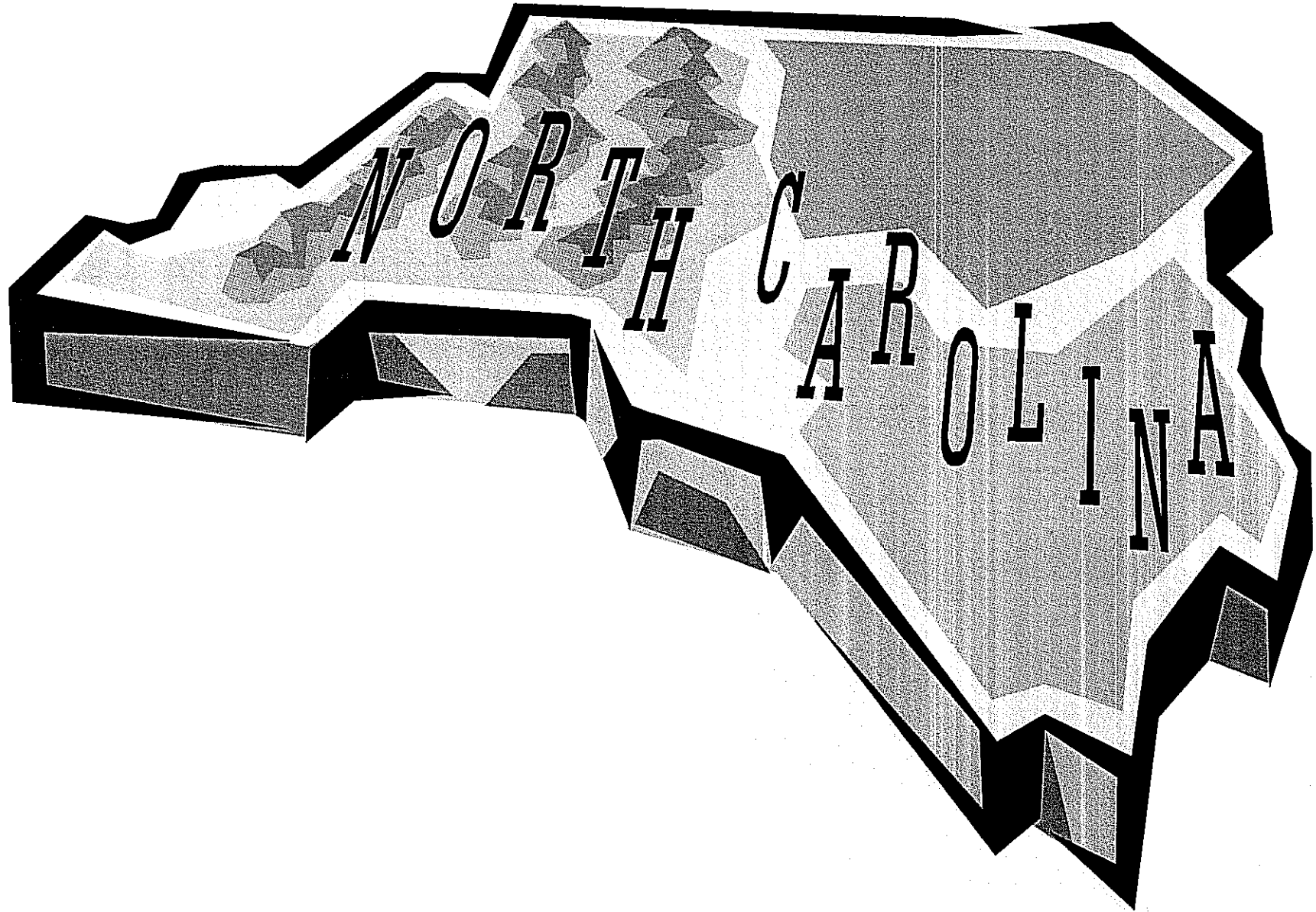
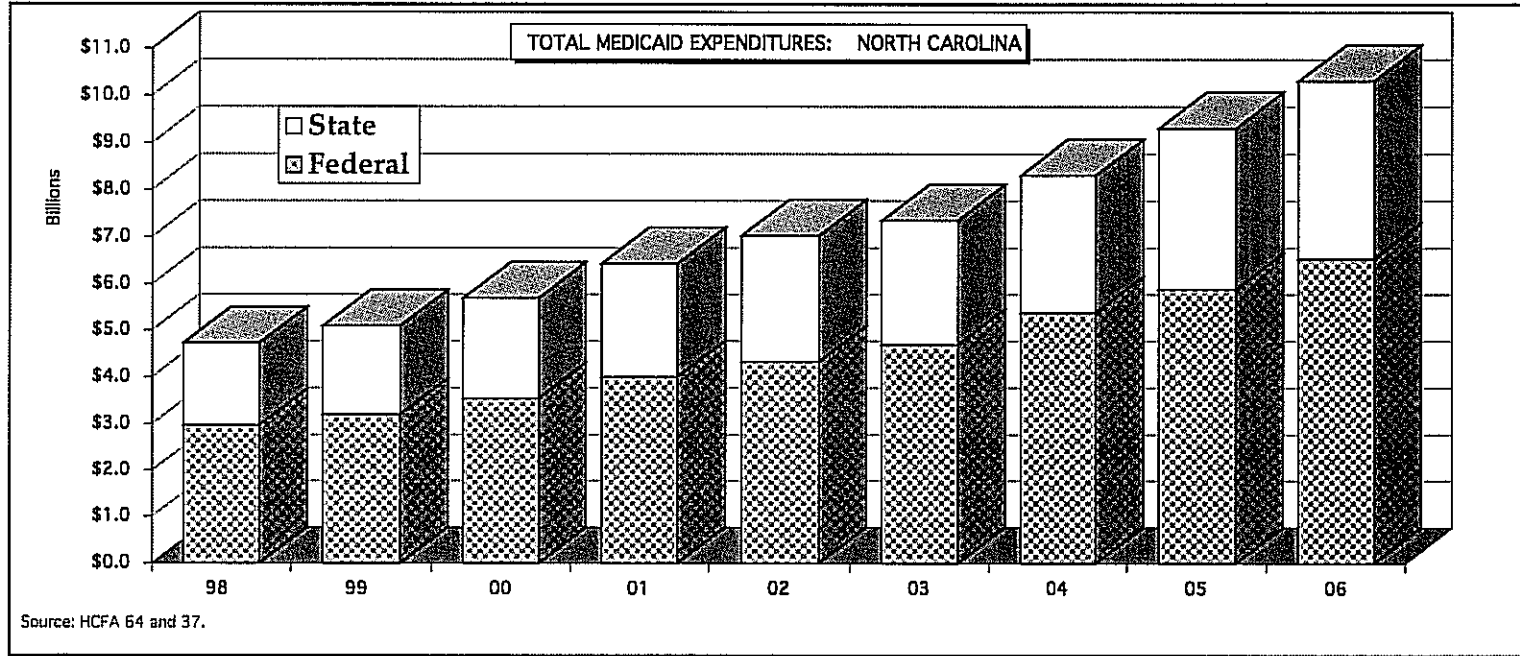


STATE MEDICAID PROFILE



SOUTHERN REGION MEDICAID PROFILE



State profile revised to reflect statistical data as reported by CMS for federal fiscal years 99 through 03.

