

DVHA SFY 18 Budget Adjustment Act (BAA)

DVHA SFY 2018 BAA

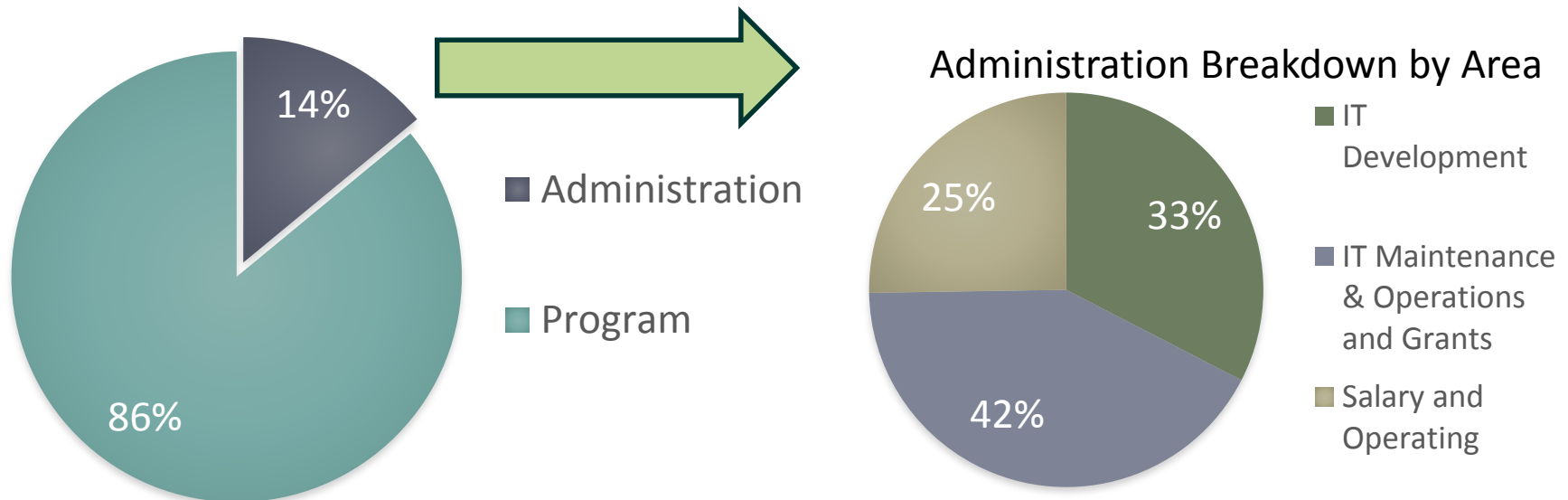
- Total DVHA spending is down approximately \$55.8 million overall, \$19.9 million G.F., as compared to SFY 2018 As Passed
- DVHA's budget consists of two types of spending:
 - Administrative spending: expenditures on items other than health care goods and services, which is down \$25.8 million overall, \$3.0 million G.F.
 - Program spending: expenditures on health care goods and services, which is down \$30 million overall, \$16.9 million G.F.

DVHA SFY 2018 BAA: Why is Spending Down?

- Key Issue 1: Annual IT budget is linked to actual spending
 - DVHA examined every contract to determine to the difference between spending authority and actual project plans, reducing the budget where appropriate.
- Key Issue 2: Medicaid enrollment is down
 - Two factors inflated previous estimates
 - Overstatement of 2014 eligible population, which included Catamount and VHAP
 - Inability to re-determine eligibility
 - DVHA believes it is back on track due to resumption of redeterminations and more rigor in forecast process
 - Enrollment stabilizing around pre-ACA levels

