

# Idaho Medicaid Expansion Population and Cost Forecast

**March 18, 2013**

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# Key Revisions

- New guidelines from CMS regarding the “surge” population
  - A change in the interpretation of the application of MAGI-based eligibility conversion.
  - Results are shifting the “surge” population from a mandatory to an optional expansion population.
- New guidelines from CMS regarding the federal participation in the CHIP kids transferring their coverage to Medicaid
  - Results are a change from Medicaid expansion FMAP rates to current CHIP FMAP rates.
- The change in assumption regarding savings generated from the State CAT program. 95% vs. 90%.

# Scope of Work

- Two Scenarios:
  - No Expansion (Option 1)
  - 138% Expansion (Option 3)
- Enrollment Forecast
  - Woodwork
  - Surge – now part of expansion
  - Expansion
  - CHIP
  - 85% Take-up Rate for Uninsured; 30% for Insured

# Scope of Work (continued)

- Cost Projection
  - FMAP Variation Over Time – Change in converted CHIP to Medicaid FMAP assumption.
  - Demographic Mix
  - Cost Offsets – Change in assumption for State CAT program.
  - Administration
  - Foster Care
  - CHIP
  - Physician PCP Increase

# Enrollment Forecast

- Sources
  - 2010 Census Data
  - Idaho Division of Welfare
  - Leavitt Partners Report
  - Idaho Department of Health and Welfare
  
- Woodwork (currently eligible but not enrolled)
  - Mostly children
  - Independent of expansion decision
  - Currently uninsured and insured populations

# Enrollment Forecast (continued)

- Expansion (newly eligible band on 138% FPL)
  - Childless adults and additional parents
  - Currently insured and uninsured
  - Includes prior “Surge” population – newly eligible through MAGI
- Other
  - CHIP
  - Foster care
- Trend (Annual enrollment growth of 2.05%)

**Idaho Department of Health and Welfare**  
**Estimated Impact on Projected 1/1/2014 Enrollment**

	Per Report Issued		
	12/3/2012	3/7/2013	
<u>Mandatory Expansion</u>			
Children (CHIP conversion to Medicaid)	10,825	10,825	*
Adult, Parents	24,492	-	
<u>Optional Expansion (138% FPL)</u>			
Adults, Parents	35,252 **	59,744 **	**
Adults, Non-Caregivers	44,467	44,467	
<u>Expansion Subtotal (Mandatory and Optional)</u>			
Children	10,825	10,825	
Adults	104,211	104,211	
<u>Currently Eligible, Not Enrolled</u>			
Children	28,535	28,535	
Adults, Parents	6,488	6,488	
<b>Total</b>	<b>150,059</b>	<b>150,059</b>	

\* These children are currently enrolled in Idaho's CHIP program and are merely transferring their coverage to Medicaid as a result of eligibility changes in the Affordable Care Act. Per the February 2013 guidance from CMS, the CHIP enhanced matching rate will continue to be available for these children, so there is no fiscal impact to the state of Idaho resulting from this transfer.

\*\* Eligible due to increased FPL to 138%.

# Cost Projections

## FMAP Variations

- Currently Eligible, not enrolled (woodwork) @ standard rates
- Optional Expansion @ 100% 2014-2016 scaling to 90% as of 1/1/2020
- **CHIP Converted to Medicaid – Current CHIP rates**
- CHIP @ 100% 10/1/15 through 9/30/19
- Foster care @ standard rates

<u>FMAP Rates</u>	<u>SFY 2014</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	<u>SFY 2018</u>	<u>SFY 2019</u>	<u>SFY 2020</u>	<u>SFY 2021</u>
Current Medicaid FMAP	70%	70%	70%	70%	70%	70%	70%	70%
Expansion FMAP	100%	100%	100%	98%	95%	94%	92%	90%
Current CHIP FMAP	80%	80%	80%	80%	80%	80%	80%	80%
Enhanced CHIP FMAP	80%	80%	95%	100%	100%	100%	85%	80%

No Change After SFY 2021

# Cost Projections (continued)

- Starting Medical Costs
  - State Fiscal Year 2011 Medicaid Costs (Basic)

