Department of Social Services

MO HealthNet Division

Fiscal Year 2011 Budget Request

Ronald J. Levy, Director

Printed with Governor's Recommendations

Page No.	Dept Rank	Decision Item Name	Department Request FTE	Department Request GR	Department Request FF	Department Request OF	Department Request Total	Governor Recommendation FTE	Governor Recommendation GR	Governor Recommendation FF	Governor Recommendation OF	Governor Recommendation Total
		MO HealthNet Administration										
125	1	Core	263.11	4,646,542	9,601,445	2,207,212	16,455,199	267.11	4,696,806	9,651,709	2,207,212	16,555,727
137	999	Ambulance Reimbursement Allowance-Staff		0	0	0	0	1.00	0	20,685	20,685	41,370
		Total	263.11	4,646,542	9,601,445	2,207,212	16,455,199	268.11	4,696,806	9,672,394	2,227,897	16,597,097
		Health Care Technology										
143	1	Core	0.00	0	2,500,000	2,208,788	4,708,788	0.00	0	2,500,000	2,208,788	4,708,788
		Total	0.00	0	2,500,000	2,208,788	4,708,788	0.00	0	2,500,000	2,208,788	4,708,788
		Clinical Services Program Management										
151	1	Core	0.00	551,123	14,402,788	5,085,805	20,039,716	0.00	551,123	12,215,288	5,085,805	17,852,216
158	999	CyberAccess Pick-Up		0	0	0	0		2,187,500	0	0	2,187,500
		Total	0.00	551,123	14,402,788	5,085,805	20,039,716	0.00	2,738,623	12,215,288	5,085,805	20,039,716
		Women & Minority Health Care Outreach										
164	1	Core	0.00	546,125	568,625	0	1,114,750	0.00	546,125	568,625	0	1,114,750
		Total	0.00	546,125	568,625	0	1,114,750	0.00	546,125	568,625	0	1,114,750
		Revenue Maximization Unit										
172	1	Core	0.00	0	0	0	0	0.00	0	0	0	0
		Total	0.00	0	0	0	0	0.00	0	0	0	0
		TPL Contracts										
180	1	Core	0.00	0	1,500,000	1,500,000	3,000,000	0.00	0	1,500,000	1,500,000	3,000,000
		Total	0.00	0	1,500,000	1,500,000	3,000,000	0.00	0	1,500,000	1,500,000	3,000,000
		Information Systems										
190	1	Core	0.00	5,565,516	44,296,284	3,835,822	53,697,622	0.00	5,565,516	44,296,284	3,835,822	53,697,622
		Total	0.00	5,565,516	44,296,284	3,835,822	53,697,622	0.00	5,565,516	44,296,284	3,835,822	53,697,622
		Pharmacy										
201	1	Core	0.00	127,726,886	621,609,006	172,417,892	921,753,784	0.00	86,071,847	519,577,337	160,917,892	766,567,076
7	7	Caseload Growth		10,093,380	18,580,995	0	28,674,375		9,957,549	18,235,469	481,357	28,674,375
20	13	FMAP		0	5,770,372	0	5,770,372		18,581,491	0	0	18,581,491
94	999	Pharmacy PMPM		0	0	0	0		5,724,751	30,484,735	11,726,256	47,935,742
212	999	Pharmacy Reimbursement Allowance		0	0	0	0				21,753,508	21,753,508
103	999	Cost to Continue Medicaid Program		0	0	0	0		819,475	1,431,522	6,449,467	8,700,464
		Total	0.00	137,820,266	645,960,373	172,417,892	956,198,531	0.00	121,155,113	569,729,063	201,328,480	892,212,656
		Pharmacy - Medicare Part D Clawback										
218	1	Core	0.00	185,000,000	1	0	185,000,001	0.00	185,000,000	1	0	185,000,001
224	11	Clawback Increase		10,816,779	0	0	10,816,779		10,701,025	0	0	10,701,025
		Total	0.00	195,816,779	1	0	195,816,780	0.00	195,701,025	1	0	195,701,026
		Missouri RX Plan										
230	1	Core	0.00	0	0	19,602,166	19,602,166	0.00	0	0	19,602,166	19,602,166
		Total	0.00	0	0	19,602,166	19,602,166	0.00	0	0	19,602,166	19,602,166

