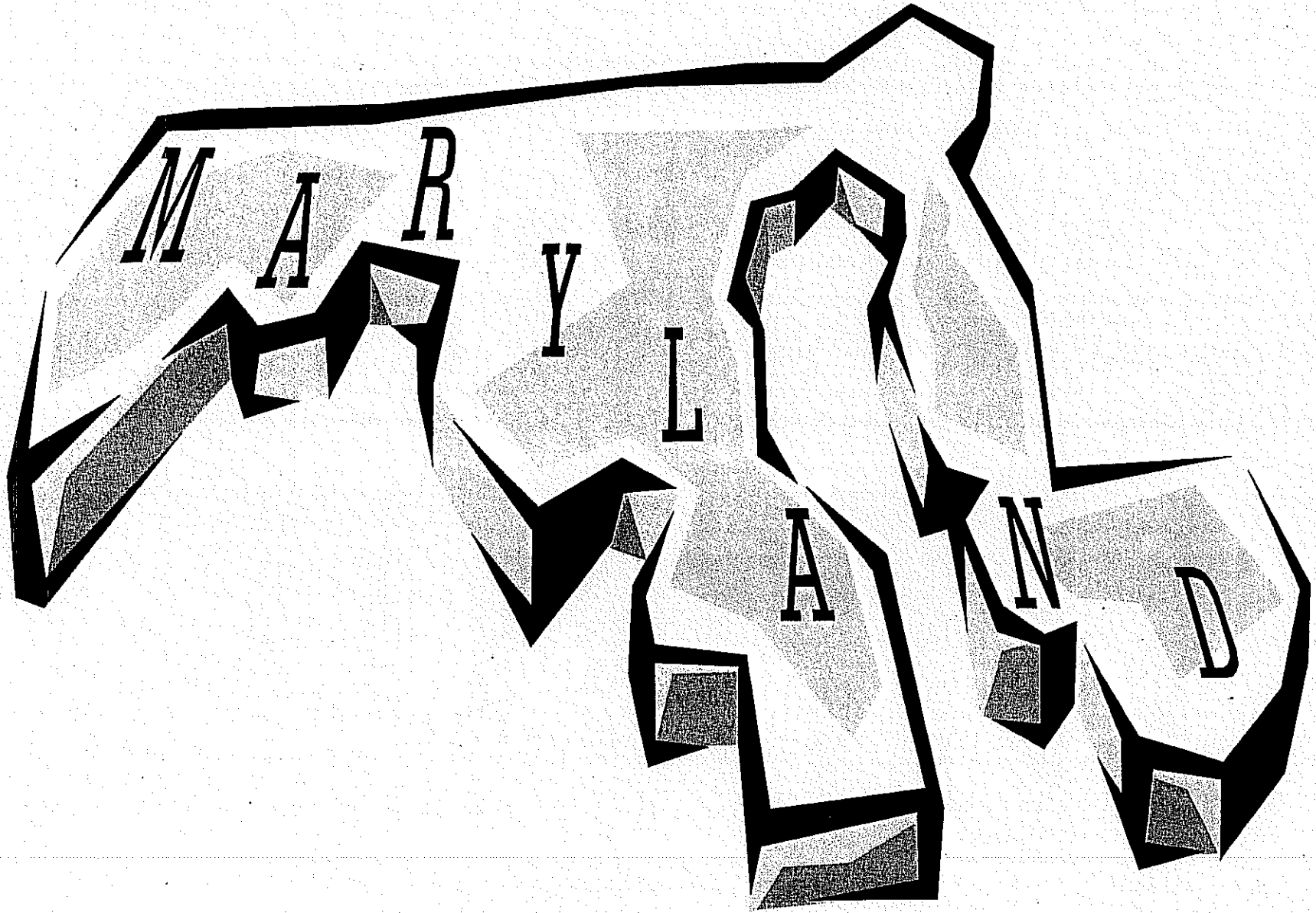
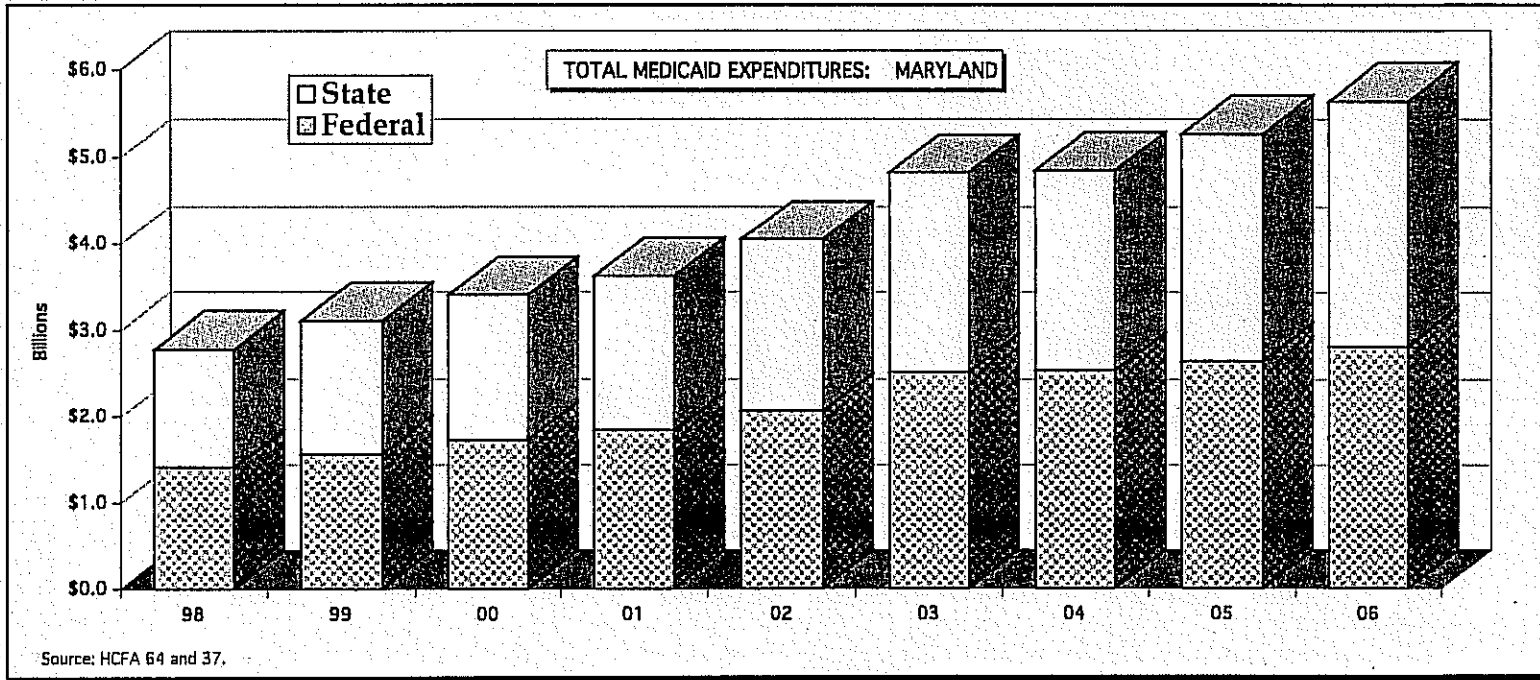


STATE MEDICAID PROFILE



SOUTHERN REGION MEDICAID PROFILE



State profile revised to reflect MSIS statistical data as reported by CMS for federal fiscal years 99 through 04.

