Celebrating 50 Years

Alabama Medicaid Agency

FY 2020 Annual Report

Alabama Medicaid Agency

501 Dexter Avenue
P.O. Box 5624
Montgomery, Alabama 36103-5624

www.medicaid.alabama.gov
e-mail: almedicaid@medicaid.alabama.gov

KAY IVEY
Governor

Telecommunication for the Deaf: 1-800-253-0799
334-242-5000 1-800-362-1504

STEPHANIE MCGEE AZAR
Commissioner

Dear Governor Ivey,

It is my pleasure to submit to you the Alabama Medicaid Agency's Annual Report for Fiscal Year (FY) 2020. This year marked a notable anniversary for Alabama Medicaid – 50 years of providing essential healthcare services in the state of Alabama. Our focus remains on facilitating the delivery of quality and cost-efficient health care to Medicaid recipients.

At the beginning of FY 2020, Medicaid implemented the Alabama Coordinated Health Network (ACHN) creating a single care coordination delivery system effectively linking patients, providers and community resources to achieve optimal health outcomes. The ACHNs serve our Maternity, Family Planning, and full Medicaid populations ensuring quality health care through care coordination services.

Throughout FY 2020, our Agency learned to adapt quickly to change. Medicaid worked with the Alabama Department of Public Health and other state and federal agencies to stay up to date on the spread of COVID-19 in Alabama. Through the support of the Centers for Medicare and Medicaid Services, Medicaid adopted flexibilities that better served recipients and providers throughout the COVID-19 Public Health Emergency. Many of these flexibilities are described throughout this annual report.

Alabama Medicaid is grateful for the unwavering support of the Governor's Office in caring for Alabama's most vulnerable residents through strong, collaborative partnerships and innovative ideas, amidst a rapidly evolving health care landscape.

Sincerely,

Stephanie McGee Azar
Commissioner
Alabama Medicaid Agency

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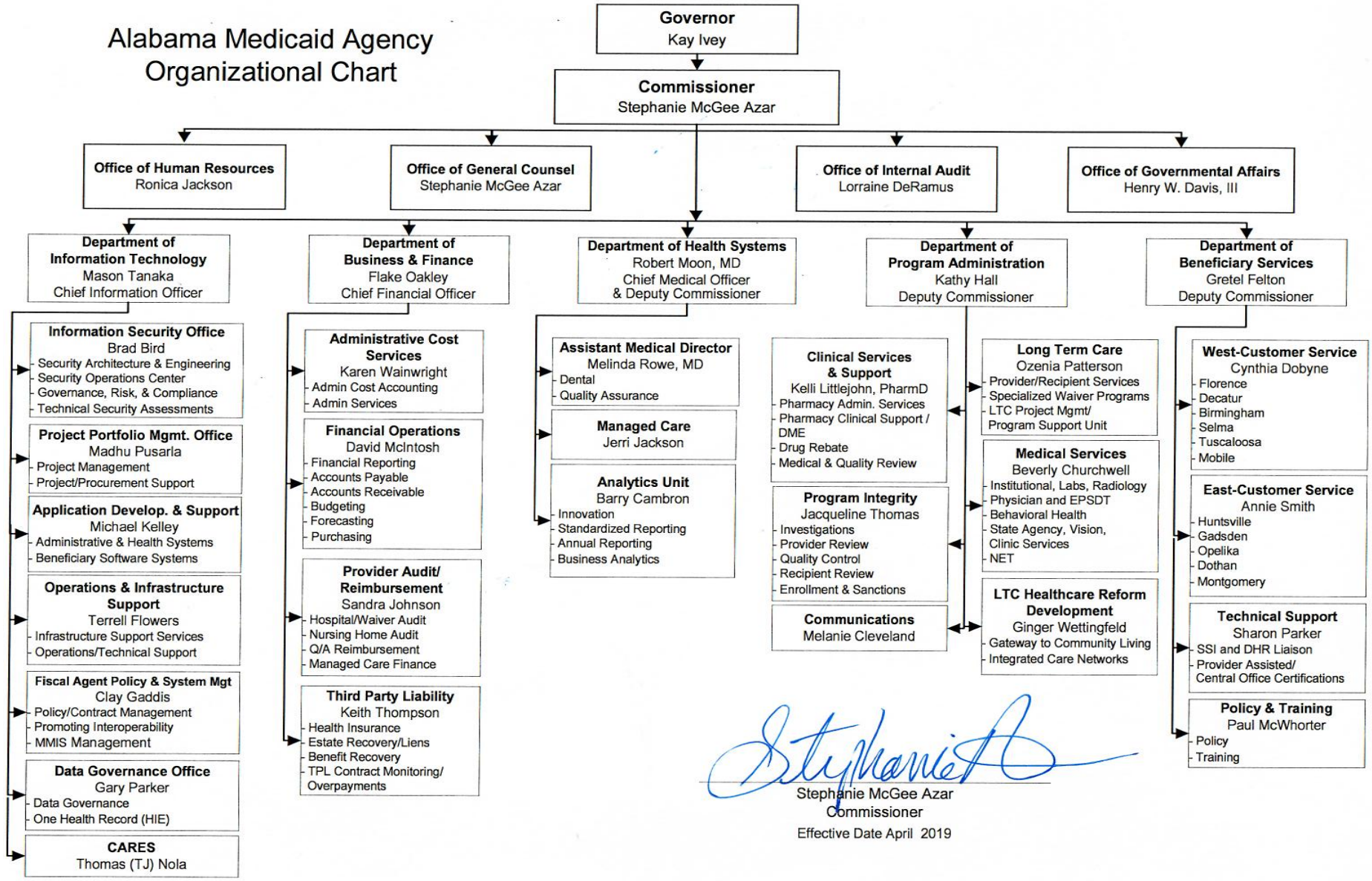
Alabama Medicaid Agency Organizational Chart



Stephanie McGee Azar
Commissioner
Effective Date April 2019

Alabama Medicaid Celebrates 50th Anniversary

Commemorating 50 years, Alabama Medicaid traces its roots back to the summer of 1967, when Governor Lurleen B. Wallace officially formed the program by Executive Order. In the closing hours of 1969, Alabama received Federal approval for its Medicaid program launch on January 1, 1970.

During that first year, there were a total of 45 employees and 313,074 recipients. By 2020, those numbers had increased to 602 employees and 1,197,320 recipients.

The program began as the Medical Services Administration, an operational unit of the Alabama Department of Public Health (ADPH). It became an independent agency in 1977 and in 1981 was renamed the Alabama Medicaid Agency.

Both the Pharmaceutical and Third Party programs trace their origin to the start of the state's Medicaid program. The Third Party program was among the first in the nation to comply with Federal regulations ensuring that Medicaid was "payer of last resort."

In 1978, Alabama Medicaid initiated five programs to cut costs, improve services, reduce misuse, and detect fraud. The Fraud Control Unit became the first of its kind to receive Federal certification.

Alabama Medicaid's first HCBS (Home and Community-Based Waiver Services) program began in 1982 as an alternative to institutional care for those who were Medicaid eligible.

SOBRA (The Sixth Omnibus Budget Reconciliation Act) launched in 1987 extending Medicaid coverage to more pregnant women and children.

In 1991, Alabama became the first state to fully-implement a Medicaid plan providing more medically necessary services to eligible children under age 21.

Patient 1st, a primary care case management program to improve the level of coordinated health care, began in 1997.

In 1998, Alabama Medicaid led the nation in implementing CHIP (Children's Health Insurance Program), adding health care for teenagers 14-18 and Department of Youth Services (DYS) teenagers.

Plan First, a family planning and birth control services program, kicked off in 2000.

The Preferred Drug List began in 2003 to keep health care costs down by encouraging use of preferred, generic and over-the-counter drugs. An electronic drug prior authorization (PA) system started in 2004.

The Agency modernized its enrollment process in 2010 through ELE (Express Lane Eligibility), a data-sharing initiative to streamline and speed up the renewal process for Medicaid-eligible children. In 2012, "My Medicaid," a user-friendly website for applicants and recipients, went online.

Implemented in 2013, the Centralized Alabama Recipient Eligibility System (CARES) was a joint effort of Alabama Medicaid and ALL Kids, developed in partnership with ADPH.

In 2015, state Medicaid providers participated in the nationwide implementation of a revamped standardized (ICD-10) medical code set for medical diagnoses and inpatient hospital procedures, the first such update in over 35 years.

On October 1, 2019, Alabama Medicaid, in collaboration with stakeholders across the state, launched the Alabama Coordinated Health Network (ACHN), a care coordination program to offer recipients better quality of health care through a more comprehensive approach. Seven ACHNs were incentivized for ensuring recipients received the right care, at the right place, at the right time.

Through all of these changes over 50 years, Alabama Medicaid has provided essential healthcare services to the state of Alabama. Our focus still remains on facilitating the delivery of quality and cost-efficient health care to Medicaid recipients for years to come.

For more details about Alabama Medicaid's 50th Anniversary, click on the following link: https://medicaid.alabama.gov/content/2.0_Newsroom/2.1_About_Medicaid.aspx.

ALABAMA MEDICAID AGENCY
COVID-19 Public Health Emergency (COVID-19 PHE)

60,068	10,037	$21.9M
Total tested	**Total diagnosed**	**Total paid[1]**

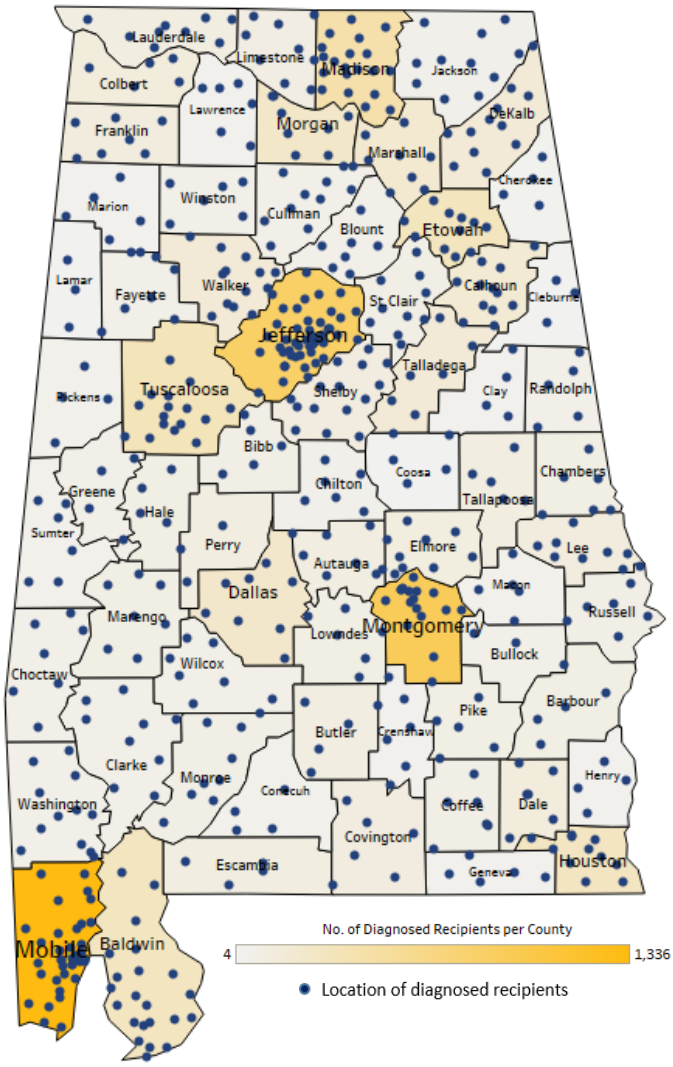
In March 2020, Alabama Department of Public Health (ADPH) reported its first positive case of COVID-19. As a result, Medicaid closely monitored COVID-19 through coordination with ADPH and other state and federal partners.

Declared as a public health emergency, Medicaid proactively prepared to ensure continuous quality health care during challenging times.

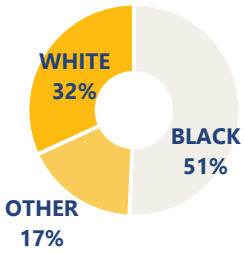
Here are some highlights:

- Continued coverage for Medicaid recipients until the end of the COVID-19 PHE.
- Added procedure codes to allow providers and laboratories to bill for COVID testing.
- Extended telemedicine to ease access to appropriate medical services for certain codes for Medicaid recipients.
- Offered supplemental payments to providers.
- Made accommodations related to pharmacy claims.
- Lifted referral requirements.
- Waived copayments for all services temporarily.
- Offered virtual trainings and meetings options for providers.

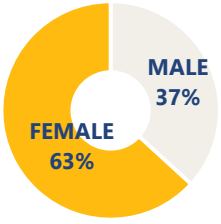
Medicaid continues to be a primary source of providing updates and information to recipients, providers and external stakeholders during the PHE.



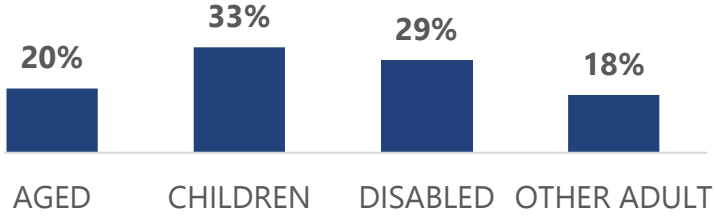
Percent of diagnosed cases by race



Percent of diagnosed cases by gender



Percent of diagnosed cases by aid category



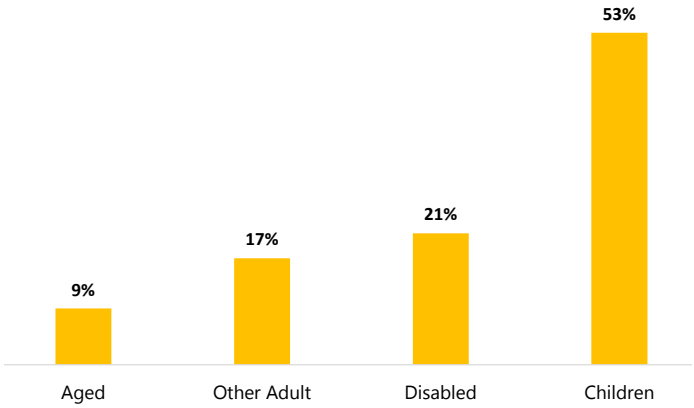
[1]Total cost for all recipients after diagnosis [top 10 level]