Page No.	Dept Rank	Decision Item Name	Department Request FTE	Department Request GR	Department Request FF	Department Request OF	Department Request Total	Governor Recommendation FTE	Governor Recommendation GR	Governor Recommendation FF	Governor Recommendation OF	Governor Recommendation Total
		Pharmacy FRA										
239	1	Core	0.00	0	0	23,979,712	23,979,712	0.00	0	0	23,979,712	23,979,712
245	17	Increase Authority		0	0	36,270,288	36,270,288		0	0	66,329,214	66,329,214
		Total	0.00	0	0	60,250,000	60,250,000	0.00	0	0	90,308,926	90,308,926
		Physician Related										
252	1	Core	0.00	163,678,963	324,089,254	4,194,685	491,962,902	0.00	160,712,185	312,635,696	4,194,685	477,542,566
7	7	Caseload Growth		7,746,952	14,261,433	0	22,008,385		8,012,153	13,996,232	0	22,008,385
20	13	FMAP		0	842,161	0	842,161		4,799,817	0	0	4,799,817
84	26	Physician Rate Increase		7,717,728	14,207,635	0	21,925,363		0	0	0	0
103	999	Cost to Continue Medicaid Program		0	0	0	0		35,515,253	62,040,724	0	97,555,977
		Total	0.00	179,143,643	353,400,483	4,194,685	536,738,811	0.00	209,039,408	388,672,652	4,194,685	601,906,745
		Dental										
265	1	Core	0.00	4,193,788	9,402,308	919,935	14,516,031	0.00	4,280,870	9,310,375	919,935	14,511,180
7	7	Caseload Growth		289,968	533,806	0	823,774		299,895	523,879	0	823,774
20	13	FMAP		0	92,382	0	92,382		82,675	0	0	82,675
52	22	Dental Rate Increase		1,468,602	2,703,563	0	4,172,165		0	0	0	0
84	26	Physician Rate Increase		135,090	248,688	0	383,778		0	0	0	0
103	999	Cost to Continue Medicaid Programs		0	0	0	0		1,736,990	3,034,305	0	4,771,295
		Total	0.00	6,087,448	12,980,747	919,935	19,988,130	0.00	6,400,430	12,868,559	919,935	20,188,924
		Premium Payments										
276	1	Core	0.00	53,840,985	102,606,126	0	156,447,111	0.00	54,990,390	101,884,020	0	156,874,410
7	7	Caseload Growth		2,078,536	3,826,395	0	5,904,931		2,149,690	3,755,241	0	5,904,931
284	9	Medicare Premium Increase		109,212	201,108	0	310,320		7,918,579	13,829,466	0	21,748,045
20	13	FMAP		0	1,187,397	0	1,187,397		655,739	0	0	655,739
103	999	Cost to Continue Medicaid Programs		0	0	0	0		2,617,136	4,571,811	0	7,188,947
		Total	0.00	56,028,733	107,821,026	0	163,849,759	0.00	68,331,534	124,040,538	0	192,372,072
		Nursing Facilities										
291	1	Core	0.00	149,306,375	402,808,553	70,262,188	622,377,116	0.00	138,025,976	370,084,077	70,262,188	578,372,241
20	13	FMAP		0	1,299,665	0	1,299,665		3,616,307	0	0	3,616,307
103	999	Cost to Continue Medicaid Programs		0	0	0	0		2,411,712	0	0	2,411,712
		Total	0.00	149,306,375	404,108,218	70,262,188	623,676,781	0.00	144,053,995	370,084,077	70,262,188	584,400,260
		Home Health										
302	1	Core	0.00	2,349,250	4,573,837	159,305	7,082,392	0.00	2,391,458	4,528,694	159,305	7,079,457
7	7	Caseload Growth		108,092	198,987	0	307,079		111,792	195,287	0	307,079
20	13	FMAP		0	44,184	0	44,184		41,691	0	0	41,691
103	999	Cost to Continue Medicaid Program		0	0	0	0		8,050	14,062	0	22,112
		Total	0.00	2,457,342	4,817,008	159,305	7,433,655	0.00	2,552,991	4,738,043	159,305	7,450,339
		PACE										
310	1	Core	0.00	1,994,832	4,073,454	0	6,068,286	0.00	1,464,091	2,961,233	0	4,425,324
20	13	FMAP		0	256,540	0	256,540		0	188,251	0	188,251
		Total	0.00	1,994,832	4,329,994	0	6,324,826	0.00	1,464,091	3,149,484	0	4,613,575

Page No.	Dept Rank	Decision Item Name	Department Request FTE	GR	FF	OF	Total	Governor Recommendation FTE	GR	FF	OF	Total
		Rehab & Specialty Services										
320	1	Core	0.00	74,884,100	155,151,728	11,509,894	241,545,722	0.00	74,665,812	150,563,730	11,509,894	236,739,436
7	7	Caseload Growth		1,911,881	3,519,600	0	5,431,481		1,977,331	3,454,150	0	5,431,481
331	10	Hospice Rate Increase		77,808	142,813	0	220,621		79,831	140,790	0	220,621
20	13	FMAP		0	1,787,233	0	1,787,233		1,084,603	0	0	1,084,603
36	20	Ambulance Rate Increase		1,443,181	2,656,765	0	4,099,946		0	0	0	0
44	21	Audiology Rate Increase		17,535	32,280	0	49,815		0	0	0	0
60	23	Durable Medical Equipment Rate Increase		131,528	242,132	0	373,660		0	0	0	0
68	24	Optical Rate Increase		445,632	820,367	0	1,265,999		0	0	0	0
76	25	Therapies Rate Increase		48,290	88,898	0	137,188		0	0	0	0
103	999	Cost to Continue Medicaid Program		0	0	0	0		4,424,407	7,728,887	0	12,153,294
336	999	Ambulance Reimb Methodology Change		0	0	0	0		0	1,844,213	1,072,605	2,916,818
		Total	0.00	78,959,955	164,441,816	11,509,894	254,911,665	0.00	82,231,984	163,731,770	12,582,499	258,546,253
		NEMT										
342	1	Core	0.00	11,258,446	27,044,319	0	38,302,765	0.00	10,964,553	24,034,696	0	34,999,249
7	7	Caseload Growth		247,907	456,374	0	704,281		256,393	447,888	0	704,281
20	13	FMAP		0	141,557	0	141,557		243,853	0	0	243,853
103	999	Cost to Continue Medicaid Program		0	0	0	0		17,089	29,853	0	46,942
		Total	0.00	11,506,353	27,642,250	0	39,148,603	0.00	11,481,888	24,512,437	0	35,994,325
		Managed Care										
352	1	Core	0.00	236,729,890	672,241,351	106,035,632	1,015,006,873	0.00	236,164,704	656,864,927	106,035,632	999,065,263
1	5	Mg Care Provider Tax GR Replacement		7,272,544	0	0	7,272,544		0	0	7,272,544	7,272,544
7	7	Caseload Growth		15,246,084	28,066,655	0	43,312,739		15,768,003	27,544,736	0	43,312,739
20	13	FMAP		0	2,713,486	0	2,713,486		9,689,619	0	0	9,689,619
36	20	Ambulance Rate Increase		989,236	1,821,094	0	2,810,330		0	0	0	0
44	21	Audiology Rate Increase		22,600	41,604	0	64,204		0	0	0	0
52	22	Dental Rate Increase		1,968,661	3,624,127	0	5,592,788		0	0	0	0
60	23	Durable Medical Equipment Rate Increase		162,268	298,722	0	460,990		0	0	0	0
68	24	Optical Rate Increase		329,528	606,631	0	936,159		0	0	0	0
76	25	Therapies Rate Increase		73,636	135,556	0	209,192		0	0	0	0
84	26	Physician Rate Increase		5,745,238	10,576,460	0	16,321,698		0	0	0	0
103	999	Cost to Continue Medicaid Program		0	0	0	0		18,744,897	32,745,000	0	51,489,897
		Total	0.00	268,539,685	720,125,686	106,035,632	1,094,701,003	0.00	280,367,223	717,154,663	113,308,176	1,110,830,062
		Hospital Care										
376	1	Core	0.00	31,066,711	504,328,006	247,988,825	783,383,542	0.00	15,742,862	456,750,683	247,988,825	720,482,370
7	7	Caseload Growth		16,986,891	31,271,323	0	48,258,214		17,568,403	30,689,811	0	48,258,214
20	13	FMAP		0	4,858,711	0	4,858,711		3,984,976	0	0	3,984,976
103	999	Cost to Continue Medicaid Program		0	0	0	0		20,608,747	36,000,912	0	56,609,659
		Total	0.00	48,053,602	540,458,040	247,988,825	836,500,467	0.00	57,904,988	523,441,406	247,988,825	829,335,219
		Tier 1 Safety Net Hospitals										
386	1	Core	0.00	0	8,000,000	0	8,000,000	0.00	0	8,000,000	0	8,000,000
		Total	0.00	0	8,000,000	0	8,000,000	0.00	0	8,000,000	0	8,000,000
		FQHC Distribution										
393	1	Core	0.00	9,250,000	0	0	9,250,000	0.00	9,250,000	0	0	9,250,000
		Total	0.00	9,250,000	0	0	9,250,000	0.00	9,250,000	0	0	9,250,000

