of the Alabama Adult Population	14.6%	14.4%	14.7%
Annual Eligible Children <sup>7</sup>	672,502	671,966	707,076
As a Percent of the Alabama Child Population	52.5%	52.6%	53.8%

<sup>1</sup> As reported by the Executive Budget Office.

<sup>2</sup> Total Medicaid medical services expenditures excludes Agency administrative costs, administrative costs of the school-based services program, payments to hospitals under the Disproportionate Share Hospital (DSH) program and expenses of the Health Information Exchange.

<sup>3</sup> Total Medicaid medical services expenditures divided by the number of monthly average eligibles. See footnote 2 for a definition of the expenditures.

<sup>4</sup> Medicaid medical services expenditures divided by the total Alabama population. See footnote 2 for a definition of the expenditures.

<sup>5</sup> Overall Federal Funding Percentage increased in FY 2020 due to the Families First Coronavirus Relief Act which provided states a 6.2 percentage-point increase in federal share of Medicaid spending.

<sup>6</sup> Population figures are from the 2020 U.S. Census data by the Center for Business and Economic Research at the University of Alabama.

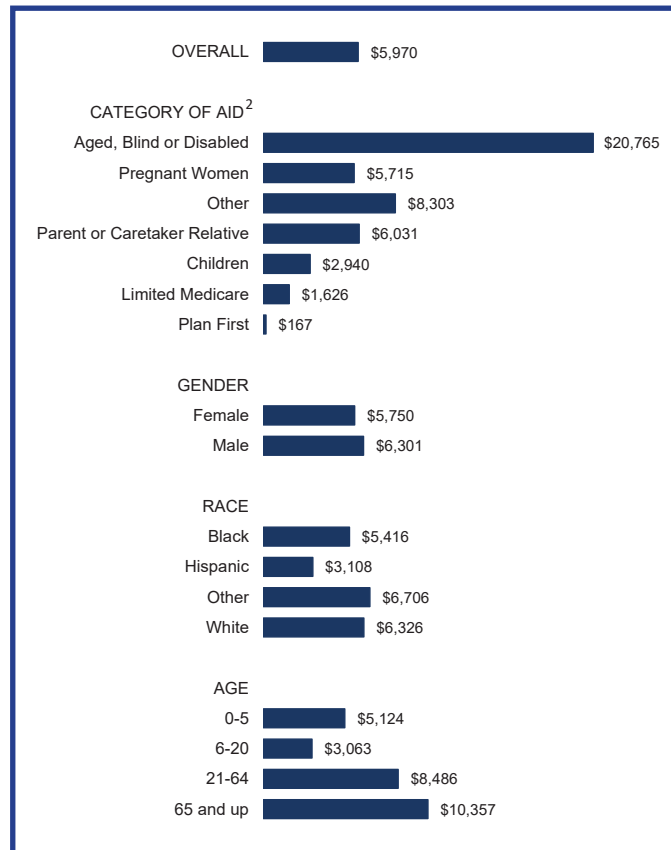
<sup>7</sup> Child/Children defined as those under age 21.

<sup>8</sup> The arithmetic average of the unduplicated number of individuals who qualified for full or partial Medicaid coverage in each month of the fiscal year.

<sup>9</sup> An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year.

Enrollment has been impacted by MOE during COVID-19 PHE.

## FY 2021 Annual Cost Per Monthly Average Eligible for Medical Care<sup>1</sup> by Category of Aid, Gender, Race, and Age



<sup>1</sup> The annual cost per monthly average eligible for medical care is calculated based on total expenditures of \$6,983,486,591 in FY 2021 divided by the annual average of monthly eligibles of 1,169,788. Total expenditures exclude Medicaid administrative expenses, school-based services administration, expenses of the Health Information Exchange, and Disproportionate Share Hospital (DSH) payments, and include encumbrances and payables at the end of the fiscal year.

<sup>2</sup> See page 18 for definitions of aid categories.  
Enrollment has been impacted by MOE during COVID-19 PHE.

## Definitions of Eligibles and Recipients

### Potential Eligibles

Potential Eligibles are individuals who potentially qualify for Medicaid but have not applied. It is typically an estimate based on census or other demographic data.

### Annual Eligibles

An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year.

### Annual Recipients

An unduplicated count of Medicaid eligibles who received at least one medical service that Medicaid paid for during the fiscal year. This count excludes Specified Low-Income Medicare Beneficiary (SLMB) and Qualifying Individual (1) (QI-1) recipients who only receive the benefit of having their Medicare Part B premiums paid, as well as those eligibles whose third-party payer covered their medical costs resulting in a zero payment by Medicaid.

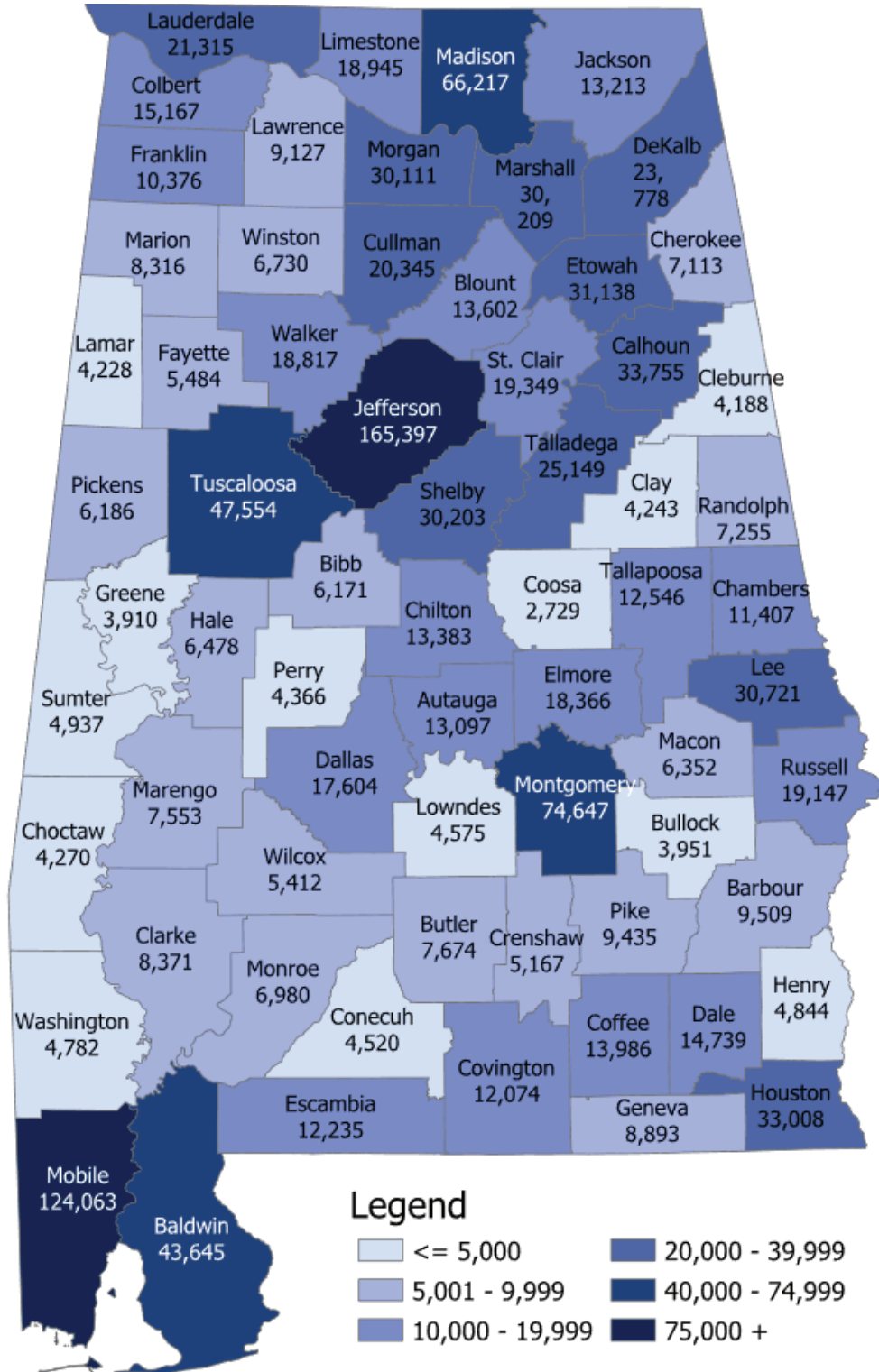
### Monthly Average Eligibles

The arithmetic average of the unduplicated number of individuals who qualified for full or partial Medicaid coverage in each month of the fiscal year.

### Monthly Average Recipients

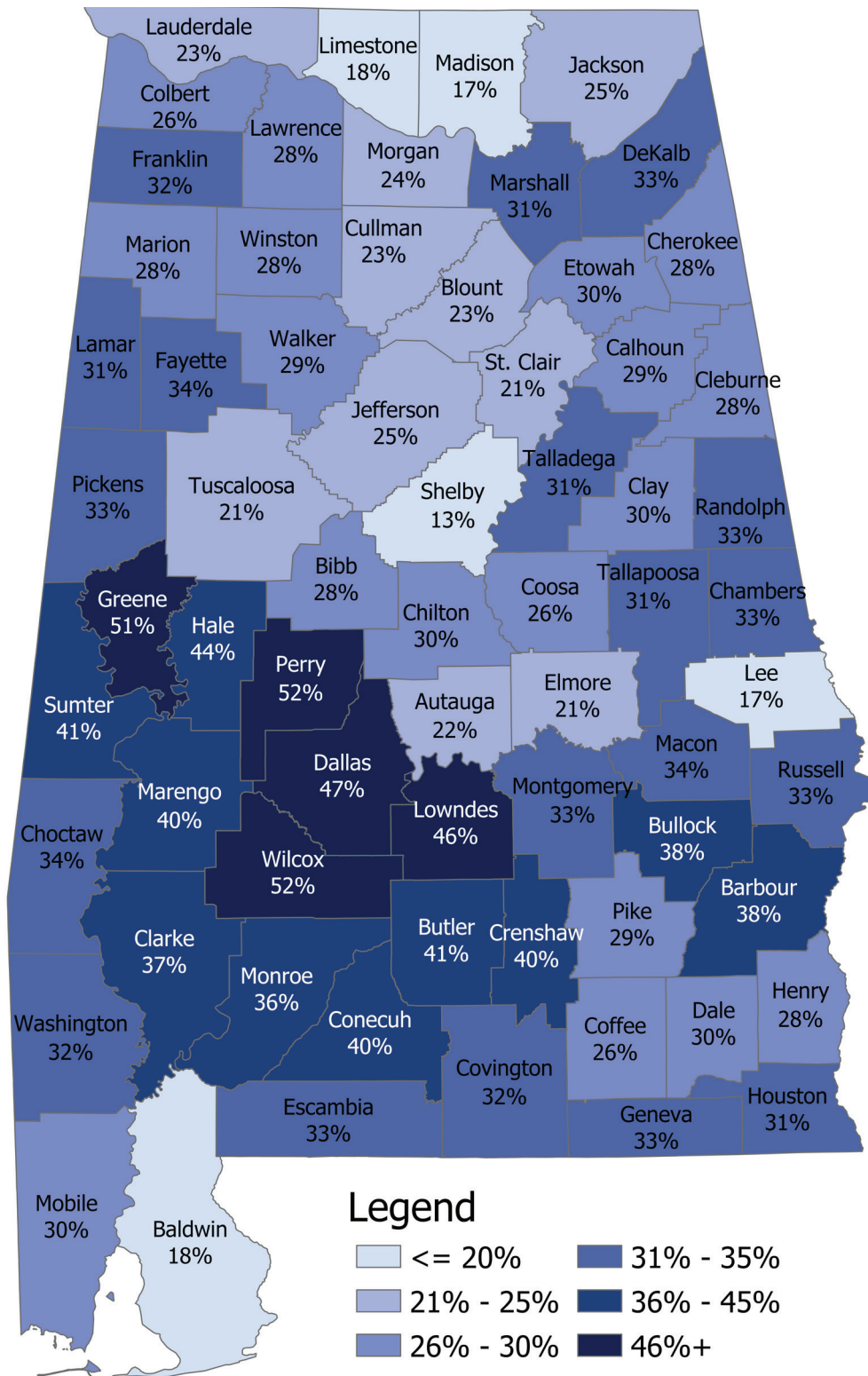
The arithmetic average of the unduplicated number of Medicaid eligibles in each month of the fiscal year who received at least one medical service that Medicaid paid for during the month. This excludes SLMB and QI-1 recipients who only receive the benefit of having their Medicare Part B premiums paid as well as those eligibles whose third-party payer covered their medical costs resulting in a zero payment by Medicaid.

