



Paul R. LePage, Governor

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January 10, 2012

To: Senator Richard Rosen, Senate Chair  
Representative Patrick Flood, House Chair,  
Members of the Joint Standing Committee on Appropriations and Financial Affairs

Senator Earle McCormick, Chair  
Representative Meredith Strang-Burgess, Chair  
Members of the Joint Standing Committee on Health and Human Services

From: Mary C. Mayhew, Commissioner, Department of Health and Human Services

Re: Information provided by the Department of Health and Human Services  
regarding the shortfall.

1. Mainecare financial summary	Page	2
2. 6 month expenditure comparison	Pages	3 - 4
3. Executive Summary of top 20 account lines by object code	Pages	5 - 6
4. Analysis of top 20 account lines by object code	Pages	7 - 9
5. Accounts with State percentage higher than regular FMAP	Pages	10 - 12
6. Excess Federal Allocation report	Page	13
7. One time and Structural Issues	Page	14
8. Shortfall Assumptions	Pages	15 - 27

Cc: Governor Paul R. LePage  
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Dawna Lopatosky, State Budget Officer, DAFS  
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**MAINECARE REVIEW**  
(In Thousands of Dollars)  
(AdvantageME Posting Version)

	SFY 12 Six Months Ending 12/31/11				SFY 12 Projected				SFY 12
	General Fund	Special Revenue	All Federal Funds	Total	General Fund	Special Revenue	All Federal Funds	Total	Wk 19 Projection
<b>Posted MC Cycle Payments</b>	\$ 418,158	\$ 918	\$ 681,819	\$ 1,100,896	\$ 836,317	\$ 1,836	\$ 1,363,638	\$ 2,201,792	\$ 2,211,375
<b>FMAP Adjustments</b>	2,803	-	(2,803)	-	8,409	-	(8,409)	-	
<b>Additional FY 11 Claims</b>	17,171	-	27,930	45,101	29,891	-	51,778	81,669	55,856
<b>Savings Initiatives</b>	(2,189)	-	(30)	(2,219)	(13,818)	-	(5,601)	(19,419)	(36,363)
<b>Cycle Payments Subtotals</b>	\$ 435,943	\$ 918	\$ 706,916	\$ 1,143,778	\$ 860,799	\$ 1,836	\$ 1,401,407	\$ 2,264,042	\$ 2,230,868
<b>Monthly Non-Cycle Payments:</b>									
<b>Medicare A,B,D</b>	40,845	5,947	40,206	86,997	81,689	11,894	80,411	173,995	178,067
<b>Disproportionate Share</b>	6,794	-	13,755	20,549	18,238	-	27,509	45,747	50,140
<b>Expenditure Transfers<sup>1</sup></b>	(41,489)	41,490	-	1	(92,208)	92,209	-	2	(754)
<b>Miscellaneous Transactions<sup>2</sup></b>	(5,360)	211	(9,951)	(15,100)	(10,720)	421	(19,902)	(30,200)	(10,981)
<b>Drug Rebates</b>	(20,976)	17,590	(50,206)	(53,592)	(41,952)	35,179	(100,412)	(107,184)	(34,104)
<b>Other Non-Cycle Items:</b>									
<b>State Only Hospital Costs<sup>3</sup></b>	1,118	-	(1,118)	-	2,237	-	(2,237)	-	2,925
<b>TCM Settlement</b>	29,807	-	-	29,807	29,807	-	-	29,807	29,807
<b>Hospital Match Payment</b>	11,742	-	20,227	31,969	23,643	-	40,454	64,096	64,096
<b>Hospital Tax Transfer</b>	(40,218)	40,218	-	-	(80,911)	80,911	-	-	-
<b>Total Expenditures</b>	<u>\$ 418,206</u>	<u>\$ 106,374</u>	<u>\$ 719,828</u>	<u>\$ 1,244,408</u>	<u>\$ 790,622</u>	<u>\$ 222,452</u>	<u>\$ 1,427,230</u>	<u>\$ 2,440,304</u>	<u>\$ 2,510,063</u>
<b>Authorized Budget</b>					<u>\$ 666,940</u>	<u>\$ 224,252</u>	<u>\$ 1,520,137</u>	<u>\$ 2,411,329</u>	<u>\$ 2,416,077</u>
<b>FY12 Indicated Variance</b>					<u>\$ (123,682)</u>	<u>\$ 1,800</u>			

<sup>1</sup> **Expenditure Transfers:** Non-Hospital Tax Transfers, CHIP transfers, Earned Federal Revenue, Dirigo, and Durable Medical Equipment Transfers.

<sup>2</sup> **Miscellaneous Transactions:** Third Party Liability (TPL) receipts, overpayment recoupments, Drugs for Elderly and Disabled (DEL), Fund for Healthy Maine, audit recoveries and other adjustments.

<sup>3</sup> **State Only Hospital Costs:** is a quarterly adjustment to the Hospital Prospective Interim Payment to pay for clients who are 100% State Funded.

**MaineCare and Related Programs  
6 Month Expenditure Comparison for SFY 2010, 2011, & 2012**

Does Not Include Appropriation 013901

OBJECT	OBJ_NM	2010		2010	2011		2011	2012		2012
		Federal	State	Total	Federal	State	Total	Federal	State	Total
6772	M R WAIVERED SERV	118,404,231	39,275,431	157,679,662	101,027,697	33,586,212	134,613,909	100,530,301	58,359,498	158,889,799
6726	HOSPITAL SERVICES	166,145,128	56,389,606	222,534,734	164,047,273	55,025,115	219,072,388	96,339,362	55,665,602	152,004,964
6725	INTR CARE FAC CARE	103,928,189	33,719,250	137,647,439	72,601,516	23,728,590	96,330,106	72,973,746	42,461,469	115,435,215
6706	RESIDENT DIAGNO AND TREAT	79,322,362	30,027,376	109,349,737	55,741,417	21,172,760	76,914,177	55,183,890	44,264,762	99,448,651
6602	S S A HEALTH INSURANCE	55,903,527	30,747,088	86,650,615	42,814,314	23,352,538	66,166,853	40,205,654	44,350,227	84,555,881
6720	HOSP INPATIENT CARE	26,960,684	3,045,881	30,006,565	27,862,861	5,297,842	33,160,703	52,230,915	23,980,296	76,211,211
6774	M H WAIVERED SERV	34,399,909	11,966,002	46,365,911	29,245,733	10,095,036	39,340,769	39,453,105	23,310,019	62,763,124
6780	PRESCRIPTION DRUGS	33,162,322	27,523,336	60,685,657	32,428,039	27,638,420	60,066,459	15,912,146	41,604,854	57,517,000
6740	MEDICAL DOCTOR SERVICES	35,324,981	12,406,851	47,731,832	35,209,257	12,075,185	47,284,442	34,966,788	21,153,186	56,119,973
6734	PART B DED & CO-INS	(203)	(80)	(283)	9,922,015	3,328,491	13,250,506	28,102,092	16,265,569	44,367,661
6766	PERSONAL CARE SERVICES	18,547,301	7,634,528	26,181,830	16,948,625	7,514,766	24,463,391	20,662,455	14,855,185	35,517,640
6690	REFUND OF OVERPAYMENT								29,736,437	29,736,437
6717	ADJ OR REMEDIAL TRAINING	12,522,359	4,159,736	16,682,095	11,693,487	3,851,196	15,544,683	14,423,713	8,252,260	22,675,973
6748	CASE MANAGEMENT	28,862,589	4,029,195	32,891,785	18,783,372	3,345,363	22,128,735	14,270,239	6,532,794	20,803,033
6729	MR GROUP CARE - ICF	12,209,262	4,858,185	17,067,447	9,617,651	4,159,162	13,776,813	11,617,996	8,210,800	19,828,795
6792	OTHER TRANSPORTATION	17,455,978	6,326,006	23,781,984	15,197,475	5,165,945	20,363,420	12,170,776	7,222,085	19,392,861
6733	PART A DED & CO-INS	(4,808)	(1,758)	(6,566)	5,076,140	1,704,520	6,780,660	12,088,682	7,035,145	19,123,827
67A0	DEV & BEHAV CLINIC SERV	370,310	127,069	497,379	3,345,882	1,155,585	4,501,467	11,895,268	7,158,807	19,054,075
6798	FEDERALLY QUALIFIED HEALTH CAR	13,810,972	4,906,478	18,717,450	13,191,767	4,686,444	17,878,210	11,622,605	7,219,485	18,842,091
6750	GENERAL DENTISTRY	11,877,124	4,167,920	16,045,044	11,841,132	4,059,901	15,901,033	10,714,880	6,006,729	16,721,609
6745	NURSE PRACTITIONERS	633,376	223,924	857,300	2,889,354	1,000,276	3,889,630	6,931,979	4,015,467	10,947,446
6781	MEDICAL SUPPLIES	7,502,874	2,660,370	10,163,244	3,240,524	1,510,350	4,750,874	5,018,865	3,636,433	8,655,298
6721	HOSP OUTPATIENT CARE	4,457,309	1,536,080	5,993,389	3,244,142	3,148,315	6,392,456	4,218,777	3,787,529	8,006,306
6732	MENTAL HEALTH CTR SER	5,309,147	1,988,370	7,297,516	4,538,083	1,606,608	6,144,690	4,584,090	2,865,005	7,449,095
6765	PRIVATE DUTY NURSING	2,501,063	842,012	3,343,075	2,894,629	971,090	3,865,719	4,465,747	2,701,033	7,166,780
3897	ALLOCATED PAYROLL		7,257,432	7,257,432		7,144,896	7,144,896		6,796,574	6,796,574
6747	REHABILITATIVE SERVICES	4,763,570	1,564,159	6,327,729	2,070,105	701,722	2,771,826	3,883,694	2,453,495	6,337,189
6738	RURAL HEALTH CLINICS	4,863,299	1,624,993	6,488,293	3,413,220	1,168,702	4,581,923	3,562,107	2,083,179	5,645,286
6790	LABORATORY SERVICES	4,468,840	1,659,651	6,128,491	5,346,428	1,916,475	7,262,904	3,002,690	2,423,591	5,426,281
6786	PCA WAIVERED SERVICES	1,902,312	634,948	2,537,260	2,028,719	681,809	2,710,528	3,354,498	1,976,664	5,331,163
6791	AMBULANCE	(1,543,766)	5,758,732	4,214,967	3,429,765	1,220,705	4,650,469	3,054,007	1,883,294	4,937,301
6769	PSYCHOLOGIST SERVICES	1,191,866	420,199	1,612,065	981,122	250,000	1,231,123	2,904,170	1,711,230	4,615,400
6761	HOME HEALTH SERVICES	1,516,185	532,054	2,048,240	1,741,463	602,950	2,344,413	2,816,487	1,694,464	4,510,951
6778	BME WAIVERED SERVICES	8,526,353	2,881,630	11,407,983	5,398,156	1,799,640	7,197,796	2,773,004	1,621,156	4,394,160
6796	EARLY INTERVENTION SERVICES	6,179,643	2,134,619	8,314,261	3,039,848	850,207	3,890,055	2,671,605	1,347,375	4,018,980
67A3	CERTIFIED SEED - SCHOOL REHAB	7,616,145	3,439	7,619,584	793,975	10,607	804,582	3,963,908	314	3,964,222
6762	PCCM MANAGEMENT FEE	1,922,503	654,763	2,577,266	1,657,268	552,967	2,210,236	1,741,718	954,619	2,696,337
67C0	DAY TREATMENT SERVICES	8,859,226	25,924	8,885,150	3,289,078	557	3,289,635	1,431,325	1,206,726	2,638,050
6401	GRANTS PUB PRIV ORGANIZAT		3,493,075	3,493,075		3,245,453	3,245,453		2,585,780	2,585,780
6776	SPEECH THERAPY	899,276	313,128	1,212,403	1,032,320	352,285	1,384,605	1,207,151	674,345	1,881,496
6783	PROSTHETIC AND ORTH EQUIP	939,295	350,073	1,289,368	865,213	297,411	1,162,624	1,135,583	697,516	1,833,099
6764	OPTOMETRY	1,355,256	471,570	1,826,827	1,171,573	392,581	1,564,154	1,032,704	791,543	1,824,247
67A4	ADULT FAMILY HOMES	854,799	263,975	1,118,773	694,078	278,423	972,502	723,744	754,602	1,478,346
6736	HOSPICE SERVICES	762,382	224,409	986,790	687,475	228,263	915,737	731,403	431,056	1,162,459
6759	NURSE MIDWIFERY	79,530	12,890	92,421	340,761	103,293	444,055	701,655	399,302	1,100,956
6705	BOARDING HOME CARE	(323)	2,371,050	2,370,728	2,562,238	1,973,642	4,535,880	2,249	1,018,134	1,020,383
67G0	PHARMACY INCENTIVE PROGRAM	374,521	221,832	596,354	616,768	351,779	968,547	580,143	409,044	989,187