	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	\$2,578,582,453	\$2,931,170,173	\$3,170,221,094	\$3,389,359,931	\$3,779,629,018	\$4,533,866,491	\$4,586,430,658	\$4,956,779,000	\$5,288,055,000	9.4%	105.1%
Federal Share	\$1,293,965,501	\$1,473,199,888	\$1,610,382,156	\$1,713,456,381	\$1,927,846,222	\$2,374,645,298	\$2,403,083,672	\$2,489,789,000	\$2,647,535,000	9.4%	104.6%
State Share	\$1,284,616,952	\$1,457,970,285	\$1,559,838,938	\$1,675,903,550	\$1,851,782,796	\$2,159,221,193	\$2,183,346,986	\$2,466,990,000	\$2,640,520,000	9.4%	105.5%
Administrative Costs	\$206,657,092	\$177,403,959	\$235,198,416	\$237,787,627	\$274,488,455	\$294,904,663	\$267,847,856	\$320,676,000	\$355,733,000	7.0%	72.1%
Federal Share	\$114,207,850	\$97,893,210	\$126,726,599	\$130,711,305	\$145,227,839	\$155,606,047	\$142,877,711	\$172,087,000	\$189,311,000	6.5%	63.8%
State Share	\$92,449,242	\$79,510,749	\$108,471,817	\$107,076,322	\$129,260,616	\$139,298,616	\$124,970,145	\$148,589,000	\$166,422,000	7.6%	80.0%
Admin. Costs as % of Payments	8.01%	6.05%	7.42%	7.02%	7.26%	6.50%	5.84%	6.47%	6.73%		
Federal Match Rate*	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%		

*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	\$1,284,616,952	\$2,177,063,492	\$92,449,242	\$124,970,145
Local Funds	\$0	\$0	\$0	\$0
Provider Taxes	\$0	\$0	\$0	\$0
Donations*	\$0	\$5,457,325	\$0	\$0
Other*	\$0	\$826,169	\$0	\$0
Total State Share	\$1,284,616,952	\$2,183,346,986	\$92,449,242	\$124,970,145

*Outstationed Eligibility Workers and various State Medical Licensing Boards and Commissions

Provider Taxes Currently in Place (FFY 04)	
Tax Rate	Amount
Permissible Taxes Program	\$5,457,325
	\$5,457,325

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	\$27,132,390	\$28,539,341	\$29,841,259	\$31,081,634	\$35,380,547	\$22,959,669	\$31,101,654	\$27,637,000	\$14,657,000	-11.2%
Mental Hospitals	\$116,151,573	\$118,275,027	\$114,809,891	\$31,443,762	\$62,616,528	\$40,863,900	\$47,402,124	\$47,492,000	\$48,142,000	-13.5%
Total	\$143,283,963	\$146,814,368	\$144,651,150	\$62,525,396	\$97,997,075	\$63,823,569	\$78,503,778	\$75,129,000	\$62,799,000	-13.0%

SELECTED ELIGIBILITY CRITERIA

	At 10/1/04	% of FPL*
TANF-Temporary Assistance for Needy Families (Family of 3)		
Need Standard	Eliminated	N/A
Payment Standard	\$477	36.5%
Maximum Payment	\$477	36.5%
Medically Needy Program (Family of 3)		
Income Eligibility Standard	\$434	
Resource Standard	\$3,100	
Pregnant Women, Children and Infants (% of FPL*)		
Pregnant women (250%) and children to age 6		250.0%
Children age 6 to 14		200.0%
Children age 14 to 18		200.0%
SSI Eligibility Levels		
Income:		
Single Person	\$564	72.7%
Couple	\$846	81.3%
Resources:		
Single Person	\$2,000	
Couple	\$3,000	

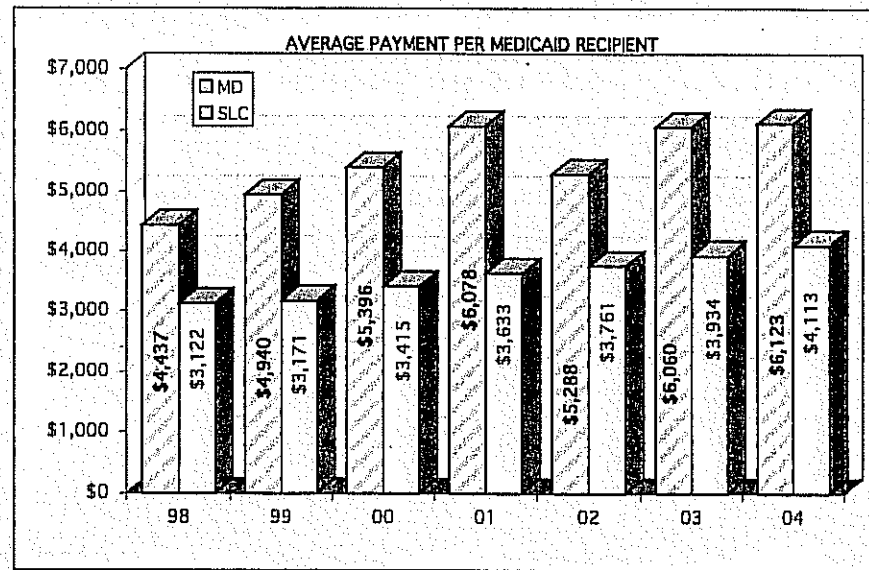
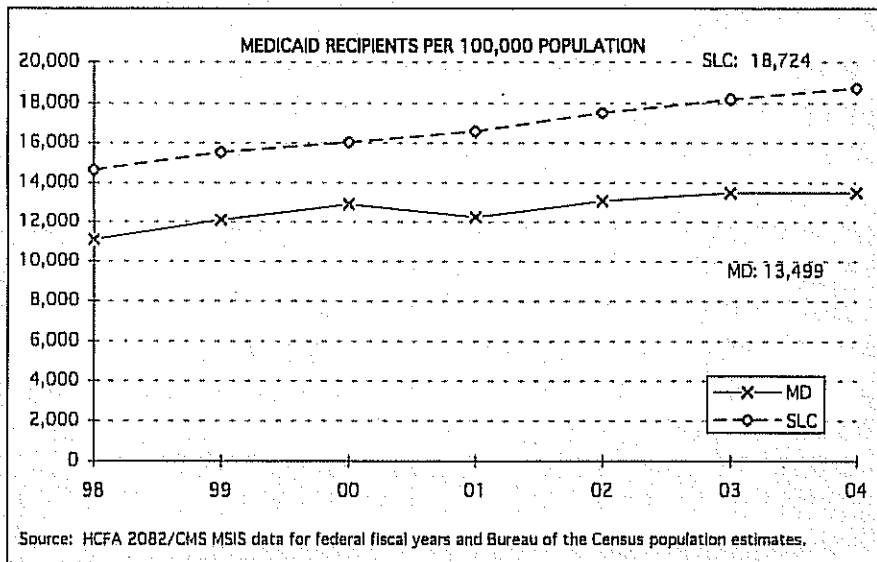
DEMOGRAPHIC DATA & POVERTY INDICATORS (2004)