**Idaho Department of Health and Welfare**  
**Estimated SFY 2014 PMPM Costs by Age/Gender Band**

Age Band	Male	Female	Composite
00 to 17	\$122.53	\$122.53	\$122.53
18 to 24	\$158.98	\$619.51	\$432.12
25 to 34	\$314.49	\$628.28	\$473.76
35 to 44	\$563.09	\$737.27	\$656.95
45 to 54	\$982.33	\$777.52	\$875.08
55 to 59	\$1,071.59	\$1,073.93	\$1,072.86
60 to 64	\$756.87	\$1,139.70	\$939.58
Adult	\$464.59	\$700.68	\$590.42
Child	\$122.53	\$122.53	\$122.53
Total	\$370.28	\$556.08	\$467.70

- Cost Projection Trends
  - 5% annually to calendar year 2014
  - 2.5% annually beyond calendar year 2014

## Cost Projections (continued)

- Idaho Department of Health and Welfare Administrative Costs
  - 3.5% of additional medical service costs
  - 50% FMAP
  - Administrative costs increase even if FMAP at 100% of medical cost

# State and Local Cost Offsets

- Expanded Medicaid coverage will reduce costs in other programs.
  - State CAT Program 95% reduction.
  - Medical Indigent Program 90% reduction.
  - Behavioral Health / Public Health 100%.
  - Also added at State’s request a scenario where there programs are eliminated.
- No impact from woodwork or covered populations.

<u>Potential State and Local Offsets</u>	<u>SFY 2014*</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	<u>.....</u>	<u>SFY 2024</u>	<u>Cumulative Total</u>
CAT Program (State)	\$21.2	\$43.1	\$43.8	\$46.0		\$62.5	\$539.6
Medical Indigent (County)	\$15.7	\$32.8	\$34.1	\$35.5		\$45.7	\$406.2
Medical Ind (County Admin)	\$2.8	\$5.8	\$6.1	\$6.3		\$8.0	\$71.9
Behavior Health (DHW)	\$4.8	\$9.7	\$9.7	\$9.7		\$9.7	\$101.3
Public Health (DHW)	\$0.4	\$0.8	\$0.8	\$0.8		\$0.8	\$8.4
<b>Total Local and State Spend:</b>	<b>\$44.9</b>	<b>\$92.1</b>	<b>\$94.4</b>	<b>\$98.3</b>		<b>\$126.7</b>	<b>\$1,127.5</b>

\*Six months of SFY 2014

# Prior Option 1 Projection (12/3/2012)

Projected Mandatory Expansion Costs State and Local Dollars Only (Values in Millions)							Cumulative
<b>Option # 1: No Optional Expansion</b>	<b>SFY 2014*</b>	<b>SFY 2015</b>	<b>SFY 2016</b>	<b>SFY 2017</b>	.....	<b>SFY 2024</b>	<b>Total</b>
Mandatory Expansion Claim Costs:							
Currently Eligible, Not Enrolled	\$12.4	\$25.3	\$26.0	\$26.6		\$31.6	\$296.3
Mandatory Expansion	\$0.0	\$0.0	\$0.0	\$4.3		\$20.4	\$120.1
Foster Care	\$1.7	\$3.5	\$3.6	\$3.7		\$4.4	\$41.0
Physician	\$0.0	\$3.0	\$6.1	\$6.4		\$8.1	\$67.5
CHIP	(\$1.5)	(\$3.1)	(\$7.5)	(\$8.7)		(\$1.9)	(\$48.8)
Administration (DHW) Costs:	\$1.7	\$3.4	\$3.5	\$3.6		\$4.3	\$40.2
 Total Mandatory Expansion Costs	 \$14.2	 \$32.2	 \$31.8	 \$35.9		 \$66.9	 \$516.3
<u>Projected Offsets and Savings</u>							
CAT Program (State)	(\$4.32)	(\$8.8)	(\$8.9)	(\$9.4)		(\$12.8)	(\$110.2)
Medical Indigent (County)	(\$3.2)	(\$6.7)	(\$7.0)	(\$7.2)		(\$9.3)	(\$82.9)
Medical Ind (County Admin)	(\$0.3)	(\$1.2)	(\$1.2)	(\$1.3)		(\$1.6)	(\$14.4)
Behavior Health (DHW)	(\$1.1)	(\$2.2)	(\$2.2)	(\$2.2)		(\$2.2)	(\$23.0)
Public Health (DHW)	(\$0.1)	(\$0.2)	(\$0.2)	(\$0.2)		(\$0.2)	(\$1.9)
 Total Local and State Offset:	 (\$9.0)	 (\$19.0)	 (\$19.5)	 (\$20.3)		 (\$26.1)	 (\$232.4)
 <b>Option # 1: No Optional Expansion</b>							
Total Cost	\$5.2	\$13.1	\$12.2	\$15.6		\$40.8	\$283.9
*Six months of SFY 2014							