	FFY 98	FFY 99	FFY 00	FFY 01	FFY 02	FFY 03	FFY 04	FFY 05**	FFY 06**	Annual Rate of Change	Total Change 98-06
Medicaid Payments	\$4,547,756,041	\$4,885,503,195	\$5,464,863,059	\$6,150,681,587	\$6,723,598,560	\$7,050,804,888	\$7,945,585,983	\$8,816,972,000	\$9,843,751,000	10.1%	116.5%
Federal Share	\$2,875,510,338	\$3,087,681,703	\$3,421,052,149	\$3,850,734,836	\$4,161,693,996	\$4,520,695,624	\$5,178,131,847	\$5,621,626,000	\$6,278,239,000	10.3%	118.3%
State Share	\$1,672,245,703	\$1,797,821,492	\$2,043,810,910	\$2,299,946,751	\$2,561,904,564	\$2,530,109,264	\$2,767,454,136	\$3,195,346,000	\$3,565,512,000	9.9%	113.2%
Administrative Costs	\$185,333,494	\$209,904,718	\$233,556,917	\$278,725,379	\$302,125,603	\$301,214,843	\$367,458,622	\$491,778,000	\$472,893,000	12.4%	155.2%
Federal Share	\$99,010,462	\$114,242,646	\$128,758,258	\$152,482,886	\$167,160,907	\$171,895,548	\$202,196,203	\$269,092,000	\$257,729,000	12.7%	160.3%
State Share	\$86,323,032	\$95,662,072	\$104,798,659	\$126,242,493	\$134,964,696	\$129,319,295	\$165,262,419	\$222,686,000	\$215,164,000	12.1%	149.3%
Admin. Costs as % of Payments	4.08%	4.30%	4.27%	4.53%	4.49%	4.27%	4.62%	5.58%	4.80%		
Federal Match Rate*	63.09%	63.07%	62.49%	62.47%	61.46%	62.56%	62.85%	63.63%	63.49%		

*Rate shown is for Medicaid payments only. The FMAP (Federal Medical Assistance Percentage) is based on the relationship between each state's per capita personal income and that of the nation as a whole for the three most recent years. Federal share of state administrative costs is usually 50 percent or 75 percent, depending on function and whether or not medical personnel are used. **Federal Fiscal Years 05 and 06 reflect latest estimates reported by each state (CMS 37).

SOUTHERN REGION MEDICAID PROFILE

STATE FINANCING	Payments		Administration	
	FFY 98	FFY 04	FFY 98	FFY 04
State General Fund*	\$1,672,245,703	\$2,767,454,136	\$86,323,032	\$165,262,419
Local Funds	\$0	\$0	\$0	\$0
Provider Taxes	\$0	\$0	\$0	\$0
Donations	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Total State Share	\$1,672,245,703	\$2,767,454,136	\$86,323,032	\$165,262,419

Provider Taxes Currently in Place (FFY 04)	
Tax Rate	Amount
NO PROVIDER TAXES	

DISPROPORTIONATE SHARE HOSPITAL (DSH) PAYMENTS

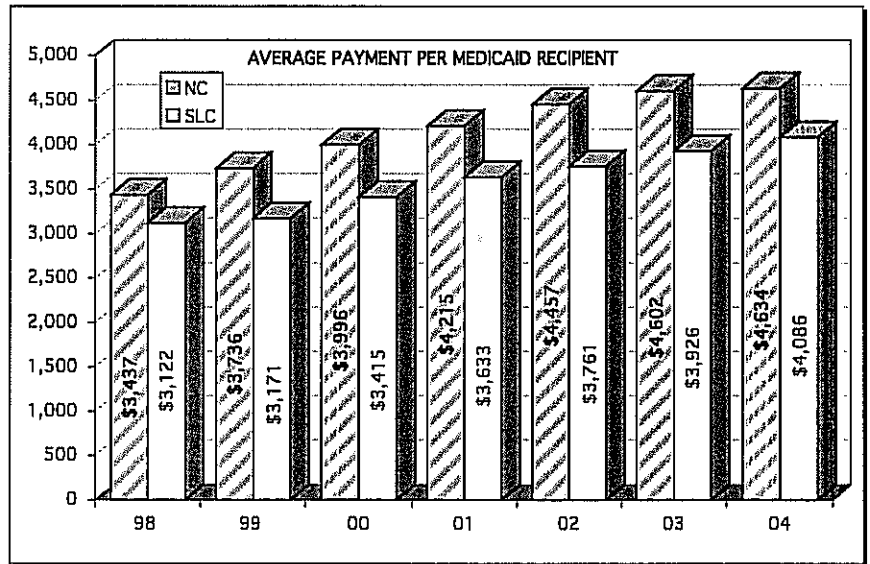
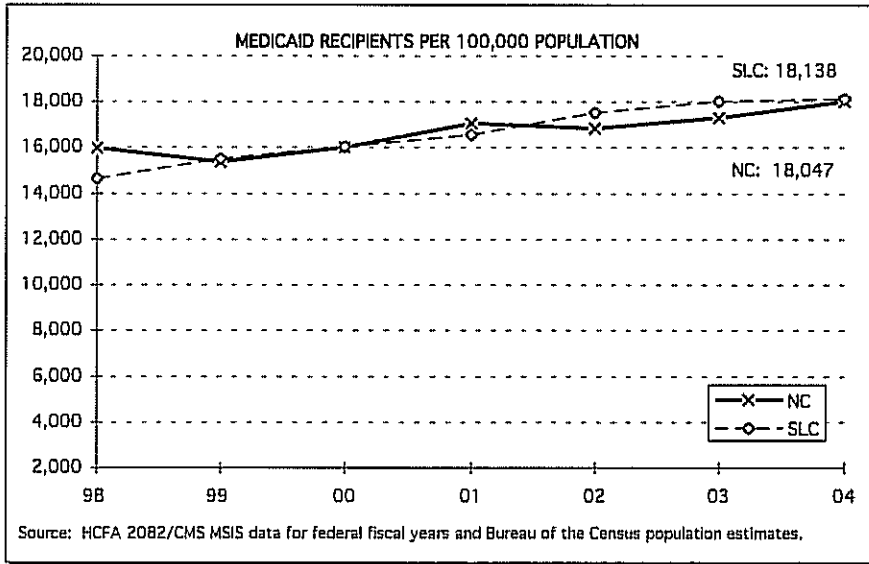
	FFY 98	FFY 99	FFY 00	FFY 01	FFY 02	FFY 03	FFY 04	FFY 05**	FFY 06**	Annual Change
General Hospitals	\$187,665,204	\$227,672,613	\$236,744,407	\$259,509,072	\$275,834,347	\$378,516,668	\$418,211,290	\$231,344,000	\$232,200,000	-0.3%
Mental Hospitals	\$166,439,546	\$170,292,750	\$176,842,977	\$174,935,077	\$179,324,307	\$2,917,716	\$3,178,664	\$161,598,000	\$181,400,000	0.4%
Total	\$354,104,750	\$397,965,363	\$413,587,384	\$434,444,149	\$455,158,654	\$381,434,384	\$421,389,954	\$392,942,000	\$413,600,000	0.0%

