

REVENUES

0.90%

| REVENUE ESTIMATES                        | SFY '17 REVENUE ESTIMATES |                   | SFY' 18 REVENUE ESTIMATES <i>(very preliminary)</i> |                   |
|--|---------------------------|-------------------|---|-------------------|
|  | Gen. Fund                 | Gen. Fund         | Gen. Fund   | Gen. Fund         |
| Increase cigarette tax increase - \$1.00 | 6,300,000                 | 6,085,800         | 5,878,883   | 5,878,883         |
| Increase claims assessment - 0.9%        | 16,065,000                | 16,386,300        | 16,714,026  | 16,714,026        |
| Increase employer assessment             | 5,082,709                 | 10,682,442        | 11,216,564  | 11,216,564        |
| <b>TOTAL</b>                             | <b>27,447,709</b>         | <b>33,154,542</b> | <b>33,809,473</b>                                   | <b>33,809,473</b> |

COST ESTIMATES

|                                      | SFY' 17 COST ESTIMATES* |                   |                |                   | SFY' 18 COST ESTIMATES <i>(very preliminary)</i> |                   |                |                   |                   |                   |                |                   |
|--------------------------------------|-------------------------|-------------------|----------------|-------------------|--|-------------------|----------------|-------------------|-------------------|-------------------|----------------|-------------------|
|                                      | State \$                | Fed \$            | Other \$       | Gross \$          | State \$   | Fed \$            | Other \$       | Gross \$          |                   |                   |                |                   |
| <b>Medicaid Rate Increases</b>       | <b>26,900,205</b>       | <b>32,159,451</b> |                | <b>59,059,656</b> | <b>28,880,379</b>                                | <b>32,482,603</b> |                | <b>61,362,983</b> | <b>30,210,734</b> | <b>33,545,405</b> |                | <b>63,756,139</b> |
| Outpatient (in state only)           | 12,966,112              | 16,033,888        |                | 29,000,000        | 13,968,732                                       | 16,162,268        |                | 30,131,000        | 14,613,692        | 16,692,417        |                | 31,306,109        |
| Professional Services & Primary Care | 9,859,966               | 11,140,034        |                | 21,000,000        | 10,547,789                                       | 11,271,211        |                | 21,819,000        | 11,031,697        | 11,638,244        |                | 22,669,941        |
| 2% Increase for other providers      | 4,074,127               | 4,985,529         |                | 9,059,656         | 4,363,859  | 5,049,124         |                | 9,412,983         | 4,565,346         | 5,214,743         |                | 9,780,089         |
| <b>Green Mountain Care Board</b>     | <b>285,717</b>          | <b>123,693</b>    | <b>393,357</b> | <b>802,767</b>    | <b>281,354</b>                                   | <b>342,518</b>    | <b>599,407</b> | <b>1,223,279</b>  | <b>270,943</b>    | <b>329,843</b>    | <b>577,226</b> | <b>1,178,012</b>  |
| <b>TOTAL</b>                         | <b>27,185,922</b>       | <b>32,283,144</b> | <b>393,357</b> | <b>59,862,423</b> | <b>29,161,733</b>                                | <b>32,825,121</b> | <b>599,407</b> | <b>62,586,262</b> | <b>30,481,677</b> | <b>33,875,248</b> | <b>577,226</b> | <b>64,934,151</b> |
| <i>Balance (Rev - Cost)</i>          | <i>261,787</i>          |                   |                |                   | <i>3,992,809</i>                                 |                   |                |                   | <i>3,327,796</i>  |                   |                |                   |
| <i>Cumulative</i>                    |                         |                   |                |                   | <i>4,254,595</i>                                 |                   |                |                   | <i>7,582,392</i>  |                   |                |                   |

NOTES:

\* SFY'17 assumes annualized costs. Also assumes both loss of Leahy bump and modest decrease in federal match.

\*\* Cigarette Tax growth based on Tom Kavet forecast.

\*\*\* Employer assessment - '17 is annualized. Assume 5% growth going forward.

\*\*\* Medicaid Reimbursement rates - Assumes 3.9% growth in Medicaid based on RAND/Admin consensus estimates for '16-'17. CMS = 6.8%