# Revised Option 1 Projection (3/7/2013)

Projected Mandatory Expansion Costs State and Local Dollars Only (Values in Millions)							Cumulative
<b>Option # 1: No Optional Expansion</b>	<b>SFY 2014*</b>	<b>SFY 2015</b>	<b>SFY 2016</b>	<b>SFY 2017</b>	.....	<b>SFY 2024</b>	<b>Total</b>
<b>Mandatory Expansion Claim Costs:</b>							
Currently Eligible, Not Enrolled	\$12.4	\$25.3	\$26.0	\$26.6		\$31.6	\$296.3
Mandatory Expansion	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
Foster Care	\$1.7	\$3.5	\$3.6	\$3.7		\$4.4	\$41.0
Physician	\$0.0	\$3.0	\$6.1	\$6.3		\$7.5	\$64.4
CHIP	\$0.0	\$0.0	(\$4.3)	(\$5.9)		\$0.0	(\$23.9)
Administration (DHW) Costs:	\$0.7	\$1.4	\$1.4	\$1.5		\$1.7	\$16.3
<b>Total Mandatory Expansion Costs</b>	<b>\$14.8</b>	<b>\$33.2</b>	<b>\$32.8</b>	<b>\$32.2</b>		<b>\$45.3</b>	<b>\$394.0</b>
<b>Projected Offsets and Savings</b>							
CAT Program (State)	\$0.00	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
Medical Indigent (County)	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
Medical Ind (County Admin)	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
Behavior Health (DHW)	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
Public Health (DHW)	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
<b>Total Local and State Offset:</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>		<b>\$0.0</b>	<b>\$0.0</b>
<b>Option # 1: No Optional Expansion</b>							
<b>Total Cost</b>	<b>\$14.8</b>	<b>\$33.2</b>	<b>\$32.8</b>	<b>\$32.2</b>		<b>\$45.3</b>	<b>\$394.0</b>

\*Six months of SFY 2014

# Prior Option 3 Projection (12/3/2012)

## Projected Additional Optional Expansion Costs State and Local Dollars Only (Values in Millions)

<b>Option # 3: 138% Expansion</b>	<b>SFY 2014*</b>	<b>SFY 2015</b>	<b>SFY 2016</b>	<b>SFY 2017</b>	<b>.....</b>	<b>SFY 2024</b>	<b>Cumulative Total</b>
Optional Expansion Claim Costs:	\$0.0	\$0.0	\$0.0	\$15.0		\$71.4	\$420.2
Administration (DHW) Costs:	\$3.4	\$7.0	\$7.1	\$7.3		\$8.7	\$81.4
<b>Total Additional Expansion Costs</b>	<b>\$3.4</b>	<b>\$7.0</b>	<b>\$7.1</b>	<b>\$22.3</b>		<b>\$80.1</b>	<b>\$501.6</b>
<b>Projected Offsets and Savings</b>							
CAT Program (State)	(\$14.7)	(\$30.0)	(\$30.5)	(\$32.0)		(\$43.5)	(\$375.5)
Medical Indigent (County)	(\$10.9)	(\$22.8)	(\$23.7)	(\$24.7)		(\$31.8)	(\$282.7)
Medical Ind (County Admin)	(\$1.0)	(\$4.1)	(\$4.2)	(\$4.4)		(\$5.6)	(\$49.1)
Behavior Health (DHW)	(\$3.7)	(\$7.5)	(\$7.5)	(\$7.5)		(\$7.5)	(\$78.3)
Public Health (DHW)	(\$0.3)	(\$0.6)	(\$0.6)	(\$0.6)		(\$0.6)	(\$6.5)
<b>Total Local and State Offset:</b>	<b>(\$30.7)</b>	<b>(\$64.9)</b>	<b>(\$66.5)</b>	<b>(\$69.2)</b>		<b>(\$89.0)</b>	<b>(\$792.0)</b>
<b>Option # 3: 138% Optional Expansion Only (Excluding Mandatory Expansion)</b>							
Marginal Cost	(\$27.3)	(\$57.9)	(\$59.4)	(\$46.8)		(\$8.9)	(\$290.4)