		Rank in U.S.
State population—July 1, 2004*	5,558,058	19
Per capita personal income**	\$39,247	4
Median household income**	\$55,213	2
Population below Federal Poverty Level on July 1, 2003*	416,005	
Percent of total state population	7.7%	47
Population without health insurance coverage*	762,000	19
Percent of total state population	13.7%	27
Recipients of Food Stamps***	273,866	28
Households receiving Food Stamps***	124,103	28
Total value of issuance***	\$278,364,000	27
Average monthly benefit per recipient	\$84.70	11
Average monthly benefit per household	\$186.92	
Monthly recipients of Temporary Assistance to Needy Families (TANF)****	70,096	20
Total TANF payments****	\$123,084,000	21
Average monthly payment per recipient	\$146.33	21
Maximum monthly payment per family of 3	\$388.00	25

*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)

<u>RECIPIENTS 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>	<i>Annual Change</i>
01. General Hospital	43,196	48,721	73,365	71,063	49,808	50,804	56,398	4.5%
02. Mental Hospital	1,827	3,351	3,328	3,153	2,871	3,144	3,125	9.4%
03. Skilled and Intermediate (non-MR) Care Nursing	27,834	27,920	27,270	22,339	25,170	24,875	27,109	-0.4%
04. Intermediate Care for Mentally Retarded	627	594	561	549	507	428	393	-7.5%
05. Physician Services	203,528	315,893	398,274	412,016	152,992	156,671	211,689	0.7%
06. Dental Services	8,725	15,084	18,001	35,893	1,728	1,615	2,439	-19.1%
07. Other Practitioners	19,151	20,593	22,613	23,939	20,424	20,826	19,247	0.1%
08. Outpatient Hospital	105,346	151,875	227,957	226,547	104,874	107,550	120,156	2.2%
09. Clinic Services	39,897	39,332	48,462	61,467	32,227	31,546	37,683	-0.9%
10. Lab and X-Ray	50,211	39,210	70,890	101,025	38,109	40,036	12,019	-21.2%
11. Home Health	8,114	10,181	11,798	14,800	16,175	18,500	20,839	17.0%
12. Prescribed Drugs	176,403	345,740	409,511	413,755	181,101	209,994	213,731	3.3%
13. Family Planning	19,141	563	1,457	1,529	1,770	7,946	447	-46.5%
14. Early & Periodic Screening, Diagnosis & Treatment	45,814	0	0	0	425	0	0	-100.0%
15. Other Care	44,395	116,890	206,784	210,455	81,395	216,230	90,462	12.6%
16. Personal Care Support Services	63,467	100,791	115,999	119,201	121,419	5,224	119,374	11.1%
17. Home/Community Based Waiver Services	3,820	0	0	0	285	0	0	-100.0%
18. Prepaid Health Care	449,825	481,302	507,109	534,929	568,080	597,943	604,604	5.1%
19. Primary Care Case Management (PCCM) Services	0	0	0	0	0	0	0	n/a
Total*	561,085	616,243	664,576	634,273	692,539	725,820	750,287	5.0%

*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. A new system for counting recipients now includes HMO recipients that have not been previously counted.

SOUTHERN REGION MEDICAID PROFILE

<u>PAYMENTS BY TYPE OF SERVICES</u>	FFY 98	FFY 99	FFY 00	FFY 01**	FFY 02	FFY 03	FFY 04	Annual	Share of Total
								Change	FFY 04
01. General Hospital	\$324,280,148	\$414,027,277	\$552,860,871	\$521,438,517	\$443,925,517	\$513,690,220	\$550,785,043	9.2%	12.0%
02. Mental Hospital	\$56,546,963	\$91,425,580	\$94,005,602	\$94,377,684	\$85,786,372	\$99,340,473	\$105,711,902	11.0%	2.3%
03. Skilled and Intermediate (non-MR) Care Nursing	\$546,941,004	\$555,986,281	\$608,979,795	\$687,569,111	\$740,848,260	\$785,586,141	\$857,097,895	7.8%	18.7%
04. Intermediate Care for Mentally Retarded	\$55,095,149	\$52,351,664	\$57,849,332	\$58,895,626	\$54,144,361	\$66,125,462	\$63,138,768	2.3%	1.4%
05. Physician Services	\$46,541,325	\$102,204,514	\$148,195,731	\$155,388,195	\$57,908,926	\$70,418,307	\$126,874,411	18.2%	2.8%
06. Dental Services	\$354,031	\$7,368,928	\$3,162,591	\$3,909,032	\$251,199	\$254,450	\$390,329	1.6%	0.0%
07. Other Practitioners	\$1,016,724	\$1,282,106	\$1,293,615	\$1,487,928	\$1,432,974	\$1,272,331	\$1,432,893	5.9%	0.0%
08. Outpatient Hospital	\$53,105,201	\$106,336,425	\$167,264,324	\$180,813,853	\$99,426,292	\$117,473,045	\$139,344,294	17.4%	3.0%
09. Clinic Services	\$6,643,345	\$6,728,513	\$9,083,590	\$14,161,429	\$9,334,595	\$7,885,680	\$12,041,388	10.4%	0.3%
10. Lab and X-Ray	\$3,137,857	\$4,294,907	\$10,066,063	\$11,181,365	\$3,205,777	\$4,101,845	\$789,901	-20.5%	0.0%
11. Home Health	\$48,456,286	\$190,672,414	\$224,242,460	\$272,309,723	\$271,249,461	\$540,715,251	\$467,721,510	45.9%	10.2%
12. Prescribed Drugs	\$148,532,940	\$291,435,049	\$374,121,433	\$417,080,496	\$320,313,995	\$380,007,833	\$429,074,160	19.3%	9.3%
13. Family Planning	\$4,613,117	\$701,266	\$2,541,543	\$2,842,858	\$794,833	\$2,675,773	\$957,204	-23.1%	0.0%
14. Early & Periodic Screening, Diagnosis & Treatment	\$73,840,753	\$0	\$0	\$0	\$0	\$0	\$0	-100.0%	0.0%
15. Other Care	\$35,058,148	\$55,104,230	\$114,433,801	\$107,874,033	\$78,314,572	\$471,280,137	\$99,212,680	18.9%	2.2%
16. Personal Care Support Services	\$79,099,039	\$321,959,694	\$306,345,343	\$335,151,875	\$369,469,292	\$29,949,417	\$355,317,073	28.5%	7.7%
17. Home/Community Based Waiver Services	\$154,029,172	\$0	\$0	\$0	\$0	\$0	\$0	-100.0%	0.0%
18. Prepaid Health Care	\$851,988,946	\$842,484,831	\$911,334,953	\$990,520,806	\$1,125,683,311	\$1,307,524,976	\$1,384,440,511	8.4%	30.1%
19. Primary Case Management (PCCM) Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	n/a	0.0%
Total (excludes DSH pymts, pharmacy rebates, & other adjs.)	\$2,489,280,148	\$3,044,363,679	\$3,585,781,047	\$3,855,002,531	\$3,662,089,984	\$4,398,301,341	\$4,594,329,962	10.8%	100.0%