# FY 2021 Medicaid Annual Eligibles<sup>1</sup> - County



<sup>1</sup> Annual Eligibles: An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year. Enrollment has been impacted by MOE during COVID-19 PHE.

## FY 2021 Percent of Population Annually Eligible<sup>1</sup> - County



<sup>1</sup> Annual Eligibles: An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year. Enrollment has been impacted by MOE during COVID-19 PHE.



## FY 2012-2021 Medicaid Eligibles as Percent of Population by Year

Year	State Population <sup>1</sup>	Annual Eligibles <sup>2</sup>	Annual Eligibles as % of Population	Monthly Average Eligibles <sup>3</sup>	Monthly Average Eligibles as % of Population
FY 2012	4,817,484	1,110,037	23.0%	939,576	19.5%
FY 2013	4,833,996	1,095,266	22.7%	947,594	19.6%
FY 2014	4,849,377	1,184,015	24.4%	1,012,125	20.9%
FY 2015	4,858,979	1,221,963	25.1%	1,050,117	21.6%
FY 2016	4,863,300	1,218,885	25.1%	1,043,551	21.5%
FY 2017	4,874,747	1,208,471	24.8%	1,021,690	21.0%
FY 2018	4,887,871	1,206,830	24.7%	1,020,972	20.9%
FY 2019	4,903,185	1,199,951	24.5%	1,034,562	21.1%
FY 2020	5,024,803	1,197,320	23.8%	1,069,624	21.3%
FY 2021	5,039,877	1,253,365	24.9%	1,169,788	23.2%

<sup>1</sup> Population figures are from the 2020 U.S. Census data by the Center for Business and Economic Research at the University of Alabama.

<sup>2</sup> An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year.

<sup>3</sup> The arithmetic average of the unduplicated number of individuals who qualified for full or partial Medicaid coverage in each month of the fiscal year. Enrollment has been impacted by MOE during COVID-19 PHE.

## FY 2012-2021 Monthly and Average Annual Medicaid Eligibles<sup>1</sup>

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
October	949,808	933,907	972,720	1,047,882	1,050,054	1,031,957	1,019,025	1,030,891	1,048,875	1,123,576
November	938,776	930,019	973,349	1,050,254	1,048,868	1,030,995	1,019,035	1,029,480	1,048,826	1,133,386
December	934,512	930,965	972,173	1,049,711	1,044,969	1,027,611	1,017,469	1,026,849	1,048,624	1,141,138
January	939,100	935,580	997,545	1,055,938	1,047,141	1,021,443	1,020,587	1,030,869	1,052,527	1,149,887
February	939,021	941,429	1,000,824	1,044,093	1,046,710	1,018,716	1,018,967	1,033,903	1,053,681	1,157,360
March	941,197	945,267	1,014,931	1,047,623	1,045,433	1,019,760	1,022,959	1,033,512	1,054,155	1,165,486
April	941,707	949,439	1,020,802	1,050,432	1,045,963	1,016,805	1,024,662	1,030,917	1,063,729	1,174,028
May	940,538	953,232	1,024,358	1,053,532	1,041,933	1,016,227	1,020,672	1,033,498	1,073,085	1,180,988
June	937,851	955,355	1,034,955	1,044,251	1,038,991	1,017,414	1,021,657	1,035,250	1,082,699	1,190,064
July	935,778	959,607	1,041,588	1,050,989	1,037,037	1,021,681	1,019,417	1,039,621	1,092,935	1,198,510
August	935,901	966,066	1,047,957	1,053,898	1,038,571	1,019,631	1,021,951	1,043,767	1,103,184	1,207,582
September	940,722	970,267	1,044,302	1,052,800	1,036,942	1,018,034	1,025,250	1,046,192	1,113,166	1,215,453
Annual Avg.	939,576	947,594	1,012,125	1,050,117	1,043,551	1,021,690	1,020,972	1,034,562	1,069,624	1,169,788

<sup>1</sup> An unduplicated number of individuals who qualified for full or partial Medicaid coverage in each month of the fiscal year. Annual average is the arithmetic average of the 12 months.

Enrollment has been impacted by MOE during COVID-19 PHE.

## FY 2021 Medicaid Annual Eligibles by Category of Aid<sup>1</sup> and County

County	ABD*	Children	Limited Medicare	Other	POCR**	Plan First	Pregnant Women	GRAND TOTAL <sup>2</sup>
Autauga	2,142	6,841	1,479	215	1,438	736	407	13,097
Baldwin	4,904	24,361	4,930	1,569	4,601	2,735	1,119	43,645
Barbour	1,883	4,565	1,309	260	707	668	263	9,509
Bibb	1,175	3,067	772	135	624	344	125	6,171
Blount	2,099	7,363	1,712	385	1,131	706	371	13,602
Bullock	756	1,947	509	97	373	261	73	3,951
Butler	1,395	3,718	964	107	823	603	208	7,674
Calhoun	5,648	17,151	4,057	692	3,673	2,102	908	33,755
Chambers	2,019	5,601	1,602	232	1,065	758	277	11,407
Cherokee	1,294	3,393	1,163	101	744	333	160	7,113
Chilton	1,986	7,378	1,465	445	1,328	636	314	13,383
Choctaw	983	1,852	634	61	460	267	77	4,270
Clarke	1,653	3,835	1,079	118	954	656	197	8,371
Clay	731	2,070	647	63	439	232	129	4,243
Cleburne	721	2,200	528	61	407	214	118	4,188
Coffee	2,154	7,520	1,376	441	1,542	779	353	13,986
Colbert	2,617	7,437	2,031	260	1,448	1,171	436	15,167
Conecuh	940	2,047	669	81	449	291	100	4,520
Coosa	568	1,176	548	18	243	136	67	2,729
Covington	2,087	6,058	1,623	156	1,278	750	330	12,074
Crenshaw	865	2,522	719	76	591	336	112	5,167
Cullman	3,720	10,480	2,919	446	1,437	1,020	613	20,345
Dale	2,734	7,239	1,646	251	1,623	1,049	455	14,739
Dallas	4,341	7,642	2,425	213	1,680	1,227	321	17,604
DeKalb	3,106	13,589	2,714	1,202	1,956	895	567	23,778
Elmore	2,940	9,696	2,055	345	1,950	1,122	500	18,366
Escambia	1,834	6,487	1,430	186	1,336	836	317	12,235
Etowah	5,670	15,569	4,161	779	2,979	1,627	781	31,138
Fayette	1,171	2,655	692	68	533	280	146	5,484
Franklin	1,414	5,867	1,119	600	751	497	225	10,376
Geneva	1,666	4,322	1,266	154	897	501	200	8,893
Greene	892	1,650	517	303	345	205	67	3,910
Hale	1,307	2,974	856	233	685	390	152	6,478
Henry	891	2,282	781	64	465	324	112	4,844
Houston	5,797	17,048	3,786	532	3,386	1,995	982	33,008
Jackson	2,136	6,611	1,912	455	1,292	710	290	13,213
Jefferson	28,865	86,239	18,303	4,959	14,915	10,568	3,733	165,397
Lamar	805	2,039	620	61	432	237	92	4,228
Lauderdale	3,550	10,470	2,971	440	1,862	1,707	614	21,315
Lawrence	1,695	4,602	1,145	193	875	507	230	9,127
Lee	4,235	17,152	2,820	1,006	2,964	2,099	808	30,721
Limestone	2,816	10,407	2,021	788	1,709	978	432	18,945
Lowndes	1,061	1,951	751	50	464	286	71	4,575
Macon	1,386	2,940	843	86	628	427	136	6,352
Madison	9,325	37,321	6,046	1,905	6,623	4,059	1,841	66,217
Marengo	1,896	3,270	966	137	747	509	161	7,553
Marion	1,499	4,061	1,192	140	879	452	178	8,316
Marshall	3,837	17,763	2,918	1,967	2,302	1,024	699	30,203
Mobile	19,344	65,334	13,259	2,549	12,843	9,480	3,261	124,063
Monroe	1,419	3,350	877	120	701	482	166	6,980
Montgomery	12,331	39,015	7,061	2,587	8,001	4,883	2,001	74,647
Morgan	4,857	16,738	2,904	1,293	2,303	1,593	801	30,111
Perry	1,219	1,727	668	76	391	269	72	4,366
Pickens	1,393	2,843	796	136	542	456	113	6,186
Pike	1,860	4,513	1,119	145	922	741	269	9,435
Randolph	1,178	3,798	930	113	741	428	167	7,255
Russell	2,867	10,403	2,033	289	2,089	1,268	444	19,147
St. Clair	3,623	17,907	2,452	1,370	3,032	1,409	680	30,209
Shelby	2,841	10,406	2,302	295	2,238	1,012	502	19,349
Sumter	1,262	1,984	578	347	422	341	94	4,937
Talladega	4,879	12,135	3,614	337	2,512	1,302	680	25,149
Tallapoosa	2,434	6,059	1,864	164	1,175	709	283	12,546
Tuscaloosa	8,333	25,172	4,368	1,556	4,203	3,172	1,493	47,554
Walker	3,978	8,882	2,745	486	1,420	1,075	491	18,817
Washington	912	2,328	602	61	548	289	109	4,782
Wilcox	1,504	2,195	697	72	558	394	64	5,412
Winston	1,264	3,261	1,096	133	621	270	155	6,730
DYS		280		20			1	301
<b>STATEWIDE<sup>2</sup></b>	<b>204,747</b>	<b>654,448</b>	<b>146,965</b>	<b>34,615</b>	<b>121,297</b>	<b>78,571</b>	<b>31,409</b>	<b>1,253,365</b>

<sup>1</sup> Annual Eligibles: An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year. See definitions of aid categories descriptions on page 19. <sup>2</sup> Rows/columns do not equal the overall unduplicated count of eligibles because some individuals lived in multiple counties during the year and some qualified for Medicaid benefits under different aid categories.

Enrollment has been impacted by MOE during COVID-19 PHE.

\* ABD is Aged, Blind and Disabled \*\* POCR is Parent or Caretaker Relative

## Aid Categories Explained

**Aged, Blind, or Disabled (ABD)** – Individuals who are eligible for Medicaid services because they are 65 years of age or older, blind or disabled. This includes individuals eligible or deemed eligible for SSI through the Social Security Administration, and other aged, blind or disabled individuals who meet Medicaid income, resource and medical level of care criteria, and who receive services in a certified Long Term Care facility or Medicaid waiver services in the community.

**Children** – Includes foster children, newborns of Medicaid-eligible mothers and all children under age 19 whose family income is at or below 146 percent of the federal poverty level<sup>1</sup> (FPL).

**Parents and Other Caretaker Relatives (POCR)** – Individuals with family income at or below 18 percent FPL<sup>1</sup>, who are parents or close relatives of a dependent child under age 19 who live with and assume responsibility for the child's care.

**Pregnant Women** – Pregnant women who are only eligible for Medicaid during pregnancy and 60 days postpartum, with family income at or below 146 percent FPL<sup>1</sup>.

**Plan First** – A limited Medicaid program that only provides family planning services to women 19 through 55 and vasectomies to men aged 21 and up with income at or below 146 percent FPL<sup>1</sup>, who would not, otherwise, qualify for Medicaid.

**Limited Medicare Programs** – These are programs for low-income Medicare beneficiaries who receive no Medicaid services but are eligible for Medicaid to help pay some of their Medicare cost-sharing expenses. Programs include:

**Qualified Medicare Beneficiary (QMB)** – People with income at 100 percent FPL. Medicaid pays Medicare coinsurance, deductibles and Medicare Part B premiums. Part A premiums may be paid in special circumstances.

**Specified Low-Income Medicare Beneficiary (SLMB)** – People with income from 101 percent FPL to 120 percent FPL. Medicaid only pays Medicare Part B premium.

**Qualifying Individuals (1) (QI-1s)** – People with income at 121 percent FPL to 135 percent FPL. Medicaid only pays Medicare Part B premium. This program is 100 percent federally funded as long as federal funds are available.

**Qualified Disabled and Working Individuals (QDWI)** – People with income at 200 percent FPL. Medicaid only pays Part A premium for individuals in this group.

**Other** – Individuals who are eligible for smaller eligibility groups such as:

- Former Foster Care – Individuals who aged out of foster care in Alabama who are under age 26;
- Women under 65 who have been screened and diagnosed eligible for the Breast and Cervical Cancer Program;
- Non-Citizens who meet income and other requirements for Medicaid but are eligible only for emergency services.