SELECTED ELIGIBILITY CRITERIA				DEMOGRAPHIC DATA & POVERTY INDICATORS (2004)			
	At 10/1/04	% of FPL*					Rank in U.S.
TANF-Temporary Assistance for Needy Families (Family of 3)			State population—July 1, 2004*	8,541,221	11		
Need Standard	\$544	41.7%	Per capita personal income**	\$29,246	37		
Payment Standard	\$272	N/A	Median household income**	\$38,212	38		
Maximum Payment	\$272	N/A	Population below Federal Poverty Level on July 1, 2003*	1,212,853			
Medically Needy Program (Family of 3)			Percent of total state population	14.2%	9		
Income Eligibility Standard	\$367		Population without health insurance coverage*	1,424,000	6		
Resource Standard	\$3,000		Percent of total state population	16.7%	16		
Pregnant Women, Children and Infants (% of FPL*)			Recipients of Food Stamps***	746,988	11		
Pregnant women and infants		185.0%	Households receiving Food Stamps***	315,514	11		
Children 1 to 5		133.0%	Total value of issuance***	\$756,542,732	12		
Children 6 to 18		100.0%	Average monthly benefit per recipient	\$84.40	21		
SSI Eligibility Levels			Average monthly benefit per household	\$199.82			
Income:			Monthly recipients of Temporary Assistance to Needy Families (TANF)****	82,918	18		
Single Person	\$564	72.7%	Total TANF payments****	\$115,389,614	39		
Couple	\$846	81.3%	Average monthly payment per recipient	\$115.97	39		
Resources:			Maximum monthly payment per family of 3	\$272.00	42		
Single Person	\$2,000						
Couple	\$3,000						

*Current federal poverty level is \$9,310 per year for a single person, \$12,490 for a family of two and \$15,670 for a family of three. Table above shows monthly income levels.

*Bureau of the Census. **Bureau of Economic Analysis. ***USDA. ****USDHHS.

SOUTHERN REGION MEDICAID PROFILE



DATA BY TYPE OF SERVICES (Includes Fee-For-Service and Waivers)

RECIPIENTS BY TYPE OF SERVICES

	FFY 98	FFY 99	FFY 00	FFY 01	FFY 02	FFY 03	FFY 04	Annual Change
01. General Hospital	171,477	178,092	195,406	197,136	202,664	205,779	214,478	3.8%
02. Mental Hospital	2,387	1,993	2,614	2,631	2,454	2,489	2,728	2.3%
03. Skilled and Intermediate (non-MIR) Care Nursing	41,683	42,382	42,752	43,741	43,128	43,143	43,421	0.7%
04. Intermediate Care for Mentally Retarded	4,853	4,802	4,733	4,716	4,661	4,588	4,580	-1.0%
05. Physician Services	805,816	811,612	865,447	946,861	1,006,830	1,062,621	1,392,685	9.5%
06. Dental Services	212,697	213,972	219,805	284,384	325,941	370,784	415,195	11.8%
07. Other Practitioners	159,902	152,555	226,147	249,306	252,179	246,175	267,265	8.9%
08. Outpatient Hospital	459,214	488,111	516,576	586,546	637,476	665,035	741,934	8.3%
09. Clinic Services	182,633	516,525	514,140	556,924	533,928	535,202	515,808	18.9%
10. Lab and X-Ray	594,307	540,123	591,661	651,112	723,426	747,816	810,917	5.3%
11. Home Health	62,187	29,676	30,359	32,279	33,455	33,972	154,828	16.4%
12. Prescribed Drugs	764,886	797,903	827,039	907,413	949,795	1,015,932	1,057,239	5.5%
13. Family Planning	73,849	8,438	8,572	9,651	10,824	10,122	12,113	-26.0%
14. Early & Periodic Screening, Diagnosis & Treatment	387,904	0	0	0	0	0	0	-100.0%
15. Other Care	165,210	211,402	260,384	278,218	315,541	330,136	140,010	-2.7%
16. Personal Care Support Services	356,450	99,205	125,805	142,519	142,787	123,769	69,805	-23.8%
17. Home/Community Based Waiver Services	14,421	0	0	0	0	0	0	-100.0%
18. Prepaid Health Care	220,700	52,062	61,555	66,197	33,718	34,046	41,724	-24.2%
19. Primary Care Case Management (PCCM) Services	591,740	736,427	792,641	849,873	945,213	1,013,309	1,094,131	10.8%
Total*	1,167,988	1,141,774	1,208,789	1,304,684	1,355,269	1,416,912	1,541,450	4.7%

1,541,450

*Annual totals for each service and for the grand total reflect unduplicated recipient counts. The grand total, therefore, may not equal the sum of the totals for each service.