AVERAGE PAYMENTS PER RECIPIENT BY TYPE OF SERVICES

									(+) or (-) SIC
									Aug. FFY 04
01. General Hospital	\$7,507.18	\$8,497.92	\$7,535.76	\$7,337.69	\$8,912.74	\$10,111.22	\$9,766.04	4.5%	80.1%
02. Mental Hospital	\$30,950.72	\$27,283.07	\$28,246.88	\$29,932.66	\$29,880.31	\$31,596.84	\$33,827.81	1.5%	78.5%
03. Skilled and Intermediate (non-MR) Care Nursing	\$19,650.10	\$19,913.55	\$22,331.49	\$30,778.87	\$29,433.78	\$31,581.35	\$31,616.73	8.2%	41.1%
04. Intermediate Care for Mentally Retarded	\$87,871.05	\$88,134.11	\$103,118.24	\$107,278.01	\$106,793.61	\$154,498.74	\$160,658.44	10.6%	99.8%
05. Physician Services	\$228.67	\$323.54	\$372.09	\$377.14	\$378.51	\$449.47	\$599.34	17.4%	9.3%
06. Dental Services	\$40.58	\$488.53	\$175.69	\$108.91	\$145.37	\$157.55	\$160.04	25.7%	-54.1%
07. Other Practitioners	\$53.09	\$62.26	\$57.21	\$62.15	\$70.16	\$61.09	\$74.45	5.8%	-60.8%
08. Outpatient Hospital	\$504.10	\$700.16	\$733.75	\$798.13	\$948.05	\$1,092.26	\$1,159.69	14.9%	88.3%
09. Clinic Services	\$166.51	\$171.07	\$187.44	\$230.39	\$289.65	\$249.97	\$319.54	11.5%	-50.5%
10. Lab and X-Ray	\$62.49	\$109.54	\$142.00	\$110.68	\$84.12	\$102.45	\$65.72	0.8%	-66.4%
11. Home Health	\$5,971.94	\$18,728.26	\$19,006.82	\$18,399.31	\$16,769.67	\$29,227.85	\$22,444.53	24.7%	662.0%
12. Prescribed Drugs	\$842.01	\$842.93	\$913.58	\$1,008.04	\$1,768.70	\$1,809.61	\$2,007.54	15.6%	39.3%
13. Family Planning	\$241.01	\$1,245.59	\$1,744.37	\$1,859.29	\$449.06	\$336.74	\$2,141.40	43.9%	86.5%
14. Early & Periodic Screening, Diagnosis & Treatment	\$1,611.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-100.0%	-100.0%
15. Other Care	\$789.69	\$471.42	\$553.40	\$512.58	\$962.15	\$2,179.53	\$1,096.73	5.6%	-42.7%
16. Personal Care Support Services	\$1,246.30	\$3,194.33	\$2,640.93	\$2,811.65	\$3,042.93	\$5,733.04	\$2,976.50	15.6%	121.3%
17. Home/Community Based Waiver Services	\$40,321.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-100.0%	-100.0%
18. Prepaid Health Care	\$1,894.05	\$1,750.43	\$1,797.12	\$1,851.69	\$1,981.56	\$2,186.71	\$2,289.83	3.2%	92.9%
19. Primary Care Case Management (PCCM) Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	n/a	-100.0%
Total (Average)	\$4,436.55	\$4,940.20	\$5,395.59	\$6,077.83	\$5,287.92	\$6,059.77	\$6,123.43	5.5%	48.9%

TOTAL PER CAPITA EXPENDITURES

\$550.41	\$610.13	\$663.20	\$701.35	\$765.44	\$898.35	\$873.38	8.0%	-0.3%
----------	----------	----------	----------	----------	----------	----------	------	-------

Source: Health Care Financing Administration-Form HCFA 2082 for federal fiscal year 98; MSIS data for FFY 99-03. FFY 04 is projected using preliminary MSIS data for FFY 04.

**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	274,117	230,948	201,428	196,879	198,699	204,171	212,377	-4.2%	28.3%
Poverty Related Eligibles	142,031	228,953	283,076	317,319	342,041	347,719	358,155	16.7%	47.7%
Medically Needy	49,892	57,621	75,838	75,224	81,588	84,581	87,249	9.8%	11.6%
Other Eligibles	69,419	50,713	56,802	44,851	48,681	69,517	71,653	0.5%	9.6%
Maintenance Assistance Status Unknown	25,626	48,008	47,432	0	21,530	19,832	20,853	-3.4%	2.8%
Total*	561,085	616,243	664,576	634,273	692,539	725,820	750,287	5.0%	100.0%
By Basis of Eligibility									
Aged, Blind, or Disabled	148,963	151,240	152,130	152,165	164,398	162,864	168,718	2.1%	22.5%
Children	264,965	308,892	348,322	369,326	375,260	418,297	431,396	8.5%	57.3%
Foster Care Children	15,219	15,046	15,423	15,709	16,373	16,827	17,421	2.3%	2.3%
Adults	106,312	93,057	101,269	97,073	136,405	108,000	112,034	0.9%	14.9%
Basis of Eligibility Unknown	25,626	48,008	47,432	0	103	19,832	20,718	-3.5%	2.8%
Total*	561,085	616,243	664,576	634,273	692,539	725,820	750,287	5.0%	100.0%
By Age									
Under Age 1	23,208	24,009	25,204	25,710	27,185	28,009	28,972	3.8%	3.9%
Age 1 to 5	102,693	107,983	116,242	123,560	132,846	140,164	144,709	5.9%	19.3%
Age 6 to 14	133,175	154,867	170,700	181,039	192,143	198,817	205,293	7.5%	27.4%
Age 15 to 20	50,928	62,103	73,264	78,687	85,199	91,865	94,642	10.9%	12.6%
Age 21 to 44	128,022	119,112	128,543	121,216	125,722	132,224	136,966	1.1%	18.3%
Age 45 to 64	44,058	44,009	46,429	46,827	50,610	55,531	57,337	4.5%	7.6%
Age 65 to 74	23,068	22,390	22,766	22,862	22,650	23,537	24,399	0.9%	3.3%
Age 75 to 84	19,948	19,978	20,377	20,753	21,158	22,051	22,832	2.3%	3.0%
Age 85 and Over	14,168	13,783	13,619	13,619	13,487	13,785	14,303	0.2%	1.9%
Age Unknown	21,817	48,009	47,432	0	21,539	19,837	20,834	-0.8%	2.8%
Total*	561,085	616,243	664,576	634,273	692,539	725,820	750,287	5.0%	100.0%
By Race									
White	184,348	194,285	202,094	191,135	222,486	232,221	239,927	4.5%	32.0%
Black	307,223	316,525	387,564	371,544	362,229	376,538	389,867	4.1%	52.0%
Hispanic, American Indian or Asian	31,710	38,951	49,200	47,304	63,314	71,582	73,480	15.0%	9.8%
Other/Unknown	37,804	66,482	25,718	24,290	44,519	45,479	47,013	3.7%	6.3%
Total*	561,085	616,243	664,576	634,273	692,539	725,820	750,287	5.0%	100.0%
By Sex									
Female	329,915	340,962	372,698	354,757	394,479	413,475	427,336	4.4%	57.0%
Male	209,354	227,281	258,891	247,437	276,530	292,513	302,012	6.3%	40.3%
Unknown	21,816	48,000	32,987	32,079	21,530	19,832	20,939	n/a	2.8%
Total*	561,085	616,243	664,576	634,273	692,539	725,820	750,287	5.0%	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 preliminary MSIS data for FFY 04.