Page No.	Dept Rank	Decision Item Name	Department Request FTE	GR	FF	OF	Total	Governor Recommendation FTE	GR	FF	OF	Total
		Rural Health Clinics										
402	1	Core	0.00	0	0	0	0	0.00	0	0	0	0
		Total	0.00	0	0	0	0	0.00	0	0	0	0
		Federal Reimbursement Allowance										
409	1	Core	0.00	0	0	852,400,000	852,400,000	0.00	0	0	852,400,000	852,400,000
416	18	FRA Increase Authority		0	0	63,329,394	63,329,394		0	0	63,329,394	63,329,394
		Total	0.00	0	0	915,729,394	915,729,394	0.00	0	0	915,729,394	915,729,394
		IGT Safety Net Hospitals										
422	1	Core	0.00	0	112,900,000	66,300,000	179,200,000	0.00	0	112,900,000	66,300,000	179,200,000
428	19	IGT Safety Net Increase Authority		0	16,605,748	4,048,801	0		0	16,605,748	4,048,801	20,654,549
		Total	0.00	0	129,505,748	70,348,801	179,200,000	0.00	0	129,505,748	70,348,801	199,854,549
		IGT DMH Medicaid Program										
433	999	IGT for DMH	0.00	0	0	0	0	0.00	0	112,898,554	65,731,662	178,630,216
		Total	0.00	0	0	0	0	0.00	0	112,898,554	65,731,662	178,630,216
		Women's Health Services										
440	1	Core	0.00	1,245,779	11,833,517	216,790	13,296,086	0.00	1,245,779	11,833,517	216,790	13,296,086
84	26	Physician Rate Increase		123,405	998,455	0	1,121,860		0	0	0	0
94	999	Pharmacy PMPM		0	0	0	0		11,542	93,383	0	104,925
		Total	0.00	1,369,184	12,831,972	216,790	14,417,946	0.00	1,257,321	11,926,900	216,790	13,401,011
		MAFAdults										
448	1	Core	0.00	0	0	0	0	0.00	0	0	0	0
		Total	0.00	0	0	0	0	0.00	0	0	0	0
		CHIP										
457	1	Core	0.00	30,437,546	142,965,658	16,820,274	190,223,478	0.00	30,795,887	141,726,377	16,820,274	189,342,538
1	5	Mg Care Provider Tax GR Replacement		171,206	0	0	171,206		0	0	171,206	171,206
20	13	FMAP		0	358,341	0	358,341		1,239,281	0	0	1,239,281
36	20	Ambulance Rate Increase		123,079	376,430	0	499,509		0	0	0	0
44	21	Audiology Rate Increase		3,435	10,507	0	13,942		0	0	0	0
52	22	Dental Rate Increase		339,774	1,039,177	0	1,378,951		0	0	0	0
60	23	Durable Medical Equipment Rate Increase		25,540	78,114	0	103,654		0	0	0	0
68	24	Optical Rate Increase		42,825	130,979	0	173,804		0	0	0	0
76	25	Therapies Rate Increase		12,236	37,425	0	49,661		0	0	0	0
84	26	Physician Rate Increase		750,635	2,295,775	0	3,046,410		0	0	0	0
94	999	Pharmacy PMPM		0	0	0	0		323,428	945,665	0	1,269,093
		Total	0.00	31,906,276	147,292,406	16,820,274	196,018,956	0.00	32,358,596	142,672,042	16,991,480	192,022,118
		Nursing Facility FRA										
465	1	Core	0.00	0	0	235,091,756	235,091,756	0.00	0	0	235,091,756	235,091,756
		Total	0.00	0	0	235,091,756	235,091,756	0.00	0	0	235,091,756	235,091,756
		School District Medicaid Claiming										
474	1	Core	0.00	69,954	33,299,954	0	33,369,908	0.00	69,954	33,299,954	0	33,369,908
		Total	0.00	69,954	33,299,954	0	33,369,908	0.00	69,954	33,299,954	0	33,369,908