OBJECT	OBJ_NM	2010		2010	2011		2011	2012		2012
		Federal	State	Total	Federal	State	Total	Federal	State	Total
6763	OCCUPATIONAL THERAPY	584,496	203,915	788,412	528,468	176,784	705,253	566,782	318,871	885,653
6550	HEALTH INSURANCE							506,576	286,972	793,547
6758	CHIROPRACTY	488,376	172,151	660,528	292,324	51,094	343,417	484,063	286,516	770,579
6741	AMBULATORY SURGICAL CNTRS	588,443	232,339	820,782	490,164	181,726	671,890	385,133	236,692	621,825
6771	PHYSICAL THERAPY	385,264	135,253	520,517	345,886	119,302	465,187	388,860	224,184	613,043
6768	PODIATRY	419,642	150,131	569,773	319,870	112,652	432,522	313,858	236,376	550,233
4046	MEDICAL SERVICES		326,851	326,851		285,406	285,406		489,730	489,730
6755	MEDICAL REPORTS/RECORDS	22,992,948	8,072,723	31,065,671	11,440,966	3,947,138	15,388,104	292,249	175,908	468,157
67H0	PCMH-PATIENT CENTERED MEDICAL HOME				482,507	162,039	644,546	287,381	164,938	452,319
4099	MISC PROF FEES & SPEC SRV		1,113,306	1,113,306		562,028	562,028		289,490	289,490
67F6	ASSISTED LIVING SERVICES	240,304	81,688	321,992	66,360	19,408	85,768	152,338	88,436	240,774
6784	EYE GLASSES	227,375	77,504	304,879	139,358	46,696	186,054	146,316	79,580	225,896
6788	DAY HEALTH SERVICES	105,278	35,881	141,159	73,058	24,532	97,590	138,951	80,388	219,339
4075	CASE MANAGEMENT SERVICES		3,259	3,259		435,939	435,939		145,490	145,490
4006	ANALYST & LABORATORY SERV		74,873	74,873		28,449	28,449		2,487	2,487
4982	PERIODICALS NEWSPAPER SUB		1,515	1,515		4,605	4,605		501	501
4275	MISCELLANEOUS EXPENSE		133	133		375	375		(4)	(4)
4272	ROOM AND BOARD		20	20		21	21		(39)	(39)
67I0	ADMINISTRATION OF VACCINES	311	104	415	3,713	1,247	4,960			
4901	STAMPS PARCEL POST ETC	-	44	44	-	-	-	-	-	-
	ALL OTHER OBJECTS	118,409,939	44,354,806	162,764,745	26,754,911	6,536,137	33,291,048	(5,760,194)	(177,825)	(5,938,019)
Grand Total		\$ 990,314,599	\$ 376,721,607	\$ 1,367,036,206	\$ 775,999,521	\$ 296,146,540	\$ 1,072,146,061	\$ 719,894,065	\$ 527,565,726	\$ 1,247,459,791

Includes the following Appropriations:

014701, 014702, 014801, 020201, Z00801, Z00901, 070501, 070512, 073117, 073201, 073214, 098716, Z00601, Z04201, 073310, 073415, 084401, 014703, 014704, 014705, 014708, 014715, 014802, 096001, Z01501, 070542, 070552, 073244, 073246, 097801, 094801, 094802

## Executive Summary of MaineCare Accounts

### Summary of Issue

The Department did a review of all MaineCare accounts, by total expenditures for the first 5 months of the State Fiscal Year. The SFY 2012 spending was then compared to the SFY 2010 spending, through the same time period. This review was completed to help identify the areas where the Department has seen increases and decreases along with explanations of these changes. The review was done of the top 20 accounts because they comprise 89% of the total dollars expended in MaineCare.

### Review of Accounts

When reviewing the MaineCare accounts there were 3 Sections identified and explained:

#### I. Top 20 Accounts in SFY 2012 - By Expenditures

##### 1) Accounts impacted by changes to the account structure of MIHMS (4 Accounts)

With the implementation of MIHMS, the accounts claims paid against in SFY 2010 changed in SFY 2012. For further detail see the following accounts: 6706, 6774, 6766 and 67A0.

##### 2) Accounts attached to the Identified Issues in the Department's original shortfall analysis (5 Accounts)

These accounts are directly linked to issues that were identified by the department as part of the Shortfall analysis presented on December 13, 2011. For further detail see the following accounts: 6602 (Identified as Issue I), 6740 and 6745 (Identified as Issue F), and 6734 and 6733 (Identified as Issue A).

##### 3) Accounts with no major changes (5 Accounts)

These accounts were in line with the SFY 2010 spending and had no major changes. For further detail see the following accounts: 6772, 6717, 6729, 6798 and 6750.

##### 4) Hospital expenditure changes (2 Accounts)

Hospital expenditures in SFY 2012 have changed due to the Diagnostic Related Grouping (DRG) methodology. This methodology decreased the Prospective Interim Payments (PIP) to Acute Care Hospitals for Inpatient Services and now pays those claims on a real time basis. For further detail see the following accounts: 6726 and 6720.

##### 5) Other Accounts (4 Accounts)

- Account 6725 - NF and ICF-MR Care – This account decreased by 24.5 million because of two issues that overstated SFY 2010. One was cycle claims held in SFY 2009 paid at the beginning of SFY 2010. The other issue was a cost settlement paid to this account that should have gone to account 6722. See the attached for full detail.
- Account 6780 - Prescription Drugs – This account increased by 12.8 million due to an increase on the prices of brand name drugs and an increase in utilization of the service. See the attached for full detail.
- Account 6748 – Case Management – This account decreased by 9.5 million due to changes in allowable charges to this account. See the attached for full detail.
- Account 6792 – Non Medical Transportation – This account decreased by 3.3 million due to a rate standardization change that was part of the MIHMS implementation. See the attached for full detail.

## **II. Accounts in Top 20 in 2010 - No longer in the Top 20 in 2012 (3 Accounts)**

These accounts were in the Top 20 in SFY 2010 but dropped out of the Top 20 in SFY 2012. This was caused by either one-time events occurring in SFY 2010 that increased the account versus SFY 2012 or a change associated with the implementation of MIHMS that transferred the costs from one account to another. For further detail see the following accounts: 6755, 6799 and 6722.

## **III. Accounts in 2010 with large decreases in 2012 (7 Accounts)**

With the implementation of MIHMS, the claims paid against these accounts in SFY 2010 changed in SFY 2012. For 4 of the accounts (6757, 6767, 6735 and 6737) the dollars have transitioned to different accounts as part of the MIHMS structure. 3 accounts (6796, 67A3 and 67C0) are certified seed accounts, and the transition to MIHMS had two impacts on these accounts. First, it lowered the number of providers allowed to deliver these services (through certified seed). Secondly, it increased the information required by the State to pay out certified seed claims. There are a large number of providers who have delivered certified seed services, but have not provided the required documentation to the State. Thus, the State has a large number of claims on hold that will be paid once this documentation is delivered. See the attached for full detail.