Data as of 9/11/2020 checkwrite

FISCAL YEAR

2020 ALABAMA MEDICAID AGENCY AT A GLANCE

Distribution of Recipients



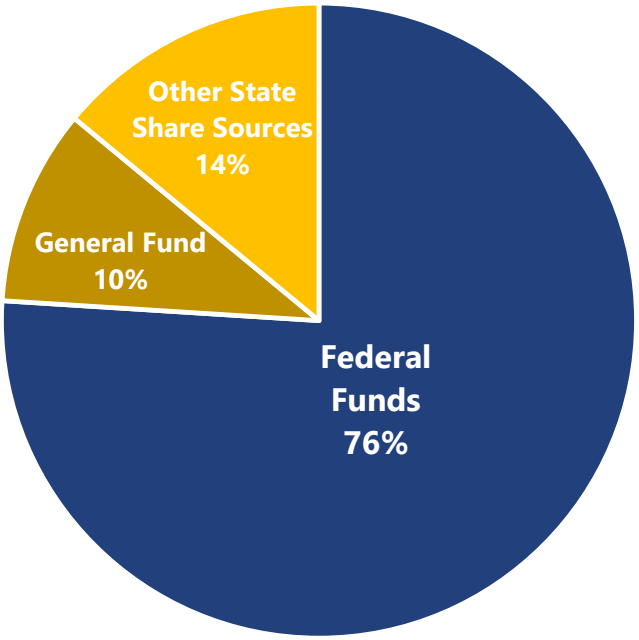
OVER **1 million**

recipients served at any point during the fiscal year

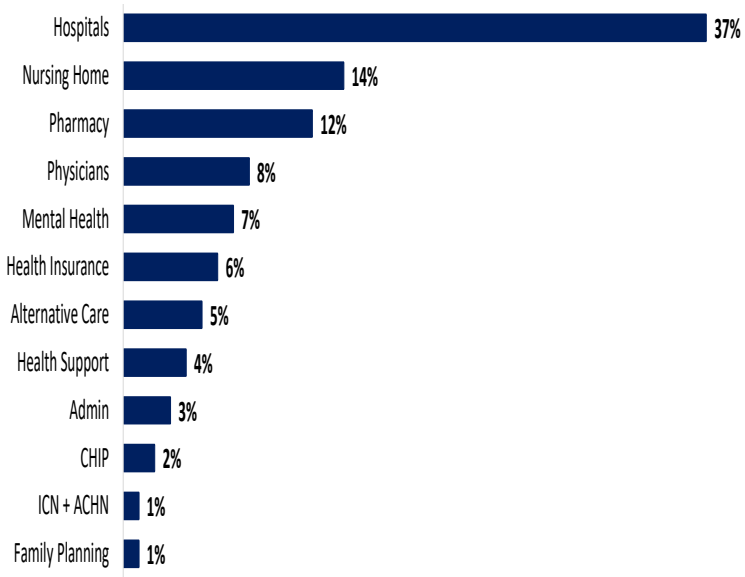
24% of Alabama citizens are eligible for Medicaid at least one month of the year

$6.4 billion
in medical benefits

Medicaid Source of Funds



Medicaid Use of Funds



Total Expenditures: **$7.13 Billion**

Medicaid patients accounted for **59%** of total nursing home bed days

50%+ of all Alabama births are paid by Medicaid

Data as of 9-30-20

The Medicaid Agency

MISSION: To provide a system of financing health care for eligible Alabamians in accordance with established statutes and Executive Orders.

VISION: To play a key leadership role in ensuring availability and access to appropriate health care for all Alabamians.

VALUES:

- Respect
  We are a caring organization that treats each individual with dignity, empathy, and honesty.

- Integrity
  Our stakeholders can depend on the quality, trustworthiness, and reliability of our Agency's employees and representatives.

- Excellence
  We are committed to maximizing our resources to ensure the residents of Alabama have access to quality health care.

- Teamwork
  Our success depends upon establishing and maintaining effective collaborative partnerships.

- Innovation
  We willingly embrace new ideas and new ways of doing things to effectively meet a changing health care environment.

FY 2020
Eligibility

Eligibles

The Alabama Medicaid program covered over 24 percent of all Alabama citizens at some point during Fiscal Year 2020, including nearly 53 percent of all children.

More than one-half of all deliveries to Alabama residents are funded by Medicaid.

Meanwhile, aged and disabled recipients represented a smaller percentage (30 percent) of eligible individuals. Costs associated with this group accounted for approximately 65 percent of all expenditures for the Agency.

Applicants undergo a rigorous screening and verification process before being approved for benefits. In addition to income, citizenship and other records are validated. Elderly and disabled applicants are also screened for resources and transfer of assets. In almost all cases, Alabama's financial eligibility limits are at the federal minimum level.

Qualifying Agencies

Three agencies other than Alabama Medicaid determine Medicaid eligibility.

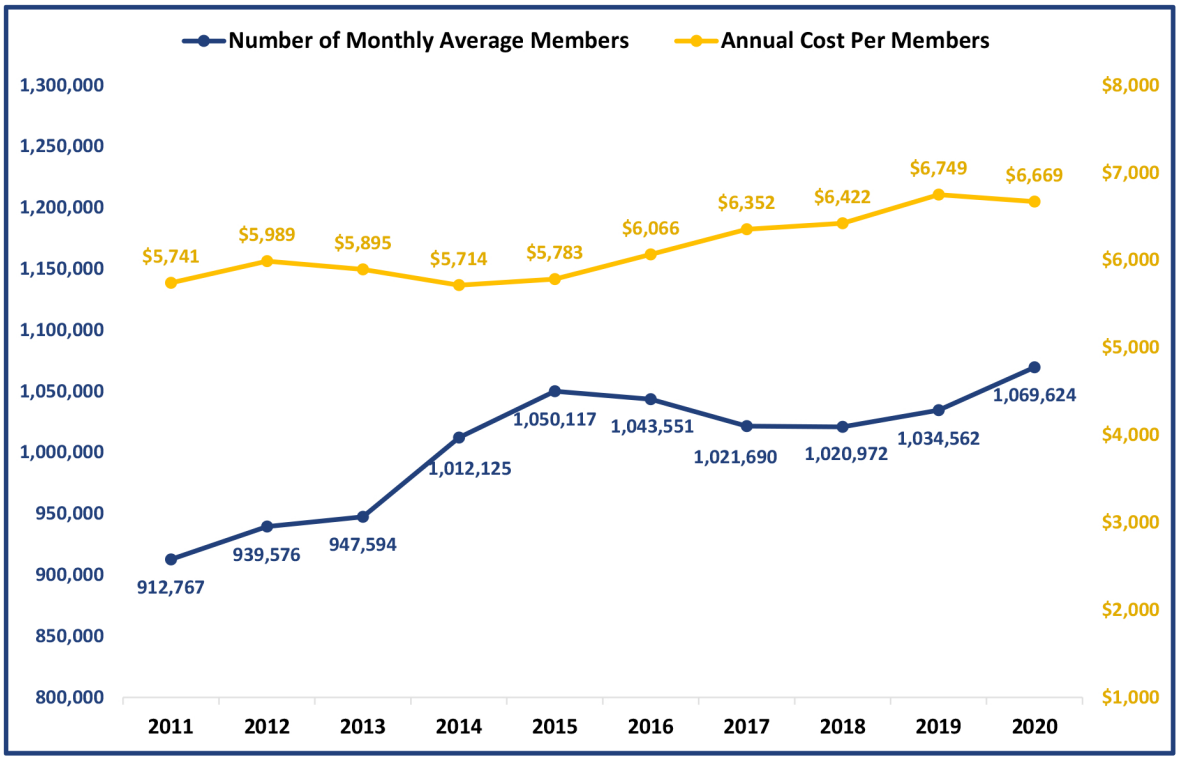
The Alabama Department of Human Resources certifies foster children, children who receive state or federal adoption assistance, and other groups that are not eligible for Supplemental Security Income (SSI).

The Social Security Administration certifies aged, blind and disabled persons who have very low income and qualify for cash assistance through the SSI program.

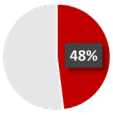
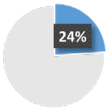
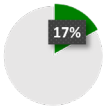
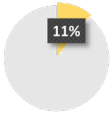
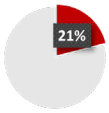
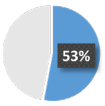
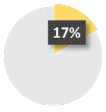
Alabama Medicaid is responsible for certifying applicants for Medicaid through the Alabama Breast and Cervical Cancer program; certain children in group homes certified by the Department of Youth Services; Aged, Blind, or Disabled individuals who are ineligible for SSI; and low-income Medicare beneficiaries seeking Medicaid's help paying for their Medicare premiums and/or copayments.

Alabama Medicaid and the Alabama Department of Public Health's ALL Kids program are responsible for certification of the following eligibility groups: Parents and Other Caretaker Relatives (formerly known as MLIF); children under age 19 eligible for Medicaid or ALL Kids; pregnant women; Plan First (Family Planning) Program; Former Foster Care youth; and Emergency Services for non-citizens.

FY 2011-2020
Enrollment and Annual Cost Per Enrollee



FY 2020
Who Does Alabama Medicaid Serve?

Disabled and Blind	Children	Aged	Other Categories
Any Age	***Age 0-18***	***Age 65 and Over***	***Age 19+***
Most determined by the Social Security Office and have automatic Medicaid eligibility.	*Children in families below 146%[1] of the Federal Poverty Rate.*	*Adults who are in poverty. Almost all are also covered by Medicare.*	*Other adults including pregnant women, parent caretakers, and Plan First recipients.*
% of Expenditures	**% of Expenditures**	**% of Expenditures**	**% of Expenditures**
			
% of Members	**% of Members**	**% of Members**	**% of Members**
			
$13,223 Per Member Per Year	**$2,693** Per Member Per Year	**$10,775** Per Member Per Year	**$3,805** Per Member Per Year

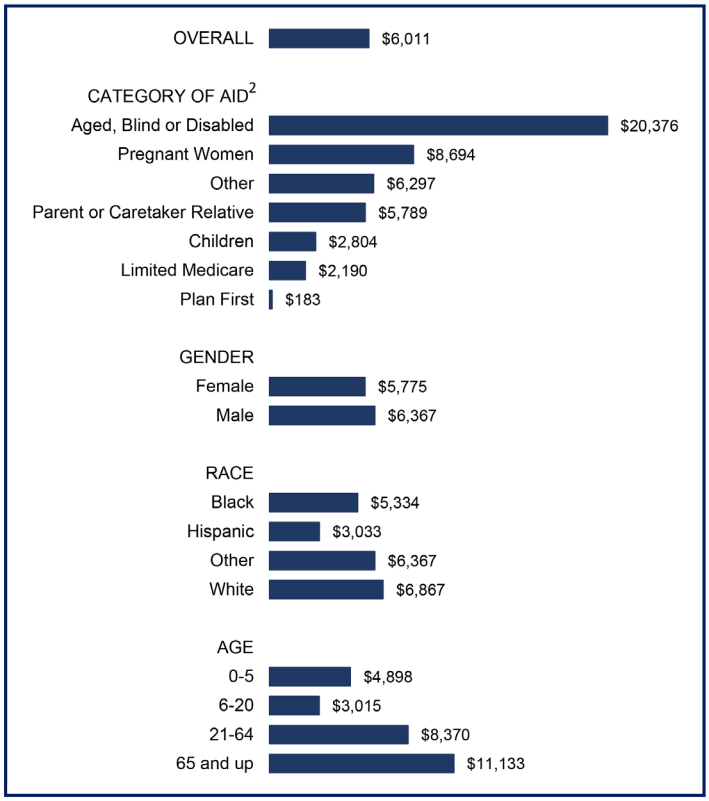
Expenditures, dates of service, include claims, capitations, and access payments based on dates of service in FY 2020.
Per Member Per Year (PMPY) calculations not for the purpose of determining managed care rates and do not align to date paid numbers.
[1] The income limit for this group is 141% of the Federal Poverty Level, but in cases of excess income, a Federal Poverty Level disregard of 5% then applies.

FY 2020
Medicaid and Alabama Overview

Expenditures and Funding Sources	FY 2018	FY 2019	FY 2020
Expenditures			
Medicaid Agency Expenditures[1]	$6,557,068,823	$6,982,221,485	$7,133,013,111
Percent Change from Prior Year	1.0%	6.5%	2.2%
Medicaid Medical Services Expenditures[2]	$5,826,543,865	$6,241,982,596	$6,429,867,779
Percent Change from Prior Year	1.7%	7.1%	3.0%
Average Medicaid Medical Services Expenditures per Monthly Average Eligible[3]	$5,707	$6,033	$6,011
Percent Change from Prior Year	1.7%	5.7%	-0.4%
Medicaid Medical Services Expenditures per Capita[4]	$1,192	$1,273	$1,306
Funding Sources (Receipts)			
Overall Federal Funding Percentage[5]	70.0%	71.4%	74.0%
Overall State Funding Percentage	30.0%	28.6%	26.0%
State General Fund Percentage	10.6%	10.8%	9.9%
Utilization			
Alabama Population[6]			
Total	4,887,871	4,903,185	4,921,532
Adults	3,605,549	3,622,329	3,645,218
Children[7]	1,282,322	1,280,856	1,276,314
As a Percent of the Alabama Population	26.2%	26.1%	25.9%
Eligibles			
Monthly Average Medicaid Eligibility[8]			
Monthly Average Eligibles	1,020,972	1,034,562	1,069,624
Percent Change from Prior Year	-0.1%	1.3%	3.4%
As a Percent of the Alabama Population	20.9%	21.1%	21.7%
Monthly Average Adult Eligibles	451,695	455,971	467,576
As a Percent of the Alabama Population	12.5%	12.6%	12.8%
Monthly Average Child Eligibles[7]	569,276	578,591	602,048
As a Percent of the Alabama Population	44.4%	45.2%	47.2%
Annual Medicaid Eligibility[9]			
Annual Eligibles	1,206,830	1,199,951	1,197,320
Percent Change from Prior Year	-0.1%	-0.6%	-0.2%
As a Percent of the Alabama Population	24.7%	24.5%	24.3%
Annual Eligible Adults	529,349	527,449	525,354
As a Percent of the Alabama Adult Population	14.7%	14.6%	14.4%
Annual Eligible Children[7]	677,481	672,502	671,966
As a Percent of the Alabama Child Population	52.8%	52.5%	52.6%

[1] As reported by the Executive Budget Office.
[2] Total Medicaid medical services expenditures excludes Agency administrative costs, administrative costs of the school-based services program, payments to hospitals under the Disproportionate Share Hospital (DSH) program and expenses of the Health Information Exchange.
[3] Total Medicaid medical services expenditures divided by the number of monthly average eligibles. See footnote 2 for a definition of the expenditures.
[4] Medicaid medical services expenditures divided by the total Alabama population. See footnote 2 for a definition of the expenditures.
[5] Overall Federal Funding Percentage increased in FY 2020 due to the Families First Coronavirus Relief act which provided states a 6.2 percentage-point increase in federal share of Medicaid spending.
[6] Population figures are from the 2020 U.S. Census data by the Center for Business and Economic Research at the University of Alabama.
[7] Child/Children defined as those under age 21.
[8] The arithmetic average of the unduplicated number of individuals who qualified for full or partial Medicaid coverage in each month of the fiscal year.
[9] An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year.

FY 2020
Annual Cost Per Monthly Average Eligible for Medical Care[1] by Category of Aid, Gender, Race, and Age



[1] The annual cost per monthly average eligible for medical care is calculated based on total expenditures of $6,429,867,779 in FY 2020 divided by the annual average of monthly eligibles of 1,069,624. Total expenditures exclude Medicaid administrative expenses, school-based services administration, expenses of the Health Information Exchange, and Disproportionate Share Hospital (DSH) payments, and include encumbrances and payables at the end of the fiscal year.
[2] See page 18 for definitions of aid categories.

Definitions of Eligibles and Recipients

Annual Eligibles

An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year.