Page No.	Dept Rank	Decision Item Name	Department Request					Governor Recommendation				
			FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
		State Medical										
485	1	Core	0.00	29,383,661	0	1,813,765	31,197,426	0.00	29,383,661	0	1,813,765	31,197,426
36	20	Ambulance Rate Increase		348,044	0	0	348,044		0	0	0	0
44	21	Audiology Rate Increase		2,199	0	0	2,199		0	0	0	0
52	22	Dental Rate Increase		109,800	0	0	109,800		0	0	0	0
60	23	Durable Medical Equipment Rate Increase		13,143	0	0	13,143		0	0	0	0
68	24	Optical Rate Increase		101,100	0	0	101,100		0	0	0	0
76	25	Therapies Rate Increase		918	0	0	918		0	0	0	0
84	26	Physician Rate Increase		1,731,014	0	0	1,731,014		0	0	0	0
94	999	Pharmacy PMPM		0	0	0	0		654,532	0	0	654,532
103	999	Cost to Continue Medicaid Program		0	0	0	0		1,838,108	0	0	1,838,108
		Total	0.00	31,689,879	0	1,813,765	33,503,644	0.00	31,876,301	0	1,813,765	33,690,066
		MO HealthNet Supplemental Pool										
493	1	Core	0.00	0	24,107,486	11,590,598	35,698,084	0.00	0	24,107,486	11,590,598	35,698,084
		Total	0.00	0	24,107,486	11,590,598	35,698,084	0.00	0	24,107,486	11,590,598	35,698,084
		Total MO HealthNet Core	263.11	1,123,726,472	3,233,903,700	1,856,141,044	6,213,771,216	#REF!	#REF!	#REF!	#REF!	#REF!
		Total MO HealthNet Division	263.11	1,221,309,612	3,413,992,350	1,959,789,527	6,595,091,489	268.11	1,269,043,912	3,435,285,968	2,093,027,743	6,797,357,623

CROSSING ISSUES

MANAGED CARE PROVIDER TAX GR REPLACEMENT

NEW DECISION ITEM
RANK: 5

Department: Social Services
Division: MO HealthNet
DI Name: Managed Care Provider Tax GR Replacement

Budget Unit: 90551C, 90556C

DI#: 1886004

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	7,443,750			7,443,750
TRF				
Total	**7,443,750**			**7,443,750**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD			7,443,750	7,443,750
TRF				
Total			7,443,750	**7,443,750**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Life Sciences Research Trust Fund (0763)

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
X	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI Synopsis: Funding is requested for General Revenue (GR) replacement of revenue that will be lost due to the sunset of the Managed Care Provider Tax.

The Managed Care Provider Tax Missouri sunset date is September 30, 2011. This is based on HB 740 from the FY09 legislative session. The Federal sunset date is September 30, 2009.

State authority is: Section 208.437, RSMo. Federal authority is: Deficit Reduction Act (2005).

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The Managed Care Provider Tax federal sunset date is September 30, 2009 unless federal legislation extends funding beyond that date. Nine months of general revenue replacement was appropriated by the General Assembly for FY10. Therefore, there is a need of three months of general revenue replacement in FY11.

	Total	GR	Federal
Managed Care	7,272,544	7,272,544	0
CHIP	171,206	171,206	0
Total	$7,443,750	$7,443,750	$0

Governor's Recommendation:

The Governor's Recommendation funded this request with Life Sciences Research Trust Funds.

Total	GR	Federal	Life Sciences
$7,272,544	0	0	7,272,544
$171,206	0	0	171,206
$ 7,443,750	$0	$0	$ 7,443,750

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	7,443,750						7,443,750		
Total PSD	**7,443,750**		**0**		**0**		**7,443,750**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**7,443,750**	**0.0**	**0**	**0.0**	**0**	**0.0**	**7,443,750**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions					7,443,750		7,443,750		
Total PSD	**0**		**0**		**7,443,750**		**7,443,750**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**7,443,750**	**0.0**	**7,443,750**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

Managed Care Participants		
SFY	Actual	Projection
2007	349,391	371,895
2008	363,349	401,097
2009	401,314	366,982
2010		451,283
2011		474,314
2012		498,148

Participants include MO HealthNet (Title XIX) and S-CHIP (Title XXI) participants.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Replace Mg Care Prov Tax GR Re - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	7,272,544	0.00	7,272,544	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**7,272,544**	**0.00**	**7,272,544**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$7,272,544**	**0.00**	**$7,272,544**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$7,272,544**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$7,272,544**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Replace Mg Care Prov Tax GR Re - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	171,206	0.00	171,206	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**171,206**	**0.00**	**171,206**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$171,206**	**0.00**	**$171,206**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$171,206**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$171,206**	**0.00**

CASELOAD GROWTH

NEW DECISION ITEM
RANK: 7

Department: Social Services
Division: MO HealthNet
DI Name: Caseload Growth

Budget Unit: 90542C, 90544C, 90546C, 90547C, 90550C, 90551C, 90552C, 90561C, 90564C
DI#: 1886005

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	54,709,691	100,715,568		155,425,259
TRF				
Total	**54,709,691**	**100,715,568**		**155,425,259**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	56,101,209	98,842,693	481,357	155,425,259
TRF				
Total	**56,101,209**	**98,842,693**	**481,357**	**155,425,259**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Rx Rebates

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Growth with current eligibility guidelines		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: To provide for anticipated caseload increases in existing MO HealthNet Programs.

