



Medicaid Forecasting: FMAPs, Part B Premiums, and Clawbacks

**NCSL Fiscal Analysts Seminar
Portland, ME**

October 2015

FY 2017 FMAPs

- Per capita personal income for CY 2012-2014
- FMAPs increase in 25 states, decline in 12
 - 13 states at 50.00 minimum
 - To receive an increase, a state must experience a decline in its share of U.S. average PCI
- Factors influencing results
 - Data revisions
 - Personal income shifts (especially in large, wealthy states)
 - Population changes
 - Medicaid expansion

FY 2017 FMAPs

FY 2017 FMAP Percentage-Point Change

Increases		Decreases	No Change
South Dakota	Georgia	Oklahoma	Alaska
Iowa	Montana	Texas	California
Maine	Arizona	Colorado	Connecticut
Hawaii	Alabama	Delaware	District of Columbia
New Mexico	Wisconsin	Michigan	Maryland
Nebraska	Idaho	Utah	Massachusetts
North Carolina	Kansas	Arkansas	Minnesota
Rhode Island	South Carolina	Nevada	New Hampshire
Vermont	Indiana	Pennsylvania	New Jersey
Mississippi	Kentucky	Ohio	New York
Florida	Oregon	Tennessee	North Dakota
Illinois	Louisiana	Missouri	Virginia
West Virginia			Washington
			Wyoming

CY 2016 Medicare Part B

- ~\$2.3B increase in state Medicaid costs
 - Dual-eligible premiums projected to increase 52%
- Why?
 - 0% Social Security COLA would trigger hold-harmless provision for most (70% of Part B enrollees)
 - Dual eligibles and others not covered by hold-harmless would see even higher premiums (from \$104.90 to \$159.30)
 - Without trigger, premiums projected to increase 15%
- Final rates to be announced later this month
- Possible legislative fix

CY 2016 clawback payments

- ~\$1B increase in state clawback payments
- Why?
 - 6.4% increase in per capita Part D expenditures (11.8% after prior-year revisions)
 - Availability of new specialty drugs
 - No annual reduction in state share
 - FMAP and enrollment changes
- CMS to notify states of final per capita rates by 10/15; FFIS will update estimates

Estimated change in clawback multiplier

Percent Change in Clawback Multiplier, December 2015-December 2016

Greater than 11.76%		11.76%		Between 10% and 11.76%		Less than 10%	
Vermont	18.25%	California	11.76%	Illinois	11.74%	Florida	9.80%
Idaho	13.47%	Alaska	11.76%	North Carolina	11.50%	Iowa	9.55%
Texas	12.96%	Connecticut	11.76%	Maine	11.43%	South Dakota	8.55%
Arkansas	12.91%	District of Columbia	11.76%	Indiana	11.39%		
Oregon	12.86%	Maryland	11.76%	South Carolina	11.37%		
Oklahoma	12.85%	Massachusetts	11.76%	New Mexico	11.27%		
Colorado	12.67%	Minnesota	11.76%	Kansas	11.25%		
Utah	12.66%	New Hampshire	11.76%	West Virginia	11.06%		
Ohio	12.62%	New York	11.76%	Hawaii	11.06%		
Montana	12.47%	North Dakota	11.76%	Delaware	10.84%		
Louisiana	12.32%	Pennsylvania	11.76%	Nebraska	10.82%		
Rhode Island	12.21%	Virginia	11.76%	Georgia	10.69%		
Missouri	12.09%	Washington	11.76%	Alabama	10.50%		
Tennessee	12.05%	Wyoming	11.76%	Nevada	10.42%		
Wisconsin	12.03%	New Jersey	11.76%	Mississippi	10.33%		
Michigan	11.92%			Arizona	10.25%		
Kentucky	11.80%						

FFIS publications of interest

- Final FY 2017 FMAPs (Issue Brief 15-31)
- Medicare Part B premiums (Issue Brief 15-30)
- Medicare Part D clawback payments (Issue Brief 15-10)



Questions?

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