

**Social Services Estimating Conference
Florida KidCare Program
February 18 and 28, 2019
Executive Summary**

The Social Services Estimating Conference convened on February 18 and 28, 2019, to adopt caseload and expenditure forecasts for the KidCare Program through June 2024.

The annual caseload projections for the entire KidCare Program are lower than the December estimates. The losses per year range from a low of 679 (FY 2019-20) to a high of 1,080 (FY 2023-24). By specific program, the decreases mainly occur in Florida Healthy Kids with the other programs remaining virtually unchanged.

On January 22, 2018, Congress passed a six-year extension of the Children's Health Insurance Program (CHIP) funding as part of a broader continuing resolution to fund the federal government. The Healthy Kids Act (H.R. 195, Division C) provides federal funding for CHIP for six years (through September 30, 2023) and provides an 11.5 percentage point increase to the regular CHIP Enhanced FMAP for October 1, 2019 through September 30, 2020.¹

Cumulatively, the individual programs generated \$1.05 million in General Revenue obligations that were unmet in FY 2017-18; these obligations were ultimately paid from the funds otherwise available for FY 2018-19. In addition, the revised expenditure forecast for FY 2018-19 includes a projected General Revenue deficit of \$1.52 million. Combined, the General Revenue need for the current year is \$2.57 million. For FY 2019-20, the General Revenue need above the current year's recurring appropriation base is projected to be \$51.95 million. In the outer years, the need for additional General Revenue each year rises from \$129.64 million in FY 2020-21 to \$176.76 million in FY 2023-24. The magnitude of the difference from the recurring appropriation base is a result of the expected decline in the Enhanced FMAP rate; the special add-on that resulted from the Affordable Care Act is eliminated in its entirety on September 30, 2020, affecting the state funding need for a portion of FY 2019-20 as it begins to unwind and all subsequent years.

Relative to the forecast adopted in December, the General Revenue need is further increased in FY 2018-19 through FY 2021-22 and decreased thereafter. The increase is due to a combination of changes to the Enhanced FMAP, caseload, and the Children's Medical Services Managed Care Plan (CMS Plan). The CMS changes include, transition to a prepaid managed care service delivery model and incorporation of actual contracted capitation rates; estimation of the FFS claims tail, which accounts for FFS claims incurred before managed care implementation on February 1, 2019, but not reported and paid until after February 1, 2019; and provision for the HIPF impact beginning in FY 2020-21. For FY 2019-20, the added cost to CMS is less than \$1.0 million, but it grows to over \$2.0 million per year in FY 2020-21 and FY 2021-22, before beginning to decline.

The first table that follows provides the new caseload projections for the current and upcoming fiscal years. The second table that follows provides the final expenditure forecast for FY 2018-19 through FY 2023-24.

¹ "Summary of the 2018 CHIP Funding Extension," <https://www.kff.org/medicaid/fact-sheet/summary-of-the-2018-chip-funding-extension/>, accessed February 9, 2018.

KIDCARE AVERAGE MONTHLY ENROLLMENT PROJECTIONS

FLORIDA HEALTHY KIDS*	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
December 2018 SSEC	201,400	215,315	227,776	237,880	245,240	249,773
February 2019 SSEC	200,474	214,636	226,858	236,833	244,174	248,693
Change	(926)	(679)	(918)	(1,047)	(1,066)	(1,080)

MEDIKIDS**	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
December 2018 SSEC	37,952	40,255	42,313	43,984	45,214	46,007
February 2019 SSEC	37,870	40,255	42,313	43,985	45,214	46,007
Change	(82)	0	0	1	0	0

CHILDREN'S MEDICAL SERVICES	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
December 2018 SSEC	12,512	13,319	13,917	14,361	14,633	14,823
February 2019 SSEC	12,516	13,319	13,917	14,361	14,633	14,823
Change	4	0	0	0	0	0

BEHAVIORAL HEALTH	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
December 2018 SSEC	410	454	475	490	499	505
February 2019 SSEC	388	454	475	490	499	505
Change	(22)	0	0	0	0	0

TOTALS	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
December 2018 SSEC	252,275	269,343	284,481	296,715	305,586	311,108
February 2019 SSEC	251,249	268,664	283,563	295,669	304,520	310,028
Change	(1,026)	(679)	(918)	(1,046)	(1,066)	(1,080)

*Averages include Healthy Kids Full Pay enrollment

**Averages include Medikids Full Pay enrollment

KIDCARE PROJECTED EXPENDITURES

		FY 2018-19 Appropriations	Projected Expenditures	Surplus/(Deficit)
Remaining FY 17-18 Obligation	General Revenue (Prior Year Exp)	\$0	\$1,048,909	(\$1,048,909)
	Grants and Donations Trust Fund (Prior Year Exp)	\$0	\$7,927	(\$7,927)
	Medical Care Trust Fund (Prior Year Exp)	\$0	\$21,294,441	(\$21,294,441)
	Total	\$0	\$22,351,277	(\$22,351,277)
FY 18-19	General Revenue	\$20,289,918	\$21,808,649	(\$1,518,731)
	Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
	Grants & Donations Trust Fund (State)	\$20,279,621	\$25,570,480	(\$5,290,859)
	Medical Care Trust Fund (Federal)	\$459,053,705	\$491,889,534	(\$32,835,829)
	Total	\$499,623,244	\$539,268,663	(\$39,645,419)
	Combined Total	\$499,623,244	\$561,619,940	(\$61,996,696)

		FY 2018-19 Recurring Appropriations	Projected Expenditures	Surplus/(Deficit)
FY 19-20	General Revenue	\$20,289,918	\$72,244,762	(\$51,954,844)
	Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
	Grants & Donations Trust Fund (State)	\$20,279,621	\$27,618,468	(\$7,338,847)
	Medical Care Trust Fund (Federal)	\$459,053,705	\$491,174,087	(\$32,120,382)
	Total	\$499,623,244	\$591,037,317	(\$91,414,073)
FY 20-21	General Revenue	\$20,289,918	\$149,934,100	(\$129,644,182)
	Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
	Grants & Donations Trust Fund (State)	\$20,279,621	\$29,223,545	(\$8,943,924)
	Medical Care Trust Fund (Federal)	\$459,053,705	\$472,956,660	(\$13,902,955)
	Total	\$499,623,244	\$652,114,305	(\$152,491,061)
FY 21-22	General Revenue	\$20,289,918	\$178,726,254	(\$158,436,336)
	Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
	Grants & Donations Trust Fund (State)	\$20,279,621	\$30,774,724	(\$10,495,103)
	Medical Care Trust Fund (Federal)	\$459,053,705	\$493,681,755	(\$34,628,050)
	Total	\$499,623,244	\$703,182,733	(\$203,559,489)
FY 22-23	General Revenue	\$20,289,918	\$188,710,820	(\$168,420,902)
	Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
	Grants & Donations Trust Fund (State)	\$20,279,621	\$32,216,470	(\$11,936,849)
	Medical Care Trust Fund (Federal)	\$459,053,705	\$529,706,447	(\$70,652,742)
	Total	\$499,623,244	\$750,633,737	(\$251,010,493)
FY 23-24	General Revenue	\$20,289,918	\$197,051,548	(\$176,761,630)
	Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
	Grants & Donations Trust Fund (State)	\$20,279,621	\$33,684,404	(\$13,404,783)
	Medical Care Trust Fund (Federal)	\$459,053,705	\$562,804,911	(\$103,751,206)
	Total	\$499,623,244	\$793,540,863	(\$293,917,619)