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	\$1,233,921,421	\$1,530,917,326	\$1,673,251,254	\$1,782,002,419	\$1,564,018,927	\$1,933,441,259	\$2,024,001,509	8.6%	44.1%
Poverty Related Eligibles	\$231,634,487	\$389,231,287	\$580,952,121	\$697,644,828	\$633,365,061	\$673,498,180	\$703,378,716	20.3%	15.3%
Medically Needy	\$798,379,206	\$866,961,716	\$1,018,429,969	\$1,110,661,049	\$1,165,942,723	\$1,311,817,547	\$1,370,269,640	9.4%	29.8%
Other Eligibles	\$189,104,492	\$209,545,429	\$241,266,293	\$264,694,235	\$266,065,427	\$438,678,869	\$453,676,840	15.7%	9.9%
Maintenance Assistance Status Unknown	\$36,240,542	\$47,707,921	\$71,881,410	\$0	\$32,697,846	\$40,865,486	\$43,003,257	2.9%	0.9%
Total*	\$2,489,280,148	\$3,044,363,679	\$3,585,781,047	\$3,855,002,531	\$3,662,089,984	\$4,398,301,341	\$4,594,329,962	10.8%	100.0%
By Basis of Eligibility									
Aged, Blind or Disabled	\$1,787,572,156	\$2,116,969,817	\$2,359,643,226	\$2,547,177,259	\$2,487,679,379	\$3,048,140,658	\$3,181,845,561	10.1%	69.3%
Children	\$386,698,407	\$517,461,054	\$669,496,146	\$761,700,764	\$681,829,215	\$774,315,231	\$809,649,155	13.1%	17.6%
Foster Care Children	\$40,001,794	\$70,734,001	\$77,005,141	\$86,726,340	\$83,149,600	\$97,223,894	\$101,462,666	16.8%	2.2%
Adults	\$238,767,249	\$291,490,886	\$407,755,124	\$459,398,168	\$376,568,536	\$437,756,072	\$458,367,781	11.5%	10.0%
Basis of Eligibility Unknown	\$36,240,542	\$47,707,921	\$71,881,410	\$0	\$32,863,234	\$40,865,486	\$43,004,799	2.9%	0.9%
Total*	\$2,489,280,148	\$3,044,363,679	\$3,585,781,047	\$3,855,002,531	\$3,662,089,984	\$4,398,301,341	\$4,594,329,962	10.8%	100.0%
By Age									
Under Age 1	\$59,865,791	\$70,239,065	\$83,226,495	\$82,700,168	\$63,387,157	\$70,143,842	\$74,147,040	3.6%	1.6%
Age 1 to 5	\$176,722,191	\$207,853,172	\$263,420,671	\$285,295,249	\$239,119,095	\$273,917,650	\$287,396,335	8.4%	6.3%
Age 6 to 14	\$242,862,808	\$354,299,623	\$398,797,163	\$457,735,072	\$452,597,146	\$517,424,207	\$540,011,409	14.2%	11.8%
Age 15 to 20	\$154,004,636	\$235,138,012	\$296,430,481	\$333,243,532	\$304,072,244	\$349,069,522	\$364,650,912	15.4%	7.9%
Age 21 to 44	\$641,599,245	\$810,474,278	\$957,463,422	\$1,041,361,655	\$896,698,058	\$1,133,176,784	\$1,184,253,452	10.8%	25.8%
Age 45 to 64	\$472,837,550	\$592,913,686	\$693,208,421	\$767,096,800	\$707,044,264	\$942,623,080	\$981,537,672	12.9%	21.4%
Age 65 to 74	\$201,989,548	\$205,646,862	\$237,262,529	\$242,726,634	\$258,047,355	\$296,285,691	\$309,723,656	7.4%	6.7%
Age 75 to 84	\$245,346,175	\$251,282,637	\$289,032,078	\$317,065,911	\$355,289,349	\$395,973,475	\$413,251,258	9.1%	9.0%
Age 85 and Over	\$266,497,836	\$268,761,076	\$295,058,377	\$327,777,510	\$353,121,561	\$378,813,501	\$396,427,152	6.8%	8.6%
Age Unknown	\$27,554,368	\$47,755,268	\$71,881,410	\$0	\$32,713,755	\$40,873,589	\$42,931,076	7.7%	0.9%
Total*	\$2,489,280,148	\$3,044,363,679	\$3,585,781,047	\$3,855,002,531	\$3,662,089,984	\$4,398,301,341	\$4,594,329,962	10.8%	100.0%
By Race									
White	\$1,131,688,380	\$1,342,453,679	\$1,601,439,292	\$1,722,520,627	\$1,602,359,574	1,963,507,026	\$2,050,772,140	10.4%	44.6%
Black	\$1,174,483,476	\$1,451,209,685	\$1,699,828,452	\$1,827,111,555	\$1,712,279,987	2,005,588,107	\$2,097,573,723	10.1%	45.7%
Hispanic, American Indian or Asian	\$94,097,261	\$117,329,952	\$136,131,461	\$146,231,204	\$184,965,172	222,367,869	\$230,765,654	16.1%	5.0%
Other/Unknown	\$89,011,031	\$133,370,363	\$148,381,842	\$159,139,145	\$162,485,251	206,838,339	\$215,218,445	15.9%	4.7%
Total*	\$2,489,280,148	\$3,044,363,679	\$3,585,781,047	\$3,855,002,531	\$3,662,089,984	\$4,398,301,341	\$4,594,329,962	10.8%	100.0%
By Sex									
Female	\$1,458,030,690	\$1,740,286,124	\$2,055,800,237	\$2,210,692,047	\$2,123,409,656	2,487,887,193	\$2,600,427,378	10.1%	56.6%
Male	\$1,003,696,022	\$1,256,659,867	\$1,479,123,393	\$1,589,974,435	\$1,505,982,482	1,869,548,662	\$1,950,672,545	11.7%	42.5%
Unknown	\$27,554,366	\$47,417,688	\$50,857,417	\$54,336,049	\$32,697,846	40,865,486	\$43,230,039	n/a	0.9%
Total*	\$2,489,280,148	\$3,044,363,679	\$3,585,781,047	\$3,855,002,531	\$3,662,089,984	\$4,398,301,341	\$4,594,329,962	10.8%	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 preliminary MSIS data for FFY 04.