Annual Recipients

An unduplicated count of Medicaid eligibles who received at least one medical service that Medicaid paid for during the fiscal year. This count excludes Specified Low-Income Medicare Beneficiary (SLMB) and Qualifying Individual (1) (QI-1) recipients who only receive the benefit of having their Medicare Part B premiums paid, as well as those eligibles whose third-party payer covered their medical costs resulting in a zero payment by Medicaid.

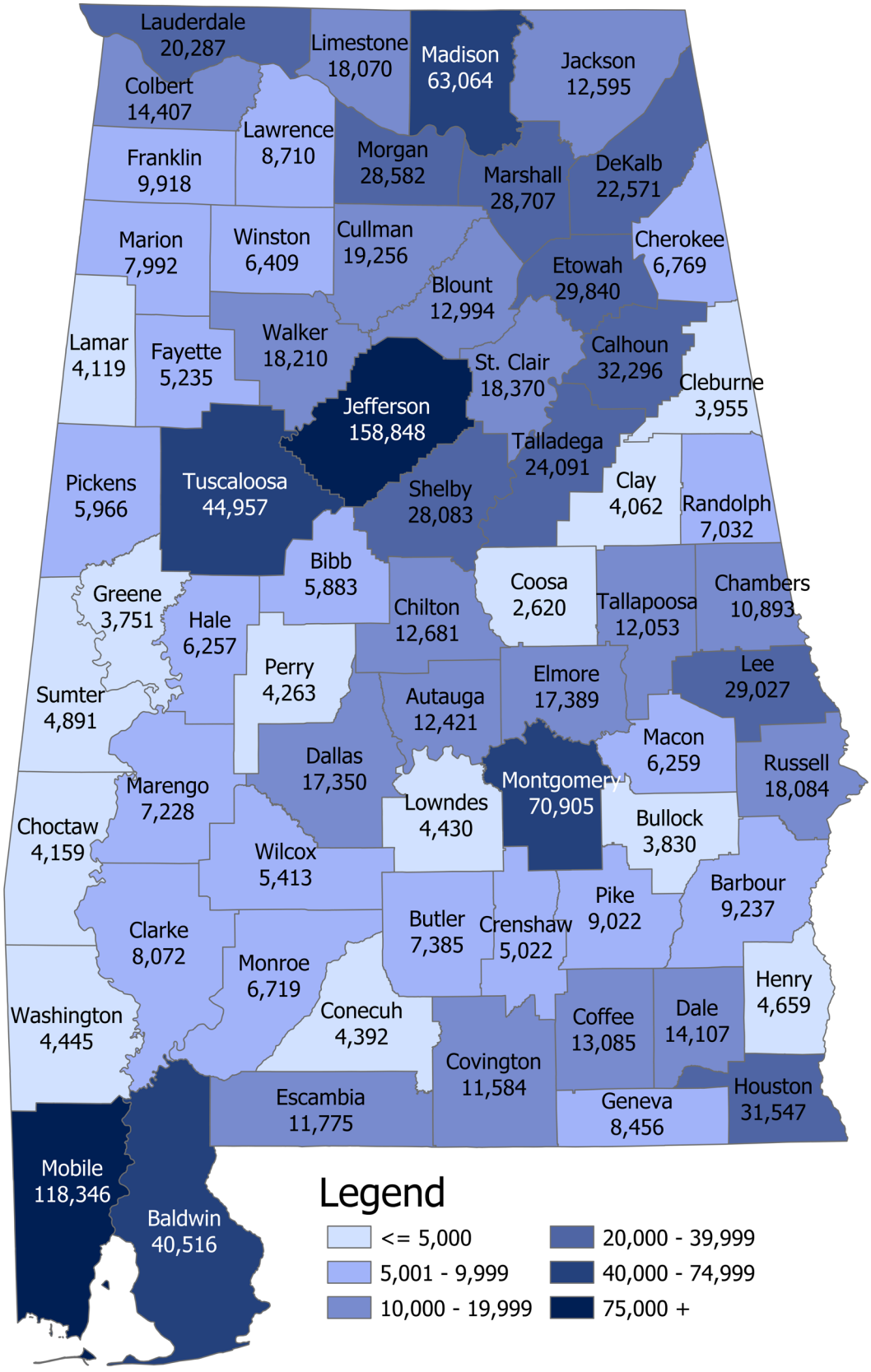
Monthly Average Eligibles

The arithmetic average of the unduplicated number of individuals who qualified for full or partial Medicaid coverage in each month of the fiscal year.

Monthly Average Recipients

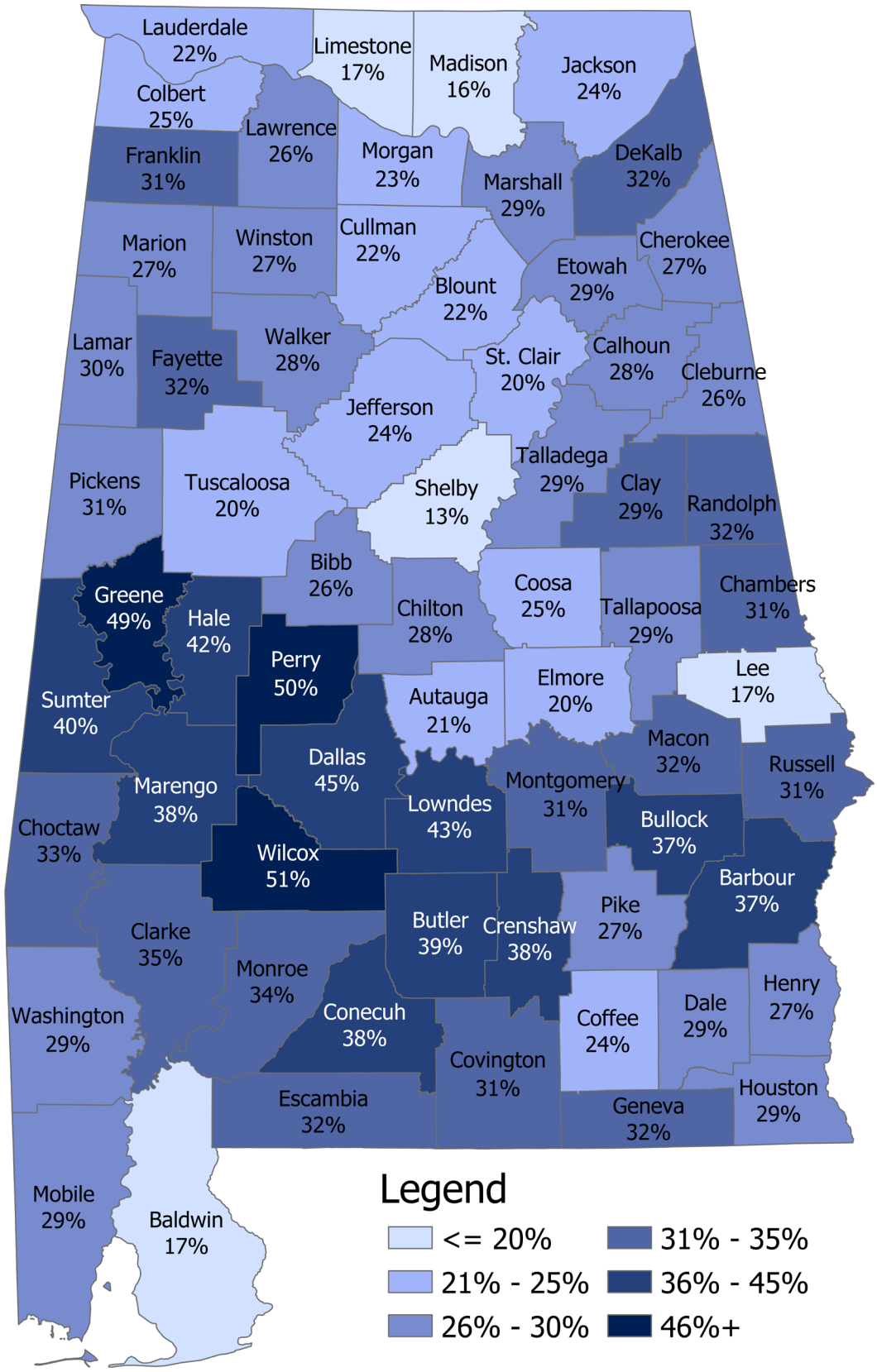
The arithmetic average of the unduplicated number of Medicaid eligibles in each month of the fiscal year who received at least one medical service that Medicaid paid for during the month.

FY 2020
Medicaid Annual Eligibles[1] - County



[1] **Annual Eligibles: An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year.**

FY 2020
Percent of Population Annually Eligible[1] - County



[1] **Annual Eligibles: An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year.**

FY 2011-2020
Medicaid Eligibles as Percent of Population by Year

Year	State Population[1]	Annual Eligibles[2]	Annual Eligibles as % of Population	Monthly Average Eligibles[3]	Monthly Average Eligibles as % of Population
FY 2011	4,801,695	1,070,781	22.3%	912,767	19.0%
FY 2012	4,817,484	1,110,037	23.0%	939,576	19.5%
FY 2013	4,833,996	1,095,266	22.7%	947,594	19.6%
FY 2014	4,849,377	1,184,015	24.4%	1,012,125	20.9%
FY 2015	4,858,979	1,221,963	25.1%	1,050,117	21.6%
FY 2016	4,863,300	1,218,885	25.1%	1,043,551	21.5%
FY 2017	4,874,747	1,208,471	24.8%	1,021,690	21.0%
FY 2018	4,887,871	1,206,830	24.7%	1,020,972	20.9%
FY 2019	4,903,185	1,199,951	24.5%	1,034,562	21.1%
FY 2020	5,024,803	1,197,320	23.8%	1,069,624	21.3%

[1] Population figures are from the 2020 U.S. Census data by the Center for Business and Economic Research at the University of Alabama.
[2] An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year.
[3] The arithmetic average of the unduplicated number of individuals who qualified for full or partial Medicaid coverage in each month of the fiscal year.

FY 2011-2020
Monthly and Average Annual Medicaid Eligibles[1]

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
October	894,496	949,808	933,907	972,720	1,047,882	1,050,054	1,031,957	1,019,025	1,030,891	1,048,875
November	890,932	938,776	930,019	973,349	1,050,254	1,048,868	1,030,995	1,019,035	1,029,480	1,048,826
December	891,327	934,512	930,965	972,173	1,049,711	1,044,969	1,027,611	1,017,469	1,026,849	1,048,624
January	897,984	939,100	935,580	997,545	1,055,938	1,047,141	1,021,443	1,020,587	1,030,869	1,052,527
February	902,351	939,021	941,429	1,000,824	1,044,093	1,046,710	1,018,716	1,018,967	1,033,903	1,053,681
March	911,268	941,197	945,267	1,014,931	1,047,623	1,045,433	1,019,760	1,022,959	1,033,512	1,054,155
April	913,068	941,707	949,439	1,020,802	1,050,432	1,045,963	1,016,805	1,024,662	1,030,917	1,063,729
May	914,397	940,538	953,232	1,024,358	1,053,532	1,041,933	1,016,227	1,020,672	1,033,498	1,073,085
June	922,321	937,851	955,355	1,034,955	1,044,251	1,038,991	1,017,414	1,021,657	1,035,250	1,082,699
July	930,736	935,778	959,607	1,041,588	1,050,989	1,037,037	1,021,681	1,019,417	1,039,621	1,092,935
August	939,943	935,901	966,066	1,047,957	1,053,898	1,038,571	1,019,631	1,021,951	1,043,767	1,103,184
September	944,375	940,722	970,267	1,044,302	1,052,800	1,036,942	1,018,034	1,025,250	1,046,192	1,113,166
Annual Avg.	**912,767**	**939,576**	**947,594**	**1,012,125**	**1,050,117**	**1,043,551**	**1,021,690**	**1,020,972**	**1,034,562**	**1,069,624**

[1] An unduplicated number of individuals who qualified for full or partial Medicaid coverage in each month of the fiscal year. Annual average is the arithmetic average of the 12 months.

FY 2020 Medicaid Annual Eligibles by Category of Aid[1] and County

County	ABD*	Children	Limited Medicare	Other	POCR**	Plan First	Pregnant Women	GRAND TOTAL[2]
Autauga	2,066	6,589	1,455	71	1,279	859	359	12,421
Baldwin	4,800	22,963	4,762	903	3,948	3,092	954	40,516
Barbour	1,827	4,585	1,297	104	698	768	204	9,237
Bibb	1,182	2,942	758	58	560	395	110	5,883
Blount	2,012	7,152	1,722	235	1,025	802	293	12,994
Bullock	749	1,919	510	57	322	292	64	3,830
Butler	1,369	3,625	942	24	750	692	200	7,385
Calhoun	5,712	16,497	4,008	280	3,331	2,402	827	32,296
Chambers	2,002	5,387	1,544	100	977	880	247	10,893
Cherokee	1,294	3,254	1,122	24	684	378	142	6,769
Chilton	1,911	7,078	1,446	242	1,221	740	278	12,681
Choctaw	1,000	1,803	634	22	412	319	68	4,159
Clarke	1,675	3,722	1,033	30	881	759	194	8,072
Clay	725	1,983	641	21	408	289	104	4,062
Cleburne	704	2,101	501	20	364	263	91	3,955
Coffee	2,059	7,123	1,386	250	1,325	924	312	13,085
Colbert	2,625	7,044	2,034	109	1,281	1,329	351	14,407
Conecuh	925	2,024	672	30	418	332	92	4,392
Coosa	562	1,136	535	4	228	163	57	2,620
Covington	2,136	5,737	1,654	33	1,157	893	288	11,584
Crenshaw	867	2,485	721	16	535	415	110	5,022
Cullman	3,651	9,956	2,894	325	1,198	1,151	517	19,256
Dale	2,625	7,059	1,655	82	1,460	1,205	388	14,107
Dallas	4,398	7,546	2,458	87	1,551	1,467	289	17,350
DeKalb	3,055	13,106	2,700	812	1,776	1,046	442	22,571
Elmore	2,813	9,339	2,012	132	1,708	1,300	463	17,389
Escambia	1,784	6,346	1,431	39	1,208	933	311	11,775
Etowah	5,693	14,968	4,180	403	2,664	1,912	728	29,840
Fayette	1,126	2,564	677	19	483	349	128	5,235
Franklin	1,407	5,686	1,130	422	674	608	182	9,918
Geneva	1,615	4,156	1,243	58	814	582	192	8,456
Greene	904	1,638	511	158	318	263	58	3,751
Hale	1,306	2,883	862	160	610	457	125	6,257
Henry	884	2,208	773	27	417	374	79	4,659
Houston	5,711	16,418	3,754	195	3,085	2,390	822	31,547
Jackson	2,077	6,341	1,963	395	1,108	808	247	12,595
Jefferson	28,902	83,582	18,286	2,810	13,380	12,090	3,344	158,848
Lamar	815	1,987	615	14	412	297	78	4,119
Lauderdale	3,533	10,044	2,946	209	1,609	1,904	517	20,287
Lawrence	1,637	4,449	1,142	96	805	587	185	8,710
Lee	4,111	16,464	2,724	572	2,663	2,405	715	29,027
Limestone	2,735	9,991	2,089	624	1,554	1,103	378	18,070
Lowndes	999	1,928	744	15	442	342	67	4,430
Macon	1,359	2,938	824	26	608	527	118	6,259
Madison	9,197	35,823	6,118	1,163	5,817	4,752	1,680	63,064
Marengo	1,810	3,181	969	63	639	603	144	7,228
Marion	1,430	3,963	1,222	43	773	559	180	7,992
Marshall	3,787	17,141	2,929	1,429	2,062	1,208	627	28,707
Mobile	19,330	63,064	12,982	1,150	11,466	10,791	2,915	118,346
Monroe	1,329	3,238	897	66	661	573	145	6,719
Montgomery	12,081	37,712	7,004	1,451	7,000	5,764	1,865	70,905
Morgan	4,785	15,959	2,857	1,102	2,013	1,929	672	28,582
Perry	1,214	1,715	670	48	352	309	74	4,263
Pickens	1,381	2,772	771	43	493	512	107	5,966
Pike	1,807	4,380	1,097	45	844	838	218	9,022
Randolph	1,175	3,723	894	44	706	499	161	7,032
Russell	2,779	9,865	1,993	122	1,883	1,450	377	18,084
St. Clair	2,767	9,996	2,323	122	1,996	1,207	446	18,368
Shelby	3,427	16,974	2,373	888	2,698	1,622	569	28,083
Sumter	1,260	1,957	587	346	394	439	85	4,891
Talladega	4,785	11,700	3,640	93	2,259	1,566	602	24,091
Tallapoosa	2,400	5,819	1,892	58	1,064	830	231	12,053
Tuscaloosa	8,246	23,967	4,319	897	3,706	3,656	1,296	44,957
Walker	4,018	8,590	2,774	236	1,333	1,267	426	18,210
Washington	876	2,189	570	15	462	336	76	4,445
Wilcox	1,531	2,245	690	13	544	476	67	5,413
Winston	1,232	3,161	1,096	45	538	328	139	6,409
DYS	2	288		1				290
STATEWIDE[2]	**206,946**	**629,373**	**145,391**	**19,421**	**107,955**	**90,729**	**27,621**	**1,197,320**

[1] Annual Eligibles: An unduplicated count of individuals who qualified for full or partial Medicaid coverage and were enrolled in Medicaid for at least one month of the fiscal year. See definitions of aid categories descriptions on page 18.