<sup>1</sup> The 18 percent FPL for Children, Parents and Other Caretaker Relatives (POCR), Pregnant Women, and Plan First includes the 5% FPL disregard.

## FY 2021 County Impact Average Annual Benefit Payments<sup>1</sup> Per Monthly Average Eligibles<sup>2</sup> by County

County	Benefit Payments	Monthly Avg. Eligibles	Avg. Payment Per Eligible	County	Benefit Payments	Monthly Avg. Eligibles	Avg. Payment Per Eligible
Autauga	\$70,117,047	11,534	\$6,079	Houston	\$158,443,664	29,681	\$5,338
Baldwin	\$186,608,997	39,186	\$4,762	Jackson	\$73,386,981	11,685	\$6,280
Barbour	\$46,706,175	8,682	\$5,380	Jefferson	\$1,085,962,673	151,994	\$7,145
Bibb	\$33,285,188	5,492	\$6,061	Lamar	\$22,148,306	3,829	\$5,784
Blount	\$74,323,898	12,070	\$6,158	Lauderdale	\$113,380,905	19,166	\$5,916
Bullock	\$24,980,728	3,608	\$6,924	Lawrence	\$46,578,558	8,136	\$5,725
Butler	\$43,115,783	6,999	\$6,160	Lee	\$122,918,679	27,536	\$4,464
Calhoun	\$194,401,142	30,598	\$6,353	Limestone	\$80,499,271	16,736	\$4,810
Chambers	\$56,969,418	10,286	\$5,539	Lowndes	\$26,836,539	4,081	\$6,576
Cherokee	\$39,699,466	6,356	\$6,246	Macon	\$30,655,785	5,673	\$5,404
Chilton	\$68,391,060	12,125	\$5,640	Madison	\$324,808,584	59,559	\$5,454
Choctaw	\$20,292,607	3,906	\$5,195	Marengo	\$46,531,574	6,818	\$6,825
Clarke	\$45,957,075	7,688	\$5,978	Marion	\$41,937,726	7,349	\$5,707
Clay	\$24,919,027	3,777	\$6,598	Marshall	\$148,664,532	27,133	\$5,479
Cleburne	\$21,197,010	3,690	\$5,744	Mobile	\$690,124,880	115,109	\$5,995
Coffee	\$62,849,115	12,381	\$5,076	Monroe	\$35,547,213	6,315	\$5,629
Colbert	\$76,155,311	13,601	\$5,599	Montgomery	\$378,645,563	68,349	\$5,540
Conecuh	\$23,217,873	4,111	\$5,648	Morgan	\$171,419,837	26,899	\$6,373
Coosa	\$13,301,684	2,349	\$5,663	Perry	\$26,236,995	3,979	\$6,594
Covington	\$65,524,130	10,977	\$5,969	Pickens	\$33,499,248	5,664	\$5,914
Crenshaw	\$26,571,906	4,595	\$5,783	Pike	\$51,181,201	8,471	\$6,042
Cullman	\$115,674,022	18,083	\$6,397	Randolph	\$37,638,575	6,521	\$5,772
Dale	\$79,798,779	12,905	\$6,184	Russell	\$63,315,514	17,042	\$3,715
Dallas	\$96,809,132	16,381	\$5,910	St. Clair	\$105,055,420	17,164	\$6,121
DeKalb	\$116,332,832	21,400	\$5,436	Shelby	\$144,664,589	26,573	\$5,444
Elmore	\$104,053,945	16,158	\$6,440	Sumter	\$24,313,673	4,350	\$5,589
Escambia	\$54,403,507	11,168	\$4,871	Talladega	\$151,260,024	22,573	\$6,701
Etowah	\$186,192,610	28,113	\$6,623	Tallapoosa	\$79,298,120	11,361	\$6,980
Fayette	\$41,032,562	4,855	\$8,452	Tuscaloosa	\$265,998,903	43,101	\$6,172
Franklin	\$55,635,370	9,378	\$5,933	Walker	\$127,376,649	16,928	\$7,525
Geneva	\$42,373,409	7,949	\$5,331	Washington	\$25,616,619	4,260	\$6,013
Greene	\$20,036,330	3,431	\$5,840	Wilcox	\$24,733,504	5,059	\$4,889
Hale	\$31,168,611	5,771	\$5,401	Winston	\$40,130,876	5,973	\$6,719
Henry	\$20,998,863	4,267	\$4,921	Youth Services	\$1,580,799	176	\$8,982
				Statewide	\$6,983,486,591	\$1,169,788	\$5,970

<sup>1</sup> Benefit payments for medical care in FY 2021 exclude administrative expenses of the Medicaid Agency, expenses of the Health Information Exchange (HIE) and Disproportionate Share Hospital (DSH) payments. <sup>2</sup> The annual average of monthly eligibles. Enrollment has been impacted by MOE during COVID-19 PHE.

## FY 2021 County Impact Annual Benefit Payments<sup>1</sup> Per Provider Type<sup>3</sup> by County (\$ amounts in thousands)

County	Hospital Services	NH/LTC/Hospice	Pharmacy	Physicians/NPs/PAs	Mental Health	Other <sup>2</sup>	Grand Total
Autauga	\$8,886	\$5,661	\$6,146	\$3,788	\$11,269	\$3,881	\$39,632
Baldwin	\$38,085	\$24,067	\$25,204	\$18,679	\$12,746	\$15,142	\$133,923
Barbour	\$2,509	\$10,905	\$3,154	\$1,577	\$0	\$2,199	\$20,345
Bibb	\$1,793	\$4,932	\$2,501	\$67	\$0	\$7,965	\$17,258
Blount	\$6,255	\$7,606	\$4,250	\$1,356	\$283	\$3,491	\$23,239
Bullock	\$4,825	\$6,565	\$2,844	\$732	\$0	\$1,489	\$16,454
Butler	\$2,420	\$11,771	\$4,068	\$1,087	\$0	\$3,323	\$22,669
Calhoun	\$43,059	\$29,239	\$20,551	\$21,467	\$7,471	\$10,536	\$132,322
Chambers	\$670	\$15,670	\$3,789	\$1,345	\$2,221	\$1,118	\$24,813
Cherokee	\$3,910	\$8,498	\$3,801	\$1,541	\$0	\$2,125	\$19,875
Chilton	\$9,189	\$8,123	\$4,902	\$1,755	\$211	\$3,937	\$28,116
Choctaw	\$4,257	\$4,243	\$1,802	\$255	\$0	\$1,099	\$11,656
Clarke	\$5,880	\$8,977	\$5,360	\$1,216	\$2,376	\$3,853	\$27,662
Clay	\$2,543	\$7,689	\$1,569	\$657	\$0	\$418	\$12,875
Cleburne	\$0	\$3,379	\$1,452	\$216	\$0	\$474	\$5,521
Coffee	\$14,720	\$16,061	\$7,040	\$7,122	\$0	\$14,723	\$59,665
Colbert	\$22,447	\$12,190	\$9,942	\$9,004	\$4,242	\$6,448	\$64,273
Conecuh	\$2,918	\$3,966	\$1,498	\$822	\$0	\$915	\$10,118
Coosa	\$0	\$3,062	\$288	\$278	\$0	\$410	\$4,038
Covington	\$10,943	\$17,886	\$7,059	\$4,506	\$4,066	\$3,156	\$47,616
Crenshaw	\$7,541	\$7,245	\$1,774	\$303	\$0	\$692	\$17,555
Cullman	\$17,932	\$25,033	\$10,957	\$15,687	\$2,661	\$6,003	\$78,273
Dale	\$7,177	\$14,021	\$5,859	\$2,907	\$635	\$2,496	\$33,095
Dallas	\$19,272	\$16,971	\$7,350	\$7,949	\$4,737	\$7,080	\$63,359
DeKalb	\$9,321	\$20,320	\$11,440	\$5,332	\$1,980	\$10,879	\$59,273
Elmore	\$4,862	\$15,807	\$8,367	\$1,900	\$17,565	\$3,485	\$51,985
Escambia	\$9,516	\$12,309	\$5,477	\$2,018	\$2	\$2,799	\$32,122
Etowah	\$68,200	\$36,625	\$14,247	\$14,214	\$44,380	\$16,779	\$194,444
Fayette	\$3,662	\$5,790	\$1,923	\$798	\$4,911	\$502	\$17,586
Franklin	\$8,015	\$12,567	\$4,408	\$2,182	\$0	\$1,625	\$28,797
Geneva	\$3,082	\$8,773	\$3,115	\$652	\$0	\$877	\$16,499
Greene	\$2,248	\$3,485	\$560	\$147	\$0	\$658	\$7,099
Hale	\$1,865	\$7,009	\$1,753	\$167	\$0	\$1,285	\$12,079
Henry	\$0	\$4,913	\$1,307	\$147	\$0	\$1,379	\$7,746
Houston	\$91,458	\$24,574	\$40,390	\$33,883	\$9,455	\$13,229	\$212,988
Jackson	\$9,507	\$14,907	\$6,042	\$5,147	\$1,035	\$6,177	\$42,815
Jefferson	\$1,244,396	\$162,772	\$190,615	\$239,180	\$81,765	\$82,138	\$2,000,855
Lamar	\$0	\$5,481	\$2,326	\$255	\$0	\$1,940	\$10,002
Lauderdale	\$21,435	\$23,028	\$10,981	\$12,263	\$9,405	\$12,224	\$89,337
Lawrence	\$6,264	\$5,134	\$3,846	\$187	\$0	\$2,817	\$18,248
Lee	\$49,582	\$10,137	\$15,019	\$16,396	\$14,999	\$17,530	\$123,661
Limestone	\$13,363	\$10,768	\$6,813	\$3,829	\$880	\$6,716	\$42,371
Lowndes	\$0	\$4,321	\$380	\$3	\$0	\$345	\$5,048
Macon	\$1,132	\$5,474	\$1,072	\$427	\$374	\$1,859	\$10,337
Madison	\$200,627	\$46,214	\$42,824	\$56,286	\$39,102	\$25,721	\$410,774
Marengo	\$8,019	\$8,932	\$3,055	\$1,890	\$2,246	\$2,673	\$26,815
Marion	\$7,510	\$12,285	\$4,151	\$2,551	\$272	\$3,337	\$30,105
Marshall	\$26,235	\$25,633	\$15,645	\$11,795	\$7,926	\$11,644	\$98,879
Mobile	\$344,251	\$86,809	\$82,580	\$89,014	\$99,571	\$49,895	\$752,119
Monroe	\$5,273	\$9,117	\$3,206	\$1,005	\$2,342	\$2,394	\$23,337
Montgomery	\$190,952	\$58,521	\$40,277	\$132,662	\$30,379	\$66,414	\$519,205
Morgan	\$26,474	\$26,476	\$16,071	\$16,394	\$39,468	\$11,756	\$136,639
Perry	\$0	\$8,503	\$1,187	\$0	\$0	\$929	\$10,620
Pickens	\$0	\$8,891	\$2,442	\$772	\$232	\$950	\$13,286
Pike	\$4,652	\$9,367	\$5,638	\$2,927	\$4,392	\$3,608	\$30,585
Randolph	\$1,780	\$8,921	\$2,511	\$855	\$110	\$2,394	\$16,571
Russell	\$1,811	\$14,732	\$5,160	\$3,445	\$8	\$2,393	\$27,549
Shelby	\$26,024	\$18,899	\$76,580	\$12,885	\$4,148	\$13,459	\$151,995
St. Clair	\$6,041	\$15,609	\$11,749	\$4,053	\$1,337	\$4,670	\$43,459
Sumter	\$3,576	\$6,221	\$633	\$215	\$0	\$777	\$11,421
Talladega	\$20,022	\$26,236	\$12,764	\$5,205	\$2,925	\$10,036	\$77,188
Tallapoosa	\$13,113	\$21,530	\$7,164	\$3,681	\$0	\$3,570	\$49,060
Tuscaloosa	\$108,823	\$38,988	\$23,823	\$23,839	\$24,215	\$15,885	\$235,573
Walker	\$19,425	\$22,470	\$15,125	\$9,585	\$19,152	\$9,942	\$95,699
Washington	\$2,151	\$5,021	\$1,046	\$115	\$1,055	\$2,032	\$11,421
Wilcox	\$1,253	\$4,452	\$1,425	\$123	\$0	\$795	\$8,048
Winston	\$3,642	\$8,074	\$3,718	\$1,275	\$0	\$2,675	\$19,384
<b>STATEWIDE TOTAL</b>	<b>\$2,806,792</b>	<b>\$1,159,854</b>	<b>\$852,016</b>	<b>\$824,014</b>	<b>\$518,548</b>	<b>\$536,154</b>	<b>\$6,697,379</b>
<b>OUT-OF-STATE TOTAL</b>	<b>\$28,248</b>	<b>\$1</b>	<b>\$72,645</b>	<b>\$29,539</b>	<b>\$0</b>	<b>\$44,492</b>	<b>\$174,926</b>
<b>GRAND TOTAL</b>	<b>\$2,835,041</b>	<b>\$1,159,856</b>	<b>\$924,661</b>	<b>\$853,553</b>	<b>\$518,548</b>	<b>\$580,647</b>	<b>\$6,872,305</b>

<sup>1</sup> Benefit payments for medical care in FY 2021 exclude \$518.7M in Medicare Premiums and \$1.3M in administrative and some non-claims related expenses.