SOUTHERN REGION MEDICAID PROFILE

<u>PAYMENTS BY TYPE OF SERVICES</u>	<u>FFY 98</u>	<u>FFY 99</u>	<u>FFY 00</u>	<u>FFY 01</u>	<u>FFY 02</u>	<u>FFY 03</u>	<u>FFY 04</u>	<u>Annual Change</u>	<u>Share of Total FFY 04</u>
01. General Hospital	\$692,184,068	\$684,598,964	\$769,139,076	\$820,619,191	\$867,277,556	\$894,305,809	\$951,401,113	5.4%	13.3%
02. Mental Hospital	\$26,557,229	\$17,450,155	\$26,134,143	\$27,742,930	\$32,529,154	\$31,302,231	\$34,625,584	4.5%	0.5%
03. Skilled and Intermediate (non-MR) Care Nursing	\$760,826,548	\$805,603,790	\$817,940,754	\$852,242,911	\$882,268,478	\$869,819,078	\$896,995,683	2.8%	12.6%
04. Intermediate Care for Mentally Retarded	\$361,838,061	\$382,579,145	\$383,583,590	\$398,653,623	\$408,643,266	\$410,424,970	\$412,470,745	2.2%	5.8%
05. Physician Services	\$335,106,875	\$349,748,787	\$415,197,398	\$497,972,087	\$516,076,571	\$536,378,224	\$697,369,742	13.0%	9.8%
06. Dental Services	\$42,821,503	\$54,442,765	\$58,412,707	\$84,128,870	\$107,989,669	\$144,328,048	\$179,085,614	26.9%	2.5%
07. Other Practitioners	\$10,405,963	\$9,976,992	\$75,234,970	\$76,287,509	\$56,103,599	\$46,307,851	\$50,601,712	30.2%	0.7%
08. Outpatient Hospital	\$209,392,736	\$240,436,556	\$286,847,001	\$358,577,981	\$444,783,859	\$543,479,178	\$511,730,500	16.1%	7.2%
09. Clinic Services	\$47,713,966	\$288,733,197	\$126,131,200	\$167,381,841	\$326,287,639	\$397,055,585	\$562,838,599	50.9%	7.9%
10. Lab and X-Ray	\$69,535,830	\$52,742,389	\$68,592,076	\$82,452,628	\$93,632,997	\$99,337,060	\$108,913,985	7.8%	1.5%
11. Home Health	\$98,708,726	\$75,235,845	\$82,325,244	\$83,627,315	\$96,022,709	\$95,229,664	\$99,101,136	0.1%	1.4%
12. Prescribed Drugs	\$466,528,812	\$611,309,477	\$794,550,074	\$971,066,103	\$1,069,140,895	\$1,263,258,395	\$1,470,497,694	21.1%	20.6%
13. Family Planning	\$22,561,251	\$11,146,114	\$11,425,652	\$14,055,467	\$17,440,949	\$16,707,208	\$18,848,570	-3.0%	0.3%
14. Early & Periodic Screening, Diagnosis & Treatment	\$30,846,296	\$0	\$0	\$0	\$0	\$0	\$0	-100.0%	0.0%
15. Other Care	\$12,764,633	\$327,644,547	\$591,388,093	\$612,582,758	\$725,692,985	\$821,731,885	\$865,825,907	101.9%	12.1%
16. Personal Care Support Services	\$452,804,716	\$255,122,949	\$242,698,033	\$356,027,976	\$335,427,496	\$299,671,262	\$220,873,275	-11.3%	3.1%
17. Home/Community Based Waiver Services	\$275,215,305	\$0	\$0	\$0	\$0	\$0	\$0	-100.0%	0.0%
18. Prepaid Health Care	\$85,665,363	\$45,508,840	\$54,661,005	\$66,802,062	\$33,205,790	\$20,466,589	\$27,380,495	-17.3%	0.4%
19. Primary Case Management (PCCM) Services	\$12,518,861	\$53,476,960	\$25,764,816	\$28,872,249	\$28,487,396	\$31,485,023	\$34,915,378	18.6%	0.5%
Total (excludes DSH pymts, pharmacy rebates, & other adjs.)	\$4,013,996,742	\$4,265,757,472	\$4,830,025,832	\$5,499,093,501	\$6,041,011,008	\$6,521,288,060	\$7,143,475,732	10.1%	100.0%

AVERAGE PAYMENTS PER RECIPIENT BY TYPE OF SERVICES

								<u>(+) or (-) SLC</u>	<u>Avg. FFY 04</u>
01. General Hospital	\$4,036.60	\$3,844.07	\$3,936.11	\$4,162.71	\$4,279.39	\$4,345.95	\$4,435.89	1.6%	-9.1%
02. Mental Hospital	\$11,125.78	\$8,755.72	\$9,997.76	\$10,544.63	\$13,255.56	\$12,576.23	\$12,692.66	2.2%	-27.7%
03. Skilled and Intermediate (non-MR) Care Nursing	\$18,252.68	\$19,008.16	\$19,132.22	\$19,483.85	\$20,456.98	\$20,161.30	\$20,658.11	2.1%	-5.3%
04. Intermediate Care for Mentally Retarded	\$74,559.67	\$79,670.79	\$81,044.49	\$84,532.15	\$87,672.87	\$89,456.18	\$90,059.11	3.2%	8.3%
05. Physician Services	\$415.86	\$430.93	\$479.75	\$525.92	\$512.58	\$504.77	\$500.74	3.1%	-5.8%
06. Dental Services	\$201.33	\$254.44	\$265.75	\$295.83	\$331.32	\$389.25	\$431.33	13.5%	30.1%
07. Other Practitioners	\$65.08	\$65.40	\$332.68	\$306.00	\$222.48	\$188.11	\$189.33	19.5%	7.2%
08. Outpatient Hospital	\$455.98	\$492.59	\$555.29	\$611.34	\$697.73	\$817.22	\$689.73	7.1%	16.3%
09. Clinic Services	\$261.26	\$558.99	\$245.32	\$300.55	\$611.11	\$741.88	\$1,091.18	26.9%	48.9%
10. Lab and X-Ray	\$117.00	\$97.65	\$115.93	\$126.63	\$129.43	\$132.84	\$134.31	2.3%	-26.6%
11. Home Health	\$1,587.29	\$2,535.24	\$2,711.72	\$2,590.77	\$2,870.21	\$2,803.18	\$640.07	-14.0%	-69.3%
12. Prescribed Drugs	\$609.93	\$766.15	\$960.72	\$1,070.15	\$1,125.65	\$1,243.45	\$1,390.88	14.7%	3.3%
13. Family Planning	\$305.51	\$1,320.94	\$1,332.90	\$1,456.37	\$1,611.32	\$1,650.58	\$1,556.06	31.2%	118.7%
14. Early & Periodic Screening, Diagnosis & Treatment	\$79.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-100.0%	-100.0%
15. Other Care	\$77.26	\$1,549.86	\$2,271.22	\$2,201.81	\$2,299.84	\$2,489.07	\$6,184.03	107.6%	208.3%
16. Personal Care Support Services	\$1,270.32	\$2,571.67	\$1,929.16	\$2,498.11	\$2,349.15	\$2,421.21	\$3,164.15	16.4%	134.9%
17. Home/Community Based Waiver Services	\$19,084.34	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-100.0%	-100.0%
18. Prepaid Health Care	\$388.15	\$874.13	\$888.00	\$1,009.14	\$984.81	\$601.15	\$656.23	9.1%	-44.7%
19. Primary Care Case Management (PCCM) Services	\$21.16	\$72.62	\$32.51	\$33.97	\$30.14	\$31.07	\$31.91	7.1%	3.6%
Total (Average)	\$3,436.68	\$3,736.08	\$3,995.76	\$4,214.89	\$4,457.43	\$4,602.47	\$4,634.26	5.1%	13.4%

TOTAL PER CAPITA EXPENDITURES

	\$647.57	\$685.73	\$755.11	\$840.36	\$872.84	\$898.09	\$973.29	7.0%	11.1%
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Source: Health Care Financing Administration-Form HCFA 2082 for federal fiscal year 98; MSIS data for FFY 99-03. FFY 04 is projected using state annual reports and historical trends from FFY 98-03.