**I. Top 20 Accounts in SFY 2012 - By Expenditures**  
**Through 5 Months**

	2010				2012				Difference	Explanations	
	Services	Federal	State	Total	% State	Federal	State	Total			% State
1	6772 - M R WAIVERED SERV										This is a small increase of 5% from 10 to 12. In looking at the detail of this account we do not see any large changes to providers or the account itself that specifically account for this change.
		\$96,488,590	\$31,998,082	\$128,486,672	24.9%	\$85,700,686	\$49,720,033	\$135,420,719	36.7%	6,934,046.16	
2	6726 - HOSPITAL SERVICES										This account is used for the Prospective interim Payments(PIP). In SFY 2012 the PIP amounts dropped from 7 Million a week to 4.8 million a week. This decrease was due to the implementation of Diagnostic Related Group (DRG) methodology, which are now paid for Acute Care Hospital Inpatient Hospital Services (all Outpatient Services and Critical Access Hospitals still receive PIPs). In the past all in State hospitals were paid a PIP each week and then were cost settled after the year had completed. DRG's change this process. Now Acute Care Hospitals receive a PIP only for the Outpatient services they render, while the Inpatient services are paid via the DRG. The decrease to Object 6726 was anticipated. This also accounts for the Increase in Object 6720.
		\$141,494,096	\$48,130,327	\$189,624,423	25.4%	\$85,596,353	\$49,409,072	\$135,005,425	36.6%	(54,618,997.88)	
3	6725 - INTR CARE FAC CARE										This account has decreased due to two major issues. The first issue occurred at the beginning of 2010. There were claims held at the end of SFY 2009 that paid at the beginning of SFY 2010 which account for 11.5 million dollars of the decrease. The second issue is related to a cost settlement to a hospital that was paid to account 6725 instead of account 6722. This accounts for 7.5 million dollars of the decrease. These two issues increased the SFY 2010 total above the normal claim level by 19 million dollars.
		\$94,243,942	\$28,232,895	\$122,476,837	23.1%	\$61,951,160	\$36,009,675	\$97,960,834	36.8%	(24,516,002.93)	
4	6706 - RESIDENT DIAGNO AND TREAT										Account 6706 is down 7 Million, while account 6766 is up 6.5 Million. Both these accounts are used for PNMI expenditures. During the transition to MIHMS, codes that paid to this account in MECMS were transitioned to account 6766. The net difference between these two accounts is .5 million and would be considered in line with 2010 spending.
		\$66,450,410	\$25,266,021	\$91,716,431	27.5%	\$46,824,309	\$37,885,968	\$84,710,277	44.7%	(7,006,153.93)	
5	6602 - S S A HEALTH INSURANCE										Medicare A, B and D premium payments go through this account (the Part D premium includes the clawback). The premiums have increased for A, B and D since 2010. We also had a drop in the Part D premium during the ARRA period, which actually lowered the amount of the increase from SFY 10 to SFY 12. The State portion of expenditures for this account is higher than normal due to the Medicare Part D payments, which are paid with 100% State funds.
		\$31,582,852	\$29,525,642	\$61,108,494	48.3%	\$33,319,538	\$36,523,522	\$69,843,060	52.3%	8,734,566.26	
6	6720 - HOSP INPATIENT CARE										This account is used for Inpatient Hospital Care. The increase in this account was due to the implementation of Diagnostic Related Group (DRG) payments, which are now paid for Acute Care Hospital Inpatient Hospital Services (all Outpatient Services and Critical Access Hospitals still receive PIPs). In the past all in State hospitals were paid a PIP each week and then were cost settled after the year had completed. DRG's change this process. Now Acute Care Hospitals receive a PIP only for the Outpatient services they render, while the Inpatient services are paid via the DRG. The increase to Object 6720 was anticipated. This also accounts for the decrease in Object 6726.
		\$20,860,503	\$2,032,832	\$22,893,335	8.9%	\$42,930,414	\$18,399,113	\$61,329,527	30.0%	38,436,192.25	
7	6780 - PRESCRIPTION DRUGS										We are seeing the list prices on brand drugs go up and utilization has also gone up about 4-5%. This has increased the overall amount of expenditures going through object 6780. Another issue with this object is the State percent of expenditures. The split identified by OFPR is 62.3% of expenditures are State dollars. The FMAP split on claims going through the claim system is 62.17/37.83 (Federal/State), so the claim system is in line with the expected expenditures. So the issue that is creating such a large State percent of paid claims is in the manual entries done to this account. The biggest manual entries done to this account are for Drug rebates. The Affordable Care Act has changed the way rebates are paid and has increased the total rebate received by the federal government. Thus, the State percent of expenditures in the accounting system has also gone up.
		\$20,560,761	\$22,629,058	\$43,189,820	52.4%	\$21,154,708	\$34,917,092	\$56,071,800	62.3%	12,881,980.85	
8	6774 - M H WAIVERED SERV										This Object increased by 15.8 Million in SFY 12 over SFY 10. This increase is due to the change to the MIHMS system. Claims that used to go to Object 6755 in MECMS are now mapped to different procedure codes that hit Object 6774 (among other Objects). The increase from the 6755 claims to this object is 17.5 Million, which accounts the overall Object increase.
		\$27,699,138	\$9,642,439	\$37,341,578	25.8%	\$33,388,571	\$19,732,953	\$53,121,525	37.1%	15,779,946.88	
9	6740 - MEDICAL DOCTOR SERVICES										The increase in this account is due to both rate increases and paying more of these claims for hospital based practices.
		\$28,774,552	\$10,155,140	\$38,929,693	26.1%	\$29,391,414	\$17,809,688	\$47,201,102	37.7%	8,271,409.47	
10	6734 - PART B DED & CO-INS										Due to Crossover payments that are now paying because of the change to the DRG methodology, which used to be handled at cost Settlement. In the past some crossovers were paid, however they were manual claims and did not get paid to the crossover accounts. The crossovers in this account are for all professional claims.
		(\$187)	(\$70)	(\$257)	27.4%	\$21,703,026	\$12,546,561	\$34,249,587	36.6%	34,249,843.68	
11	6766 - PERSONAL CARE SERVICES										Account 6766 is up 6.5 Million, while account 6706 is down 7 Million. Both these accounts are used for PNMI expenditures. During the transition to MIHMS, codes that paid to account 6706 in MECMS were transitioned to account 6766. The net difference between these two accounts is .5 million and would be considered in line with 2010 spending.
		\$15,300,914	\$8,211,240	\$23,512,153	34.9%	\$17,367,986	\$12,583,634	\$29,951,620	42.0%	6,439,466.81	
12	6690 - REFUND OF OVERPAYMENT										TCM Payment - This is a one time payment.
					na		\$29,736,437	\$29,736,437	100.0%	29,736,437.00	

**I. Top 20 Accounts in SFY 2012 - By Expenditures**  
Through 5 Months

	2010				2012				Difference	Explanations
	Services	Federal	State	Total	% State	Federal	State	Total		
13	6717 - ADJ OR REMEDIAL TRAINING									In reviewing this account, the increase is due an overall increase in utilization of the services. The increase was mostly made up of 3 providers who had large increases in there claims from 10 to 12. The claims were for the exact same service, so there are no new types of charges hitting this account.
		\$10,529,719	\$3,528,601	\$14,058,319	25.1%	\$12,661,490	\$7,231,592	\$19,893,082	36.4%	5,834,762.59
14	6748 - CASE MANAGEMENT									Case Management services provided by State staff are no longer allowable and are no longer being billed by the State. Also, The state no longer is allowing certified seed for Targeted Case management. The Certified seed issue also accounts for the bump up in the state percentage of expenditures, as the certified seed (the piece seeded by other DHHS offices or State agencies) paid the state side of those claims with non MaineCare dollars.
		\$23,814,959	\$3,185,155	\$27,000,114	11.8%	\$12,052,070	\$5,428,252	\$17,480,322	31.1%	(9,519,792.37)
15	6733 - PART A DED & CO-INS									Due to Crossover payments that are now paying because of the change to DRG methodology, which used to be handled at cost Settlement. In the past some crossovers were paid, however they were manual claims and did not get paid to the crossover accounts. The crossovers in this account are hospital and facility claims.
		(\$3,209)	(\$1,223)	(\$4,432)	27.6%	\$10,522,485	\$6,122,228	\$16,644,713	36.8%	16,649,144.73
16	6729 - MR GROUP CARE - ICF	\$10,008,042	\$4,107,585	\$14,115,628	29.1%	\$9,540,870	\$6,820,914	\$16,361,784	41.7%	2,246,156.71
17	6792 - OTHER TRANSPORTATION									There was a rate standardization that occurred with the implementation of MIHMS that would account for this drop in transportation costs. The rate standardization impacted the Day Habilitation transportation. Different providers used to have different transportation rates for Day Habilitation. These rates were standardized with the implementation of MIHMS and this change was expected to decrease costs.
		\$14,275,906	\$5,225,284	\$19,501,190	26.8%	\$10,200,284	\$6,043,399	\$16,243,683	37.2%	(3,257,507.09)
18	67A0 - DEV & BEHAV CLINIC SERV									This Object increased by 15.7 Million in SFY 12 over SFY 10. This increase is due to the change to the MIHMS system. Claims that used to go to Object 6755 in MECMS are now mapped to different procedure codes that hit Object 67A0 (among other objects). The increase from the 6755 claims to this object is 11.1 Million, which accounts for most of the overall object increase.
		\$333,789	\$114,805	\$448,594	25.6%	\$10,083,882	\$6,083,833	\$16,167,715	37.6%	15,719,120.59
19	6798 - FEDERALLY QUALIFIED HEALTH CAR	\$11,086,135	\$3,953,108	\$15,039,243	26.3%	\$9,304,235	\$5,833,438	\$15,137,674	38.5%	98,431.32
20	6750 - GENERAL DENTISTRY	\$9,271,635	\$3,248,242	\$12,519,877	25.9%	\$8,965,614	\$5,017,591	\$13,983,205	35.9%	1,463,327.88
21	6745 - NURSE PRACTITIONERS									The increase in this account is due to both rate increases and paying more of these claims for hospital based practices.
		\$514,051	\$182,178	\$696,230	26.2%	\$5,845,829	\$3,391,125	\$9,236,954	36.7%	8,540,723.83
	Grand Total - Top 20 with TCM Payment Included	\$623,288,609	\$239,367,343	\$862,653,942	27.7%	\$568,506,937	\$407,246,119	\$975,751,045	41.7%	
	<b>Grand Total -All Objects</b>	<b>\$812,660,951</b>	<b>\$320,927,574</b>	<b>\$1,133,588,525</b>	<b>28.3%</b>	<b>\$616,027,871</b>	<b>\$446,490,710</b>	<b>\$1,062,518,581</b>	<b>42.0%</b>	