<sup>2</sup> Other provider types include ADPH, Dentists and Oral Surgeons, Durable Medical Equipment (DME) providers, End Stage Renal Dialysis (ESRD) clinics, FQHCs and RHCs, and other Health support services.

<sup>3</sup> The totals shown by provider type will not align to the Executive Budget Office amounts by program due to the method in which the providers were grouped.

# Programs and Services

Alabama Medicaid provided \$6.98 billion in medical benefits to more than one million enrollees in FY 2021. Recipients had at least one medical service, ranging from hospital care and doctor visits, to medications, transportation, or medical equipment. Medicaid also provided an additional \$409 million for hospital services for the indigent/uninsured in the form of Disproportionate Share Hospital (DSH) payments.

## Hospitals

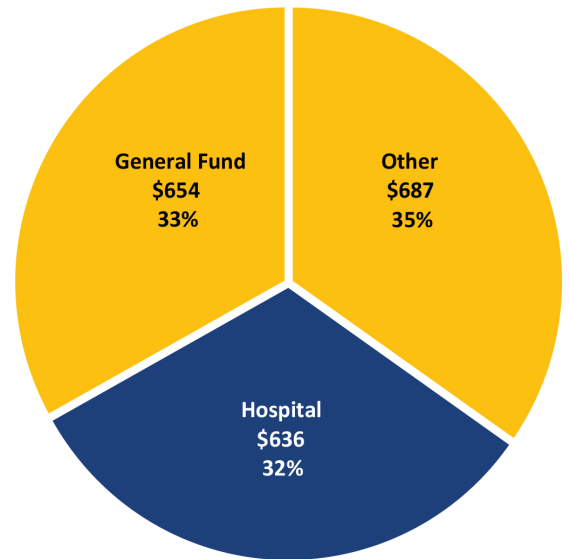
Almost 100 hospitals are enrolled to serve Medicaid recipients. Most hospitals have an average Medicaid occupancy rate of 14-18 percent. However, two hospitals (Children’s Hospital of Alabama and Women’s and Children’s Hospital in Mobile) have substantially higher Medicaid occupancy rates.

Hospital funding sources – including provider taxes and Intergovernmental Transfers (IGT) – contributed \$636 million, or 32 percent, to the Agency’s state share used to match federal dollars.



The Medicaid program reimbursed hospitals a total of \$2.7 billion (including DSH payments) in FY 2021. Other costs in the hospital budget line include inpatient psychiatric services, ambulatory surgical centers, transplants, federally qualified health centers, renal dialysis, and others.

## FY 2021 Hospital Contribution to State Share (in Millions)\*



\* Total State Share based on Total State Funds Used is approximately \$1.977 billion.

## Pharmacy

The wide variety of drugs available today substantially impacts the Medicaid Pharmacy Program since federal regulations require that most drugs be covered. Children under age 21 receive pharmacy as a mandated service while pharmacy coverage for adults is optional.

In FY 2021, approximately 492,000 unique recipients received approximately 6.2 million prescriptions at a total cost of \$851 million.

Management tools, such as the preferred drug program monthly prescription limits for adults, maximum unit limits, and system edits, are used to limit the cost of the program.

A major component of the pharmacy budget is the Part D “clawback” which is a federally required payment made by the state to the federal government for Medicare Part D. Alabama paid approximately \$59.7 million in FY 2021.

Funding sources for the pharmacy program include the Agency’s federal and state drug rebate program which reduces the Agency’s General Fund need. The state share portion of drug rebates, paid by drug manufacturers, totaled approximately \$102 million in 2021.

During the PHE, a universal prior authorization (PA) number for pharmacies was introduced to allow additional flexibilities during the PHE.

During this time, the cumulative daily morphine milligram equivalent (MME) edit decrease was also postponed. Additionally, changes to the preferred drug list (PDL) were made to accommodate for clinical issues related to COVID, and COVID vaccinations and OTC tests were covered under pharmacy.

Additionally, changes to the preferred drug list (PDL) and early refills for maintenance medications were announced. Further pharmacy changes included temporary exceptions for prior authorization (PA) renewal requests for lab values or urine drug screens that required an in-person visit with a lab or provider.

## Physicians

Physician services mandated by the federal government are available to Medicaid recipients. In FY 2021, over 669,315 unique recipients received physician program services at a total cost of \$470 million.



Through the Medicaid Physician’s Primary Care Enhanced Rates “Bump” Program, Medicaid has been able to reimburse primary care providers with a payment “bump” initiated in 2013. Physicians associated with teaching facilities and ACHNs may receive enhanced fees.

## Mental Health & Waivers

Mental health services, provided through the Alabama Department of Mental Health (ADMH), include mental health rehabilitation services, substance use disorder treatment, targeted case management, intermediate care facilities for the intellectually disabled, and three Home and Community-Based Services (HCBS) Waivers that allow intellectually disabled individuals to live at home.

Together, they accounted for approximately \$513 million of expenditures; approximately 76 percent of these costs are associated with the three waivers.

ADMH allocates state matching funds for the mental health services supplied in partnership with Medicaid.

## Long Term Care

Nursing home care is among the original services offered to Medicaid recipients and currently represents a significant percentage of Medicaid expenditures. Approximately 219 Alabama nursing facilities with 26,623 beds accepted Medicaid reimbursement in FY 2021 while Medicaid patient days accounted for 51 percent of total bed days. A total of 21,480 recipients received nursing home care at a cost of \$995 million.



Nursing homes pay an assessment per bed that provided \$119 million toward the state share of this cost. Nursing homes are paid on a per diem basis with part of the payment potentially coming from the recipient. The rate paid is based on the allowable costs of nursing homes reported annually to the Agency (set by Alabama statute).

Seven HCBS waivers make it possible for approximately 9,351 qualified Medicaid recipients to live in the community instead of institutions. In addition to the independence and quality of life these waivers offer, the average annual cost of a waiver recipient that meets the nursing facility level of care was \$14,078 versus the average annual cost of nursing home care of \$73,341 in FY 2021. The Agency spent approximately \$132 million on HCBS waiver services with the state share primarily funded by other state agencies.

## Other Medical Services

Health Support services and Alternative Care services represent a significant number of services provided each year.

Major Health Support services include dental, EPSDT (child health), independent lab and x-ray, eye care, ambulance, state laboratory, and hearing services, all of which are separate from the Physician Program. In FY 2021, these services represented \$312 million in expenditures for the Agency.

Unlike other budget categories, most are funded by General Fund dollars except for approximately \$38 million allocated through tobacco settlement funds.

Alternative Care budget items include maternity care, rehabilitative services, hospice care, hospice room and board, durable medical equipment, home health, targeted case management, and prosthetic devices. FY 2021 expenditures for these services were approximately \$333 million.

Family Planning services are provided to two major groups of Medicaid recipients: those with full benefits and those who qualify for Plan First, an optional waiver program which only provides family planning services. Family Planning services receive a 90 percent federal match and include birth control services and supplies. ADPH pays the majority of the state share for the Plan First waiver participants. In FY 2021, there were expenditures of \$34 million for family planning services.





## Managed Care Programs

In FY 2021, approximately 1,013,229 Medicaid recipients were enrolled in some type of managed care.

Managed Care focuses management of resources and utilization to help recipients achieve improved health outcomes. With the goal of providing quality medical care in a cost-effective manner, healthcare organizations and providers work together on behalf of Medicaid recipients.

Medicaid offered three Managed Care programs in FY 2021: Alabama Coordinated Health Care Network, Integrated Care Network, and Program of All-Inclusive Care for the Elderly.



### Alabama Coordinated Health Network

Implemented in October 2019, the Alabama Coordinated Health Network (ACHN) transformed health care provided to Medicaid recipients in Alabama through a more flexible and cost-efficient delivery system.

This effort was built from Medicaid's former case management program structure. Medicaid designed the ACHN to create a single care coordination delivery system that effectively links patients, providers and community resources in each of seven defined regions.

The ACHNs provide care coordination for three targeted populations: maternity, family planning, and the general population. They assist recipients with locating a provider, appointments, transportation, referrals, and answering questions.

## Integrated Care Network

The Integrated Care Network (ICN) program promotes a person-centered approach to care delivery that better integrates the medical and Long-Term Services and Supports (LTSS) needs of beneficiaries and allows them to receive LTSS in the least restrictive setting of their choice.

The ICN program aims to achieve the following goals through a Primary Care Case Management Model:

- Improve education and outreach about the LTSS for Medicaid recipients.
- Identify individuals who could benefit from community options and alternatives to institutional stays.
- Provide more comprehensive case management that better integrates the full range of medical and social services.
- Make an incremental change to the state's LTSS system to prepare for future increased demand.
- Drive a percentage shift of the LTSS population residing in the HCBS setting.

### Program of All-Inclusive Care for the Elderly

The Program of All-Inclusive Care for the Elderly (PACE) continues to provide community-based care and services to elderly and disabled adults in Mobile and Baldwin counties who would otherwise need nursing home care.

During FY 2021, the PACE program offered 207 recipients comprehensive medical and social services in an adult day health center, supplementing with in-home and referral services as needed.

Financing for the program is capped allowing providers to deliver all services participants need rather than limit them to those reimbursable under Medicare and Medicaid fee-for-service plans.

Most PACE participants are dually eligible for Medicare and Medicaid benefits and once enrolled, the recipient receives all health services through the PACE program.

## FY 2019-2021 Inpatient Hospital Program<sup>1</sup> Recipients and Amounts Paid<sup>2</sup> Based on Date of Service

Recipients <sup>1</sup>				Amounts Paid <sup>2</sup>			Annual Average Cost Per Recipient		
	FY 2019	FY 2020	FY 2021	FY 2019	FY 2020	FY 2021	FY 2019	FY 2020	FY 2021
<b>By Gender</b>									
Female	74,633	69,303	67,217	\$821,069,173	\$889,053,074	\$1,079,302,434	\$11,001	\$12,828	\$16,057
Male	33,056	29,676	28,683	\$672,740,620	\$725,650,734	\$849,275,415	\$20,352	\$24,453	\$29,609
<b>Total</b>	<b>107,689</b>	<b>98,979</b>	<b>95,900</b>	<b>\$1,493,809,793</b>	<b>\$1,614,703,807</b>	<b>\$1,928,577,849</b>	<b>\$13,872</b>	<b>\$16,314</b>	<b>\$20,110</b>
<b>By Race</b>									
Black	41,052	37,992	35,770	\$568,439,012	\$567,605,453	\$756,411,591	\$13,847	\$14,968	\$21,147
Hispanic	3,973	4,110	4,365	\$43,973,624	\$53,050,466	\$63,797,744	\$11,068	\$12,908	\$14,616
White	46,909	41,619	39,364	\$529,642,875	\$549,569,339	\$679,386,273	\$11,291	\$13,205	\$17,259
Other Race	3,769	3,427	3,783	\$42,932,905	\$45,538,866	\$74,369,307	\$11,391	\$13,288	\$19,659
Unknown <sup>3</sup>	11,986	11,901	12,618	\$308,821,377	\$398,939,682	\$354,612,933	\$25,765	\$33,522	\$28,104
<b>Total</b>	<b>107,689</b>	<b>98,979</b>	<b>95,900</b>	<b>\$1,493,809,793</b>	<b>\$1,614,703,807</b>	<b>\$1,928,577,849</b>	<b>\$13,872</b>	<b>\$16,314</b>	<b>\$20,110</b>
<b>By Age</b>									
0-5	15,418	14,174	13,653	\$411,258,011	\$462,329,274	\$534,050,586	\$26,674	\$32,618	\$39,116
6-20	16,446	15,009	15,420	\$277,030,881	\$306,282,988	\$355,975,052	\$16,845	\$20,407	\$23,085
21-64	62,298	57,854	56,334	\$740,008,908	\$777,768,021	\$962,850,175	\$11,879	\$13,444	\$17,092
65+	13,527	11,942	10,493	\$65,511,993	\$68,323,524	\$75,702,035	\$4,843	\$5,721	\$7,215
<b>Total</b>	<b>107,689</b>	<b>98,979</b>	<b>95,900</b>	<b>\$1,493,809,793</b>	<b>\$1,614,703,807</b>	<b>\$1,928,577,849</b>	<b>\$13,872</b>	<b>\$16,314</b>	<b>\$20,110</b>
<b>By Dual Status</b>									
Non-Dual	84,720	80,010	80,206	\$1,402,625,334	\$1,539,529,744	\$1,868,245,514	\$16,556	\$19,242	\$23,293
Dual <sup>4</sup>	22,969	19,151	15,694	\$91,184,459	\$75,174,064	\$60,332,335	\$3,970	\$3,925	\$3,844
<b>Total</b>	<b>107,689</b>	<b>98,979</b>	<b>95,900</b>	<b>\$1,493,809,793</b>	<b>\$1,614,703,807</b>	<b>\$1,928,577,849</b>	<b>\$13,872</b>	<b>\$16,314</b>	<b>\$20,110</b>
<b>Total Paid Based on Date of Service</b>				<b>\$1,493,809,793</b>	<b>\$1,614,703,807</b>	<b>\$1,928,577,849</b>			
<b>Average Eligibles (excluding Plan First)</b>				<b>1,128,298</b>	<b>1,124,657</b>	<b>1,183,598</b>			
<b>Annual Cost Per Average Eligible</b>				<b>\$1,324</b>	<b>\$1,436</b>	<b>\$1,629</b>			
<b>Actual Paid During Fiscal Year</b>				<b>\$1,512,683,275</b>	<b>\$1,634,919,295</b>	<b>\$1,929,402,115</b>			

