

# Alabama Medicaid 2022 Budget Hearing

January 28, 2021

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Stephanie McGee Azar  
Commissioner  
Alabama Medicaid Agency



# AGENDA

- Overview
- FY 2022 Budget
- FY 2022 Potential Financial Risks



# Medicaid Overview

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# Who Does Alabama Medicaid Serve?

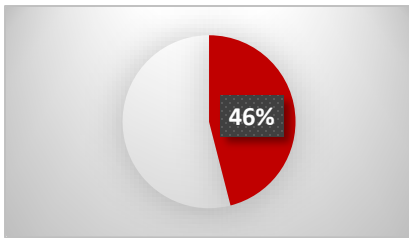
## FY 2019 by Date of Service

### Disabled and Blind

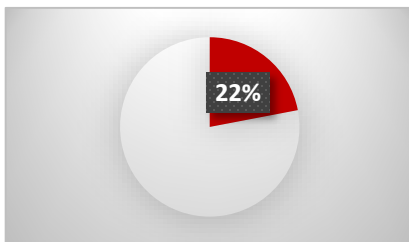
#### Any Age

Most determined by the Social Security Office and have automatic Medicaid eligibility.

#### % of Expenditures



#### % of Members



**\$12,596**

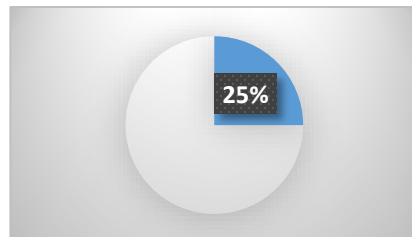
Per Member Per Year

### Children

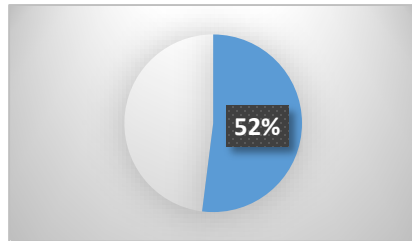
#### Age 0-18

Children in families below 146% of the Federal Poverty Rate.

#### % of Expenditures



#### % of Members



**\$2,874**

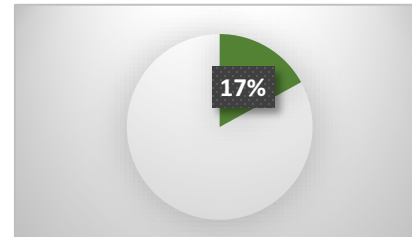
Per Member Per Year

### Aged

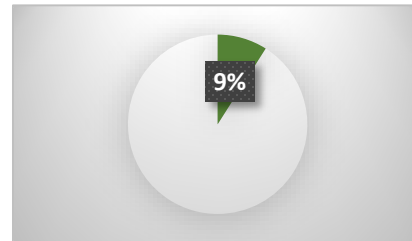
#### Age 65 and Over

Adults who are in poverty. Almost all are also covered by Medicare.

#### % of Expenditures



#### % of Members



**\$10,568**

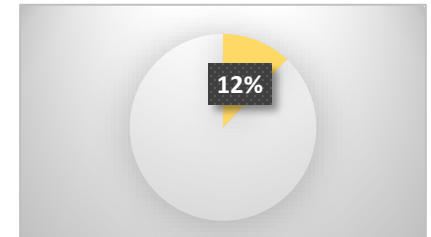
Per Member Per Year

### Other Categories

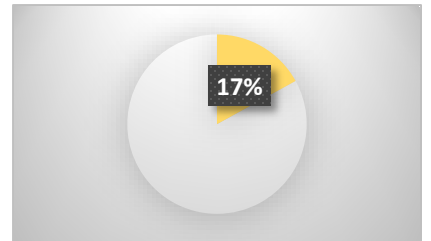
#### Age 19-64

Other adults including pregnant women, parent caretakers, and family planning services.