This funding is requested to provide for anticipated caseload changes of existing MO HealthNet programs. This does not include any expansion due to changes in any eligibility guidelines. Caseload increases are projected in the Permanent and Totally Disabled (PTD), Qualified/Medicare Beneficiaries (QMB), and Pregnant Women and Children populations for an annual average increase of 31,573 new participants. The Federal Authority is Social Security Act 1902(a)(10), 1903(w), 1905,1915(d), 1915(b), 1923(a)-(f), 2100 and 1115 waiver; 42 CFR 406, 410, 412, 418, 431, 440, 441 subpart B and 434 subpart C. The State Authority is 208.151, 208.152, 208.153, 208.166, 167.600 thru 167.621, 191.831 RSMo.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Each category is forecasted individually. Total average annual increase is 31,573. The analysis utilized is listed below:

PTD - FFS Participants
•Number of participants is increased at 3.92% per year (estimated 6,011 new participants) based on historical trends.
•Costs per participant per month are adjusted by program based on historical trends. Managed Care is excluded due to participant category involved.
•Total costs for growth in this participant group are estimated at $71.7 million.

QMB Only - FFS Participants
•Number of participants is increased at 18.73% per year (estimated 2,304 new participants) based on historical trends.
•Costs per participant per month are adjusted by program based on historical trends. Managed Care is excluded due to participant category involved.
•Total costs for growth in this participant group are estimated at $3.2 million.

Pregnant Women - FFS and Managed Care Participants
•Number of participants is increased at 6.53% per year (estimated 651 FFS and 1,384 Managed Care for a total of 2,035 new participants) based on historical trends.
•Costs per participant per month are adjusted by program based on historical trends.
•Total costs for growth in this participant group are estimated at $12.6 million.

Children - FFS and Managed Care Participants
•Number of participants is increased at 4.82% per year (estimated 6,273 FFS and 14,950 Managed Care for a total of 21,223 new participants) based on historical trends.
•Costs per participant per month are adjusted by program based on historical trends.
•Total costs for growth in this participant group are estimated at $67.9 million.

	Total	GR	Federal
Pharmacy	28,674,375	10,093,380	18,580,995
Physician	22,008,385	7,746,952	14,261,433
Dental	823,774	289,968	533,806
Premiums	5,904,931	2,078,536	3,826,395
Home Health	307,079	108,092	198,987
Rehab	5,431,481	1,911,881	3,519,600
NEMT	704,281	247,907	456,374
Managed Care	43,312,739	15,246,084	28,066,655
Hospital	48,258,214	16,986,891	31,271,323
Total	$155,425,259	$54,709,691	$100,715,568

Governor's Recommendations: Adjusted for new FMAP and Rx Rebates.

	Total	GR	Federal	Other
Pharmacy	28,674,375	9,957,549	18,235,469	481,357
Physician	22,008,385	8,012,153	13,996,232	
Dental	823,774	299,895	523,879	
Premiums	5,904,931	2,149,690	3,755,241	
Home Health	307,079	111,792	195,287	
Rehab	5,431,481	1,977,331	3,454,150	
NEMT	704,281	256,393	447,888	
Managed Care	43,312,739	15,768,003	27,544,736	
Hospital	48,258,214	17,568,403	30,689,811	
Total	$155,425,259	$56,101,209	$98,842,693	$481,357

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	54,709,691		100,715,568		0		155,425,259		
Total PSD	**54,709,691**		**100,715,568**		**0**		**155,425,259**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**54,709,691**	**0.0**	**100,715,568**	**0.0**	**0**	**0.0**	**155,425,259**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	56,101,209		98,842,693		481,357		155,425,259		
Total PSD	**56,101,209**		**98,842,693**		**481,357**		**155,425,259**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**56,101,209**	**0.0**	**98,842,693**	**0.0**	**481,357**	**0.0**	**155,425,259**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	28,674,375	0.00	28,674,375	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**28,674,375**	**0.00**	**28,674,375**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$28,674,375**	**0.00**	**$28,674,375**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$10,093,380**	**0.00**	**$9,957,549**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$18,580,995**	**0.00**	**$18,235,469**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$481,357**	**0.00**

11

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHYSICIAN RELATED PROF								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	22,008,385	0.00	22,008,385	0.00
TOTAL - PD	0	0.00	0	0.00	22,008,385	0.00	22,008,385	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$22,008,385	0.00	$22,008,385	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$7,746,952	0.00	$8,012,153	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$14,261,433	0.00	$13,996,232	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
DENTAL								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	823,774	0.00	823,774	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**823,774**	**0.00**	**823,774**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$823,774**	**0.00**	**$823,774**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$289,968**	**0.00**	**$299,895**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$533,806**	**0.00**	**$523,879**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PREMIUM PAYMENTS								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,904,931	0.00	5,904,931	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**5,904,931**	**0.00**	**5,904,931**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$5,904,931**	**0.00**	**$5,904,931**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$2,078,536**	**0.00**	**$2,149,690**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$3,826,395**	**0.00**	**$3,755,241**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOME HEALTH								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	307,079	0.00	307,079	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**307,079**	**0.00**	**307,079**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$307,079**	**0.00**	**$307,079**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$108,092**	**0.00**	**$111,792**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$198,987**	**0.00**	**$195,287**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,431,481	0.00	5,431,481	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**5,431,481**	**0.00**	**5,431,481**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$5,431,481**	**0.00**	**$5,431,481**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,911,881**	**0.00**	**$1,977,331**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$3,519,600**	**0.00**	**$3,454,150**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NON-EMERGENCY TRANSPORT								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	704,281	0.00	704,281	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**704,281**	**0.00**	**704,281**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$704,281**	**0.00**	**$704,281**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$247,907**	**0.00**	**$256,393**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$456,374**	**0.00**	**$447,888**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	43,312,739	0.00	43,312,739	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**43,312,739**	**0.00**	**43,312,739**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$43,312,739**	**0.00**	**$43,312,739**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$15,246,084**	**0.00**	**$15,768,003**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$28,066,655**	**0.00**	**$27,544,736**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOSPITAL CARE								
MHD Caseload Growth - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	48,258,214	0.00	48,258,214	0.00
TOTAL - PD	0	0.00	0	0.00	48,258,214	0.00	48,258,214	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$48,258,214	0.00	$48,258,214	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$16,986,891	0.00	$17,568,403	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$31,271,323	0.00	$30,689,811	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