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 (-) 51.C Avg. FFY 04
By Maintenance Assistance Status									
Receiving Cash Assistance or Eligible Under Section 1931	\$4,501.44	\$6,628.84	\$8,306.94	\$9,051.26	\$7,871.30	\$9,469.72	\$9,530.23	13.3%	81.4%
Poverty Related Eligibles	\$1,630.87	\$1,700.05	\$2,052.28	\$2,198.56	\$1,851.72	\$1,936.90	\$1,963.89	3.1%	-4.0%
Medically Needy	\$16,002.15	\$15,045.93	\$13,429.02	\$14,764.72	\$14,290.62	\$15,509.60	\$15,705.28	-0.3%	152.9%
Other Eligibles	\$2,724.10	\$4,131.99	\$4,247.50	\$5,901.64	\$5,465.49	\$6,310.38	\$6,331.58	15.1%	-12.7%
Maintenance Assistance Status Unknown	\$1,414.21	\$993.75	\$1,515.46	\$0.00	\$1,518.71	\$2,060.58	\$2,062.21	6.5%	-22.8%
Total	\$4,436.55	\$4,940.20	\$5,395.59	\$6,077.83	\$5,287.92	\$6,059.77	\$6,123.43	5.5%	48.9%
By Basis of Eligibility									
Aged, Blind or Disabled	\$12,000.11	\$13,997.42	\$15,510.70	\$16,739.57	\$15,132.05	\$18,715.87	\$18,858.96	7.8%	74.9%
Children	\$1,459.43	\$1,675.22	\$1,922.06	\$2,062.41	\$1,816.95	\$1,851.11	\$1,876.61	4.3%	27.2%
Foster Care Children	\$2,628.41	\$4,701.18	\$4,992.88	\$5,520.81	\$5,078.46	\$5,777.85	\$5,824.16	14.2%	-45.4%
Adults	\$2,245.91	\$3,132.39	\$4,026.46	\$4,732.50	\$2,760.67	\$4,053.30	\$4,091.33	10.5%	55.8%
Basis of Eligibility Unknown	\$1,414.21	\$993.75	\$1,515.46	\$0.00	\$319,060.52	\$2,060.58	\$2,075.72	6.6%	-28.1%
Total	\$4,436.55	\$4,940.20	\$5,395.59	\$6,077.83	\$5,287.92	\$6,059.77	\$6,123.43	5.5%	48.9%
By Age									
Under Age 1	\$2,579.53	\$2,925.53	\$3,302.11	\$3,216.65	\$2,331.70	\$2,504.33	\$2,559.27	-0.1%	-31.1%
Age 1 to 5	\$1,720.88	\$1,924.87	\$2,266.14	\$2,308.96	\$1,799.97	\$1,954.27	\$1,986.03	2.4%	10.5%
Age 6 to 14	\$1,823.64	\$2,287.77	\$2,336.25	\$2,528.38	\$2,355.52	\$2,602.51	\$2,630.44	6.3%	56.8%
Age 15 to 20	\$3,023.97	\$3,786.26	\$4,046.06	\$4,235.05	\$3,568.96	\$3,799.81	\$3,852.95	4.1%	44.8%
Age 21 to 44	\$5,011.63	\$6,804.30	\$7,448.58	\$8,590.96	\$7,132.39	\$8,570.13	\$8,646.33	9.5%	79.1%
Age 45 to 64	\$10,732.16	\$13,472.56	\$14,930.51	\$16,381.51	\$13,970.45	\$16,974.72	\$17,118.75	8.1%	77.9%
Age 65 to 74	\$8,756.27	\$9,184.76	\$10,421.79	\$10,617.03	\$11,392.82	\$12,588.08	\$12,694.11	6.4%	71.8%
Age 75 to 84	\$12,299.29	\$12,577.97	\$14,184.23	\$15,278.08	\$16,792.20	\$17,957.17	\$18,099.65	6.7%	62.1%
Age 85 and Over	\$18,809.84	\$19,499.46	\$21,665.20	\$24,067.66	\$26,182.37	\$27,480.12	\$27,716.36	6.7%	61.3%
Age Unknown	\$1,262.98	\$994.71	\$1,515.46	\$0.00	\$1,518.81	\$2,060.47	\$2,060.63	8.5%	-27.6%
Total	\$4,436.55	\$4,940.20	\$5,395.59	\$6,077.83	\$5,287.92	\$6,059.77	\$6,123.43	5.5%	48.9%
By Race									
White	\$6,138.87	\$6,909.71	\$7,924.23	\$9,012.06	\$7,202.07	\$8,455.34	\$8,547.48	5.7%	70.9%
Black	\$3,822.90	\$4,584.82	\$4,385.93	\$4,917.62	\$4,727.06	\$5,326.39	\$5,380.23	5.9%	57.1%
Hispanic, American Indian or Asian	\$2,967.43	\$3,012.24	\$2,766.90	\$3,091.31	\$2,921.39	\$3,106.48	\$3,140.52	0.9%	21.9%
Other/Unknown	\$2,394.54	\$2,006.11	\$5,769.57	\$6,551.63	\$3,650.53	\$4,548.00	\$4,577.85	11.7%	-7.6%
Total	\$4,436.55	\$4,940.20	\$5,395.59	\$6,077.83	\$5,287.92	\$6,059.77	\$6,123.43	5.5%	48.9%
By Sex									
Female	\$4,419.41	\$5,104.05	\$5,515.99	\$6,231.57	\$5,382.82	\$6,017.02	\$6,085.21	5.5%	45.3%
Male	\$4,794.25	\$5,529.10	\$5,713.31	\$6,425.77	\$5,446.00	\$6,391.34	\$6,458.92	5.1%	61.4%
Unknown	\$1,262.99	\$987.87	\$1,541.74	\$1,693.82	\$1,518.71	\$2,060.58	\$2,064.57	n/a	-49.6%
Total	\$4,436.55	\$4,940.20	\$5,395.59	\$6,077.83	\$5,287.92	\$6,059.77	\$6,123.43	5.5%	48.9%

Source: Health Care Financing Administration-Form HCFA 2082 for federal fiscal year 98; MSIS data for FFY 99-03. FFY 04 is projected using preliminary MSIS data for FFY 04.

SOUTHERN REGION MEDICAID PROFILE

ADDITIONAL STATE HEALTH CARE INFORMATION

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

Waivers

Maryland's Medicaid managed care program is called HealthChoice. Under a §1115 waiver, approved on October 30, 1996, HealthChoice enrollment began in June of 1997. Within the program, there was a State Fiscal Year 2004 average enrollment of 510,000 recipients in MCOs, which includes Medicaid and Maryland Children's management to an expanded set of benefits known as optional services.