\*Six months of SFY 2014

# Revised Option 3 Projection (3/7/2013)

## Projected Additional Optional Expansion Costs State and Local Dollars Only (Values in Millions)

	<u>SFY 2014*</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	.....	<u>SFY 2024</u>	<b>Cumulative Total</b>
<b><u>Option # 3: 138% Expansion</u></b>							
Optional Expansion Claim Costs:	\$0.0	\$0.0	\$0.0	\$19.4		\$92.4	\$543.5
Administration (DHW) Costs:	\$4.4	\$9.0	\$9.2	\$9.5		\$11.2	\$105.3
<b>Total Additional Expansion Costs</b>	<b>\$4.4</b>	<b>\$9.0</b>	<b>\$9.2</b>	<b>\$28.9</b>		<b>\$103.6</b>	<b>\$648.8</b>
<b><u>Projected Offsets and Savings</u></b>							
CAT Program (State)	(\$20.1)	(\$40.9)	(\$41.6)	(\$43.7)		(\$59.4)	(\$512.6)
Medical Indigent (County)	(\$14.1)	(\$29.5)	(\$30.7)	(\$32.0)		(\$41.1)	(\$365.6)
Medical Ind (County Admin)	(\$2.5)	(\$5.2)	(\$5.5)	(\$5.7)		(\$7.2)	(\$64.7)
Behavior Health (DHW)	(\$4.8)	(\$9.7)	(\$9.7)	(\$9.7)		(\$9.7)	(\$101.3)
Public Health (DHW)	(\$0.4)	(\$0.8)	(\$0.8)	(\$0.8)		(\$0.8)	(\$8.4)
<b>Total Local and State Offset:</b>	<b>(\$42.0)</b>	<b>(\$86.1)</b>	<b>(\$88.2)</b>	<b>(\$91.8)</b>		<b>(\$118.2)</b>	<b>(\$1,052.7)</b>
<b>Option # 3: 138% Optional Expansion Only (Excluding Mandatory Expansion)</b>							
Marginal Cost	(\$37.6)	(\$77.1)	(\$79.0)	(\$62.9)		(\$14.6)	(\$403.9)

\*Six months of SFY 2014

# Summary Comparison

Prior summary (12/3/2012)