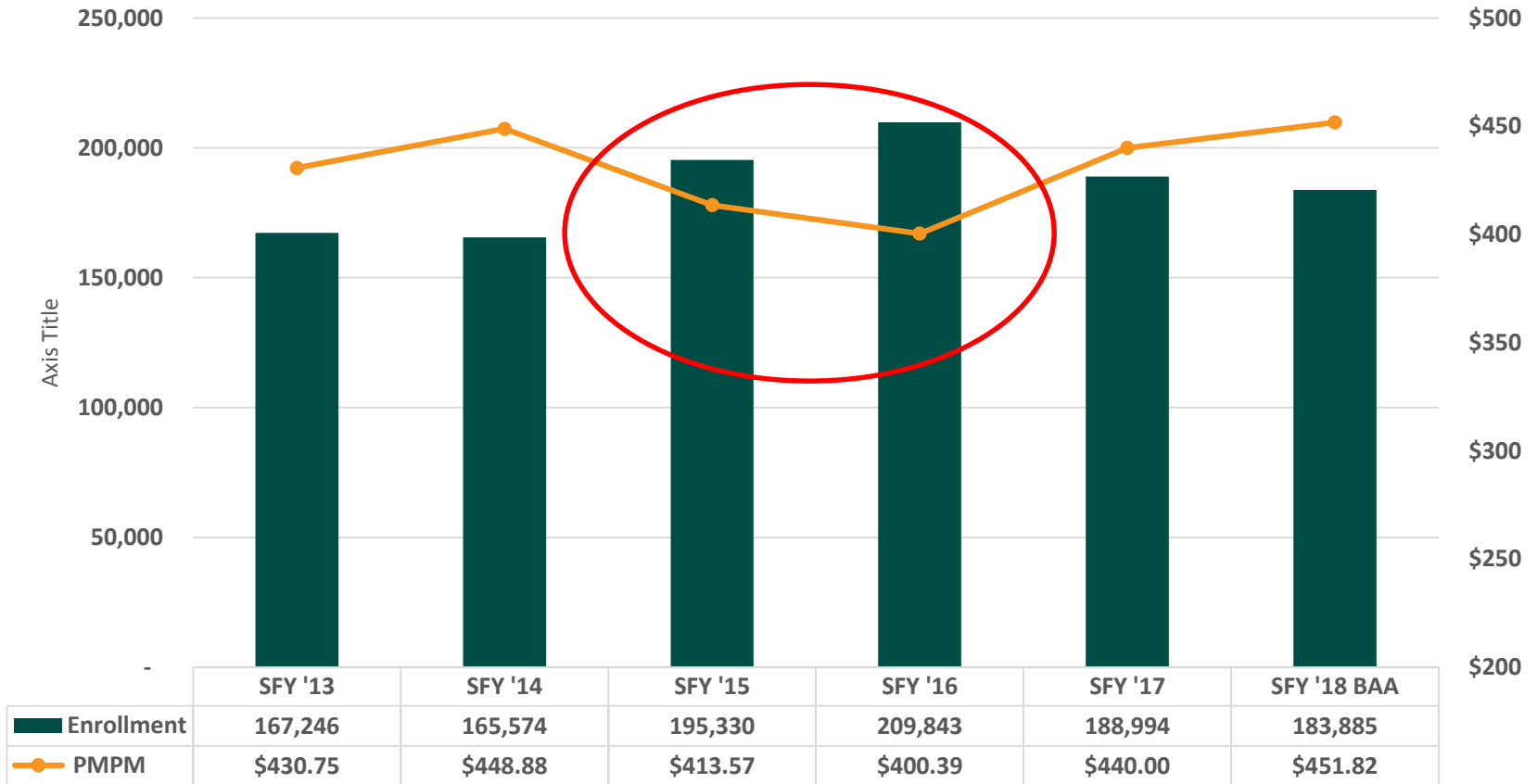
DVHA SFY 2018 BAA Request

DVHA Budget Area	SFY 2017 As Passed	SFY 2017 Actuals	SFY 2018 As Passed	SFY 2018 BAA	Gross Change from '18 As Passed	Change in G.F. from '18 As Passed
Administration	189,714,049	149,857,951	190,047,259	164,229,297	(25,817,862)	(3,059,738)
Program	1,035,233,799	1,005,351,851	1,036,331,850	1,006,278,030	(30,053,820)	(16,877,748)
Total DVHA	1,224,947,848	1,155,209,802	1,226,379,109	1,170,507,327	(55,871,782)	(19,937,486)



Enrollment and PMPM Trends with 18BAA Projections

DVHA Full Benefit Enrollment vs. PMPM
(excludes Premium assistance programs)



During the re-determination waiver period, enrollment spiked and PMPMs sunk as Medicaid enrollees stayed eligible. Enrollment and PMPMs stabilized to Pre-ACA expectations post re-determinations.