#### % of Expenditures



#### % of Members



**\$4,186**

Per Member Per Year

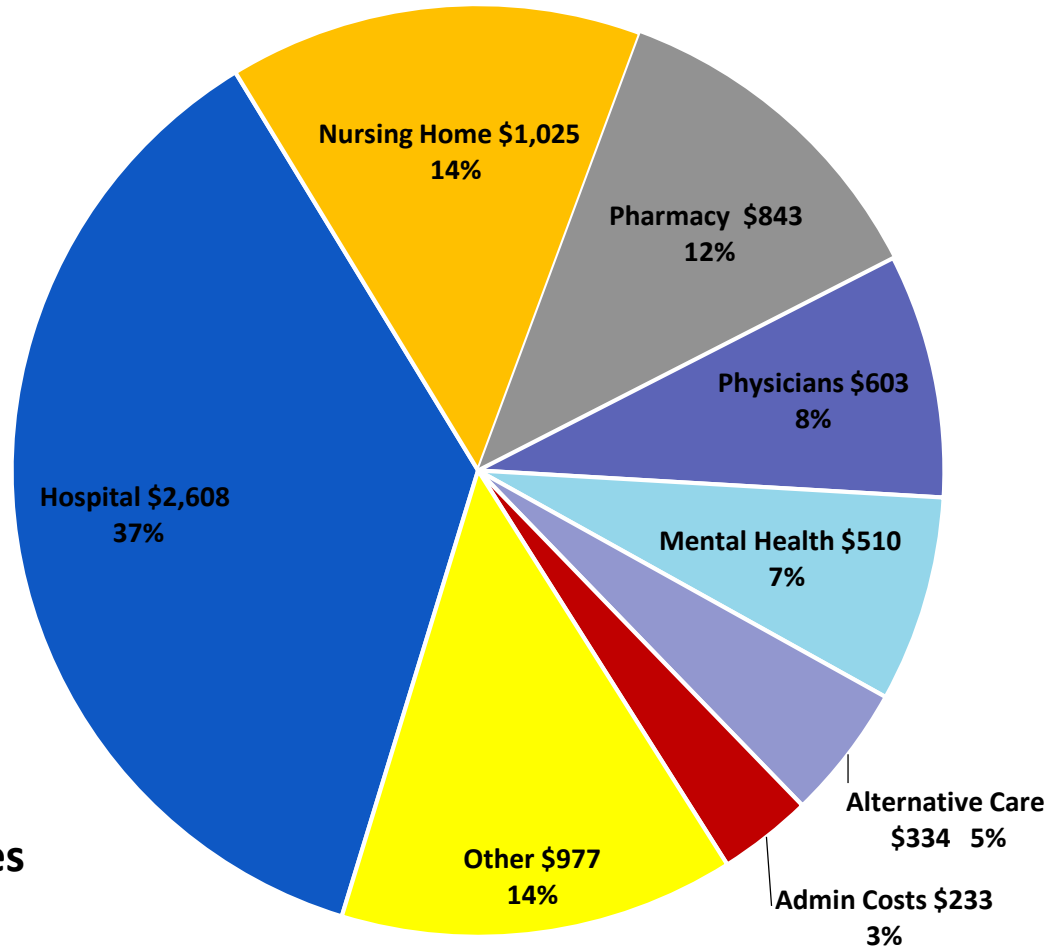
Expenditures, dates of service, include claims, capitations, and access payments based on dates of service in FY 2019.

PMPY calculations not for the purpose of determining managed care rates and do not align to date paid numbers.



# FY 2020 Medicaid Expenditure Analysis

## Benefit Payments and Administrative Costs (in millions)



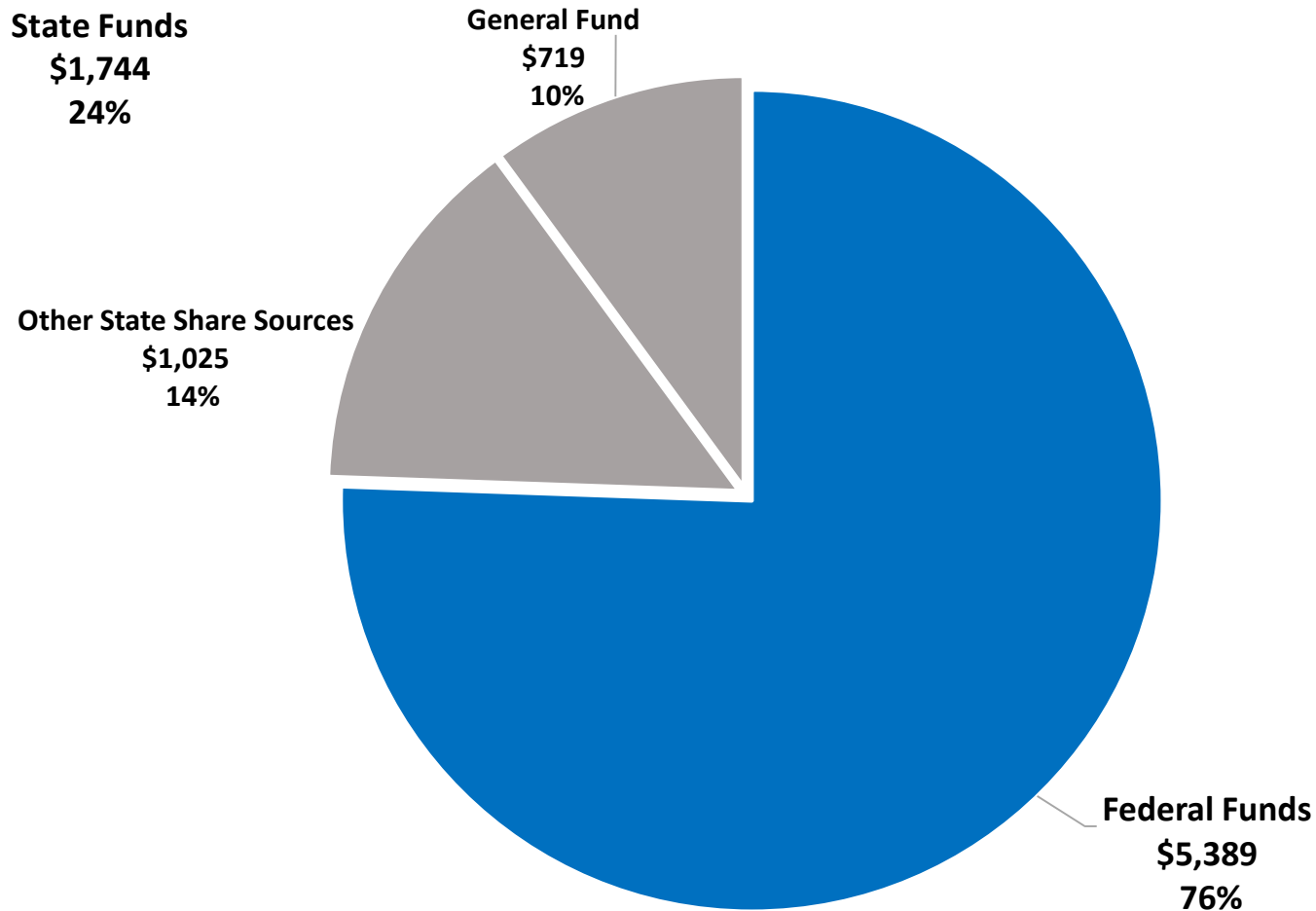
**Total Expenditures**  
**\$7.133 Billion**