SOUTHERN REGION MEDICAID PROFILE

DATA BY OTHER CHARACTERISTICS

RECIPIENTS BY OTHER CHARACTERISTICS

	FFY 98	FFY 99	FFY 00	FFY 01	FFY 02	FFY 03	FFY 04	Annual Change	Share of Total FFY 04
By Maintenance Assistance Status									
Receiving Cash Assistance or Eligible Under Section 1931	594,269	373,135	464,932	564,713	577,515	545,303	596,458	0.1%	38.7%
Poverty Related Eligibles	389,458	531,452	585,047	589,618	614,660	649,147	704,229	10.4%	45.7%
Medically Needy	122,027	38,491	34,110	36,174	35,742	36,517	41,486	-16.5%	2.7%
Other Eligibles	62,234	145,043	62,649	56,809	64,412	124,739	133,198	13.5%	8.6%
Maintenance Assistance Status Unknown	0	53,653	62,051	57,370	62,940	61,206	66,079	4.3%	4.3%
Total	1,167,988	1,141,774	1,208,789	1,304,684	1,355,269	1,416,912	1,541,450	4.7%	100.0%
0									
By Basis of Eligibility									
Aged, Blind, or Disabled	356,930	349,353	354,783	363,341	367,996	376,371	411,931	2.4%	26.7%
Children	609,190	537,032	585,886	633,766	669,395	706,682	768,037	3.9%	49.8%
Foster Care Children	12,176	13,253	14,061	14,787	15,393	16,043	17,448	6.2%	1.1%
Adults	189,692	188,483	192,008	235,420	239,545	256,610	277,954	6.6%	18.0%
Basis of Eligibility Unknown	0	53,653	62,051	57,370	62,940	61,206	66,080	4.3%	4.3%
Total	1,167,988	1,141,774	1,208,789	1,304,684	1,355,269	1,416,912	1,541,450	4.7%	100.0%
By Age									
Under Age 1	79,785	51,025	54,401	56,225	55,897	55,187	60967	-4.4%	4.0%
Age 1 to 5	213,089	207,662	220,839	236,880	252,125	266,408	289314	5.2%	18.8%
Age 6 to 14	250,288	245,514	267,430	285,683	299,124	314,314	341571	5.3%	22.2%
Age 15 to 20	117,711	110,662	118,352	129,946	136,925	147,199	159673	5.2%	10.4%
Age 21 to 44	243,112	221,983	228,186	270,725	277,341	293,903	319076	4.6%	20.7%
Age 45 to 64	102,889	99,715	104,642	114,993	119,980	128,123	139114	5.2%	9.0%
Age 65 to 74	62,261	57,459	57,360	57,678	56,831	56,724	62435	0.0%	4.1%
Age 75 to 84	59,626	56,972	56,921	56,928	56,420	56,497	62127	0.7%	4.0%
Age 85 and Over	39,227	38,263	38,607	38,256	37,686	37,351	41112	0.8%	2.7%
Age Unknown	0	52,519	62,051	57,370	62,940	61,206	66061	4.7%	4.3%
Total	1,167,988	1,141,774	1,208,789	1,304,684	1,355,269	1,416,912	1,541,450	4.7%	100.0%
By Race									
White	511,841	500,305	524,091	566,701	559,001	585,888	639,141	3.8%	41.5%
Black	515,303	503,875	512,921	555,283	535,453	554,219	606,311	2.7%	39.3%
Hispanic, American Indian or Asian	74,368	72,603	96,741	102,653	121,401	135,771	145,667	11.9%	9.4%
Other/ Unknown	66,476	64,991	75,036	80,047	139,414	141,034	150,331	14.6%	9.8%
Total*	1,167,988	1,141,774	1,208,789	1,304,684	1,355,269	1,416,912	1,541,450	4.7%	100.0%
By Sex									
Female	724,022	707,776	742,656	802,419	784,674	819,060	894,166	3.6%	58.0%
Male	443,966	433,998	466,133	502,265	507,655	536,646	584,043	4.7%	37.9%
Unknown	0	0	0	0	62,940	61,206	63,241	0.2%	4.1%
Total*	1,167,988	1,141,774	1,208,789	1,304,684	1,355,269	1,416,912	1,541,450	4.7%	100.0%

Source: Health Care Financing Administration-Form HCFA 2082 for federal fiscal year 98; MSIS data for FFY 99-03. FFY 04 is projected using state annual reports and historical trends from FFY 98-03.