[2] Rows/columns do not equal the overall unduplicated count of eligibles because some individuals lived in multiple counties during the year and some qualified for Medicaid benefits under different aid categories.

*** ABD is Aged, Blind and Disabled ** POCR is Parent or Caretaker Relative**

Aid Categories Explained

Aged, Blind, or Disabled (ABD) – Individuals who are eligible for Medicaid services because they are 65 years of age or older, blind or disabled. This includes individuals eligible or deemed eligible for SSI through the Social Security Administration, and other aged, blind or disabled individuals who meet Medicaid income, resource and medical level of care criteria, and who receive services in a certified Long Term Care facility or Medicaid waiver services in the community.

Children – Includes foster children, newborns of Medicaid-eligible mothers and all children under age 19 whose family income is at or below 146 percent of the federal poverty level[1] (FPL).

Parents and Other Caretaker Relatives (POCR) – Individuals with family income at or below 18 percent FPL[1], who are parents or close relatives of a dependent child under age 19 who live with and assume responsibility for the child's care.

Pregnant Women – Pregnant women who are only eligible for Medicaid during pregnancy and 60 days postpartum, with family income at or below 146 percent FPL[1].

Plan First – A limited Medicaid program that only provides family planning services to women 19 through 55 and vasectomies to men aged 21 and up with income at or below 146 percent FPL[1], who would not, otherwise, qualify for Medicaid.

Limited Medicare Programs – These are programs for low-income Medicare beneficiaries who receive no Medicaid services but are eligible for Medicaid to help pay some of their Medicare cost-sharing expenses. Programs include:

> **Qualified Medicare Beneficiary (QMB)** – People with income at 100 percent FPL. Medicaid pays Medicare coinsurance, deductibles and Medicare Part B premiums. Part A premiums may be paid in special circumstances.
>
> **Specified Low-Income Medicare Beneficiary (SLMB)** – People with income from 101 percent FPL to 120 percent FPL. Medicaid only pays Medicare Part B premium.
>
> **Qualifying Individuals (1) (QI-1s)** – People with income at 121 percent FPL to 135 percent FPL. Medicaid only pays Medicare Part B premium. This program is 100 percent federally funded as long as federal funds are available.
>
> **Qualified Disabled and Working Individuals (QDWI)** – People with income at 200 percent FPL. Medicaid only pays Part A premium for individuals in this group.

Other – Individuals who are eligible for smaller eligibility groups such as:
Former Foster Care – Individuals who aged out of foster care in Alabama who are under age 26;
Women under 65 who have been screened and diagnosed eligible for the Breast and Cervical Cancer Program;
Non-Citizens who meet income and other requirements for Medicaid but are eligible only for emergency services.

[1] The 18 percent FPL for Children, Parents and Other Caretaker Relatives (POCR), Pregnant Women, and Plan First includes the 5% FPL disregard.

FY 2020 County Impact
Average Annual Benefit Payments[1] Per Monthly Average Eligibles[2] by County

County	Benefit Payments	Monthly Avg. Eligibles	Avg. Payment Per Eligible	County	Benefit Payments	Monthly Avg. Eligibles	Avg. Payment Per Eligible
Autauga	$65,218,465	10,420	$6,259	**Houston**	$153,026,615	27,182	$5,630
Baldwin	$170,910,763	34,537	$4,949	**Jackson**	$70,137,035	10,666	$6,576
Barbour	$43,821,715	8,166	$5,366	**Jefferson**	$964,405,691	140,904	$6,844
Bibb	$30,181,121	4,984	$6,056	**Lamar**	$25,420,236	3,593	$7,074
Blount	$66,687,260	11,053	$6,033	**Lauderdale**	$105,402,496	17,428	$6,048
Bullock	$21,060,722	3,416	$6,165	**Lawrence**	$44,956,181	7,462	$6,025
Butler	$39,272,833	6,556	$5,991	**Lee**	$117,666,648	24,735	$4,757
Calhoun	$169,702,441	27,934	$6,075	**Limestone**	$75,205,881	15,152	$4,963
Chambers	$60,799,607	9,431	$6,446	**Lowndes**	$21,212,780	3,885	$5,461
Cherokee	$38,074,149	5,790	$6,575	**Macon**	$29,881,434	5,399	$5,534
Chilton	$65,012,234	10,960	$5,932	**Madison**	$297,089,228	53,580	$5,545
Choctaw	$19,496,076	3,640	$5,355	**Marengo**	$40,321,386	6,413	$6,287
Clarke	$41,247,566	7,153	$5,767	**Marion**	$40,201,143	6,739	$5,966
Clay	$22,894,094	3,494	$6,552	**Marshall**	$133,630,703	24,527	$5,448
Cleburne	$20,394,930	3,364	$6,063	**Mobile**	$638,883,119	105,486	$6,057
Coffee	$62,219,401	11,098	$5,607	**Monroe**	$35,251,596	5,857	$6,018
Colbert	$71,372,887	12,359	$5,775	**Montgomery**	$341,699,525	62,306	$5,484
Conecuh	$22,907,411	3,861	$5,933	**Morgan**	$163,323,203	24,266	$6,731
Coosa	$14,245,713	2,235	$6,375	**Perry**	$25,966,158	3,782	$6,866
Covington	$61,997,974	10,077	$6,152	**Pickens**	$36,296,426	5,306	$6,841
Crenshaw	$23,502,078	4,349	$5,405	**Pike**	$47,475,986	7,880	$6,025
Cullman	$108,219,745	16,335	$6,625	**Randolph**	$33,284,954	6,101	$5,456
Dale	$71,916,776	11,795	$6,097	**Russell**	$56,836,127	15,526	$3,661
Dallas	$90,946,472	15,723	$5,784	**St. Clair**	$126,558,005	23,307	$5,430
DeKalb	$109,119,877	19,509	$5,593	**Shelby**	$90,741,691	15,503	$5,853
Elmore	$91,409,122	14,648	$6,240	**Sumter**	$21,987,743	4,152	$5,295
Escambia	$51,972,780	10,315	$5,039	**Talladega**	$135,488,744	20,984	$6,457
Etowah	$182,395,268	25,698	$7,098	**Tallapoosa**	$71,169,770	10,616	$6,704
Fayette	$35,406,505	4,508	$7,853	**Tuscaloosa**	$246,921,815	38,950	$6,340
Franklin	$48,243,786	8,525	$5,659	**Walker**	$111,292,961	15,737	$7,072
Geneva	$41,913,848	7,314	$5,730	**Washington**	$24,276,235	3,823	$6,351
Greene	$20,172,823	3,245	$6,216	**Wilcox**	$25,448,337	4,908	$5,186
Hale	$32,776,237	5,416	$6,052	**Winston**	$39,803,797	5,465	$7,283
Henry	$20,910,912	3,966	$5,273	**Youth Services**	$2,180,540	132	$16,561
				Statewide	**$6,429,867,779**	**1,069,624**	**$6,011**

[1] Benefit payments for medical care in FY 2020 exclude administrative expenses of the Medicaid Agency, expenses of the Health Information Exchange (HIE) and Disproportionate Share Hospital (DSH) payments.
[2] The annual average of monthly eligibles.

FY 2020 County Impact
Annual Benefit Payments[1] Per Provider Type[3] by County ($ amounts in thousands)

County	Hospital Services	NH/LTC/Hospice	Pharmacy	Physicians/NPs/PAs	Mental Health	Medicare Premiums	Other[2]	Grand Total
Autauga	$9,001	$5,811	$6,264	$3,548	$10,633	$4,020	$3,588	**$42,863**
Baldwin	$36,935	$26,594	$20,516	$18,118	$12,948	$11,697	$12,775	**$139,583**
Barbour	$3,519	$9,537	$3,260	$1,470	$0	$4,013	$2,232	**$24,031**
Bibb	$1,809	$5,374	$2,331	$71	$0	$2,530	$7,498	**$19,613**
Blount	$4,621	$8,813	$3,925	$1,167	$314	$4,683	$3,456	**$26,978**
Bullock	$4,874	$6,981	$2,690	$1,016	$0	$1,554	$1,514	**$18,630**
Butler	$2,775	$11,259	$3,930	$998	$0	$3,017	$2,521	**$24,500**
Calhoun	$37,406	$27,581	$19,047	$20,341	$8,248	$11,676	$8,633	**$132,934**
Chambers	$9	$16,245	$3,648	$1,465	$3,071	$4,399	$1,011	**$29,849**
Cherokee	$2,983	$8,646	$3,545	$2,041	$0	$3,020	$1,000	**$21,234**
Chilton	$3,045	$9,111	$4,612	$1,612	$165	$4,098	$3,794	**$26,437**
Choctaw	$3,383	$3,484	$1,726	$275	$0	$2,260	$1,235	**$12,363**
Clarke	$6,619	$9,721	$4,840	$1,260	$2,340	$3,518	$3,594	**$31,892**
Clay	$3,075	$8,162	$1,742	$659	$0	$1,791	$410	**$15,840**
Cleburne	$0	$3,835	$1,309	$253	$0	$1,443	$495	**$7,334**
Coffee	$14,964	$18,439	$6,264	$6,166	$0	$4,344	$13,862	**$64,038**
Colbert	$22,626	$12,774	$8,359	$8,182	$4,545	$5,854	$4,711	**$67,051**
Conecuh	$3,218	$3,903	$1,584	$856	$0	$2,146	$845	**$12,553**
Coosa	$0	$3,427	$313	$521	$0	$1,347	$192	**$5,799**
Covington	$11,118	$18,702	$6,697	$4,037	$4,830	$4,912	$2,723	**$53,020**
Crenshaw	$7,675	$6,556	$1,676	$313	$0	$2,071	$610	**$18,900**
Cullman	$16,825	$25,922	$10,104	$15,582	$2,675	$8,228	$5,181	**$84,517**
Dale	$6,301	$13,774	$5,810	$2,729	$708	$5,053	$2,182	**$36,556**
Dallas	$21,157	$16,857	$7,208	$7,894	$4,745	$8,777	$6,498	**$73,137**
DeKalb	$9,818	$22,000	$10,789	$5,519	$1,797	$7,541	$10,260	**$67,725**
Elmore	$4,378	$15,337	$7,494	$1,715	$18,379	$5,622	$2,682	**$55,607**
Escambia	$6,869	$12,513	$5,071	$2,471	$1	$4,113	$2,376	**$33,414**
Etowah	$66,133	$38,386	$14,238	$14,489	$43,412	$12,230	$13,690	**$202,577**
Fayette	$3,049	$6,958	$1,833	$825	$5,170	$2,462	$561	**$20,858**
Franklin	$8,726	$11,856	$3,667	$2,157	$0	$3,201	$1,293	**$30,898**
Geneva	$4,595	$8,830	$2,694	$647	$0	$3,556	$994	**$21,317**
Greene	$1,781	$3,222	$491	$118	$0	$1,967	$664	**$8,245**
Hale	$1,789	$7,159	$1,666	$195	$0	$2,921	$1,063	**$14,793**
Henry	$0	$5,113	$1,281	$153	$0	$2,164	$1,922	**$10,633**
Houston	$94,897	$25,704	$32,728	$29,960	$9,566	$11,315	$12,233	**$216,404**
Jackson	$9,743	$16,256	$5,681	$4,793	$990	$5,013	$5,707	**$48,183**
Jefferson	$1,085,039	$169,299	$172,287	$207,359	$78,738	$55,498	$70,563	**$1,838,784**
Lamar	$0	$7,153	$2,024	$282	$0	$1,853	$1,914	**$13,226**
Lauderdale	$20,824	$23,435	$9,155	$11,453	$9,998	$8,275	$8,685	**$91,824**
Lawrence	$6,513	$6,016	$3,595	$177	$0	$3,384	$2,559	**$22,243**
Lee	$49,553	$10,895	$13,584	$15,036	$15,816	$7,800	$14,252	**$126,934**
Limestone	$10,187	$11,618	$6,398	$3,705	$328	$5,671	$5,404	**$43,310**
Lowndes	$0	$4,258	$394	$4	$0	$2,243	$383	**$7,282**
Macon	$1,500	$6,627	$1,080	$448	$328	$2,759	$1,129	**$13,871**
Madison	$171,830	$48,140	$36,962	$52,925	$41,169	$17,257	$17,707	**$385,989**
Marengo	$6,151	$10,790	$2,836	$1,533	$2,928	$3,695	$2,062	**$29,994**
Marion	$5,901	$13,543	$3,754	$1,787	$340	$3,361	$3,306	**$31,993**
Marshall	$24,082	$24,136	$14,600	$10,366	$7,997	$8,476	$10,562	**$100,218**
Mobile	$303,545	$87,605	$75,288	$80,404	$102,434	$38,354	$43,651	**$731,281**
Monroe	$5,278	$9,519	$3,043	$1,136	$2,769	$2,853	$1,905	**$26,503**
Montgomery	$177,667	$58,501	$36,550	$132,351	$24,623	$21,539	$56,365	**$507,596**
Morgan	$25,096	$27,379	$14,200	$14,941	$35,860	$9,148	$10,065	**$136,689**
Perry	$0	$8,243	$1,125	$1	$0	$2,385	$1,225	**$12,979**
Pickens	$1,436	$9,478	$2,318	$891	$306	$2,946	$924	**$18,299**
Pike	$6,531	$10,227	$5,098	$2,521	$3,453	$3,607	$3,305	**$34,743**
Randolph	$913	$10,679	$2,480	$811	$207	$2,466	$2,130	**$19,686**
Russell	$1,155	$15,379	$4,919	$3,495	$13	$5,057	$2,325	**$32,344**
Shelby	$25,384	$18,538	$71,998	$10,968	$3,430	$6,685	$12,328	**$149,330**
St. Clair	$3,611	$17,331	$10,699	$3,952	$1,286	$6,041	$3,503	**$46,424**
Sumter	$4,926	$4,959	$760	$249	$0	$2,510	$1,232	**$14,635**
Talladega	$18,870	$24,415	$11,999	$5,551	$3,228	$10,189	$8,900	**$83,152**
Tallapoosa	$12,581	$21,915	$7,237	$3,970	$0	$5,297	$2,103	**$53,102**
Tuscaloosa	$106,979	$39,879	$21,966	$24,759	$24,984	$15,480	$14,185	**$248,231**
Walker	$19,747	$24,841	$15,503	$8,716	$19,142	$8,371	$8,214	**$104,534**
Washington	$1,277	$4,890	$1,043	$107	$1,045	$1,901	$2,205	**$12,468**
Wilcox	$1,326	$4,631	$1,269	$188	$0	$2,994	$925	**$11,334**
Winston	$2,847	$8,343	$3,281	$1,340	$0	$2,997	$1,954	**$20,763**
STATEWIDE TOTAL	**$2,536,465**	**$1,197,503**	**$776,479**	**$765,043**	**$514,959**	**$439,646**	**$459,973**	**$6,690,068**
OUT-OF-STATE TOTAL	**$26,764**	**$0**	**$58,139**	**$24,801**	**$0**	**$0**	**$90,570**	**$200,273**
GRAND TOTAL	**$2,563,229**	**$1,197,503**	**$834,618**	**$789,843**	**$514,959**	**$439,646**	**$550,543**	**$6,890,342**

[1] Benefit payments for medical care in FY 2020 exclude administrative and all non-claims related expenses of the Medicaid Agency and expenses of the Health Information Exchange.

