

**Social Services Estimating Conference
Florida KidCare Program
November 9, December 5, and December 7, 2016
Executive Summary**

The Social Services Estimating Conference convened on November 9, December 5, and December 7 to adopt caseload and expenditure forecasts for the KidCare Program through June 2021.

The total caseload projection under the new forecast for the KidCare Program is higher than the estimate adopted in July for each of the forecast years. Most of the increase relates to changes in the projections for Healthy Kids Title XXI, MediKids Title XXI, and CMS. These changes are driven almost entirely by updated assumptions about recent legislation that allowed lawfully residing immigrant children to enroll in KidCare beginning July 1, 2016. Prior to this, non-citizen children living in Florida were subject to a five-year waiting period before enrolling in the program. In the July Conference, it was assumed that enrollment would be at an increased level from July through December 2016 due to this statutory change. In this Conference, the assumption was updated; the increased level of enrollment is now expected to be higher overall and to extend through April 2017.

In the Healthy Kids Full Pay program, the Stars Plus (platinum level) plans, which have higher premiums but more substantial coverage than the Stars (silver level) plans, are scheduled to be phased out on December 31, 2016. Due to adverse selection, in which only families with children more predisposed to health problems have chosen to enroll in the more expensive plan option, the costs of care have proven unsustainable for the health care plan organizations. To cover the costs, the plan organizations requested a substantial rate increase for the upcoming year, and resulting premiums would make the Stars Plus plans optimal for only the families with the sickest children. This would only exacerbate the existing problem and ultimately lead to an unsustainable financial outlook for those plans. Families currently enrolled in Stars Plus plans were notified in early July that those plans would terminate on December 31, 2016. As a result, enrollment is forecasted to remain level through December, while the current plans are still intact, and then a substantial decrease is anticipated in January 2017 when the Stars Plus option is no longer available. Only a subset of the families is expected to transition into Stars plans.

For Fiscal Year 2016-17, the General Revenue deficit is projected to be \$1.3 million, an increase in the deficit projected in August. For Fiscal Year 2017-18, the General Revenue shortfall from the recurring appropriation is projected to be \$1.6 million.

The Children's Health Insurance Program (CHIP) is currently authorized under federal law through September 30, 2019. The new forecast assumes that the program will be reauthorized prior to this date and continue throughout the remainder of the forecast. Federal funding for the program is currently authorized through September 30, 2017. Even if funding is reauthorized, federal funds will not be sufficient to support the federal share of the program costs through State Fiscal Year 2017-18 if federal funding is maintained at the level of the FFY 2017 grant award, which was \$595.0 million.

Beginning with the July 2016 Conference, the Medicaid Children under 1 and Children ages 6-18 funded under Title XXI are both shown as part of the Medicaid Expenditures Conference.

The first table that follows provides the new caseload projections for the current and upcoming fiscal years. The second table that follows provides the new expenditure forecast for FY 2016-17 through FY 2020-21.

KIDCARE AVERAGE MONTHLY ENROLLMENT PROJECTIONS

FLORIDA HEALTHY KIDS*	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
July 2016 SSEC	166,619	173,914	184,392	195,516	N/A
December 2016 SSEC	169,303	179,190	189,602	200,657	212,393
Change	2,684	5,276	5,210	5,141	N/A

MEDIKIDS**	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
July 2016 SSEC	30,537	32,186	33,758	35,427	N/A
December 2016 SSEC	30,600	32,778	34,348	36,015	37,784
Change	63	592	590	588	N/A

CHILDREN'S MEDICAL SERVICES	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
July 2016 SSEC	9,296	9,351	9,351	9,351	N/A
December 2016 SSEC	9,447	9,702	9,702	9,702	9,702
Change	151	351	351	351	N/A

BEHAVIORAL HEALTH	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
July 2016 SSEC	403	396	396	396	N/A
December 2016 SSEC	502	520	520	520	520
Change	99	124	124	124	N/A

TOTALS	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
July 2016 SSEC	206,855	215,847	227,897	240,690	N/A
December 2016 SSEC	209,852	222,190	234,172	246,893	260,399
Change	2,997	6,343	6,275	6,203	N/A

*Averages include Healthy Kids Full Pay enrollment

**Averages include MediKids Full Pay enrollment

FISCAL YEAR 2016-17	FY 2016-17 Appropriations	Projected Expenditures	Surplus/(Deficit)
General Revenue	\$16,286,653	\$17,612,807	(\$1,326,154)
Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
Grants and Donations Trust Fund (State)	\$16,154,995	\$19,951,616	(\$3,796,621)
Medical Care Trust Fund (Federal)	\$362,323,583	\$391,910,157	(\$29,586,574)
Total	\$394,765,231	\$429,474,579	(\$34,709,348)

FISCAL YEAR 2017-18	FY 2016-17 Recurring Appropriations	Projected Expenditures	Surplus/(Deficit)
General Revenue	\$16,286,653	\$17,854,697	(\$1,568,044)
Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
Grants and Donations Trust Fund (State)	\$16,154,995	\$17,937,612	(\$1,782,617)
Medical Care Trust Fund (Federal)	\$362,323,583	\$444,064,319	(\$81,740,736)
Total	\$394,765,231	\$479,856,628	(\$85,091,397)

FISCAL YEAR 2018-19	FY 2016-17 Recurring Appropriations	Projected Expenditures	Surplus/(Deficit)
General Revenue	\$16,286,653	\$20,358,163	(\$4,071,510)
Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
Grants and Donations Trust Fund (State)	\$16,154,995	\$18,579,138	(\$2,424,143)
Medical Care Trust Fund (Federal)	\$362,323,583	\$487,246,788	(\$124,923,205)
Total	\$394,765,231	\$526,184,089	(\$131,418,858)

FISCAL YEAR 2019-20	FY 2016-17 Recurring Appropriations	Projected Expenditures	Surplus/(Deficit)
General Revenue	\$16,286,653	\$121,751,567	(\$105,464,914)
Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
Grants and Donations Trust Fund (State)	\$16,154,995	\$19,268,170	(\$3,113,175)
Medical Care Trust Fund (Federal)	\$362,323,583	\$434,531,176	(\$72,207,593)
Total	\$394,765,231	\$575,550,913	(\$180,785,682)

FISCAL YEAR 2021-21	FY 2016-17 Recurring Appropriations	Projected Expenditures	Surplus/(Deficit)
General Revenue	\$16,286,653	\$145,447,077	(\$129,160,424)
Tobacco Settlement Trust Fund (State)	\$0	\$0	\$0
Grants and Donations Trust Fund (State)	\$16,154,995	\$20,005,946	(\$3,850,951)
Medical Care Trust Fund (Federal)	\$362,323,583	\$464,577,245	(\$102,253,662)
Total	\$394,765,231	\$630,030,268	(\$235,265,037)