# FY 2020 Medicaid Funding Analysis

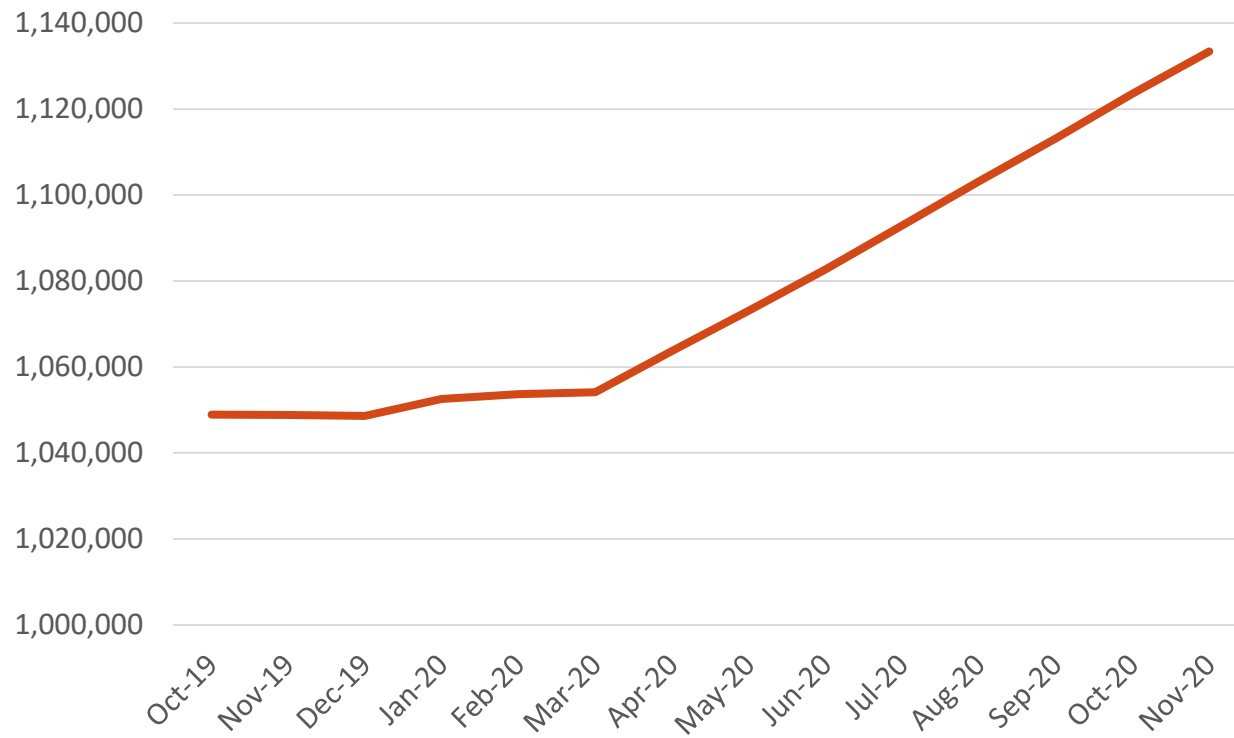
## State and Federal Funding (in millions)