SOUTHERN REGION MEDICAID PROFILE

PAYMENTS BY OTHER CHARACTERISTICS

	FFY 98	FFY 99	FFY 00	FFY 01	FFY 02	FFY 03	FFY 04	Annual Change	Share of Total FFY 04
By Maintenance Assistance Status									
Receiving Cash Assistance or Eligible Under Section 1931	\$2,080,692,247	\$1,871,641,338	\$2,244,906,096	\$2,634,937,237	\$2,910,072,876	\$3,053,331,189	\$3,348,656,238	8.3%	46.9%
Poverty Related Eligibles	\$1,266,350,628	\$1,609,587,357	\$1,891,048,198	\$2,108,749,875	\$2,307,843,040	\$2,478,109,992	\$2,710,881,446	13.5%	37.9%
Medically Needy	\$558,638,298	\$503,873,071	\$514,208,302	\$559,588,746	\$571,185,365	\$587,375,322	\$653,142,079	2.6%	9.1%
Other Eligibles	\$108,315,569	\$239,945,999	\$130,973,395	\$149,420,399	\$204,032,350	\$352,877,327	\$376,541,626	23.1%	5.3%
Maintenance Assistance Status Unknown	\$0	\$40,709,707	\$48,889,841	\$46,397,244	\$47,877,377	\$49,594,230	\$54,254,343	5.9%	0.8%
Total	\$4,013,996,742	\$4,265,757,472	\$4,830,025,832	\$5,499,093,501	\$6,041,011,008	\$6,521,288,060	\$7,143,475,732	10.1%	100.0%
By Basis of Eligibility									
Age'd, Blind or Disabled	\$2,856,357,139	\$3,182,728,411	\$3,576,256,170	\$3,990,542,009	\$4,286,950,365	\$4,520,008,536	\$4,967,376,832	9.7%	69.5%
Children	\$716,185,408	\$565,084,454	\$644,703,688	\$776,427,955	\$901,033,395	\$1,027,935,373	\$1,120,379,168	7.7%	15.7%
Foster Care Children	\$44,483,297	\$41,503,406	\$58,801,078	\$73,268,460	\$108,552,046	\$129,170,248	\$138,267,749	20.8%	1.9%
Adults	\$396,970,898	\$435,731,494	\$501,375,055	\$612,457,833	\$696,597,825	\$794,579,673	\$863,197,641	13.8%	12.1%
Basis of Eligibility Unknown	\$0	\$40,709,707	\$48,889,841	\$46,397,244	\$47,877,377	\$49,594,230	\$54,254,342	5.9%	0.8%
Total	\$4,013,996,742	\$4,265,757,472	\$4,830,025,832	\$5,499,093,501	\$6,041,011,008	\$6,521,288,060	\$7,143,475,732	10.1%	100.0%
By Age									
Under Age 1	\$219,104,317	\$140,946,228	\$161,827,329	\$186,302,745	\$191,909,717	\$186,219,896	\$207,903,034	-0.9%	2.9%
Age 1 to 5	\$233,057,550	\$289,916,632	\$326,561,490	\$374,957,314	\$416,280,330	\$446,847,033	\$488,516,676	13.1%	6.8%
Age 6 to 14	\$335,643,471	\$315,060,999	\$371,270,929	\$442,629,242	\$549,422,329	\$642,574,945	\$695,601,662	12.9%	9.7%
Age 15 to 20	\$294,081,459	\$273,046,838	\$304,992,329	\$358,249,283	\$441,702,272	\$510,431,271	\$553,994,815	11.1%	7.8%
Age 21 to 44	\$991,888,410	\$1,019,264,723	\$1,144,766,859	\$1,331,187,638	\$1,456,635,431	\$1,597,385,111	\$1,747,908,707	9.9%	24.5%
Age 45 to 64	\$730,963,532	\$821,533,998	\$967,542,750	\$1,132,065,452	\$1,251,111,978	\$1,393,473,577	\$1,519,157,771	13.0%	21.3%
Age 65 to 74	\$312,081,536	\$346,520,785	\$399,863,260	\$447,605,859	\$466,910,038	\$476,667,166	\$525,563,023	9.1%	7.4%
Age 75 to 84	\$462,921,843	\$511,520,714	\$560,271,570	\$608,891,506	\$632,838,669	\$642,541,798	\$710,785,974	7.4%	10.0%
Age 85 and Over	\$434,254,624	\$508,283,380	\$544,039,475	\$570,807,218	\$586,322,867	\$575,553,033	\$639,810,617	6.7%	9.0%
Age Unknown	\$0	\$39,663,175	\$48,889,841	\$46,397,244	\$47,877,377	\$49,594,230	\$54,233,453	6.5%	0.8%
Total	\$4,013,996,742	\$4,265,757,472	\$4,830,025,832	\$5,499,093,501	\$6,041,011,008	\$6,521,288,060	\$7,143,475,732	10.1%	100.0%
By Race									
White	\$2,108,139,775	\$2,240,804,099	\$2,517,211,181	\$2,872,794,367	\$3,092,307,120	\$3,319,995,751	\$3,642,380,481	9.5%	51.0%
Black	\$1,388,709,316	\$1,474,766,663	\$1,612,812,705	\$1,844,496,923	\$2,021,847,257	\$2,179,035,851	\$2,389,052,094	9.5%	33.4%
Hispanic, American Indian or Asian	\$128,663,746	\$137,054,944	\$180,606,045	\$201,689,222	\$255,176,490	\$295,881,817	\$319,815,725	16.4%	4.5%
Other/Unknown	\$388,483,905	\$413,131,766	\$519,395,901	\$580,112,989	\$671,680,141	\$726,374,641	\$792,227,432	12.6%	11.1%
Total*	\$4,013,996,742	\$4,265,757,472	\$4,830,025,832	\$5,499,093,501	\$6,041,011,008	\$6,521,288,060	\$7,143,475,732	10.1%	100.0%
By Sex									
Female	\$2,476,014,621	\$2,633,111,190	\$3,015,091,032	\$3,434,076,966	\$3,677,332,123	\$3,945,941,015	4,328,811,901	9.8%	60.6%
Male	\$1,537,982,121	\$1,632,646,282	\$1,814,934,800	\$2,065,016,535	\$2,315,801,508	\$2,525,752,815	2,763,124,033	10.3%	38.7%
Unknown	\$0	\$0	\$0	\$0	\$47,877,377	\$49,594,230	51,539,798	3.8%	0.7%
Total*	\$4,013,996,742	\$4,265,757,472	\$4,830,025,832	\$5,499,093,501	\$6,041,011,008	\$6,521,288,060	\$7,143,475,732	10.1%	100.0%

Source: Health Care Financing Administration-Form HCFA 2082 for federal fiscal year 98; MSIS data for FFY 99-03. FFY 04 is projected using state annual reports and historical trends from FFY 98-03.