Top 20 Equals 946,014,608  
89.04%

Top 20 Plus TCM 975,751,045  
91.83%

**Additional Information**

**II. Accounts in Top 20 in 2010 - No longer in the Top 20 in 2012**  
Through 5 Months

	2010				2012				Difference	Explanations
	Services	Federal	State	Total	% State	Federal	State	Total		
1	6799 - OTHER SERVICES									This Object decreased by 15.3 Million in SFY 12 compared to SFY 10. There is a very small amount of claims that allocated to this Object. The majority of the expenditures that hit this object are due to manual transactions (Journals, Cash Receipts, Bridge Payments, etc.). In SFY 2010 There were a large number of Hospital Settlements. These settlements often have offsets (We will recoup a portion of the cost settlement to a certain facility and offset outstanding receivables for that facility). These offsets were placed in Object 6799 in SFY 2010. Also in SFY 2010, we had two large journals posted to the accounting system to correct an old MECMS related issue. These two issues account for 13 Million dollars in object 6799. In SFY 2012 there have been no large transactions, but rather we have seen the normal activity to the account (There have been no Hospital settlements and a small amount of Bridge recoupments as opposed to the activity in SFY 10).
		\$905,027	\$7,829,032	\$8,734,059	89.6%	(\$5,551,671)	(\$1,063,619)	(\$6,615,290)	16.1%	(15,349,349.04)
2	6755 - MEDICAL REPORTS/RECORDS									This Object decreased by 25.1 Million in SFY 12 compared to SFY 10. This decrease is due to the change to the MIHMS system (6755 no longer has any claims mapped to it through the MIHMS system.). The procedure codes that were mapped to Object 6755 in MECMS are now mapped to different object codes (Primarily 67A0 and 67A4).
		\$18,916,586	\$6,634,331	\$25,550,917	26.0%	\$255,340	\$154,482	\$409,821	37.7%	(25,141,096.11)
3	6722 - HOSP ANNUAL SETTLEMENT	\$100,014,378	\$34,121,595	\$134,135,973	25.4%				na	(134,135,973.00)



**III. Accounts in 2010 with large decreases in 2012**  
**Through 5 Months**

	2010		2010 Total		2012		2012 Total		Difference	Explanations	
	Services	Federal	State	Total	% State	Federal	State	Total			% State
1	6796 - EARLY INTERVENTION SERVICES	\$5,169,262	\$1,798,384	\$6,967,646	25.8%	\$2,266,872	\$1,139,641	\$3,406,513	33.5%	(3,561,132.84)	The Certified Seed Process Changed with the implementation of MIHMS. This change decreased the number of providers for Early Intervention Services, thus decreasing some costs that use to go through this account. Also, with some of the additional requirements required by the State, we have a large number of claims on hold. These claims will be paid once providers are able to supply all required documentation to the State.
2	67A3 - CERTIFIED SEED - SCHOOL REHAB	\$4,677,663		\$4,677,663	0.0%	\$3,368,944	\$182	\$3,369,125	0.0%	(1,308,538.33)	The Certified Seed Process Changed with the implementation of MIHMS. With some of the additional requirements required by the State, we have a large number of claims on hold. These claims will be paid once providers are able to supply all required documentation to the State.
3	67C0 - DAY TREATMENT SERVICES	\$6,280,353	\$22,849	\$6,303,202	0.4%	\$1,398,621	\$1,040,800	\$2,439,420	42.7%	(3,863,781.38)	The Certified Seed Process Changed with the implementation of MIHMS. With some of the additional requirements required by the State, we have a large number of claims on hold. These claims will be paid once providers are able to supply all required documentation to the State.
4	6737 - SPEECH & HEARING CLINICS	\$384,497	\$133,060	\$517,557	25.7%	\$898	\$521	\$1,419	36.7%	(516,138.72)	This account is down 500K dollars in SFY 12 compared to SFY 10. During the transition to MIHMS, codes that paid to this account in MECMS were transitioned to other accounts (Primarily 67A3, 6776 and 6756).
5	6735 - FAMILY PLNG CLINICS	\$477,840	\$60,165	\$538,005	11.2%	\$217	\$126	\$344	36.7%	(537,661.47)	This Account decreased by 500K dollars in SFY 12 compared to SFY 10. During the transition to MIHMS, codes that paid to this account in MECMS were transitioned to other accounts (Primarily 6780 (Prescription Drugs), 6745 (Nurse Practitioners) and 6740 (Doctor Services) which are all in the Top 20). The total for family planning (FP) services is actually up by 1.5 million when looking at the family planning Unit code of 3650 (which has been the primary way that FP costs have been accounted for in the past). This increase is another part of the total increase to the 3 above noted Accounts.
6	6767 - ATTENDANT SERVICES	\$1,201,979	\$409,669	\$1,611,648	25.4%	\$39,171	\$22,991	\$62,162	37.0%	(1,549,485.92)	This Account decreased by 1.5 million in SFY 12 compared to SFY 10. During the transition to MIHMS, codes that paid to this account in MECMS were transitioned to other accounts (Primarily 6786, 6778 and 6734). The total for Attendant services is actually up by 1.8 million when looking at the procedure codes that were used in MIHMS that are now going to Procedure code S5125 (attendant services).
7	6757 - LICENSED SOCIAL WORKER SVCS	\$5,888,733	\$1,931,033	\$7,819,766	24.7%	\$16,553	\$9,123	\$25,676	35.5%	(7,794,089.84)	This Account decreased by 7.8 million in SFY 12 compared to SFY 10. During the transition to MIHMS, codes that paid to this account in MECMS were transitioned to other accounts. It is hard to specify exactly were the dollars transitioned, as the old codes were used in only a couple sections of policy and the new codes are used in a large number of sections.

## Accounts with State Percentage of Expenditures higher than Regular FMAP

### Summary of Issue

When reviewing the Office of Fiscal and Program Review document titled "MaineCare and Related Programs – 5 Month State vs. Federal Analysis", it was noted that for some accounts the State percentage of the total paid was much higher than the current Federal Medical Assistance Percentage (FMAP) of 63.27 Federal/36.73 State. A comparative review of the first 6 months of SFY10 and SFY12 is presented below. Based on this analysis, the State funding sources are charging 1.08% higher in SFY12 than in SFY10. The financial impact is approximately \$13.2 million of additional State funds. A detailed review of the Object Code lines (accounts) is provided below. The contributing factors resulting in the increased State Share in SFY12 from SFY10 are:

- Increased State-Only expenditures for members in the following eligibility categories: (1) RAC 81 Temporary Coverage, and (2) RAC 53 Unmet Spenddown (primarily due-to Cost of Care issues).
- System generated adjustments, i.e. ARRA/FMAP reductions.
- Appropriate manual adjustment transactions processed in the State's Accounting System.

<b>SFY10 State Share of Expenditures "Paid vs. FMAP"</b>	<b>State</b>	<b>Federal</b>
Unadjusted Expenditures through the first 6 months of SFY10	376,721,607	990,314,599
Less Hospital Settlements	(36,130,911)	(107,987,712)
Reverse State Fiscal Stabilization Fund Transfer	10,720,364	(10,720,364)
Adjusted Expenditures through the first 6 months of SFY10	351,311,060	871,606,523
State and Federal Percent - Actual Paid Percentage	28.73%	71.27%
State and Federal Percent based on Blended FMAP (7/1/09 - 12/31/09)	25.40%	74.61%
SFY10 Variance - Actual Paid % vs. Blended FMAP	3.33%	-3.33%
<b>SFY12 State Share of Expenditures "Paid vs. FMAP"</b>		
Unadjusted Expenditures through the first 6 months of SFY12	527,565,726	719,894,065
Less Targeted Case Management Audit payment	(29,736,437)	
Adjusted Expenditures through the first 6 months of SFY12	497,829,289	719,894,065
State and Federal Percent - Actual Paid Percentage	40.88%	59.12%
State and Federal Percent based on Blended FMAP (7/1/11 - 12/31/11)	36.47%	63.54%
SFY12 Variance - Actual Paid % vs. Blended FMAP	4.42%	-4.42%
<b>SFY10 vs. SFY12 State Percentage Paid Above Blended FMAP</b>		
SFY10 Variance between Actual Paid % vs. Blended FMAP	3.33%	-3.33%
SFY12 Variance between Actual Paid % vs. Blended FMAP	4.42%	-4.42%
Excess Percentage the State is being charged in SFY12 vs. SFY10	1.08%	-1.08%
<b>Additional State Funds Spent in SFY12 Due-To the Higher State Share</b>		
Adjusted Expenditures through the first 6 months of SFY12	497,829,289	719,894,065
Excess Percentage the State is being charged in SFY12 vs. SFY10	1.08%	-1.08%
State Funds Spent Due-To the Higher State Share	13,208,415	(13,208,415)

## Review of Objects

In reviewing Object Code lines that had high percentages, there were several common reasons for the State percentage to be higher than the FMAP would dictate. The first reason the State percent would be higher than expected is State only payments. The State pays 100% of the expenditures for members in Temporary Coverage – Rate Code 81 (while they wait for MaineCare determination) and for members in the Unmet Spenddown - Rate Code 53 (while these members are spending down to become eligible for MaineCare). The second reason the State percent of expenditures paid would be higher than expected is Adjustments being processed in the claims system. Adjustments tend to have varied splits and can skew the rate in either direction depending on what the adjustment is trying to correct. The third reason the State percent of expenditures paid would be higher than expected is manual journals, cash receipts or other manual transactions being processed in the accounting system. These are transactions completed manually directly into the accounting system. These transactions are not always processed at the current FMAP rate. There may be other one time issues that can cause the State portion of expenditures to look high, but these are the most common causes.