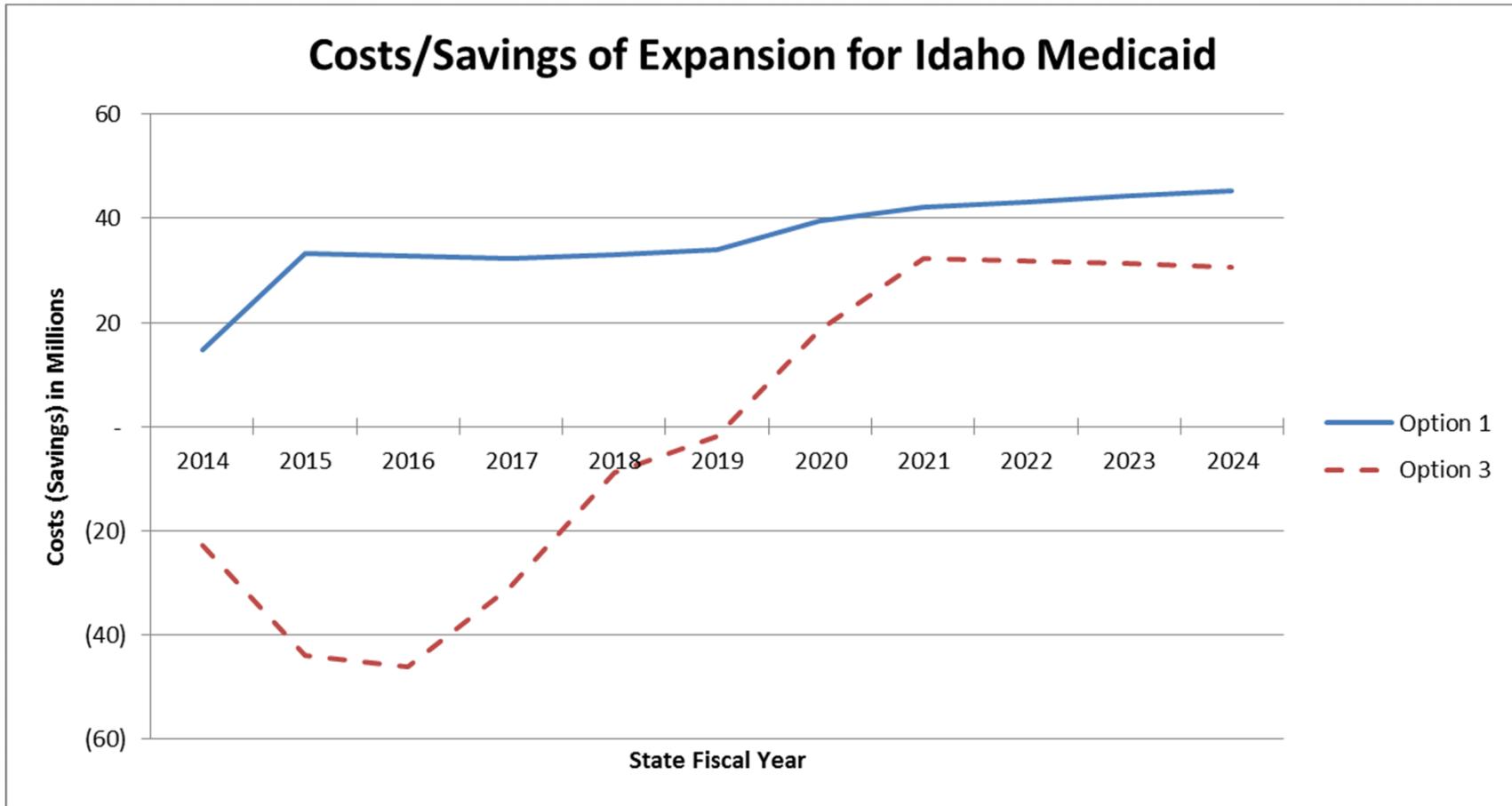
Option #1 and Option #3 Summary State and Local Dollars Only (Values in Millions)							
	<u>SFY 2014*</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	.....	<u>SFY 2024</u>	Cumulative <u>Total</u>
<b>Option # 1: No Optional Expansion</b>							
Total Cost (slide #12)	\$5.2	\$13.1	\$12.2	\$15.6		\$40.8	\$283.9
<b>Option # 3: 138% Optional Expansion Only (Excluding Mandatory Expansion)</b>							
Marginal Cost (slide #14)	(\$27.3)	(\$57.9)	(\$59.4)	(\$46.8)		(\$8.9)	(\$290.4)
<b>Option # 3: 138% Optional Expansion (Including Mandatory Expansion)</b>							
Total Cost	<u>(\$22.0)</u>	<u>(\$44.8)</u>	<u>(\$47.1)</u>	<u>(\$31.2)</u>		<u>\$31.9</u>	<u>(\$6.5)</u>

Current Summary (3/7/2013)

