

**Social Services Estimating Conference  
Medicaid Caseloads and Expenditures  
December 13, 2023; January 3, and January 8, 2024  
Executive Summary**

The Social Services Estimating Conference (SSEC) develops its new materials for Medicaid over multiple conferences. For this cycle, it convened on December 13, 2023, to adopt a new Medicaid caseload forecast; on January 3, 2024, to revise the series of FMAP projections; and on January 8, 2024, to update the expenditure forecast, all for the period covering FY 2023-24 through FY 2028-29.

**Caseload Estimating Conference** – The Consolidated Appropriations Act, 2023 (P.L. 117-328), ended the continuous coverage provision on March 31, 2023. While redeterminations were originally scheduled to begin in April 2023, the state action was delayed until May 2023. The expected declines continue well into FY 2023-24 and can already be seen in many of the categories. Several categories, however, are running materially above estimate: the Other Fee for Service, XXI Children (6-18) and Family Planning categories. Of note, the Family Planning caseload has been inversely impacted by the redetermination process because many of those who are no longer eligible for managed care have become eligible for Family Planning services. As a result of all upward and downward adjustments, the total Medicaid estimate for FY 2023-24 is now 5,039,893. This is only a modest increase (20,586 or 0.41%) over the forecast adopted in July 2023.

Even after the special redetermination process has ended, caseload is projected to remain higher than the pre-pandemic peak (4,017,726 in FY 2016-17). The most significant reductions will occur in the first two years of the forecast: FY 2023-24 with a 9.6% decline over the prior year and FY 2024-25 with a 4.9% decline over its prior year. Caseload is then expected to decline further—to 4,737,441 in FY 2025-26; 4,713,472 in FY 2026-27; and 4,703,154 in FY 2027-28—before finally rising to 4,706,451 in FY 2028-29. At these levels, the revised caseload relative to the previous expectations is slightly lower in the early years of the forecast, before moving slightly above at the end. The changes between forecasts range from a reduction of 22,752 (-0.47%) in FY 2024-25 to a gain of 4,611 (+0.10%) in FY 2028-29. See the table below for more details on the first two years.

	Total Medicaid Caseload		FY 2023-24	FY 2024-25	
			5,039,893	4,793,627	
	SMMC		FFS		
	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	
TANF 0-13	1,584,078	1,510,590	Other FFS	383,001	384,342
TANF 14+	1,399,462	1,238,349	Medically Needy	135,461	103,330
SSI Medicaid	323,836	329,341	QMB/SLMB/QI	495,820	501,446
SSI Dual	82,497	82,235	XXI Children (6-18)	5,085	5,069
HIV/AIDS Medicaid	11,051	11,243	General Assistance	43,596	43,879
HIV/AIDS Specialty Medicaid	10,877	11,020	Family Planning	245,633	261,845
HIV/AIDS Dual	3,300	3,295	Relative Caregiver	8,192	8,208
LTC Medicaid	11,748	12,379	Child Only	12,197	12,220
LTC Dual	73,103	73,127	Families with Adults	23,314	21,927
Child Welfare	65,271	65,496	Unemployed Parents	27,517	22,242
CMSN	94,195	91,384			
PDN	658	661			

**Expenditure Estimating Conference** – The new expenditure forecast takes account of both the Medicaid caseload changes described above and the phaseout of the enhanced FMAP by the end of the 2023 calendar year, as required by the Consolidated Appropriations Act, 2023.

There are several other important funding notes. First, the scheduled changes to Disproportionate Share Hospital Funding (DSH) allotments have not been included. While the federal Centers for Medicare & Medicaid Services (CMS) have released the expected amount and methodology that will be used in calculating state reductions, they have yet to send the formal notification to the individual states. Currently, the DSH reductions are set to go into effect in Federal Fiscal Year 2024, barring any federal action to the contrary. Second, the Low Income Pool (along with other supplemental payment programs funded through Intergovernmental Transfers (IGTs) from local taxing authorities) is contingent upon Legislative Budget Commission approval of a budget amendment. Third, the forecast assumes continuation of IGTs for DSH based on historical collections for this purpose. While IGT collections for DSH have no impact on managed care plan capitation rates, the Conference strongly cautions that IGTs for this purpose may be at risk beginning in FY 2023-24, potentially resulting in lower payments to providers.