### Detailed of Accounts with State Percentage of Expenditures Above Regular FMAP

<b>Object</b>	<b>Object Name</b>	<b>Explanation</b>
6706	Resident Diagno and treat	The Percentage of 44.7% is due to the payment of RAC 53 - Unmet Spenddown claims in this Object. If the RAC 53 claims (which are 13.7 Million) are removed from the total dollars and state dollars, the FMAP split becomes 62.80/37.20 (Federal/State). This is very close to the split for SFY 12 of 63.27/36.73. The remaining difference would be due to Adjustments processed through the account at prior FMAP rates.
6780	Prescription Drugs	We are seeing the list prices on brand drugs go up and utilization has also gone up about 4-5%. This has increased the overall amount of expenditures going through object 6780. Another issue with this object is the State percent of expenditures. The split identified by OFPR is 62.3% of expenditures are State dollars. The FMAP split on claims going through the claim system is 62.17/37.83 (Federal/State), so the claim system is in line with the expected expenditures. So the issue that is creating such a large State percent of paid claims is in the manual entries done to this account. The biggest manual entries done to this account are for Drug rebates. The Affordable Care Act has changed the way rebates are paid and has increased the total rebate received by the federal government. Thus, the State percent of expenditures in the accounting system has also gone up.

6790	Laboratory Services	Due to Adjustments Reversing at Prior FMAP's and Paying at current FMAP and Claims being paid with 100% State funds for State only RAC's
6721	Hosp Outpatient Care	The split identified by OFPR is 45.0%. The FMAP Split on Claims that went through MIHMS was 62.50/37.50 (Federal/State). This split is on 3.5 Million dollars of claims in MIHMS. There was an additional 1.2 Million of manual transactions (Journals and Cash Receipts) processed in the accounting system. These manual transactions had a split of 30/70 (Federal/State). This manual transaction split accounts for the State percent of 45%.
67A4	Adult Family Homes	The split identified by OFPR is 52.1%. The FMAP Split on Claims that went through MIHMS was 48/52 (Federal/State), which matches the OFPR rate from the accounting system. The entire difference is due to RAC 53 - Unmet Spenddown claims. The total dollars that went through the MIHMS system is 1.275 Million dollars. RAC 53 accounts for .312 Million of those claims and go through the system at 100% State dollars. If you remove the RAC 53 claims from the total and State dollars, the FMAP split for the rest of the claims is 63.57/36.43 (Federal/State). This is in line with the Current FMAP split of 63.27/36.73 (Federal/State).

**Conclusion**

In reviewing these accounts with a higher than normal State portion of expenditures, the office is comfortable that the claims are processing through the MIHMS system at the appropriate rate.

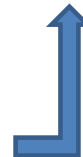
**State of Maine**  
**DHHS - MaineCare Finance**  
**Excess Federal Allocation/Allotment As of June 30th for State Fiscal Years 2005 through 2011**

**Source:** State Fiscal Year 2005 - 2008 allotment balances are from the State of Maine Budget System (BFMS), and the State Fiscal Year 2009 - 2011 allotment balances are from the State of Maine Accounting System (AdvantageME).

**Purpose:** (A) To document the MaineCare dollars allocated in the federal MaineCare accounts that were not expended in each of the respective fiscal years; and (B) to use this data to explain why the total federal allocated budget in State Fiscal Year 2012 and 2013 should not be used to compare the current-year budget to prior year actual expenditures.

**Conclusion:** (A) The total federal dollars allotted and not expended are documented below. (B) Based on the information below, the federal MaineCare allocations have been significantly over-stated historically. Throughout the SFY2012 MaineCare Supplemental discussion, the Department has explained that the federal allotments are overstated. This analysis supports the historical trend the Department referenced and explains why the federal dollars allotted are not necessarily the federal dollars that will be expended.

<b>Federal MaineCare Accounts: Year-End Allocations Unexpended</b>				
State Fiscal Year	Medical Assitance Payments	Childrens Health Insurance Program	Nursing Facilities	Total Federal Dollars Allocated/Allotted - Insufficient GF to Leverage
	013-10A-014701	015-10A-014701	013-10A-014801	
2011	\$ 172,512,197	\$ 1,177,456	\$ 55,831,038	\$ 229,520,691
2010	91,467,482	(2,601,772)	32,202,600	121,068,310
2009	86,326,677	(3,416,504)	32,813,973	115,724,146
2008	111,605,536	1,218,914	28,585,070	141,409,520
2007	178,724,436	530,846	36,351,402	215,606,684
2006	213,425,798	5,484,364	35,030,435	253,940,597
2005	221,459,742	4,712,737	66,006,712	292,179,191



**The federal authorized budget in the State's budget has been significantly overstated year-after-year. Without sufficient General Fund to match (i.e. "earn") the federal share, the federal dollars authorized by the State cannot be drawn. In many of these State Fiscal Years the State exhausted State dollars and was unable to draw some of what was left in the federal accounts at year-end.**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**SFY 2012 and 2013 Shortfall: One-Time and Structural Issues**

	<u>SFY 2012</u>	<u>SFY 2013</u>
<b>One-Time Issues:</b>		
1. <u>Adjustments to ARRA Claims</u> - SFY 2011 and earlier claims, paid at the enhanced FMAP, reprocessed for corrections and paid at current lower FMAP. Will not continue beyond 2012.	\$ 10.3	\$0.0
2. <u>Savings Initiatives Not Realized</u> - Budgeted Work plan Savings identified in SFY 2012 Budget which will not be realized in SFY 2012.	4.1	0.0
3. <u>Special Revenue Shortfall</u> - specifically results from the difference between the forecasted Special Revenue and the amount in the SFY 2012 budget.	1.8	0.0
4. <u>MeCMS Claims Not Paid During Curtailment</u> - are claims incurred prior the MIHMS startup of September 2010 that were not processed before the MeCMS system shutdown of February 2011. This is a known quantity of claims which will be processed manually prior to the end of SFY 2012 and will not continue beyond 2012.	3.5	0.0
<b>Total One-Time Issues</b>	<b>\$ 19.7</b>	<b>\$0.0</b>
<b>Structural Issues</b>		
1. <u>Crossover Payments</u> - MeCMS was not able to process these claims. They were handled as part of the settlement process with Hospitals, funded with a special appropriation. As a result, these payments were not included in the baseline.	\$ 13.3	\$15.0
2. <u>Prior SFY Claims Beyond Expectation</u> - due to issues related to MIHMS startup and its inability to process certain claims, levels of activity were depressed in FY 2011, when the biennial budget was established. The level of prior year claims being process will be higher than expectation in both years of the biennium.	29.9	11.7
3. <u>PNMI Room &amp; Board</u> - the 2009 appropriation has been underfunded historically. Shortfalls have been covered through transfers from other MaineCare accounts. The budget is understated for both years of the biennium.	19.3	19.3
4. <u>CMS Form 1500 Exceeding Expectation</u> - claims were estimated at \$42.7 million. Currently trending at over \$70 million. This will result in additional General Fund expenditures in both years of the biennium.	10.5	12.7
5. <u>Membership Increase</u> - growth in MaineCare enrollment is continuing. Growth was previously funded into the 3rd quarter of SFY 2011. SFY 2012 and 2013 figures are trended forward over the biennium.	6.5	7.9
6. <u>Structural Shortage</u> - comparing SFY 2011 expenditures to SFY 2012 budgeted amounts, adjusting for one-time events and FMAP differences, results in a structural shortage in the intial funding for both years of the biennium.	11.9	11.9
7. <u>Medicare A, B and D Premiums</u> - this line item has not historically been increased or decreased to reflect changes in premiums. Therefore steady increases in the Medicare D premium and Clawback amounts, which are 100% General Fund, will result in a need for additional funding for each year of the biennium.	11.5	10.2
8. <u>PIP Payments</u> - significant changes in the cost structure of two hospitals after the baseline was established has resulted in this additional need in each year of the biennium.	0.5	0.5
<b>Total Structural Issues</b>	<b>\$ 103.4</b>	<b>\$ 89.2</b>
<b>Total Shortall</b>	<b>\$ 123.1</b>	<b>\$ 89.2</b>

# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

The Department of Health and Human Services is projecting a significant shortfall in the General Fund for SFY 2012. This document provides a description of the issues underlying this estimated shortfall.

## A. Crossover payments

**Description of Issue:** These are hospital claims for members who have both Medicare and MaineCare coverage at 150% federal poverty level (FPL).

- MaineCare is responsible for paying the co-insurance, deductibles and co-payments for these claims.
- MeCMS was not able to process these claims and they were handled at settlement with the hospitals and have not been included as part of the baseline budget for the program.
- With the implementation of MIHMS in September 2010, these claims are processed on a real time basis. This change was not included in the SFY 2012 baseline projection, which resulted in the entire amount paid for Crossover payments as a variance from budget.

State Fiscal Year	FY Crossover Expenses	Membership Total	Cost per Member
2009	\$ 27,355,100 <sup>(1)</sup>	27,880	\$ 981
2010	\$ 28,774,400 <sup>(1)</sup>	29,376	\$ 979
2011	\$ 33,228,000 <sup>(2)</sup>	30,188	\$ 1,100
2012	\$ 36,258,000 <sup>(3)</sup>	31,250 <sup>(4)</sup>	\$ 1,160

(1) Expenditures for SFY 09-10 are based on calculations provided by Baker Newman Noyes. (MeCMS)

(2) SFY 2011 is based on MIHMS processing of 10 months, September 2010 through June 2011, of \$27,690,000, annualized.

(3) SFY 2012 is based on current experience of \$13,248,460 for 19 weeks of MaineCare claims cycles, annualized.

(4) Membership trended forward based on year-to-date actual increase.

<b>General Fund Impact: \$13,270,428 (\$36,258,000 * 36.6%)</b>
---

# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## B. Adjustments to claims previously paid using ARRA funds

**Description of Issue:** These are prior period claims that have been rebilled due to errors that were originally paid at a higher FMAP rate, and then reprocessed at the current lower FMAP rate. (Examples of errors include: rate change, incorrect number of units, etc.).

- The resulting transaction is an increase in unbudgeted General Fund Expenditures.
- There is an audit being conducted by the Office of the Inspector General which will determine how these adjustments will be handled going forward.

<b>ARRA Adjustments Through November 28<sup>th</sup></b>		
	Monthly Totals	Totals
July	\$557,536	
August	1,292,991	
September	1,157,298	
October	358,821	
November	910,220	
Actual adjustments to date		\$4,276,866
Adjustment Average Per Month	\$855,373	
Projection - Remaining 7 Mos.		<u>5,987,612</u>
<b>Projected Annual Impact</b>		<b><u>\$10,264,478</u></b>

**General Fund Impact: \$10,264,478**



# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## C. SFY 2011 claims paid in SFY 2012 exceeded expectations

**Description of Issue:** The number of claims carried over from SFY 2011 to SFY 2012 was higher than expected due to several MIHMS system defects. Typically, there are carryover claims from one year to the next; however, SFY 2012 is higher than normal.

