

Illinois Department of Healthcare and Family Services
Five Year Medical Assistance Budget Outlook
General Revenue and Related Funds Only
(Dollars in Millions)
(Assumes 2% Annual GRF Appropriation Growth)

	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Estimated Beginning Bills on Hand	\$290.9	\$1,772.2	\$4,708.1	\$8,061.6	\$11,869.5	\$16,169.5
<u>Projected Program Liability</u>						
<u>Practitioners</u>	<u>\$1,496.5</u>	<u>\$1,390.6</u>	<u>\$1,452.4</u>	<u>\$1,518.3</u>	<u>\$1,588.7</u>	<u>\$1,664.1</u>
Physicians	\$1,086.9	\$1,010.2	\$1,035.6	\$1,061.7	\$1,088.4	\$1,115.8
Dentists	\$331.5	\$313.3	\$342.2	\$373.7	\$408.1	\$445.6
Optometrists	\$66.6	\$57.5	\$64.3	\$72.0	\$80.5	\$90.1
Podiatrists	\$10.0	\$8.2	\$8.7	\$9.3	\$10.0	\$10.7
Chiropractors	\$1.6	\$1.5	\$1.6	\$1.7	\$1.7	\$1.8
Hospitals	\$3,297.4	\$3,287.7	\$3,443.4	\$3,606.5	\$3,777.4	\$3,956.3
Prescribed Drugs	\$2,031.4	\$2,307.8	\$2,457.8	\$2,617.6	\$2,787.7	\$2,969.0
<u>Long Term Care</u>	<u>\$1,909.7</u>	<u>\$2,059.2</u>	<u>\$2,074.5</u>	<u>\$2,091.1</u>	<u>\$2,109.3</u>	<u>\$2,129.0</u>
Nursing Homes	\$1,616.7	\$1,752.1	\$1,752.1	\$1,752.1	\$1,752.1	\$1,752.1
Institutions for Mental Disease	\$150.1	\$137.0	\$137.0	\$137.0	\$137.0	\$137.0
Supportive Living Facilities	\$143.0	\$170.0	\$185.3	\$201.9	\$220.1	\$239.9
<u>Other Medical Services</u>	<u>\$1,496.0</u>	<u>\$1,538.7</u>	<u>\$1,657.3</u>	<u>\$1,787.6</u>	<u>\$1,928.9</u>	<u>\$2,081.8</u>
Community Health Centers	\$344.9	\$377.2	\$409.0	\$443.5	\$480.8	\$521.4
Hospice	\$98.2	\$99.9	\$109.0	\$119.0	\$129.8	\$141.7
Laboratories	\$65.6	\$53.8	\$57.6	\$61.7	\$66.0	\$70.7
Home Health Care	\$98.5	\$112.1	\$121.9	\$132.6	\$144.3	\$157.0
Div. of Specialized Care for Children	\$72.4	\$68.3	\$70.4	\$72.5	\$74.7	\$76.9
Appliances	\$98.4	\$89.6	\$98.1	\$107.4	\$117.6	\$128.8
Transportation	\$80.7	\$67.7	\$67.9	\$69.9	\$72.0	\$74.1
Other Related Medical	\$220.4	\$211.8	\$226.0	\$241.1	\$257.3	\$274.5
Medicare A Premiums	\$17.5	\$16.4	\$16.4	\$16.4	\$16.4	\$16.4
Medicare B Premiums	\$372.5	\$412.6	\$448.7	\$487.9	\$530.5	\$576.8
Medicare B Expansion	\$26.7	\$29.2	\$32.3	\$35.7	\$39.4	\$43.5
Managed Care (incl. Integrated Care-Phase I)	\$611.5	\$844.8	\$911.8	\$984.0	\$1,062.0	\$1,146.2
Child Health Rebate	\$9.0	\$9.0	\$9.3	\$9.6	\$9.8	\$10.1
Renal Dialysis Services	\$0.7	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Hemophilia Services	\$15.9	\$19.1	\$20.0	\$20.8	\$21.8	\$22.7
Sexual Assault Treatment	\$2.2	\$2.5	\$2.7	\$2.9	\$3.1	\$3.4
Total Program Liability	\$10,870.4	\$11,460.0	\$12,029.6	\$12,639.0	\$13,289.2	\$13,983.1
Percentage Change		5.4%	5.0%	5.1%	5.1%	5.2%

