

**DHHS - MaineCare Emergency Supplemental Budget (LR 2678)**  
**Summary of Governor's Proposals**  
**Summary of Estimated Shortfall and Proposed Solutions**

	FY 12	FY 13
<b>Summary of DHHS Estimated MaineCare General Fund Shortfall <sup>1</sup></b>		
MaineCare Shortfall - DHHS Estimates (December 2011)	\$120,944,523	\$101,017,563
Proposed Administrative Savings (Financial Order Adjustments)	(\$13,710,000)	(\$17,140,000)
<b>Net DHHS Estimated Shortfall Requiring Legislative Changes</b>	<b>\$107,234,523</b>	<b>\$83,877,563</b>

**Summary of General Fund Status - Before and After Governor's Proposals in LR 2678**

<b>Summary of General Fund Status - Prior to Proposed Solutions</b>		
Beginning Balances - Through 125th Legislature, 1st Special Session	\$19,019,140	\$11,377,418
Net Changes to Balances - Prior to December 2011 Forecast	(\$18,286,976)	\$4,548,338
Net Changes from December 2011 Revenue Forecast	\$10,645,254	(\$9,643,359)
<b>General Fund Budgeted Ending Balances - Prior to Shortfall</b>	<b>\$11,377,418</b>	<b>\$6,282,397</b>
<b>Summary of General Fund Status - After Proposed Solutions</b>		
Beginning Balance	\$19,019,140	(\$3,172,332)
Net Changes to Balances - After Proposed Changes	(\$22,191,472)	\$3,128,028
<b>General Fund Budgeted Ending Balances - After Proposed Solutions <sup>2</sup></b>	<b>(\$3,172,332)</b>	<b>(\$44,304)</b>

**Summary of Appropriations and Revenue/Transfers - Governor's Proposals in LR 2678**

<b>Resources (Transfers/Adjustments to Balance and Revenue):</b>		
- General Fund Transfers and Adjustments to Balance	\$64,000,000	(\$98,500,000)
- General Fund Revenue	\$0	\$4,500,000
<b>Net Increase (Decrease) to Resources</b>	<b>\$64,000,000</b>	<b>(\$94,000,000)</b>
<b>General Fund Appropriations:</b>		
- General Fund Appropriations	\$78,549,750	(\$102,223,049)
<b>Net Increase (Decrease) of Appropriations</b>	<b>\$78,549,750</b>	<b>(\$102,223,049)</b>
<b>Net Increase (Decrease) to Balance - Gov's Supplemental</b>	<b>(\$14,549,750)</b>	<b>\$8,223,049</b>

**Summary General Fund "Spending" and "Savings"**

<b>Initiatives Decreasing Resources ("Spending")</b>		
- DHHS - MaineCare Spending (see Summary Page 2)	(\$107,257,307)	(\$83,917,563)
- Transfer to Maine Budget Stabilization Fund	\$0	(\$39,500,000)
<b>Total Items Increasing Resources ("Savings")</b>		
- DHHS - MaineCare Savings (see Summary Page 2)	\$33,707,557	\$186,140,612
- Increase Interfund Borrowing	\$59,000,000	(\$59,000,000)
- Fund for a Healthy Maine Racino Revenue to General Fund	\$0	\$4,500,000
<b>Net Increase (Decrease) to General Fund Resources</b>	<b>(\$14,549,750)</b>	<b>\$8,223,049</b>

Notes:

<sup>1</sup> Reflects estimates of the General Fund MaineCare "Shortfall" developed by DHHS.

<sup>2</sup> Budgeted ending balances do not reflect additional savings identified by the Streamline and Prioritize Core Government Services Task Force or additional General Fund savings from the distribution of statewide deappropriations.

**DHHS - MaineCare Emergency Supplemental Budget (LR 2678)**  
**Summary of Governor's Proposals**  
**Department of Health and Human Services Proposals**