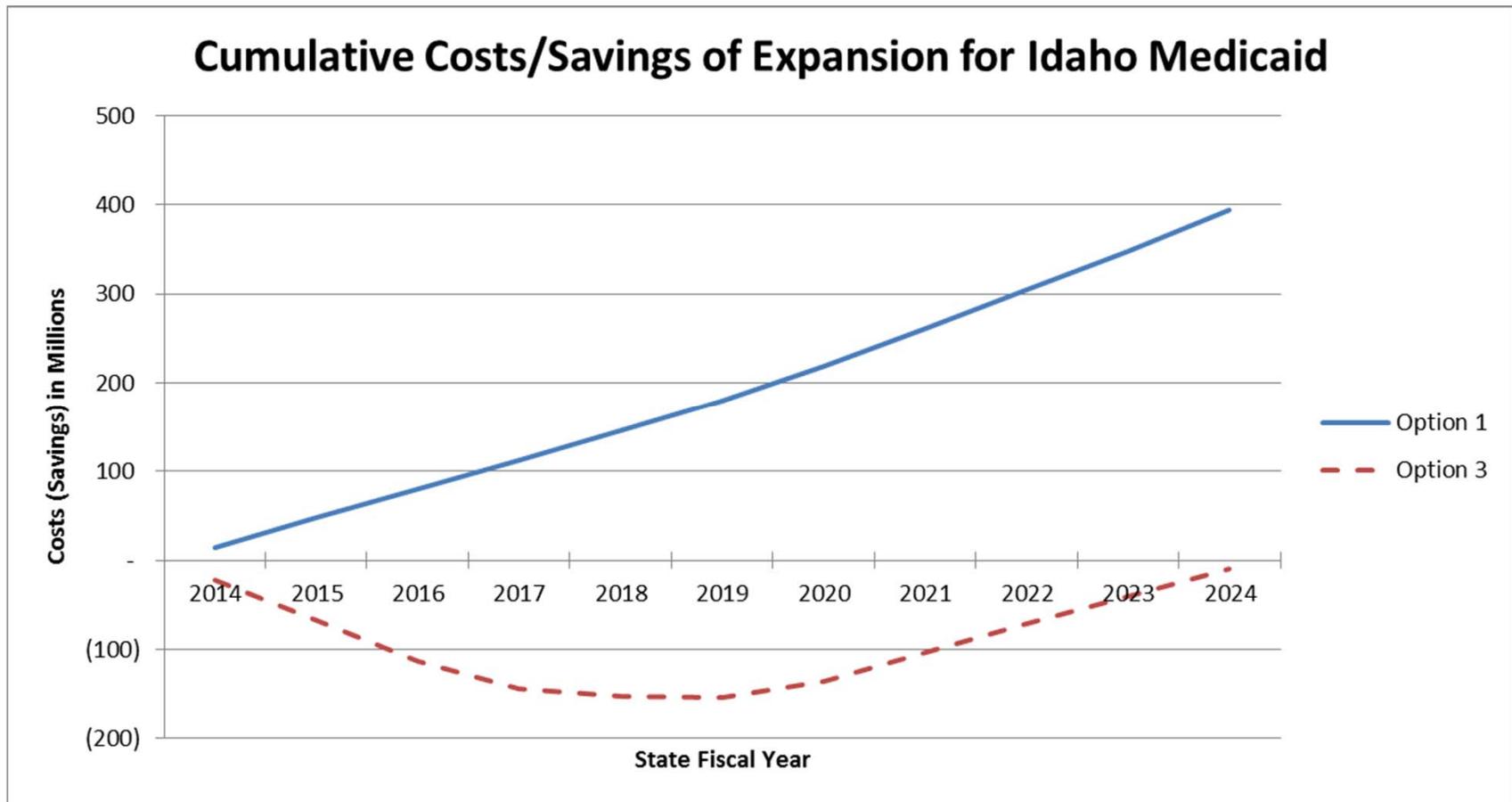
Option #1 and Option #3 Summary State and Local Dollars Only (Values in Millions)							
	<u>SFY 2014*</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	.....	<u>SFY 2024</u>	Cumulative <u>Total</u>
<b>Option # 1: No Optional Expansion</b>							
Total Cost (slide #13)	\$14.8	\$33.2	\$32.8	\$32.2		\$45.3	\$394.0
<b>Option # 3: 138% Optional Expansion Only (Excluding Mandatory Expansion)</b>							
Marginal Cost (slide #15)	(\$37.6)	(\$77.1)	(\$79.0)	(\$62.9)		(\$14.6)	(\$403.9)
<b>Option # 3: 138% Optional Expansion (Including Mandatory Expansion)</b>							
Total Cost	<u>(\$22.8)</u>	<u>(\$43.8)</u>	<u>(\$46.1)</u>	<u>(\$30.7)</u>		<u>\$30.7</u>	<u>(\$9.8)</u>