<sup>1</sup> The numbers shown are based on the date of service of claims as of a point in time and will change slightly going forward as existing claims are adjusted and new claims are received. Prior years are shown as originally reported. Includes standard Inpatient, Family Planning Inpatient, Inpatient Psychiatric Hospitals, and Inpatient Access.

<sup>2</sup> Includes the allocation of access payments to inpatient claims.

<sup>3</sup> Includes a high percentage of disabled newborns certified by SSI which accounts for the disproportionately high average annual cost per recipient.

<sup>4</sup> The Medicaid Agency is a secondary payer behind Medicare and is generally only responsible for deductibles and copayments.

## FY 2019-2021 Outpatient Hospital Program<sup>1</sup> Recipients and Amounts Paid<sup>2</sup> Based on Date of Service

Recipients <sup>1</sup>				Amounts Paid <sup>2</sup>			Annual Average Cost Per Recipient		
	FY 2019	FY 2020	FY 2021	FY 2019	FY 2020	FY 2021	FY 2019	FY 2020	FY 2021
<b>By Gender</b>									
Female	289,904	258,374	271,251	\$284,687,856	\$271,115,348	\$302,463,214	\$982	\$1,049	\$1,115
Male	187,522	164,149	169,299	\$168,364,871	\$160,782,602	\$168,284,508	\$898	\$979	\$994
<b>Total</b>	<b>477,426</b>	<b>422,523</b>	<b>440,550</b>	<b>\$453,052,727</b>	<b>\$431,897,950</b>	<b>\$470,747,723</b>	<b>\$949</b>	<b>\$1,022</b>	<b>\$1,069</b>
<b>By Race</b>									
Black	189,699	167,233	170,911	\$172,830,768	\$165,938,496	\$180,885,748	\$911	\$992	\$1,058
Hispanic	18,139	16,574	18,176	\$13,173,984	\$13,386,357	\$15,102,371	\$726	\$808	\$831
White	192,977	169,697	173,630	\$187,222,828	\$170,919,959	\$186,571,397	\$970	\$1,007	\$1,075
Other Race	19,444	17,153	20,331	\$14,990,324	\$14,142,484	\$19,874,194	\$771	\$824	\$978
Unknown <sup>3</sup>	57,167	51,866	57,502	\$64,834,823	\$67,510,654	\$68,314,013	\$1,134	\$1,302	\$1,188
<b>Total</b>	<b>477,426</b>	<b>422,523</b>	<b>440,550</b>	<b>\$453,052,727</b>	<b>\$431,897,950</b>	<b>\$470,747,723</b>	<b>\$949</b>	<b>\$1,022</b>	<b>\$1,069</b>
<b>By Age</b>									
0-5	107,933	92,547	93,876	\$69,945,864	\$62,169,853	\$63,244,797	\$648	\$672	\$674
6-20	166,905	147,232	156,470	\$131,066,031	\$123,747,025	\$131,007,617	\$785	\$840	\$837
21-64	167,938	152,850	162,730	\$249,163,196	\$243,340,528	\$273,894,982	\$1,484	\$1,592	\$1,683
65+	34,650	29,894	27,474	\$2,877,636	\$2,640,544	\$2,600,327	\$83	\$88	\$95
<b>Total</b>	<b>477,426</b>	<b>422,523</b>	<b>440,550</b>	<b>\$453,052,727</b>	<b>\$431,897,950</b>	<b>\$470,747,723</b>	<b>\$949</b>	<b>\$1,022</b>	<b>\$1,069</b>
<b>By Dual Status</b>									
Non-Dual	410,150	367,702	393,012	\$447,779,713	\$431,294,811	\$465,107,850	\$1,092	\$1,173	\$1,183
Dual <sup>4</sup>	67,276	54,821	47,538	\$5,273,014	\$603,139	\$5,639,873	\$78	\$11	\$119
<b>Total</b>	<b>477,426</b>	<b>422,523</b>	<b>440,550</b>	<b>\$453,052,727</b>	<b>\$431,897,950</b>	<b>\$470,747,723</b>	<b>\$949</b>	<b>\$1,022</b>	<b>\$1,069</b>
<b>Total Paid Based on Date of Service</b>				<b>\$453,052,727</b>	<b>\$431,897,950</b>	<b>\$470,747,723</b>			
<b>Average Eligibles (excluding Plan First)</b>				<b>1,128,298</b>	<b>1,124,657</b>	<b>1,183,598</b>			
<b>Annual Cost Per Average Eligible</b>				<b>\$402</b>	<b>\$384</b>	<b>\$398</b>			
<b>Actual Paid During Fiscal Year</b>				<b>\$403,064,281</b>	<b>\$435,328,304</b>	<b>\$467,966,399</b>			

<sup>1</sup> The numbers shown are based on the date of service of claims as of a point in time and will change slightly going forward as existing claims are adjusted and new claims are received. Prior years are shown as originally reported. Includes standard outpatient, Family Planning Outpatient, Outpatient Sterilization and Outpatient Access.

<sup>2</sup> Includes the allocation of access payments to outpatient claims.

<sup>3</sup> Includes a high percentage of disabled newborns certified by SSI which accounts for the disproportionately high average annual cost per recipient.

<sup>4</sup> The Medicaid Agency is a secondary payer behind Medicare and is generally only responsible for deductibles and copayments.

## FY 2018-2021 Nursing Home and HCBS Waiver Utilization and Expenditures

Year	Avg. Number of Nursing Home Recipients	<sup>3</sup> Avg. Annual Cost of a Nursing Home Bed	Expenditures for Nursing Facilities (in Millions)	<sup>3</sup> Avg. Number of HCBS Waiver Recipients	Avg. Annual Cost of a HCBS Waiver Recipient <sup>1</sup>	HCBS Waiver Expenditures <sup>2</sup> (in Millions)
FY 2018	15,743	\$61,279	\$965	7,578	\$11,377	\$86
FY 2019	15,828	\$63,101	\$999	8,225	\$12,625	\$104
FY 2020	15,426	\$66,483	\$1,026	8,580	\$13,557	\$116
FY 2021 <sup>4</sup>	13,564	\$73,341	\$995	9,351	\$14,078	\$132

<sup>1</sup> The overall total in expenditures in FY 2018-2021 represents the amount expended during the fiscal year regardless of when the service was rendered to the Medicaid recipient. The average annual cost of a HCBS waiver recipient represents a very close approximation of the amount spent during the fiscal year.

<sup>2</sup> HCBS expenditures represent the cost of the waiver and do not represent the total costs for recipients.

<sup>3</sup> Average Annual Cost of a Nursing Home Bed and Average Number of HCBS Waiver Recipients are calculated using Average Number of Recipients.

<sup>4</sup> The impact of the COVID-19 pandemic contributed to a decrease in Nursing Home recipients.

## FY 2018-2021 Long Term Care Program Intermediate Care Facility for the Intellectually Disabled Utilization and Cost

Year	Payments	Recipients	Average Covered Days Per Recipient	Average Cost Per Day	Average Cost Per Recipient
FY 2018	\$2,033,302	26	347	\$225	\$78,204
FY 2019	\$1,891,832	25	330	\$229	\$75,673
FY 2020	\$2,294,487	26	372	\$237	\$88,249
FY 2021	\$2,030,664	27	358	\$210	\$75,210

## FY 2018-2021 Long Term Care Program Utilization

Year	Total Nursing Home Patients (Unduplicated)	Percent Change	Avg. Length of Stay During Year	Nursing Home Patient Days Paid by Medicaid	Percent Change	State Licensed Beds <sup>1</sup>	Percent Change	Medicaid Bed Days as % of State Bed Days
FY 2018	24,092	-4.1%	239	5,746,318	0.0%	26,303	-1.4%	60%
FY 2019	23,722	-1.5%	244	5,777,070	0.5%	25,973	-1.3%	61%
FY 2020	22,734	-4.2%	248	5,630,629	-2.5%	26,325	1.4%	59%
FY 2021	21,480	-5.5%	230	4,951,040	-12.1%	26,623	1.1%	51%

<sup>1</sup> The number of licensed nursing home beds is derived from the State Health Planning and Development Agency's (SHPDA) annual reports and the Alabama Department of Public Health's Healthcare Facilities Directory. This number represents the number of licensed nursing home beds as of June 30 of each year and includes skilled nursing facilities (SNFs) and nursing facilities for individuals with developmental delays (NFIDDs). This number excludes intermediate care facilities for the intellectually disabled, swing beds (temporary nursing home beds in hospitals) and veterans' homes.

## FY 2018-2021 Long Term Care Program Patient Days and Costs

Year	Daily Average of Nursing Home Patients	Percent Change	Nursing Home Patient Days Paid by Medicaid	Percent Change	Medicaid Expenditures for Nursing Home Facilities	Percent Change	Average Annual Cost of Nursing Home Bed	Percent Change	Average Percent of Claim Covered by Patient or Third Party	Average Medicaid Cost Per Patient Day
<b>FY 2018</b>	15,743	0.0%	5,746,318	0.0%	\$964,740,150	2.0%	\$61,279	2.0%	15.0%	\$168
<b>FY 2019</b>	15,828	0.5%	5,777,070	0.5%	\$998,738,999	3.5%	\$63,101	3.0%	14.8%	\$173
<b>FY 2020</b>	15,426	-2.5%	5,630,629	-2.5%	\$1,025,598,138	2.7%	\$66,483	5.4%	14.4%	\$182
<b>FY 2021</b>	13,564	-12.1%	4,951,040	-12.1%	\$994,828,616	-3.0%	\$73,341	10.3%	13.2%	\$201

## FY 2019-2021 Long Term Care Program Recipients and Claims Payments by Gender, Race and Age

	Recipients <sup>1</sup>			Claims Payments <sup>2</sup>			Annual Average Cost Per Recipient <sup>3</sup>		
	FY 2019	FY 2020	FY 2021	FY 2019	FY 2020	FY 2021	FY 2019	FY 2020	FY 2021
<b>By Gender</b>									
Female	15,517	14,707	13,629	\$657,731,992	\$667,704,595	\$635,519,331	\$42,388	\$45,401	\$46,630
Male	8,205	8,027	7,851	\$341,007,007	\$357,893,543	\$359,309,285	\$41,560	\$44,585	\$45,766
<b>By Race</b>									
Black	7,565	7,029	6,622	\$335,420,505	\$333,982,816	\$323,296,624	\$44,338	\$47,515	\$48,822
Hispanic	68	56	57	\$2,925,411	\$2,696,806	\$2,396,614	\$43,021	\$48,157	\$42,046
White	15,292	14,559	13,628	\$629,224,369	\$638,413,235	\$614,937,809	\$41,147	\$43,850	\$45,123
Other Race	122	130	130	\$5,070,437	\$6,558,722	\$6,517,207	\$41,561	\$50,452	\$50,132
Unknown	675	960	1,043	\$26,098,276	\$43,946,558	\$47,680,363	\$38,664	\$45,778	\$45,715
<b>By Age</b>									
0-5	16	8	6	\$928,089	\$542,716	\$472,427	\$58,006	\$67,839	\$78,738
6-20	75	61	63	\$4,942,206	\$4,730,993	\$4,877,517	\$65,896	\$77,557	\$77,421
21-64	5,167	4,935	5,036	\$224,619,576	\$235,122,117	\$241,615,373	\$43,472	\$47,644	\$47,978
65-74	5,391	5,318	5,316	\$228,905,814	\$243,924,772	\$257,182,935	\$42,461	\$45,868	\$48,379
75-84	6,324	6,017	5,477	\$264,236,283	\$268,098,699	\$252,220,004	\$41,783	\$44,557	\$46,051
85 & Over	6,749	6,395	5,582	\$275,107,031	\$273,178,842	\$238,460,359	\$40,763	\$42,718	\$42,720
<b>Statewide</b>	<b>23,722</b>	<b>22,734</b>	<b>21,480</b>	<b>\$998,738,999</b>	<b>\$1,025,598,138</b>	<b>\$994,828,616</b>	<b>\$42,102</b>	<b>\$45,113</b>	<b>\$46,314</b>

<sup>1</sup> Recipient count is an unduplicated count of individuals who received a nursing facility service. The impact of the COVID-19 pandemic contributed to the decrease in nursing home recipients

<sup>2</sup> The overall total in expenditures in FY 2019-2021 represents the amount expended during the fiscal year regardless of when the service was rendered to the Medicaid recipient. The numbers shown by gender, race and age represent very close approximations of the amounts spent in the categories shown.