FMAP

NEW DECISION ITEM
RANK: 13

Department: Social Services
Division: MO HealthNet
DI Name: FMAP

Budget Unit: 90541C, 90544C, 90546C, 90547C, 90549C, 90550C, 90551C, 90552C, 90556C, 90561C, 90564C, 90568C
DI#: 1886009

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD		19,352,029		19,352,029
TRF				
Total		19,352,029		19,352,029
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	44,020,052	188,251		44,208,303
TRF				
Total	44,020,052	188,251		44,208,303
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding to address the change in the Federal Medical Assistance Percentage (FMAP). Changes are regular rate from 64.18% blended to 64.80% blended and enhanced rate from 74.93% blended to 75.36% blended.

This funding is requested to compensate for the change in the Federal Medical Assistance Percentage (FMAP). Each year the Centers for Medicare and Medicaid Services (CMS) revises the percentage of Medicaid costs that the federal government will reimburse to each state. Effective October 1, 2009, the regular FMAP rate will increase from 64.51% to 64.90%. The enhanced FMAP rate for the CHIP children and the Women with Breast or Cervical Cancer program will increase from 75.16% to 75.43%. As a result, the MO HealthNet Division seeks to continue program core funding at current levels by compensating for this change in federal funding levels. The increased costs of this decision item have an equal offset in the affected program cores as core reductions. The Federal Authority is Social Security Act 1905(b).

The Governor's Recommendations update the tentative Department Request with more accurate information learned after the Department's October submission. For FY11 the blended FMAP is 63.595% and the blended enhanced FMAP is 74.515%.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Since the federal fiscal year (FFY) doesn't begin until the second quarter of the state fiscal year (SFY), a SFY blended rate is applied to the SFY core funding. This blended rate is derived by adding the old FFY rate (64.51%) for three months (July thru September) and the new FFY rate (63.29%) for nine months (October thru June) and dividing by 12 months, resulting in a SFY blended rate of 63.595%. This same procedure is applied to the enhanced federal match for the CHIP program and the women with Breast or Cervical Cancer program. The enhanced old FFY rate of 75.16% for three months (July thru September) and the new FFY rate of 74.30% for nine months (October thru June) results in an enhanced SFY blended rate of 74.515%. In order to continue current core funding, these blended rates are applied to the SFY 10 core funding resulting in a revised mix of funding sources while maintaining the same total. Based on the review of all program cores and the change in FMAP, the below increases are needed to maintain total funding at the correct level and have equal offsetting reductions in the applicable program cores.

	Total	GR	Federal
Pharmacy	5,770,372	0	5,770,372
Physician	842,161	0	842,161
Dental	92,382	0	92,382
Premium Payments	1,187,397	0	1,187,397
Home Health	44,184	0	44,184
PACE	256,540	0	256,540
Nursing Facility	1,299,665	0	1,299,665
Rehab & Specialty	1,787,233	0	1,787,233
NEMT	141,557	0	141,557
Managed Care	2,713,486	0	2,713,486
Hospital	4,858,711	0	4,858,711
CHIP	358,341	0	358,341
Total	$19,352,029	$0	$19,352,029

Governor's Recommendations:

Governor's Recommendations include the updated FMAP percentage that the federal government will use.

	Total	GR	Federal
Pharmacy	18,581,491	18,581,491	0
Physician	4,799,817	4,799,817	0
Dental	82,675	82,675	0
Premium Payments	655,739	655,739	0
Home Health	41,691	41,691	0
PACE	188,251	0	188,251
Nursing Facility	3,616,307	3,616,307	0
Rehab & Specialty	1,084,603	1,084,603	0
NEMT	243,853	243,853	0
Managed Care	9,689,619	9,689,619	0
Hospital	3,984,976	3,984,976	0
CHIP	1,239,281	1,239,281	0
Total	$44,208,303	$44,020,052	$188,251

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		19,352,029		0		19,352,029		
Total PSD	0		19,352,029		0		19,352,029		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	19,352,029	0.0	0	0.0	19,352,029	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	44,020,052		188,251				44,208,303		
Total PSD	44,020,052		188,251		0		44,208,303		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	44,020,052	0.0	188,251	0.0	0	0.0	44,208,303	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Year	Regular FFP Rates		Enhanced FFP Rates (CHIP Program)	
	FFY	SFY	FFY	SFY
2007	61.60%	61.68%	73.12%	73.18%
2008	62.42%	62.22%	73.69%	73.55%
2009	63.19%	63.00%	74.23%	74.10%
2010	64.51%	64.18%	75.16%	74.93%
2011	63.29%	63.595%	74.30%	74.515%

Since the FMAP adjustments represent a funding source rather than a particular program, measures for the FMAP adjustments are incorporated into the specific MO HealthNet program sections.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

•Maintain flow of federal financial participation in the healthcare arena. (Beyond DSS)

•The MO HealthNet Division performs detailed projections for all program cores. These projections include adjusting the federal participation level to the percentage in effect for SFY10. After adjusting the funding sources, the appropriate core funds are reduced through core reductions (see Program Core Requests). Increases in funding are requested through this decision item. These two offsetting actions result in continued core funding at current levels.

