Social Services Estimating Conference
Medicaid Caseloads and Expenditures
July 10, July 24, and July 25, 2024
Executive Summary

The Social Services Estimating Conference (SSEC) develops its new materials for Medicaid over multiple conferences. For this cycle, it convened on July 10, 2024, to adopt a new Medicaid caseload forecast; on July 24, 2024, to revise the series of FMAP projections; and on July 25, 2024, to update the expenditure forecast, all for the period covering FY 2024-25 through FY 2029-30.

Caseload Estimating Conference – The Consolidated Appropriations Act, 2023 (P.L. 117-328), ended the PHE-related continuous coverage provision on March 31, 2023. The redetermination process in Florida began in May 2023, with declines in caseload that were greater than expected. After more than a year, total caseload for FY 2023-24 had dropped to 4,841,388 from 5,575,548 in the prior year. While the Conference had expected a significant drop in FY 2023-24, the final number was 198,505 or 3.94% below the forecast adopted in January 2024. Several categories, however, are running materially above estimate: Private Duty Nursing, General Assistance, XXI Children (6-18) and Family Planning. 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.

Even after the end of the atypical redetermination process, caseload is projected to remain higher than the pre-pandemic peak (4,017,726 in FY 2016-17). The most significant reduction occurred in FY 2023-24 with a 13.2% decline to the prior year. This decline slows to an estimated drop from the prior year of 9.0% in FY 2024-25, settling at 4,407,592 for the year. Beginning in FY 2025-26 the caseload is expected to resume positive growth, increasing to 4,445,163. This increase continues throughout the forecast to 4,457,122 in FY 2026-27; 4,466,911 in FY 2027-28; 4,479,231 in FY 2028-29; and finally reaching 4,493,826 in FY 2029-20. At these levels, the revised caseload relative to the previous expectations is lower across all years, largely due to the much lower starting point in FY 2023-24.

Total Medicaid Caseload	**FY 2024-25**	**FY 2025-26**
	4,407,592	**4,445,163**

SMMC			FFS		
	FY 2024-25	FY 2025-26		FY 2024-25	FY 2025-26
TANF 0-13	1,417,606	1,419,872	Other FFS	351,060	355,454
TANF 14+	1,074,179	1,098,383	Medically Needy	25,175	30,175
SSI Medicaid	294,686	296,138	QMB/SLMB/QI	514,739	517,849
SSI Dual	64,513	64,513	XXI Children (6-18)	5,221	5,396
HIV/AIDS Medicaid	9,704	9,704	General Assistance	54,435	54,459
HIV/AIDS Specialty Medicaid	8,809	8,809	Family Planning	294,465	294,465
HIV/AIDS Dual	2,410	2,410	Relative Caregiver	6,847	6,847
LTC Medicaid	12,379	12,981	Child Only	11,465	11,311
LTC Dual	67,405	67,405	Families with Adults	22,308	22,308
Child Welfare	61,990	61,990	Unemployed Parents	17,126	13,624
CMSN	90,207	90,207			
PDN	863	864			

Expenditure Estimating Conference – The new expenditure forecast takes account of the Medicaid caseload changes described above, which had a material effect on projected costs. 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 2025, 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 2024-25, potentially resulting in lower payments to providers.

In the expenditure forecast, an overall rate reduction of -0.2% was applied to the Prepaid Health Plan general category beginning October 1, 2024. The original figure suggested by the letter (dated July 19, 2024) prepared by Milliman, Inc. (reference "Combined SMMC Rate Change for October 2024 through September 2025") was a reduction of -0.6% that was based on a blend of the conditions expected to occur in the pre- and post-Invitation to Negotiate (ITN) environment. This blend was further adjusted by the Conference to take account of the challenges that were still underway as the Conference met. In subsequent years, the MMA capitation rates are expected to grow 2.67% in October 2025, 2.62% in October 2026, 2.60% in October 2027, and 2.50% in October 2028 and 2029 as increases in medical inflation take hold.

For the Prepaid Health Plan – CMSN category, a rate increase of 3.7% was applied on October 1, 2024. This figure was suggested by the letter (dated July 19, 2024) referenced above. In the outer years, CMSN capitation rates are projected to grow 3.00% in each October starting in 2025 and continuing through 2029.

For the Prepaid Health Plan – Long Term Care (LTC) category, a rate increase of 2.10% was applied October 1, 2024. This figure was provided in the same letter (dated July 19, 2024) referenced above. In the outer years, LTC capitation rates are projected to increase 1.75% in October of each year.

For FY 2024-25, program expenditures are expected to reach $33,224.7 million. This level is lower than the appropriated level, and lower than forecasted in January. Overall, the new forecast shows a surplus in General Revenue dollars for the current year of $166.0 million relative to the appropriated level. For FY 2025-26, program expenditures are expected to increase to $34,674.3 million or 4.4% above the new estimate for the 2024-25 fiscal year. This results in a need for an additional $1,176.8 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 2024-25 Forecast	Surplus/Deficit	FY 2025-26 Forecast	Comparison to Base Budget
General Revenue	$10,750.3	$166.0	$12,136.3	($1,176.8)
Medical Care TF	$16,518.7	$433.4	$17,525.2	($517.7)
Refugee Assistance TF	$213.5	($29.7)	$226.7	($42.8)
Public Medical Assistance TF	$1,148.5	$15.5	$907.6	$256.4
Other State Funds	$48.4	($1.5)	$49.3	($2.3)
Grants and Donations TF	$3,613.4	($0.0)	$2,867.0	$745.8
Health Care Trust Fund	$643.8	($0.0)	$706.3	($62.5)
Tobacco Settlement TF	$288.1	$0.0	$255.9	$32.2
Total	**$33,224.7**	**$583.8**	**$34,674.3**	**($767.8)**

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.

The base FMAP for 2024-25 has been confirmed at 57.17%. The preliminary base FMAP for 2025-26 is projected to be 55.24%. After adjusting for the State's fiscal year, the effective state FMAP is 57.37% for FY 2024-25 and 56.32% for FY 2025-26.