\*Six months of SFY 2014

## Costs/Savings of Expansion for Idaho Medicaid



## Cumulative Costs/Savings of Expansion for Idaho Medicaid



# Other Considerations

- DSH Funding – Updated although no impact on projections

**Idaho Department of Health and Welfare  
Potential Loss of DSH Funding**

<u>Other Impacts - Hospitals:</u>	<u>SFY 2014*</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	<u>SFY 2018</u>	<u>SFY 2019</u>	<u>SFY 2020</u>	<u>SFY 2021</u>	<u>SFY 2022</u>	<u>SFY 2023</u>	<u>SFY 2024</u>	<u>Cumulative Total</u>
Potential Loss of Federal Funds												
Medicare DSH	\$0.0	\$7.4	\$8.2	\$10.3	\$9.1	\$10.5	\$10.7	\$10.9	\$11.1	\$11.3	\$11.6	\$101.1
Medicaid DSH**	\$0.4	\$0.6	\$0.6	\$1.4	\$4.1	\$5.3	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2	\$33.5
<b>Total Loss of FFs:</b>	<b>\$0.4</b>	<b>\$8.0</b>	<b>\$8.8</b>	<b>\$11.7</b>	<b>\$13.2</b>	<b>\$15.8</b>	<b>\$14.9</b>	<b>\$15.1</b>	<b>\$15.3</b>	<b>\$15.5</b>	<b>\$15.8</b>	<b>\$134.6</b>

\* Six months of SFY 2014

\*\* In SFY 2012, Idaho Hospitals received approximately \$16.4 million in federal Medicaid DSH payments; we have applied assumed reductions to this starting amount in annual funding based on national reduction percentages which have been dampened to reflect that Idaho is a low DSH state. Note that these are estimates and many factors will affect final funding reductions. The Affordable Care Act (ACA) reduced disproportionate share hospital (DSH) allotments on the assumption that with the expansion of health care coverage, there would be fewer uninsured and less uncompensated care. Guidance regarding loss of DSH funding was only provided through Federal fiscal year 2020, we have assumed no change in DSH reductions after Federal fiscal year 2020. We do not know the exact impact if a state decides not to participate in the ACA Medicaid eligibility expansion.

- Adverse Selection / Pent-up Demand
- Point Estimate

# Other Considerations (continued)

- Continued state/local costs after Optional (138% FPL) and/or Mandatory Expansion
- Also considered elimination of these programs – next slide

	<u>SFY 2014*</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	.....	<u>SFY 2024</u>	<u>Cumulative Total</u>
<b><u>Continued State/Local Costs without Optional Expansion</u></b>							
CAT Program (State)	\$21.2	\$43.1	\$43.8	\$46.0		\$62.5	\$539.6
Medical Indigent (County)	\$15.7	\$32.8	\$34.1	\$35.5		\$45.7	\$406.2
Medical Ind (County Admin)	\$2.8	\$5.8	\$6.1	\$6.3		\$8.0	\$71.9
Behavior Health (DHW)	\$4.8	\$9.7	\$9.7	\$9.7		\$9.7	\$101.3
Public Health (DHW)	\$0.4	\$0.8	\$0.8	\$0.8		\$0.8	\$8.4
<b>Total Local and State Spend:</b>	<b>\$44.9</b>	<b>\$92.1</b>	<b>\$94.4</b>	<b>\$98.3</b>		<b>\$126.7</b>	<b>\$1,127.5</b>
<b><u>Continued State/Local Costs with Mandatory and Optional (138% FPL) Expansion</u></b>							
CAT Program (State)	\$1.1	\$2.2	\$2.2	\$2.3		\$3.1	\$27.0
Medical Indigent (County)	\$1.6	\$3.3	\$3.4	\$3.6		\$4.6	\$40.6
Medical Ind (County Admin)	\$0.3	\$0.6	\$0.6	\$0.6		\$0.8	\$7.2
Behavior Health (DHW)	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
Public Health (DHW)	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
<b>Total Local and State Spend:</b>	<b>\$2.9</b>	<b>\$6.0</b>	<b>\$6.2</b>	<b>\$6.5</b>		<b>\$8.5</b>	<b>\$74.8</b>

**Total Projected Additional Local, State, and Federal Costs <Savings> - Assumes County Indigent/CAT funds are Totally Eliminated State and Local Dollars Only (Values in Millions)**