	<b>FY 12</b>	<b>FY 13</b>
<b>Proposed Reductions/Savings</b>		
<b>MaineCare and Related</b>		
MaineCare Eligibility/ Recipients Reductions	(\$16,269,023)	(\$52,966,511)
Reduce MaineCare Optional Services - Private Non-Medical Institutions (PNMIs)	\$0	(\$60,391,784)
Reduce MaineCare Optional Services - Other Services	(\$2,036,400)	(\$10,614,920)
MaineCare Prescription Drug Benefit/Payment Reductions	(\$2,152,426)	(\$10,303,384)
Shift MaineCare Seed to FHM (See page 3 for FHM proposals offsetting shift)	(\$1,003,844)	(\$25,031,096)
MaineCare Hospital Reimbursement Reductions	(\$1,428,472)	(\$9,457,774)
MaineCare Developmental Services Payment Reform	\$0	(\$3,000,000)
<b>Subtotal MaineCare Savings/Reductions</b>	<b>(\$22,890,165)</b>	<b>(\$171,765,469)</b>
<b>Other DHHS savings</b>		
DHHS Management - Salary Savings	(\$5,000,000)	(\$3,000,000)
Office of Medical Services Lapsed Balance	(\$5,000,000)	\$0
Adult Mental Health - Crisis Intervention Services	\$0	(\$2,084,746)
Developmental Services - Rental Assistance	\$0	(\$1,200,000)
Children's Services (Head Start, Child Welfare, Mental Health)	(\$800,000)	(\$7,995,971)
Other	(\$17,392)	(\$94,426)
<b>Subtotal Other DHHS Savings/Reductions</b>	<b>(\$10,817,392)</b>	<b>(\$14,375,143)</b>
<b>Total DHHS Savings/Reductions</b>	<b>(\$33,707,557)</b>	<b>(\$186,140,612)</b>
<b>Proposed Spending</b>		
<b>MaineCare and Related</b>		
Cycle Payments Shortfall <sup>1</sup>	\$107,257,307	\$72,128,211
MaineCare Federal Medical Assistance Percentage (FMAP) - 63.27% to 62.57% 10/1/2012	\$0	\$11,775,773
<b>Subtotal MaineCare Spending</b>	<b>\$107,257,307</b>	<b>\$83,903,984</b>
<b>Other DHHS</b>		
Foster Care FMAP	\$0	\$13,579
<b>Subtotal Other DHHS Spending</b>	<b>\$0</b>	<b>\$13,579</b>
<b>Total DHHS Spending <sup>1</sup></b>	<b>\$107,257,307</b>	<b>\$83,917,563</b>

<sup>1</sup> DHHS has identified additional administrative offsets of \$13.7 million in FY 12 and \$17.1 million in FY 13 to help fund the total estimated MaineCare shortfall of \$120.9 million in FY 12 and \$101.0 million in FY 13.

**DHHS - MaineCare Emergency Supplemental Budget (LR 2678)**  
**Summary of Governor's Proposals**  
**Fund for a Healthy Maine (FHM)**

	<b>FY 12</b>	<b>FY 13</b>
<b>Allocations - Fund for a Healthy Maine</b>		
<b>FHM "Spending" Initiatives</b>		
<b>FHM Funding for Maine Care Shifted from Other Programs</b>		
FHM - Medical Care (0960-01)	\$1,003,844	\$25,031,096
<b>FHM Spending for Federal Medical Assistance Percentage (FMAP) Decrease</b>		
FHM - Substance Abuse (0948-02)	\$0	\$17,976
FHM - Medical Care (0960-01)	\$0	\$113,010
	<b>\$0</b>	<b>\$130,986</b>
<b>FHM Total "Spending" Initiatives</b>	<b>\$1,003,844</b>	<b>\$25,162,082</b>
<b>FHM "Savings"/Reduction Initiatives</b>		
<b>FHM Redistribution Proposals Reflecting FY 13 Funding Eliminations</b>		
FHM - Bureau of Health - Oral Health (0953-01)	\$0	(\$600,000)
FHM - Bureau of Health - Home Visits (0953-06)	\$0	(\$2,653,383)
FHM - Bureau of Health - Community School Grants (0953-07) *	\$0	(\$7,529,890)
FHM - Family Planning (0956-01)	\$0	(\$401,430)
FHM - Donated Dental (0958-01)	\$0	(\$36,463)
FHM - Head Start (0959-01)	(\$700,000)	(\$1,354,580)
FHM - Purchased Social Services (0961-01)	\$0	(\$3,942,236)
FHM - Drugs for the Elderly and Disabled (Z015-01)	(\$303,844)	(\$11,934,230)
FHM - Immunization (Z048-01)	\$0	(\$1,078,884)
	<b>(\$1,003,844)</b>	<b>(\$29,531,096)</b>
<b>Net Changes to FHM Allocations</b>	<b>\$0</b>	<b>(\$4,369,014)</b>
<b>FHM Revenue and Transfer Initiatives</b>		
Transfer of remaining FY 2012-13 Racino Revenue to General Fund	\$0	(\$4,500,000)
<b>Net Increase (Decrease) to FHM Balance in LR 2678</b>	<b>\$0</b>	<b>(\$130,986)</b>

\* Funding not completely eliminated - Personal Services allocation of \$252,062 and All Other of \$6,970 remaining.