<sup>3</sup> Average Annual Cost Per Recipient is based on unique recipients.

## FY 2017-2021 Pharmacy Program Expenditures<sup>1</sup>

Expenditures				Clawback Payments as % of Pharmacy Expenditures
Year	Benefit Payments <sup>2</sup>	Clawback Payments <sup>3</sup>	Pharmacy Expenditures	
FY 2017	\$647,048,170	\$72,778,785	\$719,826,955	10.1%
FY 2018	\$709,020,080	\$73,528,217	\$782,548,297	9.4%
FY 2019	\$749,616,410	\$72,991,345	\$822,607,755	8.9%
FY 2020	\$775,217,923	\$67,452,747	\$842,670,670	8.0%
FY 2021	\$850,608,637	\$59,712,948	\$910,321,585	6.6%

## FY 2017-2021 Pharmacy Program Member Utilization<sup>1</sup>

Medicaid Eligibility Only					
Year	Monthly Average Pharmacy Eligibles <sup>4</sup>	Number of Prescription Recipients	Recipients as % of Eligibles	Number of Prescriptions	Prescriptions Per Recipient
FY 2017	730,172	563,162	77%	6,604,216	11.7
FY 2018	734,760	587,562	80%	6,508,056	11.1
FY 2019	748,436	535,717	72%	6,421,852	12.0
FY 2020	779,017	512,647	66%	6,154,094	12.0
FY 2021	879,559	491,632	56%	6,240,896	12.7

## FY 2017-2021 Pharmacy Program Cost Per Member and Recipient

Medicaid Eligibility Only				
Year	Benefit Payments	Cost Per Prescription	Per Member Per Year Cost	Cost Per Recipient
FY 2017	\$647,048,170	\$97.98	\$886	\$1,149
FY 2018	\$709,020,080	\$108.94	\$965	\$1,207
FY 2019	\$749,616,410	\$116.73	\$1,002	\$1,399
FY 2020	\$775,217,923	\$125.97	\$995	\$1,512
FY 2021	\$850,608,637	\$136.30	\$967	\$1,730

<sup>1</sup> Payment amounts come from claims data only and do not include any non-claims based financial transactions or medical costs that cannot be associated with a specific recipient.

<sup>2</sup> Pharmacy benefit payments exclude pharmacy benefits paid for family planning, alternative care and Medicaid-CHIP.

<sup>3</sup> Clawback payments are the amounts states pay to the federal government as required by the Medicare Prescription Drug Improvement and Modernization Act of 2003 for Medicare Part D coverage.

<sup>4</sup> Monthly average pharmacy eligibles are total Medicaid eligibles less Plan First eligibles and members that are eligible for Medicare benefits (dual eligibles).

Enrollment has been impacted by MOE during COVID-19 PHE.

## FY 2017-2021 Physician Services<sup>1</sup> Cost and Utilization by Age Category

<b>Benefit Payments<sup>2</sup></b>					
Age	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>0 to 5</b>	\$114,446,373	\$124,136,173	\$126,590,626	\$115,995,034	\$120,567,100
<b>6 to 20</b>	\$92,044,227	\$97,179,497	\$99,784,506	\$96,869,146	\$103,597,001
<b>21 to 64</b>	\$181,298,321	\$188,407,928	\$197,889,839	\$220,152,609	\$234,381,179
<b>65 and up</b>	\$13,340,356	\$13,582,947	\$13,415,537	\$13,532,595	\$11,487,754
<b>All Ages</b>	<b>\$401,129,276</b>	<b>\$423,306,545</b>	<b>\$437,680,508</b>	<b>\$446,549,384</b>	<b>\$470,033,034</b>

<b>Recipients<sup>3</sup></b>					
Age	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>0 to 5</b>	167,652	184,563	170,016	162,718	160,826
<b>6 to 20</b>	260,186	288,881	267,387	264,086	267,892
<b>21 to 64</b>	197,640	207,362	202,423	191,857	196,949
<b>65 and up</b>	50,651	53,082	51,299	47,502	43,648
<b>All Ages</b>	<b>679,043</b>	<b>733,888</b>	<b>691,125</b>	<b>666,163</b>	<b>669,315</b>

<b>Cost Per Recipient</b>					
Age	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>0 to 5</b>	\$683	\$673	\$745	\$713	\$750
<b>6 to 20</b>	\$354	\$336	\$373	\$367	\$387
<b>21 to 64</b>	\$917	\$909	\$978	\$1,147	\$1,190
<b>65 and up</b>	\$263	\$256	\$262	\$285	\$263
<b>All Ages</b>	<b>\$591</b>	<b>\$577</b>	<b>\$633</b>	<b>\$670</b>	<b>\$702</b>

<sup>1</sup> Physician Services only include Physicians, Family Planning Physicians, Sterilization Physicians, DYS Physicians, DYS Family Planning Physicians, & CHIP Physicians.

<sup>2</sup> Payment amounts exclude lump sum payments made retroactively to physicians at paid teaching facilities due to changes in reimbursement rates.

<sup>3</sup> Recipient count is an unduplicated count of individuals who received at least one physician program service.

# FY 2021

## Third Party Liability/Program Integrity

Effective cost avoidance and recovery activities reduce expenditures by preventing fraud, waste and abuse of funds. The Third Party Liability Division and the Program Integrity Division work to ensure that the expenditure of public funds is managed in accordance with state and federal rules and regulations.

### Third Party Liability

The Third Party Liability Division saves taxpayers millions of dollars each year through coordination of benefits, cost avoidance activities and recoveries from liens, estates and other liable payers.

During FY 2021, the Third Party Liability Division\* was successful in saving Alabama taxpayer money in the following ways:

- 1) The cost avoidance of claims where providers were required to file with the primary payer first (\$193,845,132 – commercial insurance; \$366,435,917 – Medicare);
- 2) Health insurance recovery from primary payers (\$21,555,749);
- 3) Medicare recoupments (\$2,885,357);
- 4) Casualty/tort recovery (\$4,206,453);
- 5) Liens and estate recovery (\$18,383,716);
- 6) Credit balance recovery (\$281,740); and
- 7) Recipient overpayment recoveries (\$29,496).

### Program Integrity

The Program Integrity Division is responsible for planning, developing, and directing Medicaid's efforts to identify, prevent, and assist in prosecuting

fraud, abuse and/or misuse. This includes verifying that medical services are appropriate and rendered as billed, that services are provided by qualified providers to eligible recipients, that payments for those services are correct, and that all funds identified for collection are pursued.

Some examples of how Program Integrity detects improper payments include:

- Provider reviews
- Analysis and data mining
- Referrals from a State Agency
- Centers for Medicaid and Medicare (CMS)
- Provider self-reporting of overpayments
- Complaints

### Cost Avoidance

- Stringent provider enrollment procedures
- Review and recommend policy and system edits
- Locking recipients into one doctor
- Ensuring eligibility is determined correctly

### Financials

In FY 2021, the total amount Program Integrity collected and reported was \$2,347,949.

### FY 2019-2021 Collections (in millions)

	FY 2019	FY 2020	FY 2021
<b>Third Party Liability</b>			
Includes retroactive Medicare recoupments from providers, collections due to health insurance and casualty subrogation, estate recovery, and recovery of misspent funds resulting from eligibility errors.	\$34.2	\$33.4	\$47.3
<b>Program Integrity Division</b>			
Provider Recoupment	\$5.7	\$3.6	\$2.3
<b>Pharmacy Program</b>			
In-House Processed Claims Corrections	\$0.2	\$0.2	\$0.3
<b>Total Collections</b>	<b>\$40.1</b>	<b>\$37.2</b>	<b>\$50.0</b>

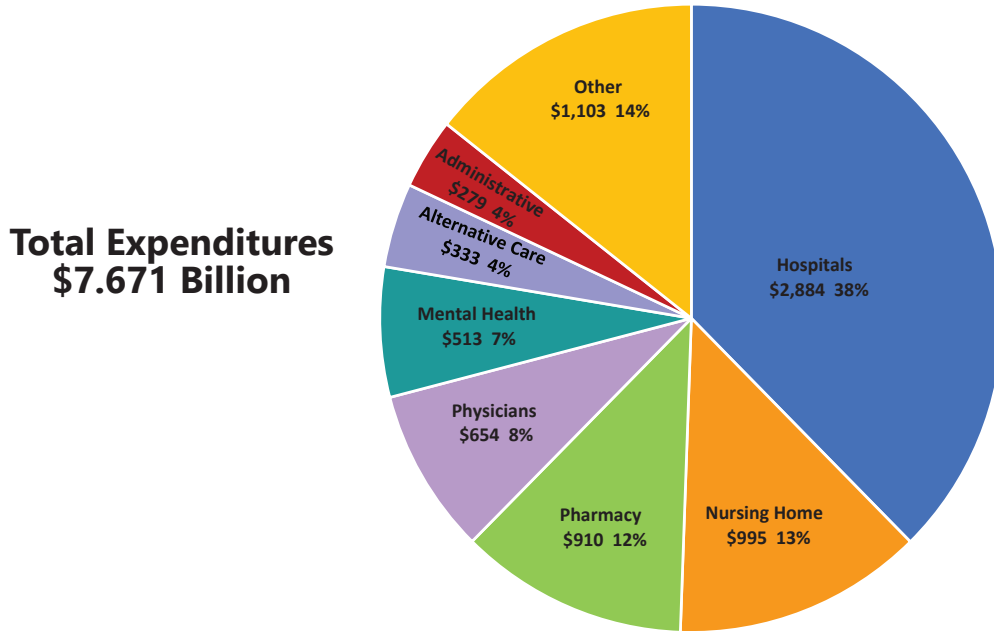
\*Note: The calculation methodology used is different from methodology used for federal reporting requirements.