SOUTHERN REGION MEDICAID PROFILE

AVERAGE PAYMENT PER RECIPIENT BY OTHER CHARACTERISTICS

	FFY 98	FFY 99	FFY 00	FFY 01	FFY 02	FFY 03	FFY 04	Annual Change	Above (+) or Below (-) SLC Avg. FFY 04
By Maintenance Assistance Status									
Receiving Cash Assistance or Eligible Under Section 1931	\$3,501.26	\$5,015.99	\$4,828.46	\$4,665.98	\$5,038.96	\$5,599.33	\$5,614.24	8.2%	-8.9%
Poverty Related Eligibles	\$3,251.57	\$3,028.66	\$3,232.30	\$3,576.47	\$3,754.67	\$3,817.49	\$3,849.43	2.9%	114.0%
Medically Needy	\$4,577.99	\$13,090.67	\$15,075.00	\$15,469.36	\$15,980.79	\$16,084.98	\$15,743.67	22.9%	148.7%
Other Eligibles	\$1,740.46	\$1,654.31	\$2,090.59	\$2,630.22	\$3,167.61	\$2,828.93	\$2,826.93	8.4%	-60.6%
Maintenance Assistance Status Unknown	\$0.00	\$758.76	\$787.90	\$808.74	\$760.68	\$810.28	\$821.05	1.6%	-66.8%
Total	\$3,436.68	\$3,736.08	\$3,995.76	\$4,214.89	\$4,457.43	\$4,602.47	\$4,634.26	5.1%	13.4%
By Basis of Eligibility									
Aged, Blind or Disabled	\$8,002.57	\$9,110.35	\$10,080.12	\$10,982.91	\$11,649.45	\$12,009.45	\$12,058.76	7.1%	10.2%
Children	\$1,175.64	\$1,052.24	\$1,100.39	\$1,225.10	\$1,346.04	\$1,454.59	\$1,458.76	3.7%	1.7%
Foster Care Children	\$3,653.36	\$3,131.62	\$4,181.86	\$4,954.92	\$7,052.04	\$8,051.50	\$7,924.56	13.8%	17.1%
Adults	\$2,092.71	\$2,311.78	\$2,611.22	\$2,601.55	\$2,908.00	\$3,096.45	\$3,105.54	6.8%	18.2%
Basis of Eligibility Unknown	\$0.00	\$758.76	\$787.90	\$808.74	\$760.68	\$810.28	\$821.04	1.6%	-67.0%
Total	\$3,436.68	\$3,736.08	\$3,995.76	\$4,214.89	\$4,457.43	\$4,602.47	\$4,634.26	5.1%	13.4%
By Age									
Under Age 1	\$2,746.18	\$2,762.30	\$2,974.71	\$3,313.52	\$3,433.27	\$3,374.34	\$3,410.09	3.7%	-2.8%
Age 1 to 5	\$1,093.71	\$1,396.10	\$1,478.73	\$1,582.90	\$1,651.09	\$1,677.30	\$1,688.53	7.5%	-3.5%
Age 6 to 14	\$1,341.03	\$1,283.27	\$1,388.29	\$1,549.37	\$1,836.77	\$2,044.37	\$2,036.48	7.2%	23.4%
Age 15 to 20	\$2,498.33	\$2,467.39	\$2,576.99	\$2,756.91	\$3,225.87	\$3,467.63	\$3,469.56	5.6%	34.2%
Age 21 to 44	\$4,079.96	\$4,591.63	\$5,016.81	\$4,917.12	\$5,252.15	\$5,435.08	\$5,478.03	5.0%	10.7%
Age 45 to 64	\$7,104.39	\$8,238.82	\$9,246.22	\$9,844.65	\$10,427.67	\$10,876.06	\$10,920.24	7.4%	15.4%
Age 65 to 74	\$5,012.47	\$6,030.75	\$6,971.12	\$7,760.43	\$8,215.76	\$8,403.27	\$8,417.76	9.0%	9.9%
Age 75 to 84	\$7,763.76	\$8,978.46	\$9,842.97	\$10,695.82	\$11,216.57	\$11,373.03	\$11,440.85	6.7%	3.3%
Age 85 and Over	\$11,070.30	\$13,283.94	\$14,091.73	\$14,920.72	\$15,558.11	\$15,409.31	\$15,562.62	5.8%	-7.0%
Age Unknown	\$0.00	\$755.22	\$787.90	\$808.74	\$760.68	\$810.28	\$820.96	1.7%	-69.5%
Total	\$3,436.68	\$3,736.08	\$3,995.76	\$4,214.89	\$4,457.43	\$4,602.47	\$4,634.26	5.1%	13.4%
By Race									
White	\$4,118.74	\$4,478.88	\$4,803.00	\$5,069.33	\$5,531.85	\$5,666.60	\$5,698.87	5.6%	12.5%
Black	\$2,694.94	\$2,926.85	\$3,144.37	\$3,321.72	\$3,775.96	\$3,931.72	\$3,940.31	6.5%	16.4%
Hispanic, American Indian or Asian	\$1,730.10	\$1,887.73	\$1,866.90	\$1,964.77	\$2,101.93	\$2,179.27	\$2,195.53	4.1%	-17.0%
Other/Unknown	\$5,843.97	\$6,356.75	\$6,921.96	\$7,247.15	\$4,817.88	\$5,150.35	\$5,269.89	-1.7%	18.4%
Total	\$3,436.68	\$3,736.08	\$3,995.76	\$4,214.89	\$4,457.43	\$4,602.47	\$4,634.26	5.1%	13.4%
By Sex									
Female	\$3,419.81	\$3,720.26	\$4,059.88	\$4,279.66	\$4,686.45	\$4,817.65	\$4,841.17	6.0%	14.8%
Male	\$3,464.19	\$3,761.88	\$3,893.60	\$4,111.41	\$4,561.76	\$4,706.55	\$4,731.03	5.3%	16.3%
Unknown	\$0.00	\$0.00	\$0.00	\$0.00	\$760.68	\$810.28	\$814.97	3.5%	-69.3%
Total	\$3,436.68	\$3,736.08	\$3,995.76	\$4,214.89	\$4,457.43	\$4,602.47	\$4,634.26	5.1%	13.4%

Source: Health Care Financing Administration-Form HCFA 2082 for federal fiscal year 98; MISIS data for FFY 99-03. FFY 04 is projected using state annual reports and historical trends from FFY 98-03.

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ADDITIONAL STATE HEALTH CARE INFORMATION

Sources: "Issue Briefs", Health Policy Tracking Service, January 2005; "Medicaid Services State by State", CMS, October 2004; and "State Health Facts", The Henry Kaiser Foundation, January 2005.

Waivers

North Carolina has two Freedom of Choice Waivers, under Title XIX, Section 1915 (b), of the Social Security Act. They include:

- Carolina ACCESS I is a primary care case management program for Medicaid children under the age of 18, operating since 1991 and is operating in 100 counties as of December 31, 1998.
- Carolina ACCESS II, an expansion of ACCESS I, requires doctors, hospitals, community clinics and other providers to create networks similar to HMOs to serve the medical needs of low-income individuals. The expanded program is currently operating at seven different sites statewide.
- Carolina ACCESS III, a comprehensive full-risk program, is currently in the implementation phase. Two Carolina ACCESS I sites are receiving an additional \$2.50 per member per month to develop the program. As of June 2005, there were 791,240 recipients enrolled in the Access Program.

North Carolina has one Freedom of Choice Waiver, under Title XIX, Section 1115.

- Family Planning: Expected to serve approximately 25,000 uninsured men and women with incomes at or below 185% of the FPL, operating since November 2004.

