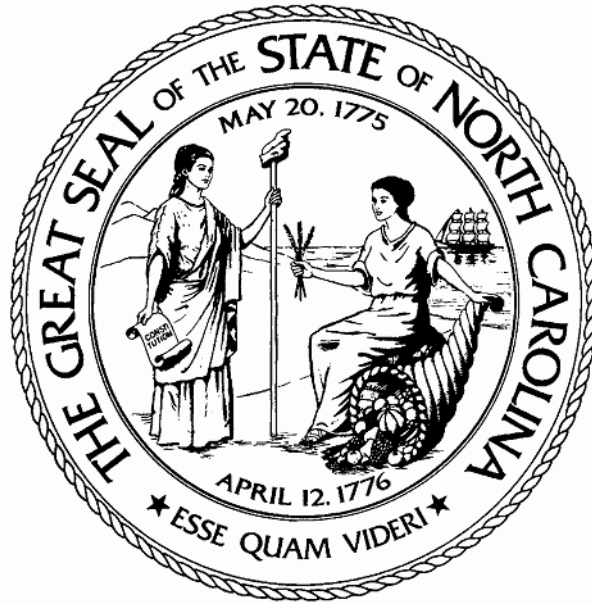


Report on Division of Medical Assistance

Management Flexibility Reduction

Joint Conference Committee Report; Section G, Item 140



Report to the

North Carolina General Assembly

By

NC Department of Health and Human Services

January 24, 2018

Reporting Requirements

The Joint Conference Committee report, Section G, Item 140 directs the Department of Health and Human Services to report on actions or changes in spending that will result in lower overall appropriations needed for SFY 2017-19.

The table below shows that the Medicaid program is forecasted to have total expenditures that are lower than the approved SFY2018 budget. Since the Medicaid program is forecasted to maintain total Medicaid spending within the amounts appropriated for the Medicaid program, DHHS does not recommend changes to the Medicaid policies or provider reimbursement rates.

However, the Department will continue to monitor the Medicaid spending and make any adjustments necessary to remain within Medicaid's authorized budget.

The authorized SFY 2019 budget does not include a 0.45% reduction in the FMAP beginning October 1, 2019. The Department will continue to assess the FMAP change to determine any potential funding requests in the SFY 2019 budget.

Similarly, the funding reauthorization for the CHIP (Title XXI) has not been finalized at the federal level. The SFY 2019 budget does not account for changes in the FMAP, should there be a change, once the reauthorization in funding is finalized.

	Actual (as of 11/30/17)*	SFY 2018 Forecast	SFY 2018 Authorized Budget*
Total Requirements	\$ 5,933,043,554	\$ 14,542,000,000	\$ 14,392,218,025
Receipts	\$ 4,360,642,493	\$ 10,874,000,000	\$ 10,696,084,532
State Appropriations	\$ 1,572,401,061	\$ 3,668,000,000	\$ 3,696,133,493

*Please note budget and actual figures current in NCAS as of 12/17/2017