[2] Other provider types include ADPH, Dentists and Oral Surgeons, Durable Medical Equipment (DME) providers, End Stage Renal Dialysis (ESRD) clinics, FQHCs and RHCs, and other Health support services.

[3] The totals shown by provider type will not align to the Executive Budget Office amounts by program due to the method in which the providers were grouped.

Programs and Services

Alabama Medicaid provided $6.4 billion in medical benefits to more than one million enrollees in FY 2020. Recipients had at least one medical service, ranging from hospital care and doctor visits, to medications, transportation, or medical equipment. The Agency also provided an additional $469 million for hospital services for the indigent/uninsured in the form of Disproportionate Share Hospital (DSH) payments.

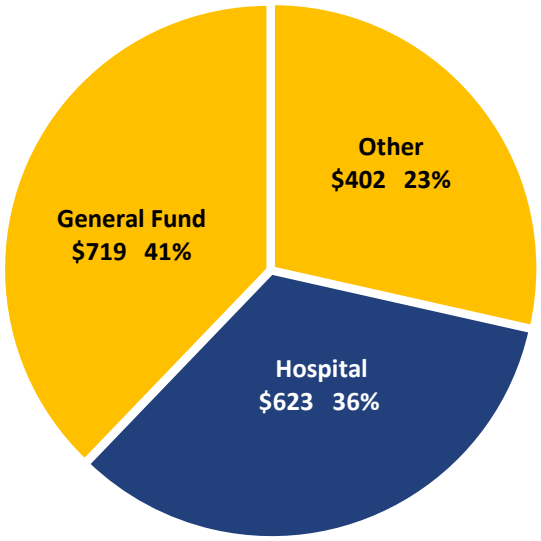
Hospitals

Almost 100 hospitals are enrolled to serve Alabama Medicaid recipients. Most hospitals have an average Medicaid occupancy rate of 14-18 percent. However, two hospitals (Children's Hospital of Alabama and Women's and Children's Hospital in Mobile) have substantially higher Medicaid occupancy rates.

Hospitals are essentially self-funded. Hospital funding sources – including provider taxes, Certified Public Expenditures (CPEs) and Intergovernmental Transfers (IGT) – contributed $623 million, or 36 percent, to the Agency's state share used to match federal dollars.

The Alabama Medicaid program reimbursed hospitals a total of $2.6 billion (including DSH payments) in FY 2020. Other costs in the hospital budget line include inpatient psychiatric services, ambulatory surgical centers, transplants, federally qualified health centers, renal dialysis, and others.

FY 2020 Hospital Contribution to State Share (in Millions)*



*Total State Share based on Total State Funds Used is approximately $1.744 Billion.

Pharmacy

The wide variety of drugs available today substantially impacts the Medicaid Pharmacy Program since federal regulations require that most drugs be covered. Children under age 21 receive pharmacy as a mandated service while pharmacy coverage for adults is optional.

In FY 2020, approximately 513,000 unique recipients received approximately 6.2 million prescriptions at a total cost of $775 million. Management tools, such as the preferred drug program monthly prescription limits for adults, maximum unit limits, and system edits are used to limit the cost of the program.

A major component of the pharmacy budget is the Part D "clawback" which is a federally required payment made by the state to the federal government for Medicare Part D. Alabama paid approximately $67 million in FY 2020.

Funding sources for the pharmacy program include the Agency's federal and state drug rebate program which reduces the Agency's General Fund need. The state share portion of drug rebates, paid by drug manufacturers, totaled approximately $122 million in 2020.

A universal prior authorization (PA) number for pharmacies was introduced pertaining to early refill (ER) edits. As accommodations were made for ERs, the cumulative daily morphine milligram equivalent (MME) edit decrease was postponed. The initial decrease was announced on February 21, 2020, prior to the COVID-19 PHE, and all opioid claims that exceeded a cumulative MME of 150 per day were denied.

Additionally, changes to the preferred drug list (PDL) and ERs for maintenance medications were announced. Further pharmacy changes included temporary exceptions for prior authorization (PA) renewal requests for lab values or urine drug screens that required an in-person visit with a lab or provider.

Physicians

Physician services mandated by the federal government are available to Medicaid recipients. In FY 2020, over 666,000 unique recipients received physician program services at a total cost of $447 million.

Through the Alabama Medicaid Physician's Primary Care Enhanced Rates "Bump" Program, Medicaid has been able to reimburse primary care providers with a payment "bump" initiated in 2013. Physicians associated with teaching facilities and ACHN may receive enhanced fees.

Mental Health & Waivers

Mental Health services, provided through the Alabama Department of Mental Health, include mental health rehabilitation services, substance use disorder treatment, targeted case management, intermediate care facilities for the intellectually disabled, and two Home and Community-Based Services (HCBS) Waivers that allow intellectually disabled individuals to live at home.

Together, they accounted for approximately $509 million of expenditures; approximately 74 percent of these costs are associated with the two waivers.

Mental Health services are provided in partnership with the Alabama Department of Mental Health which provides the state matching funds for these services.

Long Term Care

Nursing home care is among the original services offered to Medicaid recipients and currently represents a significant percentage of Medicaid expenditures. Approximately 222 Alabama nursing facilities with 26,325 beds accepted Medicaid reimbursement in FY 2020 while Medicaid patient days accounted for 59 percent of total bed days. A total of 22,734 recipients received nursing home care at a cost of $1.026 billion.

Nursing homes pay an assessment per bed that provided $113 million toward the state share of this cost. Nursing homes are paid on a per diem basis with part of the payment potentially coming from the recipient. The rate paid is based on the allowable costs of nursing homes reported annually to the Agency (set by Alabama statute).

Five HCBS waivers make it possible for approximately 8,580 qualified Medicaid recipients to live in the community instead of institutions. In addition to the independence and quality of life these waivers offer, the average annual cost of a waiver recipient that meets the nursing facility level of care was $13,557 versus the average annual cost of nursing home care of $66,000 in FY 2020. The Agency spent approximately $116 million on HCBS waiver services with the state share primarily funded by other state agencies.

Other Medical Services

Health Support services and Alternative Care services represent a significant number of services provided each year.

Major Health Support services include dental, EPSDT (child health), independent lab and x-ray, eye care, ambulance, state laboratory, and hearing services, all of which are separate from the Physician Program. In FY 2020, these services represented $260 million in expenditures for the Agency.

Unlike other budget categories, most are funded by General Fund dollars except for approximately $33 million allocated through tobacco settlement funds.

Alternative Care budget items include maternity care, rehabilitative services, hospice care, hospice room and board, durable medical equipment, home health, targeted case management, and prosthetic devices. FY 2020 expenditures for these services were approximately $334 million.

Family Planning services are provided to two major groups of Medicaid recipients: those with full benefits and those who qualify for Plan First, an optional waiver program which only provides family planning services. Family Planning services receive a 90 percent federal match and include birth control services and supplies. ADPH pays the majority of the state share for the Plan First waiver participants. In FY 2020, there were expenditures of $34 million for family planning services.

Managed Care Programs

In FY 2020, approximately 963,000 Medicaid recipients were enrolled in some type of managed care. Managed Care focuses management of resources and utilization to help recipients achieve improved health outcomes. With the goal of providing quality medical care in a cost-effective manner, healthcare organizations and providers work together on behalf of Alabama Medicaid recipients.

The Agency offered three Managed Care Programs in FY 2020: Alabama Coordinated Health Care Network (ACHN), Integrated Care Network (ICN), and Program of All-Inclusive Care for the Elderly (PACE).

ACHN

Implemented in October 2019, the Alabama Coordinated Health Network (ACHN) transformed health care provided to Medicaid recipients in Alabama through a more flexible and cost-efficient delivery system. This effort was built from the Agency's former case management program structure. Medicaid designed the ACHN to create a single care coordination delivery system that effectively links patients, providers and community resources in each of seven defined regions.

The ACHNs provide care coordination for three targeted populations: maternity, family planning, and the general population. They assist recipients with locating a provider, appointments, transportation, referrals, and answering questions.

Integrated Care Network (ICN)

The ICN program promotes a person-centered approach to care delivery that better integrates the medical and Long-Term Services and Supports (LTSS) needs of beneficiaries and allows them to receive LTSS in the least restrictive setting of their choice. The ICN program aims to achieve the following goals through a Primary Care Case Management Model:

- Improve education and outreach about the LTSS for Medicaid recipients.
- Identify individuals who could benefit from community options and alternatives to institutional stays.
- Provide more comprehensive case management that better integrates the full range of medical and social services.
- Make an incremental change to the state's LTSS system to prepare for future increased demand.
- Drive a percentage shift of the LTSS population residing in the HCBS setting.

PACE

The Program of All-Inclusive Care for the Elderly (PACE) continues to provide community-based care and services to elderly and disabled adults in Mobile and Baldwin counties who would otherwise need nursing home care. During FY 2020, the PACE program offered to 200 recipients comprehensive medical and social services in an adult day health center, supplementing with in-home and referral services as needed.

Financing for the program is capped allowing providers to deliver all services participants need rather than limit them to those reimbursable under Medicare and Medicaid fee-for-service plans. Most PACE participants are dually eligible for Medicare and Medicaid benefits and once enrolled, the recipient receives all health services through the PACE program.

Changes during COVID-19 PHE

To provide quality care throughout the COVID-19 public health emergency (PHE), Alabama Medicaid implemented temporary policy and procedural changes to aid both providers and recipients during the unprecedented time. Medicaid temporarily waived copayments for all services including, but not limited to, doctor visits, optometric services, certified nurse practitioner visits, health care center visits, rural health clinic visits, inpatient hospital, outpatient hospital, prescription drugs, medical equipment, supplies and appliances, and ambulatory surgical centers.

Referral requirements were temporarily lifted for the Early, Periodic, Screening, Diagnosis and Treatment (EPSDT) program, Primary Care Providers (PCPs), and Delivering Healthcare Professionals (DHCPs), and signature requirements were temporarily waived for all Medicaid recipients. Temporary procedural changes were allowed for billing well-child visits and sick visits on the same date of service.

Medicaid reimbursed providers for COVID-19 lab testing, specimen collection, and rapid tests. The Agency allowed for extended inpatient hospital stays for Medicaid recipients waiting for placement to appropriate long-term care settings. Per diem rates were increased by 20 percent for all COVID-19 related inpatient claims to assist hospitals with costs associated with staffing, supplies, social distancing standards, and other factors for services performed on or after March 1, 2020. Other COVID-19 PHE supplemental payments include services for dental, nursing home, waivers, ICN, and ACHN.

Telemedicine services provided greater access for health care and limited the exposure to COVID-19 for both physicians and recipients. Providers eligible for telemedicine included physicians, nurse practitioners, physician assistants, dental providers, optometrists, speech and occupational therapists, physical therapists, psychologists, licensed counselors, licensed marriage and family therapists and licensed (clinical) social workers.

Nursing homes waived Pre-Admission Screening and Annual Resident Review (PASRR) Level I and Level II assessment requirements for 30 days. An increased per diem rate and a one-time cleaning fee reimbursement related to the COVID-19 PHE was allowed for nursing facilities. Medicaid temporarily waived location restrictions and prior authorization requirements for ambulance providers.

Other changes during the PHE were implemented in FY 2020, and a complete list of Provider ALERTs related to the COVID-19 PHE are found at https://medicaid.alabama.gov/news_detail.aspx?ID=13729.