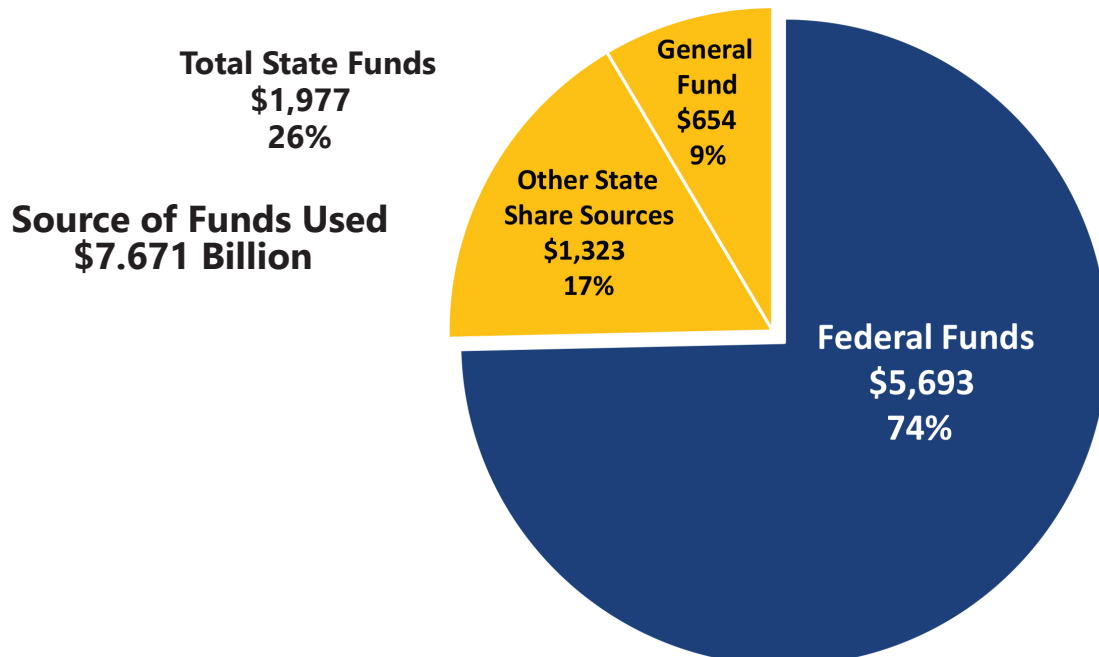
# FY 2021 Fiscal

Medicaid total expenditures totaled \$7.671 billion in FY 2021. A state match of \$1.977 billion was paired with \$5.693 billion in federal matching funds to cover the cost. The state General Fund provided 9 percent, or \$654 million, of the total cost.

## FY 2021 Medicaid Use of Funds (in Millions)



## FY 2021 Medicaid Source of Funds<sup>1</sup>(in Millions)



<sup>1</sup> Medicaid Source of Funds is based on revenue sources used to fund expenses.

## FY 2017-2021 Total State Share Funding Received<sup>1</sup>

						As a % of Total State Share Funding				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>General Fund</b>										
Current Year Appropriation	\$700,463,607	\$701,133,407	\$755,204,019	\$703,419,531	\$820,018,371	36.3%	35.3%	37.7%	37.0%	41.5%
Adjustments	\$20,169,800	\$204,019	\$336,927	\$22,280,229		1.0%	0.0%	0.0%	1.2%	0.0%
<b>Total General Fund<sup>2</sup></b>	<b>\$720,633,407</b>	<b>\$701,337,426</b>	<b>\$755,540,946</b>	<b>\$725,699,760</b>	<b>\$820,018,371</b>	<b>37.3%</b>	<b>35.4%</b>	<b>37.7%</b>	<b>38.1%</b>	<b>41.5%</b>
<b>Certified Public Expenditures</b>										
Hospitals	\$4,060,384	\$4,292,804	\$3,697,403	\$4,065,833	3,565,123	0.2%	0.2%	0.2%	0.2%	0.2%
Admin. Assistance & School-Based Services	\$39,594,333	\$33,602,742	\$33,078,868	\$32,105,937	34,102,167	2.1%	1.7%	1.7%	1.7%	1.7%
<b>Total CPEs</b>	<b>\$43,654,717</b>	<b>\$37,895,546</b>	<b>\$36,776,271</b>	<b>\$36,171,770</b>	<b>37,667,290</b>	<b>2.3%</b>	<b>1.9%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>1.9%</b>
<b>Ala. Health Care Trust Fund</b>										
Hospital Provider Tax	264,746,042	256,136,221	275,588,476	300,189,946	304,786,423	13.7%	12.9%	13.8%	15.8%	15.4%
Nursing Home Provider Tax	111,788,119	111,952,310	112,116,641	112,636,633	119,157,454	5.8%	5.6%	5.6%	5.9%	6.0%
Pharmacy Provider Tax	946,143	5,932,602	8,385,541	8,479,583	8,626,128	0.0%	0.3%	0.4%	0.4%	0.4%
<b>Total Ala. Health Care Trust Fund</b>	<b>377,480,304</b>	<b>374,021,133</b>	<b>396,090,658</b>	<b>421,306,162</b>	<b>432,570,005</b>	<b>19.5%</b>	<b>18.9%</b>	<b>19.8%</b>	<b>22.1%</b>	<b>21.9%</b>
<b>Intergovernmental Transfers</b>										
<b>State Agencies</b>										
Dept. of Mental Health	151,968,413	149,504,441	145,493,481	126,872,424	115,876,133	7.9%	7.5%	7.3%	6.7%	5.9%
Dept. of Human Resources	36,498,898	34,474,404	31,254,057	26,624,095	23,763,875	1.9%	1.7%	1.6%	1.4%	1.2%
Dept. of Public Health	20,397,584	20,014,568	28,762,536	30,704,205	26,549,407	1.1%	1.0%	1.4%	1.6%	1.3%
Transf. from Pub. Hlth.--MCHIP				11,580,469		0.0%	0.0%	0.0%	0.6%	0.0%
Dept. of Senior Services	22,644,328	23,876,697	24,903,619	24,863,215	24,570,554	1.2%	1.2%	1.2%	1.3%	1.2%
Dept. of Rehabilitation Services	6,546,678	6,060,081	7,925,999	6,383,073	7,416,037	0.3%	0.3%	0.4%	0.3%	0.4%
Dept. of Youth Services	5,727,961	5,370,213	5,399,876	3,372,058	2,419,710	0.3%	0.3%	0.3%	0.2%	0.1%
<b>Total State Agencies</b>	<b>243,783,862</b>	<b>239,300,404</b>	<b>243,739,568</b>	<b>230,399,539</b>	<b>200,595,716</b>	<b>12.6%</b>	<b>12.1%</b>	<b>12.2%</b>	<b>12.1%</b>	<b>10.1%</b>
Hospital IGTs	372,710,608	349,308,926		318,496,667	331,373,434	19.3%	17.6%	19.6%	16.7%	16.8%
Other Governmental Bodies	7,666,495	8,254,753	6,930,407	6,412,064	7,793,911	0.4%	0.4%	0.3%	0.3%	0.4%
<b>Total Intergovernmental Transfers</b>	<b>624,160,965</b>	<b>596,864,083</b>	<b>643,814,272</b>	<b>555,308,270</b>	<b>539,763,061</b>	<b>32.3%</b>	<b>30.1%</b>	<b>32.2%</b>	<b>29.2%</b>	<b>27.3%</b>
<b>Other Funding Sources</b>										
Drug Rebates	109,205,705	124,629,348	125,260,977	122,095,897	101,663,225	5.7%	6.3%	6.3%	6.4%	5.1%
Medicaid Trust Fund - Tobacco	30,668,155	36,179,197	34,914,566	33,191,970	37,940,356	1.6%	1.8%	1.7%	1.7%	1.9%
BP Oil Spill Funds	15,000,000	105,000,000				0.8%	5.3%	0.0%	0.0%	0.0%
Other Miscellaneous Receipts	10,122,198	8,042,574	9,223,250	8,957,453	8,259,317	0.5%	0.4%	0.5%	0.5%	0.4%
<b>Total Other Funding Sources</b>	<b>164,996,058</b>	<b>273,851,119</b>	<b>169,398,793</b>	<b>164,245,320</b>	<b>147,862,898</b>	<b>8.5%</b>	<b>13.8%</b>	<b>8.5%</b>	<b>8.6%</b>	<b>7.5%</b>
<b>Total State Funds Received</b>	<b>1,930,925,451</b>	<b>1,983,969,307</b>	<b>2,001,620,940</b>	<b>1,902,731,282</b>	<b>1,977,881,625</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>1</sup> Data is based on Agency's Executive Budget Office financial records for the Medicaid Agency and includes expenditures, purchase orders, and year-end encumbrances.

<sup>2</sup> Funding sources represent appropriations. NOTE: Difference in funds received and funds used represent changes in funds carried forward.

## FY 2017-2021 Expenditures by Type of Service (total dollars & as % of total)<sup>1</sup>

Service	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Nursing Facilities	\$945,588,305	\$964,740,150	\$998,738,999	\$1,025,598,138	\$994,828,616
Hospital Care	\$1,755,632,257	\$1,808,338,267	\$2,033,014,256	\$2,138,109,229	\$2,475,218,694
Physicians	\$554,794,353	\$550,288,533	\$573,726,844	\$603,434,917	\$653,623,277
Pharmacy	\$719,826,955	\$782,548,297	\$822,607,755	\$842,670,670	\$910,321,585
Health Support	\$203,245,365	\$207,467,298	\$244,612,315	\$259,950,329	\$312,174,404
Alternative Care	\$364,581,074	\$372,211,884	\$371,636,941	\$333,529,724	\$332,949,720
Mental Health Facilities	\$1,887,447	\$2,033,302	\$1,891,832	\$2,294,487	\$2,030,664
Mental Health Waivers	\$349,628,814	\$351,460,375	\$352,781,144	\$375,345,342	\$387,493,253
Mental Health Other	\$127,384,780	\$130,077,357	\$132,447,929	\$131,715,013	\$123,589,368
Medicaid - CHIP	\$247,016,706	\$173,704,703	\$181,151,044	\$165,414,800	\$195,392,127
COVID-19 Pandemic Function				\$246,282	\$504,920
ACHNs <sup>2</sup>			-	\$42,449,302	\$59,499,420
Integrated Care Network			\$29,797,155	\$34,620,551	\$39,809,175
Health Insurance	\$417,634,796	\$438,663,884	\$450,901,533	\$440,288,673	\$462,186,868
Family Planning	\$43,466,410	\$45,009,815	\$48,674,849	\$34,200,322	\$33,864,500
<b>Total Medicaid Medical Benefits</b>	<b>\$5,730,687,262</b>	<b>\$5,826,543,865</b>	<b>\$6,241,982,596</b>	<b>\$6,429,867,779</b>	<b>\$6,983,486,591</b>
Disproportionate Share for Hospitals <sup>3</sup>	\$480,408,568	\$483,800,080	\$492,378,713	\$469,951,981	\$408,795,011
<b>Total Medical Benefits</b>	<b>\$6,211,095,830</b>	<b>\$6,310,343,945</b>	<b>\$6,734,361,309</b>	<b>\$6,899,819,760</b>	<b>\$7,392,281,602</b>
General Administrative Costs	\$194,298,203	\$177,719,248	\$185,093,339	\$185,093,339	\$210,725,395
School-Based Administrative Costs	\$62,257,996	\$52,080,143	\$53,385,276	\$51,223,237	\$56,154,997
<b>Total Medicaid &amp; DSH Expenditures</b>	<b>\$6,467,652,029</b>	<b>\$6,540,143,336</b>	<b>\$6,972,839,924</b>	<b>\$7,121,571,731</b>	<b>\$7,659,161,995</b>
Health Information Exchange	\$22,327,029	\$16,925,487	\$9,381,561	\$11,441,380	\$12,148,215
<b>Agency Total Expenditures</b>	<b>\$6,489,979,058</b>	<b>\$6,557,068,823</b>	<b>\$6,982,221,485</b>	<b>\$7,133,013,111</b>	<b>\$7,671,310,210</b>

Service	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Nursing Facilities	14.6%	14.8%	14.3%	14.4%	13.0%
Hospital Care	27.1%	27.6%	29.2%	30.0%	32.3%
Physicians	8.6%	8.4%	8.2%	8.5%	8.5%
Pharmacy	11.1%	12.0%	11.8%	11.8%	11.9%
Health Support	3.1%	3.2%	3.5%	3.7%	4.1%
Alternative Care	5.6%	5.7%	5.3%	4.7%	4.3%
Mental Health Facilities	0.0%	0.0%	0.0%	0.0%	0.0%
Mental Health Waivers	5.4%	5.4%	5.1%	5.3%	5.1%
Mental Health - Other	2.0%	2.0%	1.9%	1.8%	1.6%
Medicaid - CHIP	3.8%	2.7%	2.6%	2.3%	2.6%
COVID-19 Pandemic Function	0.0%	0.0%	0.0%	0.0%	0.0%
ACHNs <sup>2</sup>	0.0%	0.0%	0.0%	0.6%	0.8%
Integrated Care Network	0.0%	0.0%	0.4%	0.5%	0.5%
Health Insurance	6.5%	6.7%	6.5%	6.2%	6.0%
Family Planning	0.7%	0.7%	0.7%	0.5%	0.4%
<b>Total Medicaid Medical Benefits</b>	<b>88.6%</b>	<b>89.1%</b>	<b>89.5%</b>	<b>90.3%</b>	<b>91.2%</b>
Disproportionate Share for Hospitals <sup>3</sup>	7.4%	7.4%	7.1%	6.6%	5.3%
<b>Total Medical Benefits</b>	<b>96.0%</b>	<b>96.5%</b>	<b>96.6%</b>	<b>96.9%</b>	<b>96.5%</b>
General Administrative Costs	3.0%	2.7%	2.6%	2.3%	2.7%
School-Based Administrative Costs	1.0%	0.8%	0.8%	0.7%	0.7%
<b>Total Medicaid &amp; DSH Expenditures</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>1</sup> Data is based on the Executive Budget Office Forms 1 and 2 for the Medicaid Agency and includes expenditures, purchase orders and year-end encumbrances.