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,770,372	0.00	18,581,491	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**5,770,372**	**0.00**	**18,581,491**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$5,770,372**	**0.00**	**$18,581,491**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$18,581,491**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$5,770,372**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHYSICIAN RELATED PROF								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	842,161	0.00	4,799,817	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**842,161**	**0.00**	**4,799,817**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$842,161**	**0.00**	**$4,799,817**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,799,817**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$842,161**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
DENTAL								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	92,382	0.00	82,675	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**92,382**	**0.00**	**82,675**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$92,382**	**0.00**	**$82,675**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$82,675**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$92,382**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PREMIUM PAYMENTS								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,187,397	0.00	655,739	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,187,397**	**0.00**	**655,739**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,187,397**	**0.00**	**$655,739**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$655,739**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,187,397**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NURSING FACILITIES								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,299,665	0.00	3,616,307	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,299,665**	**0.00**	**3,616,307**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,299,665**	**0.00**	**$3,616,307**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$3,616,307**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,299,665**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOME HEALTH								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	44,184	0.00	41,691	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**44,184**	**0.00**	**41,691**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$44,184**	**0.00**	**$41,691**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$41,691**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$44,184**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PACE								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	256,540	0.00	188,251	0.00
TOTAL - PD	0	0.00	0	0.00	256,540	0.00	188,251	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$256,540	0.00	$188,251	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$256,540	0.00	$188,251	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,787,233	0.00	1,084,603	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,787,233**	**0.00**	**1,084,603**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,787,233**	**0.00**	**$1,084,603**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,084,603**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,787,233**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NON-EMERGENCY TRANSPORT								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	141,557	0.00	243,853	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**141,557**	**0.00**	**243,853**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$141,557**	**0.00**	**$243,853**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$243,853**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$141,557**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,713,486	0.00	9,689,619	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**2,713,486**	**0.00**	**9,689,619**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$2,713,486**	**0.00**	**$9,689,619**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$9,689,619**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$2,713,486**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOSPITAL CARE								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,858,711	0.00	3,984,976	0.00
TOTAL - PD	0	0.00	0	0.00	4,858,711	0.00	3,984,976	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$4,858,711	0.00	$3,984,976	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$3,984,976	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$4,858,711	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
FMAP Adjustment - 1886009								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	358,341	0.00	1,239,281	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**358,341**	**0.00**	**1,239,281**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$358,341**	**0.00**	**$1,239,281**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,239,281**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$358,341**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

AMBULANCE RATE INCREASE

NEW DECISION ITEM
RANK: 20

Department: Social Services
Division: MO HealthNet
DI Name: Ambulance Rate Increase--SB 577 (2007) Required Request

Budget Unit: 90550C, 90551C, 90556C, 90585C

DI#: 1886015

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	2,903,540	4,854,289		7,757,829
TRF				
Total	2,903,540	4,854,289		7,757,829
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI Synopsis: Funding is needed to increase rates reimbursed to ambulance providers pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity.

Section 208.152.1(23), RSMo required the MO HealthNet Division to provide to the General Assembly a four-year plan by July 1, 2008, to achieve parity with Medicare reimbursement rates. The division is required to include the funding needed to complete the four-year plan in its annual budget request.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Emergency medical transportation is provided under the ambulance program. Ambulance services are covered if they are emergency services and transportation is made to the nearest appropriate hospital. Certain specified non-emergency but medically necessary ambulance transports are also covered. Reimbursement is provided for the base charge (the lesser of the MO HealthNet maximum allowed amount or billed charge) for patient pickup and transportation to destination (base charge includes the first five miles), mileage beyond the first five miles, and ancillary services related to emergency situations. Ambulance services can be provided through ground or air transportation (helicopter/fixed wing) if medically necessary. All MO HealthNet participants are eligible for ambulance services.

The requested funding will bring MO HealthNet reimbursement rates for ambulance procedure codes up to 60% of reimbursement parity pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity. The amount requested was calculated by determining the difference between the FY09 MO HealthNet reimbursement rates and the comparison rates for the procedure codes billed in FY07 under the fee-for-service program. This difference was multiplied by the number of units utilized in FY07 to arrive at the cost to bring reimbursement into parity. The total cost to reach reimbursement parity for ambulance rates is $31,965,042. This request totals $7,757,829 and funds the first year of the plan.