	<b>SFY 2011 Paid, Incurred in SFY 2010</b>	<b>SFY 2012 Paid, Incurred in SFY 2011</b>	<b>Difference</b>
Actual paid through 10/31/11	\$139,300,000	\$161,509,073	(22,209,073)
Estimate of amount to be paid between 11/1/11-6/30/12	<u>0</u>	<u>59,460,000</u>	<u>(59,460,000)</u>
<b>TOTAL</b>	<b><u>\$139,300,000</u></b>	<b><u>\$220,969,073</u></b>	<b><u>(81,669,073)</u></b>
Federal Share	\$101,661,140	\$140,094,392	(38,433,252)
<b>State Share</b>	<b>37,638,860</b>	<b>60,874,681</b>	<b>(43,235,821)</b>
ARRA/FMAP Adjustment -- SFY 2011	50,983,800		
<b>State Share</b>	<b>50,983,800</b>	<b>80,874,681</b>	<b>(29,890,881)</b>

\*Source of actual paid data: Deloitte actuarial "Incurred, but not Paid" Annual Medicaid Analysis

<b>General Fund Impact: \$29,890,881</b>
--

# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## D. PNMI Room and Board expenditures

**Description of Issue:** The PNMI room and board account has historically been underfunded. Historically, transfers from the Medical Assistance Payments (MAP) account have occurred to cover the State funded room and board costs.

SFY 2011 (Final 3 Quarters) Actual Expenditures	\$20,923,666	
SFY 2012 Q1 Actual Expenditures	<u>10,397,877</u>	
Total Estimated Expenditures for SFY 2012	\$31,321,543	
Less: Budget	<u>6,274,174</u>	
Expenditures Over Budget		\$ 25,047,369
SFY 2012 Savings Initiative for SFY 2011 Cost of Care (COC)	\$4,200,000	
SFY 2012 Savings Initiative for SFY 2012 Cost of Care (COC)	<u>4,200,000</u>	
Total Cost of Care Savings Initiatives		<u>8,400,000</u>
Subtotal Shortfall		\$ 33,447,369
Less:		
SFY 2011 COC collected in SFY 2012 towards Savings Initiative	\$4,200,000 <sup>(1)</sup>	
Additional SFY 2011 COC collected in SFY 2012	7,800,000 <sup>(2)</sup>	
SFY 2012 COC collected in 2012 towards Savings Initiative	<u>2,100,000</u> <sup>(3)</sup>	
Subtotal additional COC collected		<u>14,100,000</u>
<b>TOTAL SHORTFALL</b>		<b><u>\$ 19,347,369</u></b>

(1) Will be recouped with invoices sent September, 2011.

(2) Will be recouped with invoices sent November, 2011 and January, 2012.

(3) Will recoup half of the invoices sent March, 2012.

<b>General Fund Impact: \$19,347,369</b>
--

# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## E. Savings Initiatives that will not be realized

**Description of Issue:** The dollar amount represented below shows savings initiatives that reduced our SFY 2012 baseline. We do not think, however, that we will realize the full savings.

	SFY 2012 <u>Original</u>	Will Be <u>Achieved</u>	Will Not Be <u>Achieved</u>
Reduces funding by implementing medication therapy	\$ 600,000	\$ 300,000	\$ 300,000
Reduces funding by limiting medical assistance benefits	2,559,110	1,279,555	1,279,555
Reduces funding from savings in children's waiver	522,068	130,517	391,551
Reduces funding to establish Maine Rx program fee	29,500	0	29,500
Reduces funding for proper application of Cost of Care	<u>4,200,000</u>	<u>2,100,000</u>	<u>2,100,000</u>
<b>Total</b>	<b><u>\$7,910,678</u></b>	<b><u>\$3,810,072</u></b>	<b><u>\$4,100,606</u></b>

<b>General Fund Impact: \$4,100,606</b>
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## F. Physician claims exceeding projected budget

**Description of Issue:** The SFY 2012 CMS Form 1500 Professional Claims have exceeded the amount the Department budgeted.

Total Form 1500 Professional Claims through 13 weeks	\$17,848,969
Average per Week	\$ 1,372,998
Average Annualized	\$71,395,876
Estimated Budget for Hospital Based Physicians	<u>42,738,369</u>
Amount Over Budget	<u>\$28,657,507</u>
<b>State Portion (36.6%)</b>	<b>\$10,488,647</b>

<b>General Fund Impact: \$10,488,647</b>
--

# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## G. Membership increase

**Description of Issue:** The anticipated growth in SFY 2012 had not been accounted for in the biennial budget.

- The increase is based on the trends in membership back to July 2007. See **Attachment A**
- The total of additional member months was estimated by eligibility groups.
- The total member months (including additional estimate of member months) were multiplied by the PMPM for each group.

	<u>Member Months</u>	<u>PMPM SFY 2012</u>	<u>Estimated Impact</u>	<u>Federal</u>	<u>State</u>	<u>Federal Percentage</u>
Traditional Medicaid	25,614	\$ 533.73	\$ 13,670,636	\$ 8,721,866	\$ 4,948,770	63.80%
CHIP Medicaid Expansion	6,122	145.40	890,208	661,335	228,872	74.29%
CHIP Cub Care	1,339	137.71	184,337	136,944	47,393	74.29%
Medicaid Parent Expansion 101% 150% Federal Poverty Level (FPL)	8,697	132.73	1,154,379	730,375	424,003	63.27%
Medicaid Parent Expansion 151% 200% FPL	2,147	109.32	234,706	148,498	86,207	63.27%
Childless Adult Waiver	6,382	158.15	1,009,316	638,595	370,722	63.27%
MaineCare and Drugs for the Elderly (DEL) MeRX	21,180	50.83	<u>1,076,478</u>	<u>681,088</u>	<u>395,392</u>	63.27%
<b>TOTAL</b>			<b><u>\$ 18,220,060</u></b>	<b><u>\$ 11,718,701</u></b>	<b><u>\$ 6,501,359</u></b>	

<b>General Fund Impact: \$6,501,359</b>
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# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## H. Structural Shortage

**Description of Issue:** The following analysis compares SFY 2012 budget to SFY 2011 actual expenditures, to determine whether the SFY 2012 MaineCare funding aligns with SFY 2011 actual spending. Adjustments have been made to reflect the loss of federal revenue, SFY 2012 savings initiatives, etc.

SFY 2011 General Fund Expenditures	\$515,371,155	
Less: GF Share of Hospital Settlements	(68,663,750)	
Add: Base FMAP (Base FMAP Higher in SFY 2011 - Accounted for in 2012/2013 Biennial)	<u>32,437,853</u>	
SFY 2011 General Fund Expenditures (normal operations)		\$ 479,145,258
SFY 2011 ARRA Expenditures	\$198,997,107	
Less: ARRA Share of Hospital Settlements	<u>20,203,885</u>	
SFY 2011 ARRA Expenditures (normal operations)		<u>178,793,222</u>
SFY 2011 Operations Expenditures		<u>\$ 657,938,480</u>
SFY 2012 General Fund Budget*	\$662,057,680	
SFY 2011 Operations Expenditures	<u>657,938,480</u>	
SFY 2012 General Fund Budget in Excess of SFY 2011 Expenditures		<u>\$ 4,119,200</u>
SFY 2012 General Fund Budget in Excess of SFY 2011 Expenditures	\$ 4,119,200	
Less: SFY 2012 TCM Appropriation/Payment to the Federal Government	(29,807,000)	
Add: Savings Initiatives to be Achieved in SFY 2012	<u>13,818,000</u>	
<b>SFY 2012 General Fund Budget GAP from SFY 2011 Actual Level</b>		<b><u>\$11,869,800</u></b>

\*SFY 2012 General Fund Budget amount does not include Drugs for the Elderly account (020201) or subsequent Financial Orders.

<b>General Fund Impact: \$11,869,800</b>
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# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## I. Changes in Medicare A, B, and D premiums

**Description of Issue:** This variance results from changes to the Medicare premiums that were not budgeted.

- Medicare Part A and B premiums increased from \$110.50 to \$115.40 on 1/1/11, but will be dropping from \$115.40 down to \$99.90 on 01/01/12.
- Medicare Part D increased from the ARRA period premium average of \$60.89 per member per month to a post ARRA premium average of \$82.99. The Part D premium is state only funds which has a much bigger impact on General Fund Dollars

	<u>State</u>	<u>Federal</u>	<u>Total</u>
Change in Parts A and B from SFY 2011 to SFY 2012 - Adjusted for ARRA	\$ (1,306,119)	\$ (2,427,785)	\$ (3,733,904)
Change in Part D from SFY 2011 to SFY 2012	<u>12,808,629</u>	<u>0</u>	<u>12,808,629</u>
<b>Total Change</b>	<b><u>\$ 11,502,510</u></b>	<b><u>\$ (2,427,785)</u></b>	<b><u>\$ 9,074,725</u></b>

<b>General Fund Impact: \$11,502,510</b>
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## J. Prospective Interim Payments (PIP)

**Description of Issue:** Mount Desert Island Hospital (MDI) and Stephens Memorial Hospital (Stephens) had major changes in their cost structure that required an increase to the weekly PIP they received. Since the PIP update was made after the PIP budget had been allocated to the hospitals, the result is higher PIP payments than budgeted.

Mount Desert Island Hospital	\$267,075
Stephen's Memorial Hospital	<u>265,725</u>
<b>TOTAL</b>	<b><u>\$532,800</u></b>

<b>General Fund Impact: \$532,800</b>
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# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## K. Special Revenue Shortfall

**Description of Issue:** November tax revenue projections for the MaineCare Program indicate that approximately \$1.8MM of budgeted tax revenues will not be realized in SFY 2012. Reductions in the tax revenue prevent the Department from transferring costs from the General Fund to the Other Special Revenue Fund.

<b>General Fund Impact \$1,800,000</b>
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## L. MeCMS claims not paid during curtailment

**Description of Issue:** Some MeCMS claims or adjustments with a date of service prior to September 1, 2010, were not processed prior to the MeCMS shutdown in February, 2011. These claims continue to be processed manually.