	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
<u>Projected Program Resources</u>						
GRF Appropriation (assumed 2% growth)	\$6,625.6	\$6,758.2	\$6,893.3	\$7,031.2	\$7,171.8	\$7,315.2
Plus: Prior Yr. GRF Lapse Spend	\$495.5	\$25.8	\$25.8	\$25.8	\$25.8	\$25.8
<u>Less: Current Yr. GRF Lapse Spend</u>	<u>(\$25.8)</u>	<u>(\$25.8)</u>	<u>(\$25.8)</u>	<u>(\$25.8)</u>	<u>(\$25.8)</u>	<u>(\$25.8)</u>
Equals: Current Yr. GRF Cash Spend	\$7,095.3	\$6,758.2	\$6,893.3	\$7,031.2	\$7,171.8	\$7,315.2
<i>Estimated State Share</i>	\$3,547.6	\$3,379.1	\$3,446.7	\$3,515.6	\$3,585.9	\$3,657.6
<i>Estimated Federal Share</i>	\$3,547.6	\$3,379.1	\$3,446.7	\$3,515.6	\$3,585.9	\$3,657.6
<u>Other Related Funds Spend</u>						
Healthcare Provider Relief Fund Spend	\$699.2	\$375.0	\$382.5	\$390.2	\$398.0	\$405.9
Drug Rebate Fund Spend	\$400.1	\$467.1	\$476.5	\$486.0	\$495.7	\$505.6
Tobacco Settlement Recov. Fund Spend	\$200.6	\$200.6	\$200.6	\$200.6	\$200.6	\$200.6
LTC Provider Fund Spend	\$698.9	\$723.2	\$723.2	\$723.2	\$723.2	\$723.2
Hospital Provider Fund Spend	\$15.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<u>FY12 Hospital Relief Fund</u>	<u>\$280.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>
Total Other Funds Spend	\$2,293.9	\$1,765.9	\$1,782.8	\$1,799.9	\$1,817.5	\$1,835.3
<i>Estimated State Share</i>	\$1,146.9	\$883.0	\$891.4	\$900.0	\$908.7	\$917.7
<i>Estimated Federal Share</i>	\$1,146.9	\$883.0	\$891.4	\$900.0	\$908.7	\$917.7
Total Program Resources	\$9,389.2	\$8,524.1	\$8,676.1	\$8,831.1	\$8,989.3	\$9,150.6
<i>Estimated State Share</i>	\$4,694.6	\$4,262.0	\$4,338.0	\$4,415.6	\$4,494.6	\$4,575.3
<i>Estimated Federal Share</i>	\$4,694.6	\$4,262.0	\$4,338.0	\$4,415.6	\$4,494.6	\$4,575.3
Estimated Ending Bills on Hand	\$1,772.2	\$4,708.1	\$8,061.6	\$11,869.5	\$16,169.5	\$21,001.9
Increase in Estimated Ending Bills on Hand	\$1,481.3	\$2,935.9	\$3,353.5	\$3,807.9	\$4,299.9	\$4,832.5

Notes:

1. The federal government requires states to pay 90% of medical practitioner bills within 30 days and 99% within 90 days of receipt. All Medical Assistance bills are required to be paid within 12 months of receipt. The requested scenario will not allow HFS to meet those requirements especially in the later years. The potential penalty for violating the payment requirements could be suspension of federal matching dollars in support of the program.
2. FY12 and FY13 liability and resource estimates reflect assumptions used in the handout distributed during the November meeting of the new legislative Medicaid Advisory Committee. Any changes made during FY13 budget development will impact the figures on this sheet.
3. FY12 program resources assume spending the fund transfers (& federal match) approved by the General Assembly during the Fall Veto Session. These resources are not assumed to repeat in FY13 and the out years.
4. Liability changes assume current growth patterns continue over the period, with Medicaid Reform assumed beginning in FY12 and FY13 (\$350 million five-year savings from Coordinated Care assumed beginning in FY13).
5. Resources in the Tobacco Settlement Recovery and LTC Provider Funds remain relatively flat over time and do not grow with liability. As such, spending from these funds is held flat over the period.
6. Drug Rebate and Healthcare Provider Relief Fund spending should grow at roughly the same pace as actual bill payment. The figures above include spending growth of two percent per year in those funds, consistent with the requested GRF appropriation growth assumption.
7. The effect of relatively stagnant other funds resources over time means that the program's GRF appropriations must grow at a larger rate than overall program liability growth to maintain constant levels of unpaid bills.
8. The figures do not include the GRF Altgeld Clinic grant and Excellence in Academic Medicine fund deposit appropriations, as those costs are not part of the cycled payments to providers (\$14.2 million total for both).