In addition, a number of Home and Community Based Service Waivers, Section 1915 (c), enable the state to provide long-term care services to people who otherwise would require institutionalization. They include:

- Elderly and Disabled: Serves 10,100 people, operating since July 1, 1982.
- Mental Retardation/Developmental Disabilities: Approved to serve 6,527 recipients, operating since July 1, 1983.
- AIDS: Serves 68 people, operating since October 1, 1995.
- Blind and Disabled Children under age 19 (includes individuals with AIDS): Serves up to 200 people, operating since July 1, 1983.
- Implemented a mandatory HMO enrollment in one county (Macklenburg) in June 1996 via a Section 1915 (b) waiver.
- Family Planning Waiver: The waiver will provide family planning services for uninsured men and women over the age of 18 with income at or below 185% of the FPL who are not otherwise eligible for any other Medicaid program. Approved by CMS in November 2004, will serve approximately 25,000 individuals over a five year period.
- Piedmont Cardinal Health Plan: Serves approximately 87,000 individuals in 5 counties. Approved by CMS in October 2004.
- Pharmacy Waiver: New program to serve eligible recipients over 65 up to 200% of the FPL, pending CMS approval.

On July 1, 1994 extended managed care coverage to all children, under age 19, with family income below the poverty level.

Managed Care

- Any Willing Provider Clause: For pharmacies only. HMO's with pharmacies located on-site are exempt. Independent pharmacies are reimbursed at the same rate as contract providers as long as they meet the requirements and standards for participation. Medicaid HMO members are exempt as pharmacy is out of the plan contract under the Medicaid contract.

Coverage for Targeted Population

- The Uninsured: North Carolina does not have an indigent care program.
- In December 2001, initiated the Prescription Drug Assistance Program for senior citizens with incomes below 200% of the FPL. The plan covers medications used to treat cardiovascular disease, diabetes, and chronic obstructive pulmonary disease up to \$1,000 annually.

SOUTHERN REGION MEDICAID PROFILE

Cost Containment Measures

- Certificate of Need Program since 1979. Regulates introduction or expansion of new institutional health care facilities and services. Amended in 1993.
- Rate setting. Prospective payment/per diem methodology used for Medicaid.

Medicaid

- 23 optional services are offered.
- In 1999, the state expanded Medicaid eligibility from 12 to 24 months for Work First Families; also expanded Medicaid eligibility for the blind, disabled, and elderly up to 100% of the FPL.
- Counties pay 15% of the non-federal share of all program costs, and 100% of the non-federal share of administrative costs.
- In 2000, enacted legislation that directs Medicaid to apply for a demonstration waiver to provide Medicaid coverage for family planning services to men and women of childbearing age with family incomes up to 185% of the FPL.
- In 2001, enacted legislation to control Medicaid costs as follows:

Directs the Division of Medical Assistance to develop a plan that will reduce the rate of growth in payments for medical services without reducing the rate of growth in the number of eligibles (must reduce growth rate by 8% or less of expenditures for FY 02);

Consider modifying or restructuring existing methods of reimbursement and contracting for services; and

Develop and implement a pharmacy management plan that will control growth in payments for prescription drugs.

- In 2002, enacted legislation and policy changes in Medicaid costs as follows:

1. Adopted the SSI method for considering equity value in income-producing property for the aged, blind, and disabled population.
2. Reduced the monthly hour limit for personal care services.
3. Modified the policy for determining eligibility for minors who are pregnant by counting parental income.
4. Eliminated optional circumcision procedures, except in cases of medical necessity.
5. Reduced expenditures for the Medicaid program to reflect anticipated savings from the expansion of Carolina ACCESS II/III activities.
6. Limited Medicare crossover claims payments to 95% of the Medicare rate.
7. Reduced case management services for adults and children by reducing reimbursement rates, streamlining services, and eliminating duplicative services.

- In 2003, enacted legislation and policy changes in Medicaid as follows:

1. Eliminated the 12 months of state transitional Medicaid coverage for families and children who are working and no longer receiving welfare benefits.
2. Required Medicaid recipients that qualify for Medicare to enroll in Medicare in order to pay for medical expenditures that qualify for payment under Part B.
3. Authorized the department to implement a Medicaid assessment program for licensed skilled nursing facilities.

- In 2004, enacted legislation and policy changes in Medicaid as follows:

1. Clarified payment policies for hearing aids and optical supplies.
2. Authorized direct enrollment of private mental health providers to offer basic mental health services for adults and children receiving Medicaid services.
3. Expanded Medicaid coverage for prosthetics and orthotics to adults over 21.
4. Authorized the department to include all types of providers in the development of new medical policies.
5. Authorized the department to implement a Medicaid assessment program for state and private ICF/MR facilities.
6. Required the department to establish and implement pilot programs to test new approaches to the management of access and utilization of health care services for Medicaid recipients.
7. Directed the department to develop a pilot program to implement the Program for All-Inclusive Care for the Elderly (PACE), including one pilot in the southeastern area of the state and one pilot in the western area of the state.

SOUTHERN REGION MEDICAID PROFILE

Children's Health Insurance Program: State Designed

•SCHIP in North Carolina, NC Health Choice, is administered by the Division of Medicaid Assistance through a state-designed program. The plan received HCFA approval on July 14, 1998. The program provides health care coverage through a state employees equivalent plan, plus Medicaid equivalent benefits to an estimated 118,355 new enrollees as of August 2004.

- For families with incomes up to 150% of the FPL, there are no cost sharing obligations.
- Families with incomes between 150% and 200% of the FPL are required to pay co-payments as follows:

- \$6 per prescription
- \$5 per physician visit, clinic visit, dental visit, and optometry visit, except for preventive services
- \$5 per outpatient hospital visit
- \$20 per unnecessary emergency room use

- For families with incomes above 150% of the FPL, there will be an annual enrollment fee of \$50 per child with a maximum of \$100 for 2 or more children.

Tobacco Settlement

- The state expects to receive approximately \$4.7 billion over 25 years.
- From FY 00 through FY 04, the cumulative tobacco settlement payment was approximately \$847.3 million.
- The state has allocated these funds and compares with the U.S. as follows:

	NC	%	U.S.	%
Tobacco use prevention	\$12,400,000	1.5%	\$1,813,423,000	4.6%
Health services	\$11,665,000	1.4%	\$11,824,057,000	29.9%
Long-term care	\$53,200,000	6.3%	\$2,200,066,000	5.6%
Health research	\$0	0.0%	\$1,472,863,000	3.7%
Education	\$0	0.0%	\$2,051,182,000	5.2%
Children and Youth (Nonhealth)	\$0	0.0%	\$1,229,719,000	3.1%
Tobacco Farmers	\$115,743,000	13.7%	\$1,217,021,000	3.1%
Endowments and Reserves	\$333,615,000	39.4%	\$7,636,209,000	19.3%
Other	\$320,643,000	37.8%	\$10,048,868,000	25.4%
Total	\$847,266,000	100.0%	\$39,493,408,000	100.0%