MeCMS claims paid in offline process through 11/23/2011	\$7,215,700
Estimate of remaining claims to be processed	<u>2,317,100</u>
Total State and Federal	<u>\$9,532,800</u>
<b>Total State Share (\$9,532,800 * 36.6%)</b>	<b><u>\$3,489,004</u></b>

<b>General Fund Impact: \$3,489,004</b>
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# DHHS Analysis of Projected MaineCare Shortfall -- SFY 2012

December 9, 2011

## Summary of Analysis

<b><u>Identified Issue</u></b>	<b>General Fund Impact (in <u>Millions</u>)</b>
<b>Posted MaineCare Cycle Payments</b>	
A. Crossover payments	\$ 13,270,428
B. Adjustments to claims previously paid using ARRA funds	10,264,478
C. SFY 2011 claims paid in SFY 2012 exceeded expectations	29,890,881
D. PNMI Room and Board expenditures	19,347,369
E. Savings Initiatives that will not be realized	4,100,606
F. Physician claims exceeding projected budget	10,488,647
G. Membership increase	6,501,359
H. Structural shortage	11,869,800
<b>Monthly Non-Cycle Payments</b>	
I. Medicare A, B, D premiums	11,502,510
J. PIP payments	532,800
<b>Other Non-Cycle Items</b>	
K. Special Revenue Shortfall	1,800,000
L. MeCMS claims not paid during curtailment	3,489,004
<b>TOTAL</b>	<b><u>\$ 123,057,882</u></b>







# ENROLLMENT - TOTAL MEMBERS ENROLLED

"What is the average total cost per member?" (TOTAL COST)/(TOTAL ENROLLED)

REPORT

Time Period

NOTE: Net Payment has been GROSSED UP as if 100% of claims generated were both billed to MaineCare and paid by MaineCare

Service Month	MaineCare AND DEL MERX				Total			
	Members	PMPM	BUMP % BILLED	Net Payment Grossed to	Members	PMPM	BUMP % BILLED	Net Payment Grossed to 100%
Jul-07	29,916	\$10.15	100.00%	\$ 303,729	310,339	\$411.45	99.99%	127,899,502
Aug-07	30,123	\$11.05	100.00%	\$ 333,007	311,866	\$404.42	99.98%	126,126,161
Sep-07	30,451	\$10.71	100.00%	\$ 326,080	312,577	\$373.12	99.99%	116,630,131
Oct-07	30,672	\$12.30	100.00%	\$ 377,342	312,640	\$438.94	99.97%	137,230,477
Nov-07	30,901	\$12.25	100.00%	\$ 378,564	311,307	\$386.02	99.97%	125,907,326
Dec-07	31,190	\$10.98	99.99%	\$ 341,956	310,511	\$389.37	99.97%	120,593,542
Jan-08	31,575	\$23.53	100.00%	\$ 742,897	311,181	\$436.48	99.97%	135,823,017
Feb-08	31,798	\$16.13	99.99%	\$ 512,792	310,671	\$392.42	99.97%	121,913,886
Mar-08	32,142	\$17.98	99.99%	\$ 577,233	310,188	\$431.68	99.99%	133,902,099
Apr-08	32,614	\$18.18	99.99%	\$ 623,493	306,958	\$457.28	99.96%	141,281,266
May-08	32,854	\$18.55	99.99%	\$ 609,479	306,276	\$458.76	99.96%	141,733,088
Jun-08	33,194	\$16.30	99.99%	\$ 541,100	307,530	\$407.71	99.99%	125,393,617
Jul-08	33,449	\$18.54	99.99%	\$ 620,071	307,978	\$456.45	99.94%	140,576,890
Aug-08	33,795	\$18.59	99.99%	\$ 626,754	308,149	\$445.06	99.95%	137,145,231
Sep-08	34,438	\$18.07	99.99%	\$ 622,329	308,329	\$430.14	99.96%	132,824,335
Oct-08	34,935	\$18.58	99.99%	\$ 683,972	309,262	\$548.09	99.95%	168,956,523
Nov-08	35,172	\$17.21	99.99%	\$ 605,253	308,366	\$422.62	99.96%	130,392,079
Dec-08	35,435	\$19.93	99.99%	\$ 708,369	308,552	\$318.20	99.95%	97,564,696
Jan-09	36,561	\$29.52	99.99%	\$ 1,079,817	312,159	\$308.22	99.96%	96,215,053
Feb-09	36,887	\$21.60	99.99%	\$ 795,866	313,233	\$363.38	99.97%	113,822,715
Mar-09	37,112	\$23.38	100.00%	\$ 867,505	314,370	\$438.98	99.97%	137,373,709
Apr-09	37,590	\$21.29	99.99%	\$ 800,431	317,937	\$440.24	99.97%	139,968,226
May-09	37,734	\$20.12	99.99%	\$ 759,195	318,050	\$422.76	99.98%	134,882,218
Jun-09	37,950	\$21.43	99.99%	\$ 813,087	320,850	\$417.22	99.97%	133,864,601
Jul-09	38,315	\$19.71	99.99%	\$ 755,569	322,475	\$484.80	99.97%	159,561,660
Aug-09	38,952	\$18.94	99.99%	\$ 737,665	324,471	\$480.12	99.97%	155,765,986
Sep-09	39,573	\$20.77	99.99%	\$ 801,952	326,108	\$448.32	99.97%	145,710,878
Oct-09	39,909	\$22.87	99.99%	\$ 912,520	329,109	\$453.93	99.97%	149,392,687
Nov-09	40,190	\$21.79	99.99%	\$ 875,838	330,842	\$415.77	99.97%	137,554,668
Dec-09	40,221	\$21.88	99.99%	\$ 880,186	331,420	\$413.27	99.96%	136,967,022
Jan-10	40,384	\$34.55	99.98%	\$ 1,395,797	333,810	\$442.93	99.96%	147,854,666
Feb-10	39,858	\$26.68	99.98%	\$ 1,063,263	333,632	\$403.92	99.96%	134,761,461
Mar-10	40,031	\$28.93	99.98%	\$ 1,158,246	337,034	\$458.09	99.94%	154,392,293
Apr-10	40,262	\$27.92	99.98%	\$ 1,124,056	338,378	\$414.09	99.94%	140,119,722
May-10	40,443	\$25.42	99.97%	\$ 1,028,218	342,207	\$397.37	99.95%	135,982,213
Jun-10	40,525	\$28.37	99.96%	\$ 1,149,612	343,360	\$380.02	99.93%	130,462,800
Jul-10	40,243	\$27.09	99.95%	\$ 1,090,294	341,012	\$388.72	99.91%	131,876,377
Aug-10	40,265	\$30.52	99.88%	\$ 1,228,779	343,888	\$369.51	99.86%	127,070,784
Sep-10	40,595	\$68.28	99.84%	\$ 2,771,626	346,726	\$427.89	99.77%	148,359,129
Oct-10	40,866	\$75.88	99.81%	\$ 3,100,898	347,495	\$438.33	99.55%	152,666,221
Nov-10	41,105	\$70.16	99.78%	\$ 2,883,852	348,242	\$424.85	99.48%	147,952,349
Dec-10	41,473	\$64.47	99.74%	\$ 2,673,950	348,131	\$419.40	99.32%	146,427,282
Jan-11	41,790	\$93.81	99.66%	\$ 3,920,171	352,717	\$444.96	99.29%	156,946,158
Feb-11	42,117	\$45.33	99.50%	\$ 1,909,073	353,164	\$367.20	99.08%	136,743,718
Mar-11	42,311	\$38.18	99.25%	\$ 1,615,546	354,683	\$417.95	98.92%	148,240,673
Apr-11	42,600	\$30.54	99.03%	\$ 1,300,815	354,927	\$377.77	98.70%	134,079,446
May-11	42,824	\$32.95	98.64%	\$ 1,410,881	358,081	\$393.17	98.26%	139,998,821
Jun-11	43,090	\$31.32	97.48%	\$ 1,349,479	355,991	\$383.46	97.07%	136,507,303
Jul-11	43,292	\$57.52	91.58%	\$ 2,490,066	356,799	\$422.54	92.91%	150,761,757
Aug-11	43,610	\$35.76	79.82%	\$ 1,559,357	357,462	\$394.60	66.14%	141,055,253
Sep-11	43,871	\$48.97	36.41%	\$ 2,148,392	359,229	\$408.20	53.03%	146,635,826
Oct-11	44,152	\$49.58		\$ 2,188,928	360,048	\$408.33		147,019,316
Nov-11	44,433	\$50.18		\$ 2,229,463	360,868	\$408.47		147,402,805
Dec-11	44,714	\$50.77		\$ 2,269,998	361,687	\$408.60		147,786,295
Jan-12	44,995	\$51.35		\$ 2,310,533	362,507	\$408.74		148,169,785
Feb-12	45,276	\$51.93		\$ 2,351,069	363,326	\$408.87		148,553,274
Mar-12	45,557	\$52.50		\$ 2,391,604	364,145	\$409.00		148,936,764
Apr-12	45,838	\$53.06		\$ 2,432,139	364,965	\$409.14		149,320,254
May-12	46,119	\$53.61		\$ 2,472,675	365,784	\$409.27		149,703,744
Jun-12	46,401	\$54.16		\$ 2,513,210	366,603	\$409.40		150,087,233

Measure of variance: R Square= 0.96 very small variance      R Square= 0.91 very small variance

Measure of variance:	Normalized			Normalized Total:		
	Avg PMPM	Avg Cycle	Total:	Avg PMPM	Avg Cycle	Normalized Total:
SFY 2010 AVG	\$24.82	228,518	\$ 11,862,931	\$432.92	33,241,860	1,728,566,286
SFY 2011 AVG	\$50.58	485,690	\$ 25,255,363	\$408.00	32,824,386	1,706,868,069
SFY 2012 AVG	\$50.83	526,105	\$ 27,357,434	\$408.76	34,142,929	1,775,432,306

Member Months	Member Months	times Avg PMPM	Estimated impact from membership.	Member Months *	times Avg PMPM	Estimated impact from membership *
June 2011 Member Months	517,080			4,271,892		
Actual FY 2012 Member Months	538,260			4,343,372		
<b>Avg Increase in Member Months</b>	<b>21,180</b>	<b>\$50.83</b>	<b>\$1,076,478</b>	<b>71,480</b>	<b>\$408.76</b>	<b>\$18,220,080</b>