- **The Rare and Expensive Case Management Program (REM):** The REM, as part of HealthChoice Program, was developed to address the special requirements of waiver eligible individuals diagnosed with rare and expensive conditions and diseases. In addition to standard Medicaid benefits, this program provides intensive case management to an expanded set of benefits known as optional services. As of May 2005, 3,437 individuals were enrolled in the program.
- **Stop Loss Case Management (SLM) Program:** Under the HealthChoice Program, a Managed Care Organization (MCO) may apply for stop loss protection when the plan is to be submitted to the Maryland Insurance Administration. There is one MCO for which the Department of Health and Mental Hygiene provides stop-loss protection at a rate determined by the Department. The Department assumes responsibility for 90% of the accrued inpatient hospital costs in excess of \$30,000; the MCO is responsible for the remaining 10%. The Department provides for extended stop-loss coverage if an enrollee remains hospitalized at the end of a calendar year and the costs for that stay exceed the \$30,000 threshold in the following calendar year.
- **Pharmacy Point-of-Sale:** The pharmacy electronic point-of-sale claims management and prospective drug utilization review system began January 1993. This successful system provides on-line real time pharmacy claims adjudication for all outpatient prescription drugs for the fee-for service Medicaid population. Additionally, this system also has an enhanced feature called Coordinated PRO DUR which checks for drug interactions or conflicts with dispensing of medication and for inappropriate utilization. PRO DUR is available to both the Medicaid fee-for-service population and to the HealthChoice population.

Several Home and Community Based Service Waivers under Section 1915 (c) enable the state to provide long-term care services to people who otherwise would require institutionalization. They include:

- **Waiver For Older Adults:** Provides services to individuals, aged 50 and above, in participating licensed assisted living facilities or in their own homes. The waiver currently serves approximately 3,000 individuals.
- **Waiver For Individuals With Developmental Disabilities:** For developmentally disabled individuals as an alternative to institutionalization in an ICF/MR. This waiver serves over 7,500 individuals and has been in operation since April 1, 1984.
- **Model Waiver For Disabled Children:** For medically-fragile/technology-dependent children so that they can be cared for at home. This waiver serves approximately 200 individuals and has been in operation since January 1, 1985. This waiver is capped at 200 slots.
- **Traumatic Brain Injury (TBI) Waiver:** Targets individuals aged 22-64 who have suffered traumatic brain injuries that occurred on or after age 22. These individuals must meet a hospital or nursing home level of care. The waiver became effective July 1, 2003 and is capped at 10 slots.
- **Waiver For Children With Autism Spectrum Disorder:** Targets children age 1-21 who are diagnosed with Autism Spectrum Disorder and who require an ICF/MR level of care. This waiver became effective July 1, 2001 and currently serves over 800 children.

SOUTHERN REGION MEDICAID PROFILE

Waivers (Continued)

- **Waiver For Adults With Physical Disabilities:** Targets persons aged 21-59 who meet nursing home level of care. It became effective in April 2001 and serves approximately 850 individuals.

Managed Care

- **Capitation:** For most covered services, MCO's are paid by the state through actuarially sound, risk-adjusted capitation rates. The Adjusted Clinical Group (ACG) System is the health-based, risk-adjusted system used as the basis for developing the State's payments.
- **Self-referred Services:** Some covered services may, at the enrollee's option, be delivered by an out-of-plan provider at the MCO's expense. The services that an enrollee has the right to access on a self-referral basis include: 1) Specified family planning services including office visits; 2) Specified services provided by a school-based health center; 3) Pregnancy-related services when a new HealthChoice enrollee has an established out-of-network provider; 4) Initial medical examination of children in State custody; 5) Annual HIV/AIDS diagnosis and evaluation service (DES); 6) Renal dialysis; 7) The initial examination of a newborn before discharge from a hospital if performed by an out-of-network on-call hospital provider; and 8) Pharmaceutical and laboratory services, when provided in connection with a legitimately self-referred service, provided on-site where the self-referred services were performed, and by the same out of plan provider.
- **Specialty Mental Health (SMH) System:** Specialty mental health services are provided through Specialty Mental Health System, which is administered by the Mental Hygiene Administration (MHA), in conjunction with local Core Services Agencies. The Administrative Services Organization (ASO), Maryland Health Partners, provides administrative services for this system. It enrolls patients, coordinates benefits, and pre-authorizes services. The services provided under this system are reimbursed by the State on a fee-for-service basis. Recipients can be referred by their primary care provider to Maryland Health Partners for entry into the Specialty Mental Health System, or they can self-refer.

Coverage for Targeted Population

- **Maryland Pharmacy Assistance Program:** A pharmacy benefit program for certain low-income Maryland residents not eligible for Medicaid that began in 1979. The program provides coverage for all Medicaid-formulary drugs (currently there is a \$5.00 co-pay each prescription and each refill; beginning on October 1, 2003, the pay amount will change to \$2.50 for each prescription for generic drugs and brand-name drugs on the State's preferred drug list, and \$7.50 for brand-name drugs not on the State's preferred drug list). Eligibility is based on an income standard of \$10,417 for individuals (\$12,120 for a couple) and assets less than \$4,000 (\$6,000 for a couple). The program is funded with 50% state dollars and 50% federal dollars.
- **Maryland Pharmacy Discount Program:** A pharmacy subsidy program for certain low-income Maryland residents on Medicare as permitted by a §1115 waiver amendment. Enrollees pay 65% of the Medicaid price for each prescription and each refill (plus a \$1 processing fee paid to the pharmacist), and the State pays the remaining 35%. Eligibility is based on an income standard of \$15,715 for individuals (\$21,210 for a couple). The program began on July 1, 2003 and is funded with 50% State dollars and 50% federal dollars.
- **Maryland AIDS Drug Assistance Program:** A pharmacy benefit program that helps low- and moderate-income Maryland residents pay for some drugs prescribed to treat HIV/AIDS. There is no co-pay, but there may be a monthly participation fee that depends on the enrollee's income. Eligibility is based on an income standard of \$35,920 a year (\$48,820 for a couple).
- **Maryland AIDS Insurance Assistance Program:** The State pays to maintain employee-based insurance coverage for HIV-positive individuals who can no longer work because of their illness, effective October 1997.

SOUTHERN REGION MEDICAID PROFILE

Coverage for Targeted Population (Continued)

- **Women's Breast and Cervical Cancer Health Program:** A program that pays for full coverage of medical services (physician, laboratory, pharmacy services, etc.) for women aged 40-64; not limited to cancer treatment services. Eligibility is limited to uninsured Maryland women or women who have insurance that does not cover cancer treatment and are not eligible for Medicaid or Medicare; they must have received screening services provided by the Centers for Disease Control Breast and Cervical Cancer Screening Program and have had a biopsy through the Maryland Breast and Cervical Cancer Screening Program or the Diagnosis and Treatment Program that resulted in a diagnosis of breast or cervical cancer, and require cancer treatment services. The program began on April 1, 2002 and is financed with State and federal dollars.