FY 20 Source of Funds: \$7.133 Billion



# FY 2020 – FY 2021\*

## Medicaid Monthly Total Enrollment

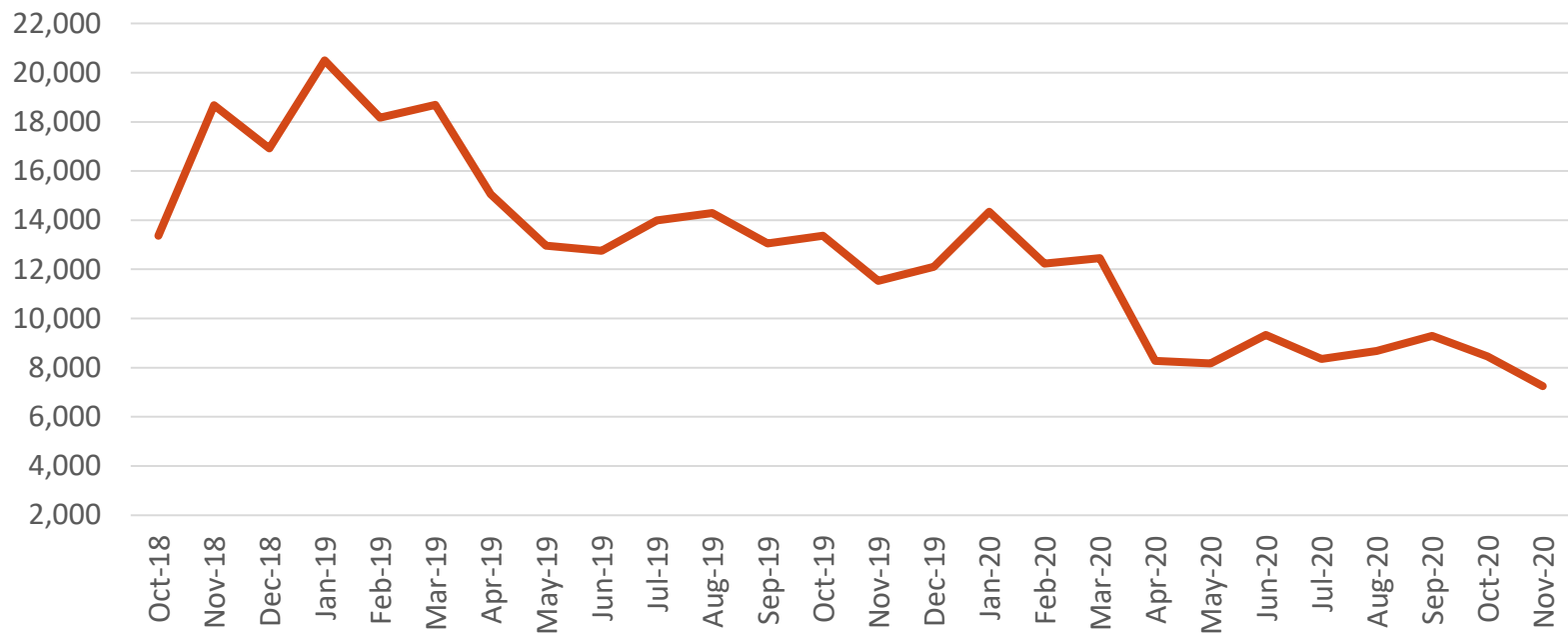


\*FY 2021 enrollment is year-to-date through October 2020



# FY 2019 – FY 2021\*

## Applications Received by Month



\*FY 2021 applications received through November 2020





# FY 2022 Budget

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# Alabama Medicaid 2022 State Funding Need

- Total Funding Need \$ 947 million
- Projected Carryforward \$ 252 million
- Committed for Recipient Benefits  
and FMAP Reserves \$ 74 million
- Less Carryforward -\$178 million
- General Fund Request \$ 769 million

*FY 2021 Appropriation \$820 million*



# Factors Affecting 2022 vs. 2021 Request

## Normal Factors:

- Carryforward
- FMAP Changes
- Recurring inflationary increases
  - Nursing Homes
  - Pharmacy
  - Medicare Part B Insurance

## COVID-19 Factors:

- Increase in provider cost of doing business
- Unemployment impact on enrollment
- Public Health Emergency end date



# FY 2022 Potential Financial Risks

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# Potential Financial Risks Post-COVID-19

- Eligibility redeterminations on regular state FMAP
- Financial needs of providers once federal dollars are diminished
- Increase in utilization
- Increased payment for vaccine administration



# Questions

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