FY 2018-2020
Inpatient Hospital Program[1]
Recipients and Amounts Paid[2] Based on Date of Service

	Recipients[1]			Amounts Paid[2]			Annual Average Cost Per Recipient		
	FY 2018	FY 2019	FY 2020	FY 2018	FY 2019	FY 2020	FY 2018	FY 2019	FY 2020
By Gender									
Female	75,771	74,633	69,303	$748,079,877	$821,069,173	$889,053,074	$9,873	$11,001	$12,828
Male	33,353	33,056	29,676	$587,851,520	$672,740,620	$725,650,734	$17,625	$20,352	$24,453
Total	**109,124**	**107,689**	**98,979**	**$1,335,931,397**	**$1,493,809,793**	**$1,614,703,807**	**$12,242**	**$13,872**	**$16,314**
By Race									
Black	42,737	41,052	37,992	$530,171,472	$568,439,012	$567,605,453	$12,405	$13,847	$14,968
Hispanic	4,278	3,973	4,110	$43,508,896	$43,973,624	$53,050,466	$10,170	$11,068	$12,908
White	49,271	46,909	41,619	$526,457,975	$529,642,875	$549,569,339	$10,685	$11,291	$13,205
Other Race	3,459	3,769	3,427	$32,105,133	$42,932,905	$45,538,866	$9,282	$11,391	$13,288
Unknown[3]	9,379	11,986	11,901	$203,687,921	$308,821,377	$398,939,682	$21,717	$25,765	$33,522
Total	**109,124**	**107,689**	**98,979**	**$1,335,931,397**	**$1,493,809,793**	**$1,614,703,807**	**$12,242**	**$13,872**	**$16,314**
By Age									
0-5	15,791	15,418	14,174	$365,465,966	$411,258,011	$462,329,274	$23,144	$26,674	$32,618
6-20	17,072	16,446	15,009	$252,917,208	$277,030,881	$306,282,988	$14,815	$16,845	$20,407
21-64	62,355	62,298	57,854	$658,502,204	$740,008,908	$777,768,021	$10,561	$11,879	$13,444
65+	13,906	13,527	11,942	$59,046,019	$65,511,993	$68,323,524	$4,246	$4,843	$5,721
Total	**109,124**	**107,689**	**98,979**	**$1,335,931,397**	**$1,493,809,793**	**$1,614,703,807**	**$12,242**	**$13,872**	**$16,314**
By Dual Status									
Non-Dual	84,996	84,720	80,010	$1,262,009,415	$1,402,625,334	$1,539,529,744	$14,848	$16,556	$19,242
Dual[4]	24,128	22,969	19,151	$73,921,982	$91,184,459	$75,174,064	$3,064	$3,970	$3,925
Total	**109,124**	**107,689**	**98,979**	**$1,335,931,397**	**$1,493,809,793**	**$1,614,703,807**	**$12,242**	**$13,872**	**$16,314**
Total Paid Based on Date of Service				**$1,335,931,397**	**$1,493,809,793**	**$1,614,703,807**			
Average Eligibles (excluding Plan First)				**945,616**	**1,128,298**	**1,124,657**			
Annual Cost Per Average Eligible				**$1,423**	**$1,341**	**$1,454**			
Actual Paid During Fiscal Year				**$1,345,388,719**	**$1,512,683,275**	**$1,634,919,295**			

[1] The numbers shown are based on the date of service of claims as of a point in time and will change slightly going forward as existing claims are adjusted and new claims are received. Prior years are shown as originally reported. Includes inpatient psychiatric hospitals.
[2] Includes the allocation of access payments to inpatient claims.
[3] Includes a high percentage of disabled newborns certified by SSI which accounts for the disproportionately high average annual cost per recipient.
[4] The Medicaid Agency is a secondary payer behind Medicare and is generally only responsible for deductibles and co-payments.

FY 2018-2020
Outpatient Hospital Program[1]
Recipients and Amounts Paid[2] Based on Date of Service

	Recipients[1]			Amounts Paid[2]			Annual Average Cost Per Recipient		
	FY 2018	FY 2019	FY 2020	FY 2018	FY 2019	FY 2020	FY 2018	FY 2019	FY 2020
By Gender									
Female	301,927	289,904	258,374	$266,360,459	$284,687,856	$271,115,348	$882	$982	$1,049
Male	194,532	187,522	164,149	$158,914,777	$168,364,871	$160,782,602	$817	$898	$979
Total	**496,459**	**477,426**	**422,523**	**$425,275,236**	**$453,052,727**	**$431,897,950**	**$857**	**$949**	**$1,022**
By Race									
Black	205,542	189,699	167,233	$163,198,344	$172,830,768	$165,938,496	$794	$911	$992
Hispanic	23,635	18,139	16,574	$15,505,814	$13,173,984	$13,386,357	$656	$726	$808
White	212,453	192,977	169,697	$191,130,748	$187,222,828	$170,919,959	$900	$970	$1,007
Other Race	16,513	19,444	17,153	$11,619,577	$14,990,324	$14,142,484	$704	$771	$824
Unknown[3]	38,316	57,167	51,866	$43,820,753	$64,834,823	$67,510,654	$1,144	$1,134	$1,302
Total	**496,459**	**477,426**	**422,523**	**$425,275,236**	**$453,052,727**	**$431,897,950**	**$857**	**$949**	**$1,022**
By Age									
0-5	113,040	107,933	92,547	$65,646,416	$69,945,864	$62,169,853	$581	$648	$672
6-20	174,017	166,905	147,232	$131,502,688	$131,066,031	$123,747,025	$756	$785	$840
21-64	173,252	167,938	152,850	$226,489,860	$249,163,196	$243,340,528	$1,307	$1,484	$1,592
65+	36,150	34,650	29,894	$1,636,272	$2,877,636	$2,640,544	$45	$83	$88
Total	**496,459**	**477,426**	**422,523**	**$425,275,236**	**$453,052,727**	**$431,897,950**	**$857**	**$949**	**$1,022**
By Dual Status									
Non-Dual	424,761	410,150	367,702	$424,656,114	$447,779,713	$431,294,811	$1,000	$1,092	$1,173
Dual[4]	71,698	67,276	54,821	$619,122	$5,273,014	$603,139	$9	$78	$11
Total	**496,459**	**477,426**	**422,523**	**$425,275,236**	**$453,052,727**	**$431,897,950**	**$857**	**$949**	**$1,022**
Total Paid Based on Date of Service				**$425,275,236**	**$453,052,727**	**$431,897,950**			
Average Eligibles (excluding Plan First)				**945,616**	**1,128,298**	**1,124,657**			
Annual Cost Per Average Eligible				**$450**	**$402**	**$384**			
Actual Paid During Fiscal Year				**$361,200,112**	**$403,064,281**	**$435,328,304**			

[1] The numbers shown are based on the date of service of claims as of a point in time and will change slightly going forward as existing claims are adjusted and new claims are received. Prior years are shown as originally reported. Includes standard outpatient, family planning outpatient and outpatient sterilization.
[2] Includes the allocation of access payments to outpatient claims.
[3] Includes a high percentage of disabled newborns certified by SSI which accounts for the disproportionately high average annual cost per recipient.
[4] The Medicaid Agency is a secondary payer behind Medicare and is generally only responsible for deductibles and co-payments.

FY 2017-2020
Nursing Home and HCBS Waiver
Utilization and Expenditures

Year	Avg. Number of Nursing Home Recipients	*Avg. Annual Cost of a Nursing Home Bed	Expenditures for Nursing Facilities (in Millions)	*Avg. Number of HCBS Waiver Recipients	Avg. Annual Cost of a HCBS Waiver Recipient[1]	HCBS Waiver Expenditures[2] (in Millions)
FY 2017	15,747	$60,049	$946	7,449	$10,642	$79
FY 2018	15,743	$61,279	$965	7,578	$11,377	$86
FY 2019	15,828	$63,101	$999	8,225	$12,625	$104
FY 2020	15,426	$66,483	$1,026	8,580	$13,557	$116

[1] The overall total in expenditures in FY 2017-2020 represents the amount expended during the fiscal year regardless of when the service was rendered to the Medicaid recipient. The average annual cost of a HCBS waiver recipient represents a very close approximation of the amount spent during the fiscal year.
[2] HCBS expenditures represent the cost of the waiver and do not represent the total costs for recipients.
* Average Annual Cost of a Nursing Home Bed and Average Number of HCBS Waiver Recipients are calculated using Average Number of Recipients.

FY 2017-2020
Long Term Care Program
Intermediate Care Facility for the Intellectually Disabled
Utilization and Costs

Year	Payments	Recipients	Average Covered Days Per Recipient	Average Cost Per Day	Average Cost Per Recipient
FY 2017	$1,887,447	27	323	$217	$69,905
FY 2018	$2,033,302	26	347	$225	$78,204
FY 2019	$1,891,832	25	330	$229	$75,673
FY 2020	$2,294,487	26	372	$237	$88,249

FY 2017-2020
Long Term Care Program
Utilization

Year	Total Nursing Home Patients (Unduplicated)	Percent Change	Avg. Length of Stay During Year	Total Patient Days Paid for Medicaid Recipients	Percent Change	State Licensed Beds[1]	Percent Change	Medicaid Bed Days as % of State Bed Days
FY 2017	25,120	1.7%	229	5,747,595	-2.7%	26,680	0.3%	59%
FY 2018	24,092	-4.1%	239	5,746,318	0.0%	26,303	-1.4%	60%
FY 2019	23,722	-1.5%	244	5,777,070	0.5%	25,973	-1.3%	61%
FY 2020	22,734	-4.2%	248	5,630,629	-2.5%	26,325	1.4%	59%

[1] The number of licensed nursing home beds is derived from the State Health Planning and Development Agency's (SHPDA) annual reports and the Alabama Department of Public Health's Healthcare Facilities Directory. This number represents the number of licensed nursing home beds as of June 30 of each year and includes skilled nursing facilities (SNFs) and nursing facilities for individuals with developmental delays (NFIDDs). This number excludes intermediate care facilities for the intellectually disabled, swing beds (temporary nursing home beds in hospitals) and veterans' homes.

FY 2017-2020
Long Term Care Program
Patient Days and Costs

Year	Daily Average of Nursing Home Patients	Percent Change	Nursing Home Patient Days Paid by Medicaid	Percent Change	Medicaid Expenditures for Nursing Home Facilities	Percent Change	Average Annual Cost of Nursing Home Bed	Percent Change	Average Percent of Claim Covered by Patient or Third Party	Average Medicaid Cost Per Patient Day
FY 2017	15,747	-2.7%	5,747,595	-2.7%	$945,588,305	-0.8%	$60,049	2.0%	15.0%	$165
FY 2018	15,743	0.0%	5,746,318	0.0%	$964,740,150	2.0%	$61,279	2.0%	15.0%	$168
FY 2019	15,828	0.5%	5,777,070	0.5%	$998,738,999	3.5%	$63,101	3.0%	14.8%	$173
FY 2020	15,426	-2.5%	5,630,629	-2.5%	$1,025,598,138	2.7%	$66,483	5.4%	14.4%	$182

FY 2018-2020
Long Term Care Program
Recipients and Claims Payments by Gender, Race and Age

	Recipients[1]			Claims Payments[2]			Annual Average Cost Per Recipient[3]		
	FY 2018	**FY 2019**	**FY 2020**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2018**	**FY 2019**	**FY 2020**
By Gender									
Female	15,961	15,517	14,707	$643,920,738	$657,731,992	$667,704,595	$40,344	$42,388	$45,401
Male	8,131	8,205	8,027	$320,819,412	$341,007,007	$357,893,543	$39,456	$41,560	$44,585
By Race									
African Am.	7,613	7,565	7,029	$321,973,920	$335,420,50	$333,982,816	$42,293	$44,338	$47,515
Am. Indian	26	25	23	$956,526	$909,742	$1,036,429	$36,789	$36,390	$45,062
Asian	67	71	53	$2,880,782	$2,979,547	$2,707,372	$42,997	$41,965	$51,082
Hispanic	64	68	56	$2,668,300	$2,925,411	$2,696,806	$41,692	$43,021	$48,157
Other	20	26	54	$847,148	$1,181,148	$2,814,922	$38,507	$45,429	$52,128
Unknown	634	675	960	$22,252,795	$26,098,276	$43,946,558	$35,099	$38,664	$45,778
White	15,666	15,292	14,559	$613,160,679	$629,224,369	$638,413,235	$39,140	$41,147	$43,850
By Age									
0-5	14	16	8	$654,787	$928,089	$542,716	$46,770	$58,006	$67,839
6-20	67	75	61	$4,873,768	$4,942,206	$4,730,993	$72,743	$65,896	$77,557
21-64	5,237	5,167	4,935	$212,485,272	$224,619,576	$235,122,117	$40,574	$43,472	$47,644
65-74	5,277	5,391	5,318	$213,438,743	$228,905,814	$243,924,772	$40,447	$42,461	$45,868
75-84	6,428	6,324	6,017	$257,446,459	$264,236,283	$268,098,699	$40,051	$41,783	$44,557
85 & Over	7,069	6,749	6,395	$275,841,120	$275,107,031	$273,178,842	$39,021	$40,763	$42,718
Statewide	**24,092**	**23,722**	**22,734**	**$964,740,150**	**$998,738,999**	**$1,025,598,138**	**$40,044**	**$42,102**	**$45,113**

[1] Recipient count is an unduplicated count of individuals who received a nursing facility service.
[2] The overall total in expenditures in FY 2018-2020 represents the amount expended during the fiscal year regardless of when the service was rendered to the Medicaid recipient. The numbers shown by gender, race and age represent very close approximations of the amounts spent in the categories shown.
[3] Average Annual Cost Per Recipient is based on unique recipients.

FY 2016-2020 Pharmacy Program Expenditures[1]

Expenditures				Clawback Payments as % of Pharmacy Expenditures
Year	Benefit Payments[2]	Clawback Payments[3]	Pharmacy Expenditures	
FY 2016	$700,940,628	$66,321,567	$767,262,195	8.6%
FY 2017	$647,048,170	$72,778,785	$719,826,955	10.1%
FY 2018	$709,020,080	$73,528,217	$782,548,297	9.4%
FY 2019	$749,616,410	$72,991,345	$822,607,755	8.9%
FY 2020	$775,217,923	$67,452,747	$842,670,670	8.0%

FY 2016-2020 Pharmacy Program Member Utilization[1]

Medicaid Eligibility Only					
Year	Monthly Average Pharmacy Eligibles[4]	Number of Prescription Recipients	Recipients as % of Eligibles	Number of Prescriptions	Prescriptions Per Recipient
FY 2016	742,688	591,986	80%	6,999,736	11.8
FY 2017	730,172	563,162	77%	6,604,216	11.7
FY 2018	734,760	587,562	80%	6,508,056	11.1
FY 2019	748,436	535,717	72%	6,421,852	12.0
FY 2020	779,017	512,647	66%	6,154,094	12.0

FY 2016-2020 Pharmacy Program Cost Per Member and Recipient

Medicaid Eligibility Only				
Year	Benefit Payments	Cost Per Prescription	Per Member Per Year Cost	Cost Per Recipient
FY 2016	$700,940,628	$100.14	$944	$1,184
FY 2017	$647,048,170	$97.98	$886	$1,149
FY 2018	$709,020,080	$108.94	$965	$1,207
FY 2019	$749,616,410	$116.73	$1,002	$1,399
FY 2020	$775,217,923	$125.97	$995	$1,512

[1] Payment amounts come from claims data only and do not include any non-claims based financial transactions or medical costs that cannot be associated with a specific recipient.
[2] Pharmacy benefit payments exclude pharmacy benefits paid for family planning, alternative care and Medicaid-CHIP.
[3] Clawback payments are the amounts states pay to the federal government as required by the Medicare Prescription Drug Improvement and Modernization Act of 2003 for Medicare Part D coverage.
[4]Monthly average pharmacy eligibles are total Medicaid eligibles less Plan First eligibles and members that are eligible for Medicare benefits (dual eligibles).

FY 2016-2020
Physician Services
Cost and Utilization by Age Category

Benefit Payments[1]					
Age	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**
0 to 5	$123,024,124	$114,446,373	$124,136,173	$126,590,626	$115,995,034
6 to 20	$91,319,115	$92,044,227	$97,179,497	$99,784,506	$96,869,146
21 to 64	$171,860,168	$181,298,321	$188,407,928	$197,889,839	$220,152,609
65 and up	$10,478,014	$13,340,356	$13,582,947	$13,415,537	$13,532,595
All Ages	**$396,681,422**	**$401,129,276**	**$423,306,545**	**$437,680,508**	**$446,549,384**

Recipients[2]					
Age	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**
0 to 5	198,788	167,652	184,563	170,016	162,718
6 to 20	270,259	260,186	288,881	267,387	264,086
21 to 64	198,366	197,640	207,362	202,423	191,857
65 and up	49,850	50,651	53,082	51,299	47,502
All Ages	**711,714**	**679,043**	**733,888**	**691,125**	**666,163**

Cost Per Recipient					
Age	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**
0 to 5	$619	$683	$673	$745	$713
6 to 20	$338	$354	$336	$373	$367
21 to 64	$866	$917	$909	$978	$1,147
65 and up	$210	$263	$256	$262	$285
All Ages	**$557**	**$591**	**$577**	**$633**	**$670**

[1] Payment amounts exclude lump sum payments made retroactively to physicians at paid teaching facilities due to changes in reimbursement rates.
[2] Recipient count is an unduplicated count of individuals who received at least one physician program service.