Increase in Avg PMPM \$0.24      \$2.76  
 Jun 2011 Enrollment \* 43,090      355,991 \* Adding across  
 Estimated Impact due to PMPM \* \$ 125,153      \$8,545,966 \* Adding across

**Cycle Totals by Quarter**

Quarter	SFY 2010	SFY 2011	SFY 2012
1	590,930,339.41	507,014,507.17	547,683,340.31
2	668,233,993.81	503,228,653.11	514,198,673.42
3	531,835,403.62	811,099,952.55	-
4	559,105,089.33	521,579,380.65	-
<b>Total</b>	<b>2,350,104,826.17</b>	<b>2,342,922,493.48</b>	<b>1,061,882,013.73</b>

Year	1st 6 months	2nd 6 months	Total
2010	1,105,648,937.22	1,090,940,492.95	2,196,589,430.17
2011	1,010,243,160.28	1,084,152,214.20	2,094,395,374.48
<b>Total</b>	<b>2,115,892,097.50</b>	<b>2,175,092,707.15</b>	<b>4,290,984,804.65</b>

\*without hospital settlements or claims held from 2009 and paid in the first cycle of 2010

**Cycle Totals by Week**

MECMS/MEPOPS FINANCIAL CYCLES FOR SFY 2010					MECMS/MEPOPS/MIHMS FINANCIAL CYCLES FOR SFY 2011					MIHMS FINANCIAL CYCLES FOR SFY 2012				
WEEK #	WEEK ENDING DATE	QTR	NUMBER OF CHECKS	CYCLE TOTAL	WEEK #	WEEK ENDING DATE	QTR	NUMBER OF CHECKS	CYCLE TOTAL	WEEK #	WEEK ENDING DATE	QTR	NUMBER OF CHECKS	CYCLE TOTAL
1	7/3/2009	1	2,414	65,537,930.12	1	7/9/2010	1	2,724	46,729,949.95	1	7/8/2011	1	2,921	35,208,585.58
2	7/10/2009	1	2,492	43,266,081.39	2	7/16/2010	1	2,443	42,433,419.46	2	7/15/2011	1	2,622	49,735,636.99
3	7/17/2009	1	2,584	45,812,583.36	3	7/23/2010	1	2,372	40,884,421.45	3	7/22/2011	1	4,010	34,668,054.32
4	7/24/2009	1	2,517	43,139,889.50	4	7/30/2010	1	2,450	37,165,988.14	4	7/29/2011	1	2,654	39,536,805.13
5	7/31/2009	1	2,436	35,844,965.56	5	8/6/2010	1	2,405	36,845,413.58	5	8/5/2011	1	2,735	39,837,606.28
6	8/7/2009	1	2,378	35,082,232.97	6	8/13/2010	1	2,419	48,883,052.76	6	8/12/2011	1	3,056	60,326,074.50
7	8/14/2009	1	2,449	45,291,000.97	7	8/20/2010	1	2,469	39,908,113.48	7	8/19/2011	1	2,778	45,091,823.80
8	8/21/2009	1	2,348	43,215,019.12	8	8/27/2010	1	2,274	37,147,474.84	8	8/26/2011	1	2,665	44,078,570.13
9	8/28/2009	1	2,299	37,476,376.29	9	9/3/2010	1	2,422	34,284,231.33	9	9/2/2011	1	2,481	36,151,115.12
10	9/4/2009	1	2,352	36,082,697.94	10	9/10/2010	1	2,802	47,111,969.20	10	9/9/2011	1	3,065	48,746,488.97
11	9/11/2009	1	2,459	45,404,996.69	11	9/17/2010	1	2,708	37,855,355.90	11	9/16/2011	1	2,615	39,261,167.63
12	9/18/2009	1	2,319	37,298,553.58	12	9/24/2010	1	2,624	30,695,198.40	12	9/23/2011	1	2,697	45,543,544.28
13	9/25/2009	1	2,436	40,014,687.30	13	10/1/2010	1	2,503	27,069,918.68	13	9/30/2011	1	2,438	29,497,867.58
14	10/2/2009	1	2,438	37,463,324.62	14	10/8/2010	2	3,144	28,897,051.57	14	10/7/2011	2	3,025	36,822,646.04
15	10/9/2009	2	2,426	42,223,602.88	15	10/15/2010	2	3,171	41,514,236.82	15	10/14/2011	2	2,785	56,342,252.87
16	10/16/2009	2	2,471	44,953,755.96	16	10/22/2010	2	2,795	30,429,261.94	16	10/21/2011	2	2,769	47,104,055.90
17	10/23/2009	2	2,591	168,674,598.83	17	10/29/2010	2	2,691	21,523,839.27	17	10/28/2011	2	3,850	42,625,332.46
18	10/30/2009	2	2,488	38,722,355.84	18	11/5/2010	2	3,239	39,863,148.33	18	11/4/2011	2	2,956	41,251,578.05
19	11/6/2009	2	2,547	37,891,592.33	19	11/12/2010	2	3,352	46,240,103.39	19	11/11/2011	2	3,332	60,564,598.43
20	11/13/2009	2	2,027	36,364,432.68	20	11/19/2010	2	2,935	43,197,799.87	20	11/18/2011	2	2,963	46,962,013.97
21	11/20/2009	2	2,556	52,579,358.21	21	11/26/2010	2	3,166	48,030,812.46	21	11/25/2011	2	2,697	45,710,369.78
22	11/27/2009	2	2,310	36,534,920.76	22	12/3/2010	2	2,819	34,918,609.08	22	12/2/2011	2	2,614	37,095,566.85
23	12/4/2009	2	2,584	41,992,870.78	23	12/10/2010	2	3,628	39,574,337.64	23	12/9/2011	2	3,178	40,392,652.01
24	12/11/2009	2	2,338	44,473,827.50	24	12/17/2010	2	3,217	50,595,370.78	24	12/16/2011	2	2,926	59,327,607.06
25	12/18/2009	2	2,487	43,317,253.10	25	12/24/2010	2	2,925	41,611,038.01					
26	12/25/2009	2	2,261	29,583,471.57	26	12/31/2010	2	2,689	36,833,043.95					
27	1/1/2010	2	2,602	50,921,953.37	27	1/7/2011	3	2,706	33,671,851.74					
28	1/8/2010	3	2,168	27,933,664.96	28	1/14/2011	3	3,180	46,011,220.60					
29	1/15/2010	3	2,365	49,273,197.02	29	1/21/2011	3	3,080	53,071,578.21					
30	1/22/2010	3	2,492	38,784,523.34	30	1/28/2011	3	3,002	43,460,999.21					
31	1/29/2010	3	2,468	44,225,399.00	31	2/4/2011	3	3,154	43,208,128.80					
32	2/5/2010	3	2,455	36,929,167.64	32	2/11/2011	3	3,561	49,930,148.59					
33	2/12/2010	3	2,546	52,761,998.60	33	2/18/2011	3	3,092	52,454,038.31					
34	2/19/2010	3	2,678	46,383,549.95	34	2/25/2011	3	2,925	53,416,350.45					
35	2/26/2010	3	2,342	36,151,634.15	35	3/4/2011	3	2,443	42,510,403.02					
36	3/5/2010	3	2,438	36,721,424.01	36	3/11/2011	3	3,171	50,770,619.41					
37	3/12/2010	3	2,514	48,712,271.76	37	3/18/2011	3	2,574	260,519,568.94					
38	3/19/2010	3	2,559	44,510,076.83	38	3/25/2011	3	2,279	54,747,955.29					
39	3/26/2010	3	2,394	38,200,187.80	39	4/1/2011	3	2,434	27,327,089.98					
40	4/2/2010	3	2,542	31,248,308.56	40	4/8/2011	4	2,740	36,359,873.11					
41	4/9/2010	4	2,599	44,466,266.79	41	4/15/2011	4	3,156	60,728,952.72					
42	4/16/2010	4	2,425	44,388,617.80	42	4/22/2011	4	2,813	49,642,231.89					
43	4/23/2010	4	2,797	49,079,992.77	43	4/29/2011	4	2,445	32,672,489.92					
44	4/30/2010	4	2,482	40,354,159.63	44	5/6/2011	4	2,455	29,000,514.18					
45	5/7/2010	4	2,506	35,859,896.34	45	5/13/2011	4	3,150	51,823,455.43					
46	5/14/2010	4	2,420	48,357,122.30	46	5/20/2011	4	2,587	39,005,305.48					
47	5/21/2010	4	2,712	50,898,689.21	47	5/27/2011	4	2,448	34,338,807.04					
48	5/28/2010	4	2,566	41,735,823.88	48	6/3/2011	4	2,603	35,368,184.19					
49	6/4/2010	4	2,532	35,024,079.58	49	6/10/2011	4	3,012	43,804,991.72					
50	6/11/2010	4	2,230	43,197,870.06	50	6/17/2011	4	2,847	40,608,703.52					
51	6/18/2010	4	2,612	47,881,843.57	51	6/24/2011	4	2,830	37,137,747.06					

Cycle Totals by Week

MECMS/MEPOPS FINANCIAL CYCLES FOR SFY 2010					MECMS/MEPOPS/MIHMS FINANCIAL CYCLES FOR SFY 2011					MIHMS FINANCIAL CYCLES FOR SFY 2012					
WEEK #	WEEK ENDING DATE	QTR	NUMBER OF CHECKS	CYCLE TOTAL	WEEK #	WEEK ENDING DATE	QTR	NUMBER OF CHECKS	CYCLE TOTAL	WEEK #	WEEK ENDING DATE	QTR	NUMBER OF CHECKS	CYCLE TOTAL	
52	6/25/2010	4	2,726	46,201,783.89	52	7/1/2011	4	2,519	31,088,124.39						
53	7/2/2010	4	2,324	31,658,943.51											
<b>Totals</b>				<b>2,350,104,826.17</b>	<b>Totals</b>				<b>2,342,922,493.48</b>	<b>Totals</b>					<b>1,061,882,013.73</b>

\* Hospital Settlements

132,515,396.00

\* Hospital Settlements

248,527,119.00