<sup>2</sup> ACHN expenditures include physician bonuses associated with physician participation and outcomes bonuses.

<sup>3</sup> Disproportionate Share Hospital (DSH) - Payments provided to hospitals for serving a disproportionately high share of Medicaid and uninsured individuals.

## FY 2021 Expenditures for Medical Services by Coverage and Aid Category (dollar amounts in millions)<sup>1</sup>

Coverage and Aid Category	Inpatient Services	Outpatient Services	Nursing Home	Physicians	Mental Health	Other Prof Servcs.	Pharmacy <sup>4</sup>	Dental	Medicare Premiums <sup>5</sup>	Grand Total <sup>6</sup>	FY 21 % of Total	FY 20 % of Total
<b>Dual Eligibles</b>												
<b>Full Medicaid Dual Eligible</b>												
Aged and Non-Disabled (65+)	\$15.8	\$59.0	\$659.8	\$2.6	\$23.1	\$30.1			\$59.3	\$849.9	12.2%	14.1%
Blind or Disabled (all ages)	\$52.1	\$17.6	\$232.2	\$8.8	\$272.3	\$52.6	\$2.3		\$188.0	\$826.1	11.8%	12.2%
Non-Disabled Adults (21-64)									\$0.7	\$2.0	0.0%	0.0%
<b>Total Full Medicaid Dual Eligible</b>	<b>\$68.62</b>	<b>\$76.9</b>	<b>\$892.3</b>	<b>\$11.6</b>	<b>\$295.4</b>	<b>\$82.8</b>	<b>\$2.7</b>		<b>\$248.0</b>	<b>\$1,678.0</b>	<b>24.0%</b>	<b>26.3%</b>
<b>Partial Medicaid Dual Eligible</b>												
QMB/SLMB (all ages) <sup>2</sup>	\$9.6	\$0.9	\$7.8	\$7.5		\$3.3			\$189.7	\$218.8	3.1%	4.5%
<b>Total Dual Eligibles</b>	<b>\$77.8</b>	<b>\$77.8</b>	<b>\$900.1</b>	<b>\$19.1</b>	<b>\$295.4</b>	<b>\$86.2</b>	<b>\$2.7</b>		<b>\$437.7</b>	<b>\$1,896.9</b>	<b>27.2%</b>	<b>30.8%</b>
<b>Non-Dual Eligibles</b>												
<b>Full Medicaid</b>												
Aged and Non-Disabled (65+)	\$1.6		\$2.8							\$5.8	0.1%	0.1%
Blind or Disabled (all ages)	\$906.5	\$220.2	\$129.9	\$217.6	\$208.2	\$121.6	\$532.1	\$4.6		\$1,791.3	25.7%	27.9%
Non-Disabled Children (0-20)	\$663.5	\$167.4		\$335.3	\$31.3	\$313.3	\$269.2	\$100.3		\$1,880.5	26.9%	25.4%
Non-Disabled Adults (21-64)	\$318.5	\$135.1		\$138.7	\$13.7	\$56.8	\$149.6		\$0.8	\$813.4	11.6%	10.2%
<b>Total Full Medicaid</b>	<b>\$1,890.1</b>	<b>\$523.0</b>	<b>\$132.9</b>	<b>\$691.9</b>	<b>\$253.2</b>	<b>\$491.9</b>	<b>\$951.4</b>	<b>\$105.0</b>	<b>\$1.2</b>	<b>\$5,040.6</b>	<b>72.2%</b>	<b>68.5%</b>
<b>Partial Medicaid</b>												
Non-Disabled Adults (21-64) <sup>3</sup>	\$26.1	\$2.6		\$5.0		\$0.5				\$34.3	0.5%	0.5%
Plan First (all ages) <sup>4</sup>	\$0.6					\$9.5	\$1.5			\$11.8	0.2%	0.2%
<b>Total Partial Medicaid</b>	<b>\$26.7</b>	<b>\$2.8</b>		<b>\$5.0</b>		<b>\$10.0</b>	<b>\$1.5</b>			<b>\$46.0</b>	<b>0.7%</b>	<b>0.7%</b>
<b>Total Non-Dual Eligibles</b>	<b>\$1,916.8</b>	<b>\$525.8</b>	<b>\$132.9</b>	<b>\$696.9</b>	<b>\$253.2</b>	<b>\$501.9</b>	<b>\$952.8</b>	<b>\$105.1</b>	<b>\$1.2</b>	<b>\$5,086.6</b>	<b>72.8%</b>	<b>69.2%</b>
<b>Total Expenditures</b>	<b>\$1,994.2</b>	<b>\$603.6</b>	<b>\$1,033.0</b>	<b>\$716.0</b>	<b>\$548.6</b>	<b>\$588.1</b>	<b>\$955.6</b>	<b>\$105.1</b>	<b>\$439.0</b>	<b>\$6,983.5</b>	<b>100.0%</b>	<b>100.0%</b>
<b>FY 2021 % of Total</b>	28.6%	8.6%	14.8%	10.3%	7.9%	8.4%	13.7%	1.5%	6.3%	100.0%		
<b>FY 2020 % of Total<sup>7</sup></b>	24.5%	9.4%	16.2%	9.5%	8.0%	9.3%	13.3%	1.4%	7.7%	100.0%		

<sup>1</sup> The overall total of \$6,983,486,591 in expenditures in FY 2021 represents the amount expended during the fiscal year regardless of when the service was rendered to the Medicaid recipient. The numbers shown by category of aid and type of service rendered represent very close approximations of these expenditures and are derived based on the amounts incurred during the fiscal year using the date the service was rendered to the Medicaid recipient. Expenditures exclude Agency administrative costs, administrative costs of the school-based services program, payments to hospitals under the DSH program, and expenses of the Health Information Exchange.

<sup>2</sup> Limited Medicare-Qualified Medicare Beneficiary, Specified Low Income Medicare Beneficiary and Qualifying Individual are low-income Medicare beneficiaries that have certain premiums, co-insurance or deductibles paid for by Medicaid.

<sup>3</sup> Primarily emergency services.

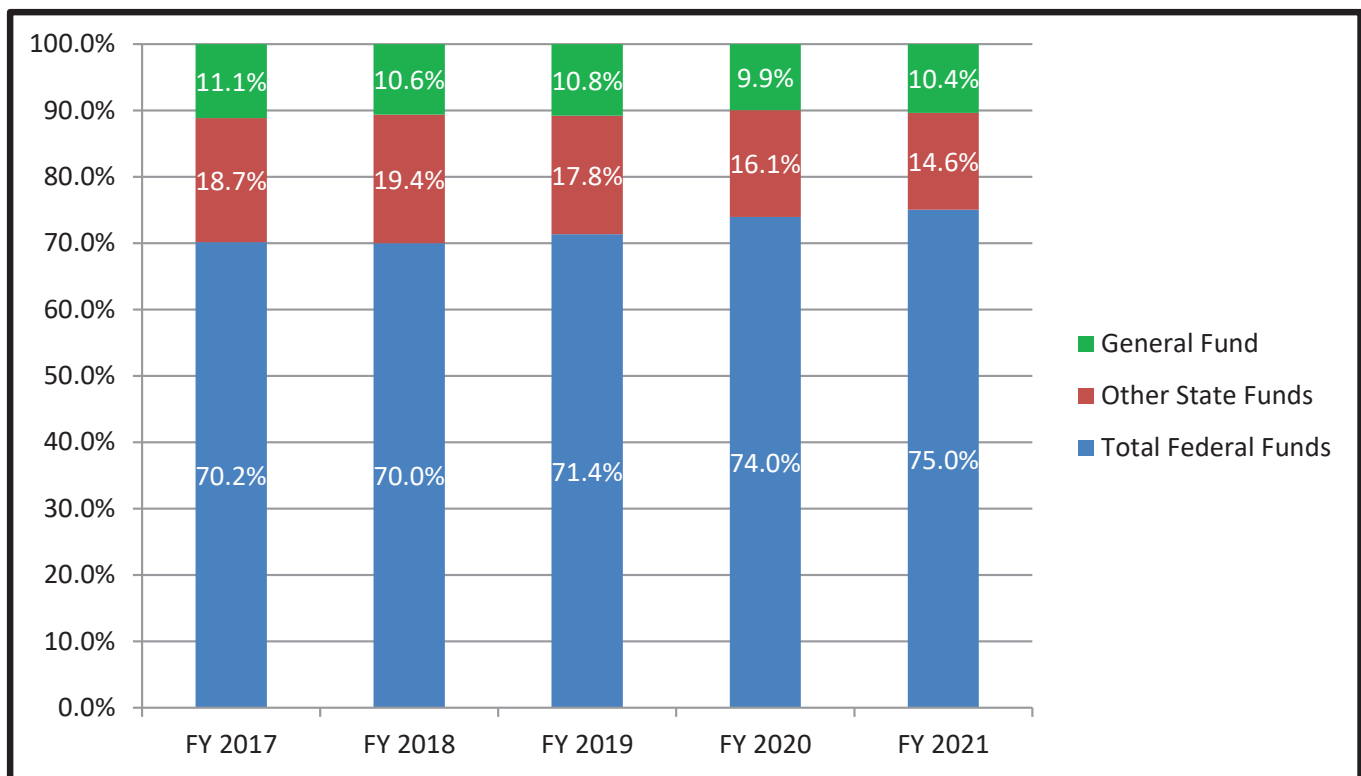
<sup>4</sup> Family planning services.

<sup>5</sup> Clawback payments are the amounts states pay to the federal government as required by the Medicare Prescription Drug Improvement and Modernization Act of 2003 to share the cost of Medicare Part D coverage. In this schedule the amount is shown as Medicare Premiums.

<sup>6</sup> Totals do not foot due to amounts below \$500,000 not being shown because of rounding.

## FY 2017-2021 Total Sources of Medicaid Funding (Receipts)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>Federal Funds</b>					
Match FMAP <sup>1</sup>	\$4,522,609,931	\$4,610,944,691	\$4,983,787,837	\$5,393,053,122	\$5,935,863,593
Coronavirus Relief Fund	-	-	-	\$488,524	-
Health Information Exchange	\$20,061,170	\$15,990,845	\$7,227,280	\$11,676,202	\$8,685,038
<b>Total Federal Funds</b>	<b>\$4,542,671,101</b>	<b>\$4,626,935,536</b>	<b>\$4,991,015,117</b>	<b>\$5,405,217,848</b>	<b>\$5,944,548,631</b>
<b>State Funds Received</b>					
General Fund	\$720,633,407	\$701,337,426	\$755,540,946	\$725,699,760	\$820,018,371
Other State Funds	\$1,195,292,044	\$1,177,631,881	\$1,246,079,994	\$1,177,031,523	\$1,157,863,254
Other State Funds - BP Oil	\$15,000,000	\$105,000,000			
<b>Total State Funds</b>	<b>\$1,930,925,451</b>	<b>\$1,983,969,307</b>	<b>\$2,001,620,940</b>	<b>\$1,902,731,283</b>	<b>\$1,977,881,625</b>
<b>Total Funding Received</b>	<b>\$6,473,596,552</b>	<b>\$6,610,904,843</b>	<b>\$6,992,636,057</b>	<b>\$7,307,949,131</b>	<b>\$7,922,430,256</b>



<sup>1</sup> Federal Medical Assistance Percentage (FMAP) is the share of the cost of Medicaid that the federal government incurs. That share varies by state depending on a state's per capita income. The average state FMAP is 60%, but ranges from 50% in wealthier states, up to 77% in states with lower per capita incomes (an FMAP cannot be less than 50% or more than 83% by statute). FMAPs are adjusted for each state on a three-year cycle to account for fluctuations in the economy.



**FY 2021 Annual Report  
October 1, 2020 - September 30, 2021  
Alabama Medicaid Agency  
PO Box 5624 (501 Dexter Avenue)  
Montgomery, AL 36103-5624**

**Statistical data is provided by the Alabama Medicaid Analytics Division.**

**This report is available at  
[https://medicaid.alabama.gov/content/2.0\\_Newsroom/2.3\\_Publications.aspx](https://medicaid.alabama.gov/content/2.0_Newsroom/2.3_Publications.aspx).**