<b>Option # 1: No Optional Expansion</b>	<b>SFY 2014*</b>	<b>SFY 2015</b>	<b>SFY 2016</b>	<b>SFY 2017</b>	.....	<b>SFY 2024</b>	<b>Total</b>
Mandatory Expansion Claim Costs:							
Woodwork	\$12.4	\$25.3	\$26.0	\$26.6		\$31.6	\$296.3
Mandatory Expansion	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
Foster Care	\$1.7	\$3.5	\$3.6	\$3.7		\$4.4	\$41.0
Physician	\$0.0	\$3.0	\$6.1	\$6.3		\$7.5	\$64.4
CHIP	\$0.0	\$0.0	(\$4.3)	(\$5.9)		\$0.0	(\$23.9)
Administration (DHW) Costs:	\$0.7	\$1.4	\$1.4	\$1.5		\$1.7	\$16.3
<b>Projected Offsets and Savings</b>							
Total Local and State Offset:	\$0.0	\$0.0	\$0.0	\$0.0		\$0.0	\$0.0
Net State & Local (No Expansion)							
Spending <Savings>	\$14.8	\$33.2	\$32.8	\$32.2		\$45.3	\$394.0
<b>Option # 3: 138% Expansion</b>	<b>SFY 2014</b>	<b>SFY 2015</b>	<b>SFY 2016</b>	<b>SFY 2017</b>	.....	<b>SFY 2024</b>	<b>Total</b>
Additional Expanding Spending:							
Optional Expansion Claim Costs:	\$0.0	\$0.0	\$0.0	\$19.4		\$92.4	\$543.5
Administration (DHW) Costs:	\$4.4	\$9.0	\$9.2	\$9.5		\$11.2	\$105.3
Total Additional Expansion Costs	\$4.4	\$9.0	\$9.2	\$28.9		\$103.6	\$648.8
<b>Projected Offsets and Savings</b>							
CAT Program (State)	(\$21.2)	(\$43.1)	(\$43.8)	(\$46.0)		(\$62.5)	(\$539.6)
Medical Indigent (County)	(\$15.7)	(\$32.8)	(\$34.1)	(\$35.5)		(\$45.7)	(\$406.2)
Medical Ind (County Admin)	(\$2.8)	(\$5.8)	(\$6.1)	(\$6.3)		(\$8.0)	(\$71.9)
Behavior Health (DHW)	(\$4.8)	(\$9.7)	(\$9.7)	(\$9.7)		(\$9.7)	(\$101.3)
Public Health (DHW)	(\$0.4)	(\$0.8)	(\$0.8)	(\$0.8)		(\$0.8)	(\$8.4)
Total Local and State Offset:	(\$44.9)	(\$92.1)	(\$94.4)	(\$98.3)		(\$126.7)	(\$1,127.5)
Net State & Local (Expansion Only)							
Spending <Savings>	(\$40.5)	(\$83.1)	(\$85.2)	(\$69.4)		(\$23.1)	(\$478.6)
Net State & Local (Total Costs)							
Spending <Savings>	(\$25.7)	(\$49.9)	(\$52.3)	(\$37.2)		\$22.2	(\$84.6)

# Caveats

## Limitations

This analysis is intended for the use of State of Idaho in support of the Medicaid expansion program evaluation. Any user of the data must possess a certain level of expertise in actuarial science and health care modeling so as not to misinterpret the data presented.

Milliman makes no representations or warranties regarding the contents of this presentation to third parties. Similarly, third parties are instructed that they are to place no reliance upon this analysis prepared for State of Idaho by Milliman that would result in the creation of any duty or liability under any theory of law by Milliman or its employees to third parties. Other parties receiving this report must rely upon their own experts in drawing conclusions about the individual insurance market rates, assumptions and trends. It is the responsibility of any insurance carrier to establish required revenue levels appropriate for their risk, management and contractual obligations for the prospective population.

This analysis has relied extensively on data provided for the State of Idaho, including population surveys, and carrier data to compute the relative risk scores of the population. Errors in data reporting may flow through the analysis, and as such would impact the results.

Actual results will vary from our projections for many reasons, including differences from assumptions regarding future enrollment within the Idaho Medicaid Program, the relative morbidity of the uninsured population, and the mix of various risk stratifications in the 2014 Individual Insurance Market, as well as other random and non-random factors. Experience should continue to be monitored on a regular basis, with modifications to reinsurance rates or to the program as necessary.

## Actuarial Statement of Qualification

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. We are members of the American Academy of Actuaries, and meet the qualification standards for performing this analysis.

This presentation includes preliminary draft findings. A complete written report will be provided to the State of Idaho Department of Health and Welfare for further Medicaid expansion program evaluation.