Cost Containment Measures

- **All-payer System:** In July of 1977, Maryland received a federal waiver for Medicare and Medicaid reimbursement requirements. Under the waiver, hospitals are paid rates that are approved by the Maryland Health Services Cost Review Commission (HSCRC). All rates must be set equitably and non-discriminatory for all purchasers of service. Under current rules, general hospitals are paid the approved rate minus a 6% discount.
- Established a Pharmaceutical and Therapeutics Committee to develop a preferred drug list for pharmacy programs (implement in stages beginning October 2003)
- Reduced average wholesale price for prescription drugs and placed a limit on the number of prescription drugs allowed per month.
- Created a tiered co-pay system for prescription drugs that charges \$0 for generic drugs and brand-name drugs on the preferred drug list, and \$2 for brand-name drugs not on the preferred drug list.
- Reduced reimbursement rates for nursing homes.

Medicaid

- 22 optional services are offered.
- Enacted legislation in 2001 for the following:
 1. Established performance incentive fund for Medicaid MCOs to keep funds collected from MCOs through sanctions and other penalties within a non-lapsing fund to promote established performance objectives of HealthChoice.
 2. Required the State to provide written provider directories to HealthChoice enrollees and providers, and to make the information available on the Internet as well; must be updated every 30 days.
 3. Repealed law requiring that State pay a federally-qualified health center (FQHC) the difference between the payment received by the center from a Medicaid MCO for services provided to enrollees and the reasonable cost to the center for providing those services; the State must adopt a methodology to ensure that FQHCs are paid reasonable cost-based reimbursement that is consistent with federal law.
 4. Required the state to allow HealthChoice enrollees to choose their MCO and primary care provider.
- Enacted legislation in 2002 for the following:
 1. Increased fees for selected physician provider codes and fee-for-service rates under Medicaid.
 2. Changed requirement that an employer offering health insurance must contribute at least 50% of the annual premiums for Maryland Children's Health Program Private Option Plan enrollee to at least 30% of the enrollee's annual premiums; also specifies that the state's cost of coverage for an MCHP Private Option Plan enrollee covered by employer health insurance cannot be greater than the cost of private coverage if the enrollee were covered by a HealthChoice MCO (if the cost is greater, the state must cover the enrollee through an MCO instead).
 3. Increased personal needs allowance for nursing home residents from \$40 to \$50 on July 1, 2003 and from \$50 to \$60 on July 1, 2004, and will be adjusted annually beginning July 1, 2005 to reflect percentage by which Social Security benefits are increased annually.
 4. Required the state to give public notice if it applies for a Medicaid waiver or modifies/amends an existing Medicaid waiver.
 5. Required nursing facilities to provide each resident with a one-page information sheet about home- and community-based waivers.

SOUTHERN REGION MEDICAID PROFILE

Medicaid (Continued)

• Enacted legislation in 2003 for the following:

1. Required the state to submit an application to CMS to receive federal matching funds under Medicaid for part of the non-room and board portion of the costs of all eligible residential care that are related to the therapeutic components of care provided to individuals under the age of 21.
2. Prevented the state from denying an individual access to a home and community-based services waiver due to lack of funding if: the individual is living in a nursing home at the time of application for waiver services; the nursing services for the individual were paid by Medicaid for at least 30 consecutive days prior to the application; and the individual meets all the eligibility criteria for participation in the home and community-based services waiver.
3. Expanded Medicaid coverage for individuals with disabilities to provide them with health coverage while they seek or maintain employment; program must be implemented by July 1, 2005 subject to available funding in the state budget.
4. Established task force to study the reorganization of the State Department of Health and Mental Hygiene, including the effects of moving the State's Medicaid program out of the Department.
5. Established Primary Adult Care Network within Medicaid to consolidate health care services provided to adults and access federal funding to expand primary and preventive care to adults lacking health care services, as permitted by federal law or waiver and subject to available funding in the state budget.
6. Changed co-pay under Maryland Pharmacy Assistance Program from \$5.00 to \$2.50 for each prescription for generic drugs and brand-name drugs on the state's preferred drug list, and \$7.50 for brand-name drugs not on the State's preferred drug list.
7. Required Medicaid to reimburse providers the entire amount of the program fee for outpatient mental health treatment, including the 37.5% amount withheld as a psychiatric exclusion along with any co-pay not covered under Medicare.
8. Required electronic reimbursement of pharmacies that are required to submit claims for payment electronically, if pharmacies choose to be reimbursed electronically.
9. Established special non-lapsing Maryland Trauma Physician Services Fund to subsidize the costs of uncompensated and under-compensated care (including amount of under-compensated care attributable to Medicaid enrollees) incurred by a trauma physician providing care to a patient on the State Trauma Registry and the costs incurred by a trauma center to maintain trauma physicians on-call.
10. Required nursing homes that receive payment from Medicaid to submit quarterly reports of their credit balances to the state, and the state must then conduct a third-party liability review of the reports (State may also conduct a third-party liability audit of a random sample of the reports); nursing homes that fail to submit quarterly reports are subject to a third-party liability audit.
11. Established toll-free Maryland Pharmacy Access Hotline for enrollees to call if they are having trouble getting necessary medicines.
12. Made permanent the exclusion of the nursing services component from the state's Medicaid nursing home reimbursement formula for leaves of absence or hospital leave ("bed-hold days").

Children's Health Insurance Program: Medicaid Expansion

- Maryland Children's Health Program: Lowered the income standard for the MCHP Premium program from 200% of the federal poverty level to 185% of poverty, and required children whose family income is between 185-200% of poverty to start paying a monthly premium for coverage, effective July 1, 2003; enrollment in MCHP Premium for children whose family income is between 200-300% of poverty is frozen effective July 1, 2003; and the Employer-Sponsored Insurance Program was eliminated as an enrollment option under MCHP Premium. As of September 2005, 82,590 eligibles were enrolled in the program.
- Amended the program in May 2004 to increase the income standard for the MCHP Premium Program from 185% to 200% of the FPL.

SOUTHERN REGION MEDICAID PROFILE

Tobacco Settlement

- The state expects to receive approximately \$4.0 billion over 25 years.
- From FY 00 through FY 04, the cumulative tobacco settlement payment was approximately \$704.5 million.
- The state has allocated these funds and compares with the U.S. as follows:

	MD	%	U.S.	%
Tobacco use prevention	\$74,565,000	10.6%	\$1,813,423,000	4.6%
Health services	\$338,903,000	48.1%	\$11,824,057,000	29.9%
Long-term care	\$0	0.0%	\$2,200,066,000	5.6%
Health research	\$136,282,000	19.3%	\$1,472,863,000	3.7%
Education	\$120,577,000	17.1%	\$2,051,182,000	5.2%
Children and Youth (Nonhealth)	\$5,000,000	0.7%	\$1,229,719,000	3.1%
Tobacco Farmers	\$29,200,000	4.1%	\$1,217,021,000	3.1%
Endowments and Reserves	\$0	0.0%	\$7,636,209,000	19.3%
Other	\$0	0.0%	\$10,048,868,000	25.4%
Total	\$704,527,000	100.0%	\$39,493,408,000	100.0%