FY 2020
Third Party Liability/Program Integrity

Effective cost avoidance and recovery activities reduce expenditures by preventing fraud, waste and abuse of funds. The Third Party Liability Division and the Program Integrity Division work to ensure that the expenditure of public funds is managed in accordance with state and federal rules and regulations.

Third Party Liability

The Third Party Liability Division saves taxpayers millions of dollars each year through coordination of benefits, cost avoidance activities and recoveries from liens, estates and other liable payers.

During Fiscal Year 2020, the Third Party Liability Division was successful in saving Alabama taxpayer money in the following ways:

1) The cost avoidance of claims where providers were required to file with the primary payer first ($178,333,266 – commercial insurance; $197,660,304 – Medicare);
2) Health insurance recovery from primary payers ($9,961,144);
3) Medicare recoupments ($3,210,366);
4) Casualty/tort recovery ($3,947,103);
5) Liens and estate recovery ($15,301,437);
6) Credit balance recovery ($279,224); and
7) Recipient overpayment recoveries ($710,311).

Program Integrity

The Program Integrity Division is responsible for planning, developing, and directing agency efforts to identify, prevent, and assist in prosecuting fraud, abuse and/or misuse in the Medicaid Program. This includes verifying that medical services are appropriate and rendered as billed, that services are provided by qualified providers to eligible recipients, that payments for those services are correct, and that all funds identified for collection are pursued.

Some examples of how Program Integrity detects improper payments include:

- Provider reviews
- Analysis and data mining
- Referrals from a State Agency
- Centers for Medicaid and Medicare (CMS)
- Provider self-reporting of overpayments
- Complaints

Cost Avoidance

- Stringent provider enrollment procedures
- Review and recommend policy and system edits
- Locking recipients into one doctor
- Ensuring eligibility is determined correctly

Financials

In Fiscal Year 2020, the total amount Program Integrity collected and reported was $3,563,038.44.

FY 2018-2020
Collections (in millions)

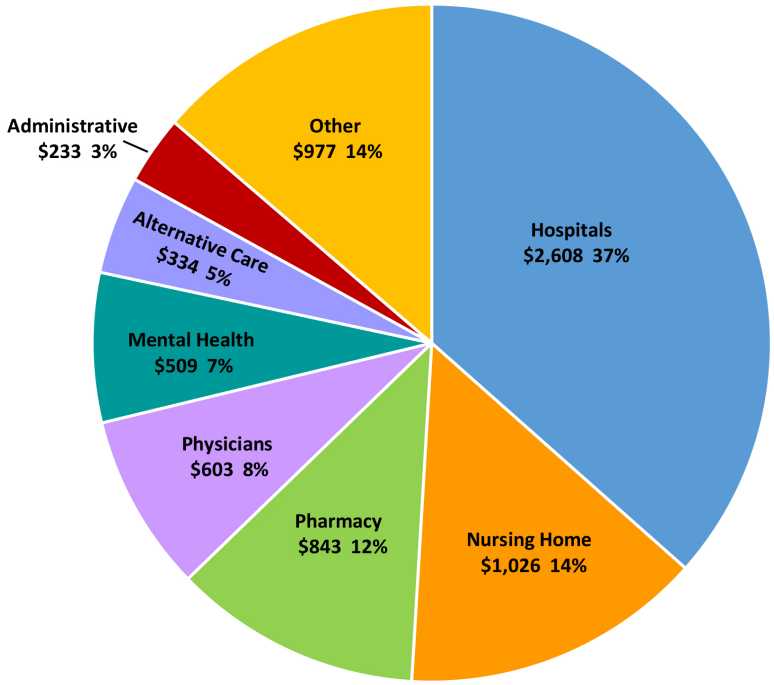
	FY 2018	FY 2019	FY 2020
Third Party Liability			
Includes retroactive Medicare recoupments from providers, collections due to health insurance and casualty subrogation, estate recovery, and recovery of misspent funds resulting from eligibility errors.	$30.5	$34.2	$33.4
Program Integrity Division			
Provider Recoupment	$2.8	$5.7	$3.6
Pharmacy Program			
In-House Processed Claims Corrections	$0.1	$0.2	$0.2
Total Collections	**$33.4**	**$40.1**	**$37.2**

FY 2020
Fiscal

Alabama Medicaid total expenditures totaled $7.133 billion in FY 2020. A state match of $1.744 billion was paired with $5.389 billion in federal matching funds to cover the cost. The state General Fund provided 10 percent, or $719 million, of the total cost.

FY 2020 Medicaid Use of Funds (in Millions)

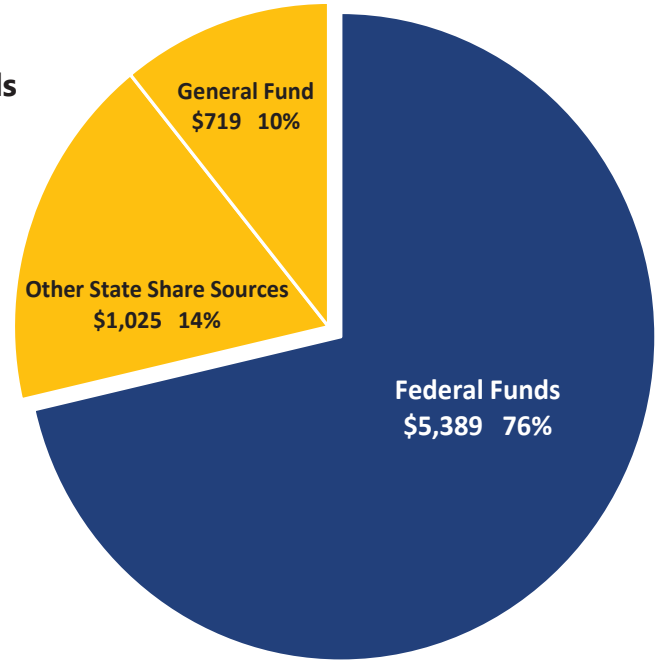
Total Expenditures
$7.133 Billion



FY 2020 Medicaid Source of Funds[1](in Millions)

Total State Funds
$1,744 24%

Source of Funds Used
$7.133 Billion



[1] Medicaid Source of Funds is based on revenue sources used to fund expenses.

FY 2016-2020
Total State Share Funding Received[1]

						As a % of Total State Share Funding				
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
General Fund										
Current Year Appropriation	$685,125,607	$700,463,607	$701,133,407	$755,204,019	$703,419,531	34.7%	36.3%	35.3%	37.7%	37.0%
Adjustments	$70,000,000	$20,169,800	$204,019	$336,927	$22,280,229	3.5%	1.0%	0.0%	0.0%	1.2%
Total General Fund[2]	**$755,125,607**	**$720,633,407**	**$701,337,426**	**$755,540,946**	**$725,699,760**	**38.3%**	**37.3%**	**35.4%**	**37.7%**	**38.1%**
Certified Public Expenditures										
Hospitals	$120,363,468	$4,060,384	$4,292,804	$3,697,403	$4,065,833	6.1%	0.2%	0.2%	0.2%	0.2%
Admin. Assistance & School-Based Services	$32,873,301	$39,594,333	$33,602,742	$33,078,868	$32,105,937	1.7%	2.1%	1.7%	1.7%	1.7%
Total CPEs	**$153,236,769**	**$43,654,717**	**$37,895,546**	**$36,776,271**	**$36,171,770**	**7.8%**	**2.3%**	**1.9%**	**1.8%**	**1.9%**
Ala. Health Care Trust Fund										
Hospital Provider Tax	$258,944,672	$264,746,042	$256,136,221	$275,588,476	$300,189,946	13.1%	13.7%	12.9%	13.8%	15.8%
Nursing Home Provider Tax	$112,467,742	$111,788,119	$111,952,310	$112,116,641	$112,636,633	5.7%	5.8%	5.6%	5.6%	5.9%
Pharmacy Provider Tax	$19,927,265	$946,143	$5,932,602	$8,385,541	$8,479,583	1.0%	0.0%	0.3%	0.4%	0.4%
Total Ala. Health Care Trust Fund	**$391,339,679**	**$377,480,304**	**$374,021,133**	**$396,090,658**	**$421,306,162**	**19.8%**	**19.5%**	**18.9%**	**19.8%**	**22.1%**
Intergovernmental Transfers										
State Agencies										
Dept. of Mental Health	$154,689,227	$151,968,413	$149,504,441	$145,493,481	$126,872,424	7.8%	7.9%	7.5%	7.3%	6.7%
Dept. of Human Resources	$33,636,169	$36,498,898	$34,474,404	$31,254,057	$26,624,095	1.7%	1.9%	1.7%	1.6%	1.4%
Dept. of Public Health	$24,252,808	$20,397,584	$20,014,568	$28,762,536	$30,704,205	1.2%	1.1%	1.0%	1.4%	1.6%
Transf. from Pub. Hlth.--MCHIP					$11,580,469	0.0%	0.0%	0.0%	0.0%	0.6%
Dept. of Senior Services	$22,446,268	$22,644,328	$23,876,697	$24,903,619	$24,863,215	1.1%	1.2%	1.2%	1.2%	1.3%
Dept. of Rehabilitation Services	$5,605,052	$6,546,678	$6,060,081	$7,925,999	$6,383,073	0.3%	0.3%	0.3%	0.4%	0.3%
Dept. of Youth Services	$6,490,554	$5,727,961	$5,370,213	$5,399,876	$3,372,058	0.3%	0.3%	0.3%	0.3%	0.2%
Total State Agencies	$247,120,078	$243,783,862	$239,300,404	$243,739,568	$230,399,539	12.5%	12.6%	12.1%	12.2%	12.1%
Hospital IGTs	$229,663,566	$372,710,608		$393,144,297	$318,496,667	11.6%	19.3%	17.6%	19.6%	16.7%
Other Governmental Bodies	$37,952,744	$7,666,495	$8,254,753	$6,930,407	$6,412,064	1.9%	0.4%	0.4%	0.3%	0.3%
Total Intergovernmental Transfers	**$514,736,388**	**$624,160,965**	**$596,864,083**	**$643,814,272**	**$555,308,270**	**26.1%**	**32.3%**	**30.1%**	**32.2%**	**29.2%**
Other Funding Sources										
Drug Rebates	$109,582,842	$109,205,705	$124,629,348	$125,260,977	$122,095,897	5.6%	5.7%	6.3%	6.3%	6.4%
Medicaid Trust Fund - Tobacco	$29,686,098	$30,668,155	$36,179,197	$34,914,566	$33,191,970	1.5%	1.6%	1.8%	1.7%	1.7%
BP Oil Spill Funds		$15,000,000	$105,000,000				0.8%	5.3%	0.0%	0.0%
Other Miscellaneous Receipts	$19,014,117	$10,122,198	$8,042,574	$9,223,250	$8,957,453	1.0%	0.5%	0.4%	0.5%	0.5%
Total Other Funding Sources	**$158,283,057**	**$164,996,058**	**$273,851,119**	**$169,398,793**	**$164,245,320**	**8.0%**	**8.5%**	**13.8%**	**8.5%**	**8.6%**
Total State Funds Received	**$1,972,721,500**	**$1,930,925,451**	**$1,983,969,307**	**$2,001,620,940**	**$1,902,731,282**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

[1] Data is based on Agency's Executive Budget Office financial records for the Medicaid Agency and includes expenditures, purchase orders, and year-end encumbrances.

[2] Funding sources represent appropriations. NOTE: Difference in funds received and funds used represent changes in funds carried forward.

FY 2016-2020 Expenditures by Type of Service (total Federal and State dollars)[1]

Service	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Nursing Facilities	$953,240,983	$945,588,305	$964,740,150	$998,738,999	$1,025,598,138
Hospital Care	$1,729,975,664	$1,755,632,257	$1,808,338,267	$2,033,014,256	$2,138,109,229
Physicians	$534,225,768	$554,794,353	$550,288,533	$573,726,844	$603,434,917
Pharmacy	$767,262,195	$719,826,955	$782,548,297	$822,607,755	$842,670,670
Health Support	$244,677,959	$203,245,365	$207,467,298	$244,612,315	$259,950,329
Alternative Care	$378,712,160	$364,581,074	$372,211,884	$371,636,941	$333,529,724
Mental Health Facilities	$2,055,858	$1,887,447	$2,033,302	$1,891,832	$2,294,487
Mental Health Waivers	$345,823,195	$349,628,814	$351,460,375	$352,781,144	$375,345,342
Mental Health Other	$135,058,792	$127,384,780	$130,077,357	$132,447,929	$131,715,013
Medicaid - CHIP	$70,424,528	$247,016,706	$173,704,703	$181,151,044	$165,414,800
COVID-19 Pandemic Function					$246,282
ACHNs				-	$42,449,302
Integrated Care Network				$29,797,155	$34,620,551
Health Insurance	$385,044,056	$417,634,796	$438,663,884	$450,901,533	$440,288,673
Family Planning	$65,691,965	$43,466,410	$45,009,815	$48,674,849	$34,200,322
Total Medicaid Medical Benefits	**$5,612,193,123**	**$5,730,687,262**	**$5,826,543,865**	**$6,241,982,596**	**$6,429,867,779**
Disproportionate Share for Hospitals[2]	$480,845,150	$480,408,568	$483,800,080	$492,378,713	$469,951,981
Total Medical Benefits	**$6,093,038,273**	**$6,211,095,830**	**$6,310,343,945**	**$6,734,361,309**	**$6,899,819,760**
General Administrative Costs	$175,531,329	$194,298,203	$177,719,248	$185,093,339	$170,528,735
School-Based Administrative Costs	$51,430,047	$62,257,996	$52,080,143	$53,385,276	$51,223,237
Total Medicaid & DSH Expenditures	**$6,319,999,649**	**$6,467,652,029**	**$6,540,143,336**	**$6,972,839,924**	**$7,121,571,731**
Health Information Exchange	$10,410,909	$22,327,029	$16,925,487	$9,381,561	$11,441,380
Agency Total Expenditures	**$6,330,410,558**	**$6,489,979,058**	**$6,557,068,823**	**$6,982,221,485**	**$7,133,013,111**

Service	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Nursing Facilities	15.1%	14.6%	14.8%	14.3%	14.4%
Hospital Care	27.4%	27.1%	27.6%	29.2%	30.0%
Physicians	8.5%	8.6%	8.4%	8.2%	8.5%
Pharmacy	12.1%	11.1%	12.0%	11.8%	11.8%
Health Support	3.9%	3.1%	3.2%	3.5%	3.7%
Alternative Care	6.0%	5.6%	5.7%	5.3%	4.7%
Mental Health Facilities	0.0%	0.0%	0.0%	0.0%	0.0%
Mental Health Waivers	5.5%	5.4%	5.4%	5.1%	5.3%
Mental Health - Other	2.1%	2.0%	2.0%	1.9%	1.8%
Medicaid - CHIP	1.1%	3.8%	2.7%	2.6%	2.3%
COVID-19 Pandemic Function	0.0%	0.0%	0.0%	0.0%	0.0%
ACHNs	0.0%	0.0%	0.0%	0.0%	0.6%
Integrated Care Network	0.0%	0.0%	0.0%	0.4%	0.5%
Health Insurance	6.1%	6.5%	6.7%	6.5%	6.2%
Family Planning	1.0%	0.7%	0.7%	0.7%	0.5%
Total Medicaid Medical Benefits	**88.8%**	**88.6%**	**89.1%**	**89.5%**	**90.3%**
Disproportionate Share for Hospitals[2]	7.6%	7.4%	7.4%	7.1%	6.6%
Total Medical Benefits	**96.4%**	**96.0%**	**96.5%**	**96.6%**	**96.9%**
General Administrative Costs	2.8%	3.0%	2.7%	2.6%	2.3%
School-Based Administrative Costs	0.8%	1.0%	0.8%	0.8%	0.7%
Total Medicaid & DSH Expenditures	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

[1] Data is based on the Executive Budget Office Forms 1 and 2 for the Medicaid Agency and includes expenditures, purchase orders and year-end encumbrances.

