

**Social Services Estimating Conference
Medicaid Caseloads and Expenditures
July 29, August 4 and 8, 2022
Executive Summary**

The Social Services Estimating Conference convened on July 29, 2022, to adopt a new Medicaid caseload forecast; on August 4, 2022, to revise the series of FMAP projections; and on August 8, 2022, to update the expenditure projection for the period covering FY 2022-23 through FY 2027-28.

Caseload Estimating Conference – As a result of the caseload increases that have already materialized, as well as the uncertainty arising from the future course of the current COVID-19 Public Health Emergency, the Conference increased total caseload in FY 2022-23 to 5,359,885—well above the pre-pandemic peak of 4,017,726 seen in FY 2016-17 that was first surpassed last year. This is an increase of 275,382 or 5.42% over the forecast adopted in December 2021.

Caseload remains higher than the pre-pandemic peak throughout the remainder of the forecast, despite its expected decline after the Public Health Emergency (PHE) is lifted. As of the Conference date, the PHE had been extended through October 16, 2021, which would hold recertification until January 2023. As a result, the FY 2023-24 caseload is projected to decrease to 4,981,544 but is still 2.01% above the prior forecast. Assuming an end to the PHE, caseload is expected to drop to 4,900,145 in FY 2024-25; 4,824,558 in FY 2025-26; 4,759,952 in FY 2026-27; and 4,721,324 in FY 2027-28.

In terms of fiscal years, the new forecast shows an 5.5% increase in Medicaid caseload for FY 2022-23 over the prior fiscal year and a -7.1% decrease in FY 2023-24. See the table below for additional detail.

Total Medicaid Caseload	FY 2022-23		FY 2023-24	
	5,359,885		4,981,554	
	SMMC		FFS	
	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24
TANF 0-13	1,716,947	1,617,590	Other FFS	410,952
TANF 14+	1,770,624	1,504,927	Medically Needy	136,632
SSI Medicaid	323,414	328,346	QMB/SLMB/QI	490,624
SSI Dual	94,285	95,516	XXI Children (6-18)	4,698
HIV/AIDS Medicaid	11,699	13,259	General Assistance	52,738
HIV/AIDS Specialty Medicaid	11,917	12,770	Family Planning	37,372
HIV/AIDS Dual	3,898	3,942	Relative Caregiver	10,205
LTC Medicaid	11,225	11,858	Child Only	14,013
LTC Dual	75,734	76,602	Families with Adults	15,433
Child Welfare	65,283	65,773	Unemployed Parents	5,032
CMSN	96,302	101,742		
PDN	856	903		

NOTE: While the names of some of the categories have been used consistently over time, significant changes in methodology that first appeared in July 2016 may prevent comparisons of the data before and after this date.

Expenditure Estimating Conference – The new expenditure forecast takes account of the Medicaid caseload changes described above. The current projections also include the 6.2% enhanced FMAP rate authorized by the Families First Coronavirus Response Act. Currently, the scheduled end of the public health emergency in October 2022 extends the FMAP enhancement for the entire quarter containing that date; however, it is possible that the underlying public health emergency—and therefore the enhanced FMAP—will be extended beyond the end of the quarter on December 31, 2022. If so, there will be a reduction to the required state funds suggested by this forecast. Conversely, no reductions in federal Disproportionate Share Hospital (DSH) funding have been included in the forecast, even though the DSH reductions are set to go into effect in 2024 unless additional federal action is taken.

All years of the forecast now reflect the federal waiver authority for the size of the Low Income Pool (LIP); this authority continues through June 2030. The forecast also assumes continuation of Intergovernmental Transfers (IGTs) from local taxing authorities, as well as continuation of IGTs for DSH based on historical collections for this purpose. While IGT collections for LIP and DSH have no impact on managed care plan capitation rates, the Social Services Estimating Conference strongly cautions that IGTs for these purposes may be at risk in the future, resulting in lower supplemental payments to providers.

In the expenditure forecast, an overall rate decrease of -6.0% was applied to the Prepaid Health Plans category at a granular level beginning October 1, 2022. This draft figure was first suggested by the August 3, 2022 letter prepared by Milliman, Inc. (reference “Combined SMMC Rate Change for October 2022 through September 2023”). In the outer years, the MMA capitation rate increase is projected to be 8.35% in October 2023, 2.5% in October 2024 and each subsequent October through 2027 as increases in medical inflation begin to take hold.

For the Prepaid Health Plan – CMS category, the underlying rate is expected to decrease on October 1, 2022, by -5.2%. This figure was initially provided in the same August 3, 2022 letter referenced above. In the outer years, CMS capitation rates are projected the same as the other Prepaid Health Plans.

For the Prepaid Health Plan – Long Term Care (LTC) category, the underlying rate is expected to increase on October 1, 2022, by 1.1%; however, after program changes that include a significant minimum wage adjustment, the rate would actually increase by 8.9%. After transition-related changes, the composite increase would drop back to 7.9%. These figures were initially provided in the same August 3, 2022 letter referenced above. In the outer years, LTC capitation rates are projected to increase 1.5% in October of each year.

For FY 2022-23, program expenditures are expected to be \$36,356.1 million. This level is lower than the appropriated level and slightly higher than forecasted in January—but the additional need for state funds has been suppressed by the temporary FMAP boost described above and below. Overall, the new forecast anticipates a surplus in General Revenue funds for the current year of \$1,257.5 million relative to the appropriated level. For FY 2023-24, program expenditures are expected to increase to \$36,520.1 million (0.5% above the new estimate for the 2022-23 fiscal year). The General Revenue requirement for FY 2023-24 is \$153.4 million above the FY 2023-24 base budget level. See the table on the following page for details.

Expenditure Forecast (millions)	FY 2022-23 Forecast	Surplus/Deficit	FY 2023-24 Forecast	Comparison to Base Budget
General Revenue	\$8,759.9	\$1,257.5	\$10,202.2	(\$153.4)
Medical Care TF	20,967.1	(265.0)	19,828.8	835.1
Refugee Assistance TF	29.2	(6.2)	26.6	(3.6)
Public Medical Assistance TF	870.8	29.8	790.0	110.6
Other State Funds	730.8	62.6	813.9	(20.5)
Grants and Donations TF	3,922.5	181.5	3,873.9	167.5
Health Care Trust Fund	715.7	27.6	665.7	77.6
Tobacco Settlement TF	360.1	0.0	319.0	41.1
Total	\$36,356.1	\$1,287.8	\$36,520.1	\$1,054.5

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. These provisions provided states and territories with a temporary 6.2 percentage-point increase in the regular FMAP. Based on the determination made October 18, 2021, by the US Secretary of Health and Human Services that a Public Health Emergency still exists, the Conference applied the FFCRA FMAP enhancement through December 31, 2022. The confirmed base federal FMAP for 2022-23 is 60.05%. The preliminary FMAP for 2023-24 is 58.99%. After adjusting for FFCRA and the State’s fiscal year, the effective state FMAP for 2022-23 is 63.40%. The 2022-23 federal share is higher than expected in the prior forecast due to the consecutive extensions of the public health emergency.