In the expenditure forecast, an overall rate increase of 4.5% was applied to the Prepaid Health Plan general category beginning October 1, 2023. This figure was suggested by the December 8, 2023 letter prepared by Milliman, Inc. (reference “SMMC MMA October 2023 through September 2024 Capitation Rates – December 2023 Rate Update”). This increase is higher than the preliminary figure of 4.0% suggested by the August 10, 2023 letter prepared by Milliman, Inc. (reference “Combined SMMC Rate Change for October 2023 through September 2024”). At the Conference, Milliman confirmed that rates adjusted by the 4.5% increase can be characterized as final and actuarially sound. In subsequent years, the MMA capitation rates are expected to grow 3.5% in October 2024, 2.67% in October 2025, 2.62% in October 2026, 2.60% in October 2027, and 2.50% in October 2028 as increases in medical inflation take hold.

For the Prepaid Health Plan – CMSN category, a rate increase of 6.5% was applied on October 1, 2023. This figure was suggested by the December 8, 2023 letter prepared by Milliman, Inc. (reference “SMMC MMA October 2023 through September 2024 Capitation Rates – December 2023 Rate Update”). In the outer years, CMSN capitation rates are projected to grow 3.75% in October 2024, 3.10% in October 2025, 3.04% in October 2026, 3.02% in October 2027, and 2.90% in October 2028.

For the Prepaid Health Plan – Long Term Care (LTC) category, a rate increase of 2.6% was applied October 1, 2023. This draft figure was provided in the same August 10, 2023 letter referenced above. In the outer years, LTC capitation rates are projected to increase 1.5% in October of each year.

For FY 2023-24, program expenditures are expected to top \$34,949.2 million. This level is higher than the appropriated level, but slightly lower than forecasted in August. Overall, the new forecast shows a shortfall in General Revenue dollars for the current year of \$241.6 million relative to the appropriated level. For FY 2024-25, program expenditures are expected to increase to \$35,327.0 million or 1.1% above the new estimate for the 2023-24 fiscal year. This results in a need for an additional \$465.7 million in General Revenue above the base budget level. See the table below for more details on the first two years.

Expenditure Forecast (millions)	FY 2023-24 Forecast	Surplus/(Deficit)	FY 2024-25 Forecast	Comparison to Base Budget
General Revenue	\$10,344.0	(\$241.6)	\$10,583.5	(\$465.7)
Medical Care TF	\$18,717.9	(\$78.7)	\$17,880.2	\$778.9
Refugee Assistance TF	\$193.1	(\$158.3)	\$183.7	(\$148.8)
Public Medical Assistance TF	\$843.5	\$0.0	\$1,164.0	(\$320.5)
Other State Funds	\$838.1	\$0.8	\$881.5	(\$42.6)
Grants and Donations TF	\$3,041.1	\$0.0	\$3,701.0	(\$660.4)
Health Care Trust Fund	\$666.1	\$0.0	\$643.8	\$22.3
Tobacco Settlement TF	\$305.3	\$15.0	\$288.1	\$32.2
<b>Total</b>	<b>\$34,949.2</b>	<b>(\$462.7)</b>	<b>\$35,327.0</b>	<b>(\$804.6)</b>

**Federal Medical Assistance Percentage** – Using new population and personal income data for the nation and for Florida, the Conference made modifications to the Federal Medical Assistance Percentages (FMAP) which are the federal funding shares used for state budgeting purposes. Further adjustments were made to reflect the provisions of Section 6008 of the Families First Coronavirus Response Act (FFCRA) (Pub. L. 116-127), which first became effective for budgeting purposes in January 2020, as well as the phasedown of the FFCRA FMAP required by the Consolidated Appropriations Act, 2023. These provisions provided states and territories with a temporary 6.2 percentage-point increase in the regular FMAP through March 2023, with a scheduled decline in the level of assistance from April to December 2023 before full elimination in January 2024. The base FMAP for 2023-24 and 2024-25 have both been confirmed at 57.96% and 57.17%, respectively. The preliminary base FMAP for 2025-26 is projected to be 55.86%. After adjusting for the State’s fiscal year, the effective state FMAP is 57.37% for FY 2024-25 and 56.19% for FY 2025-26.