[2] Disproportionate Share Hospital (DSH) - Payments provided to hospitals for serving a disproportionately high share of Medicaid and uninsured individuals.

FY 2020 Expenditures for Medical Services by Coverage and Aid Category (dollar amounts in millions)[1]

Coverage and Aid Category	Inpatient Services	Outpatient Services	Nursing Home	Physicians	Mental Health	Other Prof Servcs.	Pharmacy[4]	Dental	Medicare Premiums[5]	Grand Total[6]	FY 20 % of Total	FY 19 % of Total
Dual Eligibles												
Full Medicaid Dual Eligible												
Aged and Non-Disabled (65+)	$16.8	$74.0	$696.7	$2.9	$22.0	$27.5			$65.8	$905.9	14.1%	14.1%
Blind or Disabled (all ages)	$46.4	$17.0	$218.0	$10.0	$254.0	$47.6	$2.1		$188.4	$783.6	12.2%	11.9%
Non-Disabled Adults (21-64)									$1.3	$2.6	0.0%	0.1%
Total Full Medicaid Dual Eligible	$63.6	$91.3	$914.9	$13.1	$276.1	$75.3	$2.3		$255.5	$1,692.1	26.3%	26.2%
Partial Medicaid Dual Eligible												
QMB/SLMB (all ages)[2]	$11.0	$0.9	$5.0	$9.2		$3.7			$258.2	$288.2	4.5%	4.4%
Total Dual Eligibles	**$74.6**	**$92.2**	**$919.9**	**$22.3**	**$276.3**	**$79.0**	**$2.3**		**$513.7**	**$1,980.4**	**30.8%**	**30.5%**
Non-Dual Eligibles												
Full Medicaid												
Aged and Non-Disabled (65+)	$0.7		$2.7							$4.0	0.1%	0.0%
Blind or Disabled (all ages)	$780.4	$209.3	$121.5	$203.8	$198.1	$106.4	$489.7	$3.4		$1,791.3	27.9%	28.7%
Non-Disabled Children (0-20)	$546.7	$158.1		$290.9	$32.4	$283.9	$249.1	$70.7		$1,631.7	25.4%	25.9%
Non-Disabled Adults (21-64)	$262.4	$108.4		$119.3	$12.0	$44.6	$110.3			$657.1	10.2%	10.5%
Total Full Medicaid	$1,590.1	$476.0	$124.2	$614.0	$242.6	$434.9	$849.3	$74.1		$4,405.4	68.5%	68.7%
Partial Medicaid												
Non-Disabled Adults (21-64)[3]	$23.4	$2.0		$4.9						$30.7	0.5%	0.4%
Plan First (all ages)[4]						$10.9	$1.9			$13.4	0.2%	0.4%
Total Partial Medicaid	$23.5	$2.5		$4.9		$11.3	$1.9			$44.1	0.7%	0.8%
Total Non-Dual Eligibles	**$1,613.6**	**$478.5**	**$124.2**	**$618.9**	**$242.6**	**$446.2**	**$851.3**	**$74.1**		**$4,449.5**	**69.2%**	**69.5%**
Total Expenditures	**$1,688.2**	**$570.7**	**$1,044.1**	**$641.2**	**$518.9**	**$525.2**	**$853.6**	**$74.1**	**$513.8**	**$6,429.9**	**100.0%**	**100.0%**
FY 2020 % of Total	26.3%	8.9%	16.2%	10.0%	8.1%	8.2%	13.3%	1.2%	8.0%	100.0%		
FY 2019 % of Total[7]	24.5%	9.4%	16.2%	9.5%	8.0%	9.3%	13.3%	1.4%	7.7%	100.0%		

[1] The overall total of $6,429,867,779 in expenditures in FY 2020 represents the amount expended during the fiscal year regardless of when the service was rendered to the Medicaid recipient. The numbers shown by category of aid and type of service rendered represent very close approximations of these expenditures and are derived based on the amounts incurred during the fiscal year using the date the service was rendered to the Medicaid recipient. Expenditures exclude Agency administrative costs, administrative costs of the school-based services program, payments to hospitals under the DSH program, and expenses of the Health Information Exchange.

[2] Limited Medicare-Qualified Medicare Beneficiary, Specified Low Income Medicare Beneficiary and Qualifying Individual are low-income Medicare beneficiaries that have certain premiums, co-insurance or deductibles paid for by Medicaid.

[3] Primarily emergency services.

[4] Family planning services.

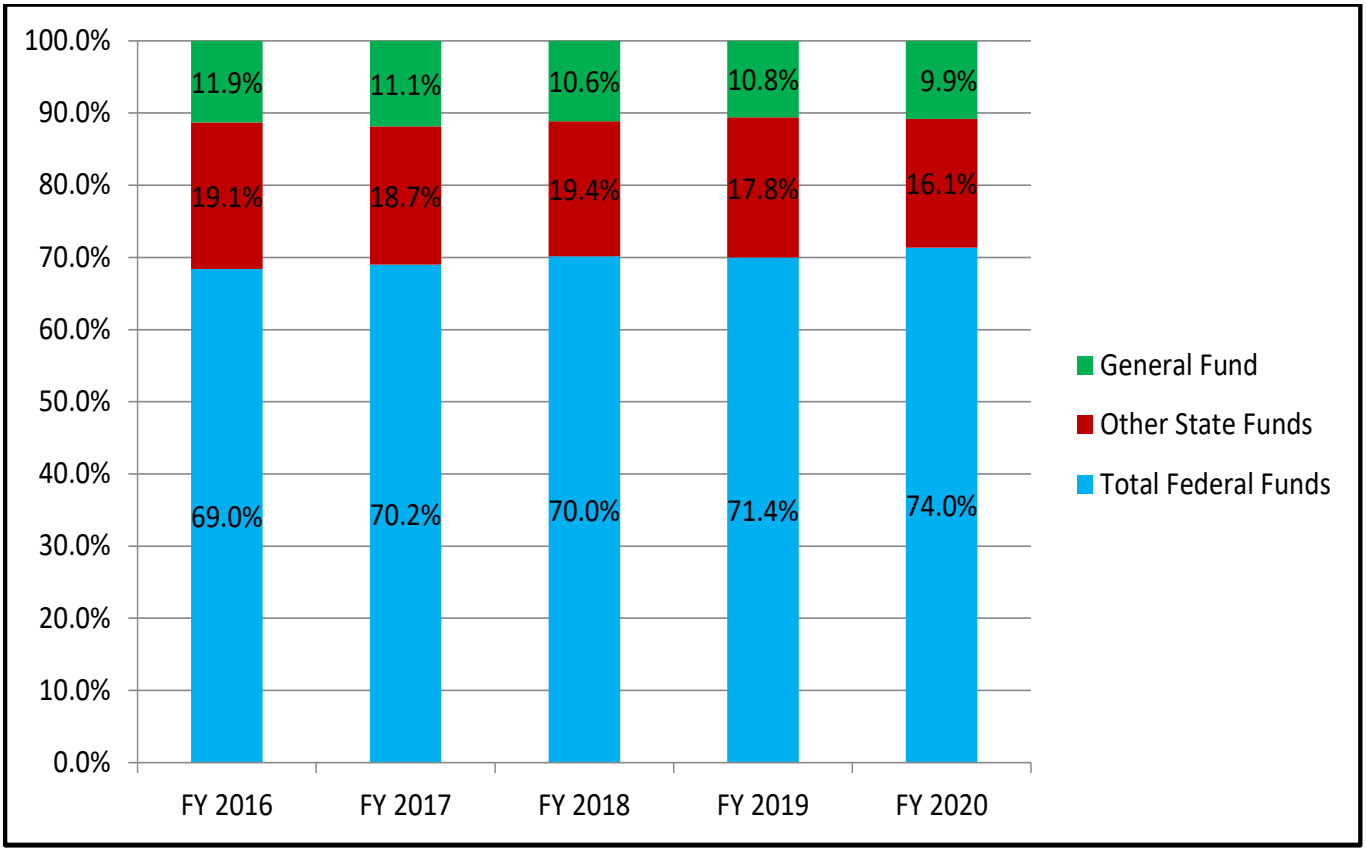
[5] Clawback payments are the amounts states pay to the federal government as required by the Medicare Prescription Drug Improvement and Modernization Act of 2003 to share the cost of Medicare Part D coverage. In this schedule the amount is shown as Medicare Premiums.

[6] Totals do not foot due to amounts below $500,000 not being shown because of rounding.

[7] In FY 2019, Managed Care Networks accounted for 0.7% of FY 2019 Total Expenditures that is not shown. There are no expenditures for Managed Care Networks in FY 2020.

FY 2016-2020
Total Sources of Medicaid Funding (Receipts)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Federal Funds					
Match FMAP[1]	$4,379,160,509	$4,522,609,931	$4,610,944,691	$4,983,787,837	$5,393,053,122
Coronavirus Relief Fund	-	-	-	-	$488,524
Health Information Exchange	$10,206,026	$20,061,170	$15,990,845	$7,227,280	$11,676,202
Total Federal Funds	**$4,389,366,535**	**$4,542,671,101**	**$4,626,935,536**	**$4,991,015,117**	**$5,405,217,848**
State Funds Received					
General Fund	$755,125,607	$720,633,407	$701,337,426	$755,540,946	$725,699,760
Other State Funds	$1,217,595,893	$1,195,292,044	$1,177,631,881	$1,246,079,994	$1,177,031,523
Other State Funds - BP Oil		$15,000,000	$105,000,000		
Total State Funds	**$1,972,721,500**	**$1,930,925,451**	**$1,983,969,307**	**$2,001,620,940**	**$1,902,731,283**
Total Funding Received	**$6,362,088,035**	**$6,473,596,552**	**$6,610,904,843**	**$6,992,636,057**	**$7,307,949,131**

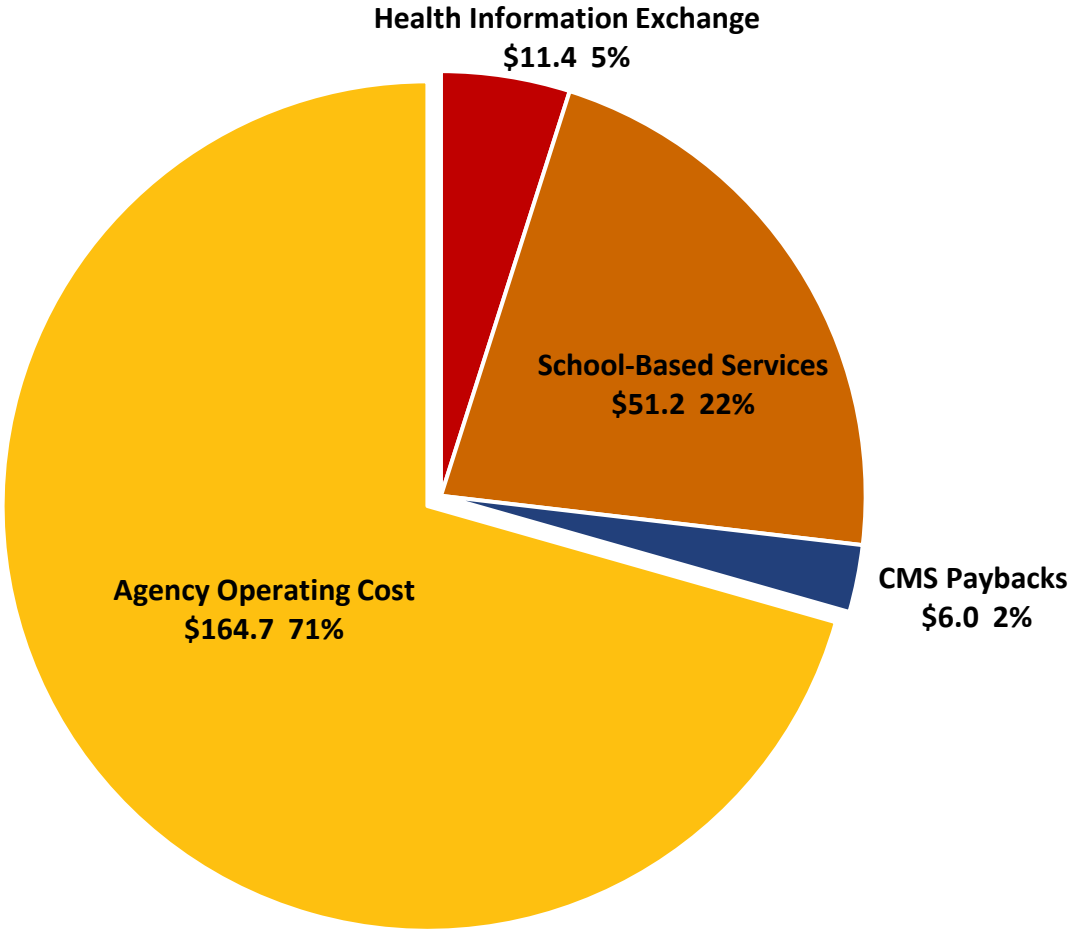


[1] **Federal Medical Assistance Percentage (FMAP) is the share of the cost of Medicaid that the federal government incurs. That share varies by state depending on a state's per capita income. The average state FMAP is 59%, but ranges from 50% in wealthier states, up to 76% in states with lower per capita incomes (an FMAP cannot be less than 50% or more than 83% by statute). FMAPs are adjusted for each state on a three-year cycle to account for fluctuations in the economy.**

FY 2020 Medicaid Expenditure Budget
Administrative Expense by Major Functional Areas (in millions)

Virtually all of the Alabama Medicaid budget goes to fund services for eligible recipients. In FY 2020, administrative expenditures accounted for approximately $233 million, or three percent, of the Agency's total budget. Of this amount, over 70% represented agency operating expenses. Other administrative budget categories included Health Information Technology, School-Based Services and CMS Paybacks.

Total Administrative Expenditures
$233.4



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October 1, 2019 - September 30, 2020
Alabama Medicaid Agency
PO Box 5624 (501 Dexter Avenue)
Montgomery, AL 36103-5624

Statistical data is provided by the Alabama Medicaid Analytics Division.

This report is available at
https://medicaid.alabama.gov/content/2.0_Newsroom/2.3_Publications.aspx.