Medicaid 101
Understanding Alabama’s Medicaid Program

May 22, 2019

AGENDA
• What Does Alabama Medicaid Do?
• Who Does Alabama Medicaid Serve?
• What are Medicaid Expenditures?
• How is Medicaid Funded?

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COMMISSIONER
ALABAMA MEDICAID AGENCY
What does Alabama Medicaid do?

• Medicaid is not Medicare
• Alabama Medicaid is like an insurance company
• Medicaid does not provide medical services
• Medicaid pays providers that provide medical services

Who Does Alabama Medicaid Serve?
Who Does Alabama Medicaid Serve?

**Low income**

**Aged Age 65 & Over**
Almost all are also covered by Medicare.

**Disabled & Blind Any Age**
Most are Social Security Administration determinations with automatic Medicaid eligibility.

**Children Age 0-18**
Children in families below 146% of the Federal Poverty Level.
For a family of two, this would be $2,058 per month and $3,133 for a family of four.

**Other Categories Age 19-64**
Other adults including pregnant women, parent caretakers, and family planning services.
Monthly Average Eligibles 2012-2019*

2017 Medicaid Impacts on Alabama

<table>
<thead>
<tr>
<th>State Population:</th>
<th>4,874,747</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Monthly Eligibles:</td>
<td>1,021,690</td>
</tr>
<tr>
<td>Percentage of Population on Medicaid:</td>
<td>21%</td>
</tr>
</tbody>
</table>

- More than 50% of Alabama births are covered by Medicaid
- 52% of all Alabama children are covered by Medicaid
- Medicaid represents approximately 67% of Children's of Alabama and 77% of USA Women's and Children's Hospital patient days compared to an average 18% for all other hospitals

* Fiscal Year to date through February, 2019
FY 2017 Percent of Population Annually Eligible for Medicaid by County

Highest Percentage
- Wilcox 54%
- Perry 52%
- Greene 51%
- Dallas 49%
- Lowndes 47%
- Hale 47%

Lowest Percentage
- Shelby 13%
- Madison 17%
- Lee 18%
- Limestone 19%
- Baldwin 19%

FY 2017 Medicaid Annual Eligibles by County

Highest Counts
- Jefferson – 161,666
- Mobile – 118,893
- Montgomery – 69,163
- Madison – 62,331
- Tuscaloosa – 45,849

Lowest Counts
- Coosa – 2,685
- Bullock – 3,952
- Clay – 4,127
- Greene – 4,211
- Choctaw – 4,434
FY 2018 Medicaid Eligibility by Race and Gender

- Medicaid Eligibles By Race:
  - Black: 42%
  - White: 41%
  - Hispanic: 5%
  - Other: 12%

- Medicaid Eligibles By Gender:
  - Male: 40%
  - Female: 60%

**NOTE:** Based on monthly average eligibility in FY 2018

What are Medicaid Expenditures?
FY 2018 Medicaid Expenditure Analysis
Benefit Payments and Administrative Costs (in millions)

External Factors Effecting the Agency

- Federal Medical Assistance Percentage (FMAP)
  changes – change state share requirement
  - Impact shared with existing state share funding,
    such as hospitals, other state agencies, and
    teaching hospitals
- Drug Rebates
- Overall health of the population
- Inflationary increases
- Medicare Part B Premiums
How is Medicaid Funded?

FY 2018 Medicaid Funding Analysis
State and Federal Funding (in millions)

- **State Funds**: $1,941 (30%)
- **Federal Funds**: $4,616 (70%)

5/22/2019
FY 2018 Medicaid Funding Analysis

State and Federal Funding (in millions)

<table>
<thead>
<tr>
<th>Service Activity</th>
<th>FY 2018 Expense</th>
<th>Federal Share</th>
<th>State Share Overall Amount</th>
<th>State Agencies</th>
<th>Providers</th>
<th>Other</th>
<th>General Fund and BP Oil Amount</th>
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</thead>
<tbody>
<tr>
<td>Nursing Homes*</td>
<td>$965</td>
<td>$689</td>
<td>$276</td>
<td>$0</td>
<td>$112</td>
<td>$0</td>
<td>$164</td>
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<tr>
<td>Hospital*</td>
<td>2,292</td>
<td>1,612</td>
<td>680</td>
<td>20</td>
<td>615</td>
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<td>Physician</td>
<td>550</td>
<td>394</td>
<td>156</td>
<td>10</td>
<td>0</td>
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<td>140</td>
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<td>Health Insurance*</td>
<td>439</td>
<td>315</td>
<td>124</td>
<td>0</td>
<td>0</td>
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<td>122</td>
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<td>Administration</td>
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<td>Alternative Care</td>
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<td>266</td>
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<td>Health Support</td>
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<td>Family Planning</td>
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<td>CHIP-All Services</td>
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<tr>
<td>Grand Total</td>
<td>$6,557</td>
<td>$4,616</td>
<td>$3,341</td>
<td>$271</td>
<td>$733</td>
<td>$167</td>
<td>$770</td>
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*Controlled by State Statute or Federal Requirement
Questions

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Presentation will be posted on Medicaid’s website at www.Medicaid.Alabama.gov