	Total	GR	Federal
Rehab & Specialty	4,099,946	1,443,181	2,656,765
State Medical	348,044	348,044	0
Managed Care	2,810,330	989,236	1,821,094
CHIP	499,509	123,079	376,430
Total	$7,757,829	$2,903,540	$4,854,289

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	2,903,540		4,854,289		0		7,757,829		
Total PSD	**2,903,540**		**4,854,289**		**0**		**7,757,829**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**2,903,540**	**0.0**	**4,854,289**	**0.0**	**0**	**0.0**	**7,757,829**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO HealthNet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly Number of Users of Ambulance Services		
SFY	Actual	Projected
2006	8,028	
2007	8,335	
2008	8,320	
2009	9,493	8,337
2010		8,355
2011		8,373

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,099,946	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**4,099,946**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,099,946**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,443,181**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$2,656,765**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,810,330	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**2,810,330**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$2,810,330**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$989,236**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,821,094**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	499,509	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	499,509	0.00	0	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$499,509	0.00	$0	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$123,079	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$376,430	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	348,044	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**348,044**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$348,044**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$348,044**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

AUDIOLOGY RATE INCREASE

NEW DECISION ITEM
RANK: 21

Department: Social Services | **Budget Unit: 90550C, 90551C, 90556C, 90585C**
Division: MO HealthNet
DI Name: Audiology Rate Increase--SB 577 (2007) Required Request | **DI#: 1886016**

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	45,769	84,391		130,160
TRF				
Total	45,769	84,391		130,160
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to increase rates reimbursed for Audiology services pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity.

Section 208.152.1(23) required the MO HealthNet Division to provide to the General Assembly a four-year plan by July 1, 2008, to achieve parity with Medicare reimbursement rates. The division is required to include the funding needed to complete the four-year plan in its annual budget.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The requested funding will bring MO HealthNet reimbursement rates for audiology procedure codes up to 74% of reimbursement parity pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity. The amount requested was calculated by determining the difference between the FY09 MO HealthNet reimbursement rates and the comparison rates for the procedure codes billed in FY07 under the fee-for-service program. The difference was multiplied by the number of units utilized in FY07 to arrive at the cost to bring reimbursement into parity. The total net cost to reach reimbursement parity for audiology rates is $521,630. This assumes procedure codes that are currently over the comparison rates are reduced to the comparison rates. The savings is deducted from the total cost to determine a net cost to reach parity. This request totals $130,160 and funds the first year of the plan.

Cost to Reach Parity	Total	GR	Federal
Rehab	59,879	21,077	38,802
State Medical	2,266	2,266	0
Managed Care	79,551	28,002	51,549
CHIP	17,585	4,333	13,252
Total	$159,281	$55,678	$103,603
Savings to Reach Parity			
Rehab	(10,064)	(3,542)	(6,522)
State Medical	(67)	(67)	0
Managed Care	(15,347)	(5,402)	(9,945)
CHIP	(3,643)	(898)	(2,745)
Total	($29,121)	($9,909)	($19,212)
Net Cost to Reach Parity			
Rehab	49,815	17,535	32,280
State Medical	2,199	2,199	0
Managed Care	64,204	22,600	41,604
CHIP	13,942	3,435	10,507
Total	$130,160	$45,769	$84,391

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	45,769		84,391		0		130,160		
Total PSD	**45,769**		**84,391**		**0**		**130,160**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**45,769**	**0.0**	**84,391**	**0.0**	**0**	**0.0**	**130,160**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO HealthNet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly Number of Users of Audiology Services		
SFY	Actual	Projected
2006	474	
2007	286	
2008	331	
2009	371	333
2010		336
2011		339

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Aud Rate Inc SB 577 (2007) Req - 1886016								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	49,815	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**49,815**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$49,815**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$17,535**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$32,280**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Aud Rate Inc SB 577 (2007) Req - 1886016								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	64,204	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**64,204**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$64,204**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$22,600**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$41,604**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Aud Rate Inc SB 577 (2007) Req - 1886016								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	13,942	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**13,942**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$13,942**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$3,435**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$10,507**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Aud Rate Inc SB 577 (2007) Req - 1886016								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,199	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**2,199**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$2,199**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$2,199**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

E DENTAL RATE INCREASE

NEW DECISION ITEM
RANK: 22

Department: Social Services
Division: MO HealthNet
DI Name: Dental Rate Increase--SB 577 (2007) Required Request

Budget Unit: 90546C, 90551C, 90556C, 90585C

DI#: 1886017

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	3,886,837	7,366,867		11,253,704
TRF				
Total	**3,886,837**	**7,366,867**		**11,253,704**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				**0**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to increase rates reimbursed for Dental services pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity.

Section 208.152.1(23) required the MO HealthNet Division to provide to the General Assembly a four-year plan by July 1, 2008, to achieve parity with usual, customary, and reasonable (UCR) dental rates. The division is required to include the funding needed to complete the four-year plan in its annual budget.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The requested funding will bring MO HealthNet reimbursement rates for dental procedure codes up to 57% of reimbursement parity pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity. The amount requested was calculated by determining the difference between the FY09 MO HealthNet reimbursement rates and the comparison rates for the procedure codes billed in FY07 under the fee-for-service program. The difference was multiplied by the number of units utilized in FY07 to arrive at the cost to bring reimbursement into parity. The total net cost to reach reimbursement parity is $60,508,622. This assumes procedure codes that are currently over 100% of the comparison rates are reduced to the comparison rates. This request was further reduced by the increase received in FY10. This request totals $11,253,704 and funds the first year of the plan.

	Total	GR	Federal
Dental	4,172,165	1,468,602	2,703,563
Managed Care	5,592,788	1,968,661	3,624,127
CHIP	1,378,951	339,774	1,039,177
State Medical	109,800	109,800	0
Total	11,253,704	3,886,837	7,366,867

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	3,886,837		7,366,867		0		11,253,704		
Total PSD	**3,886,837**		**7,366,867**		**0**		**11,253,704**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**3,886,837**	**0.0**	**7,366,867**	**0.0**	**0**	**0.0**	**11,253,704**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR	Gov Rec FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**		**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**			**0**		**0**		**0**		**0**
Program Distributions	0			0		0		0		
Total PSD	**0**			**0**		**0**		**0**		**0**
Transfers										
Total TRF	**0**			**0**		**0**		**0**		**0**
Grand Total	**0**		**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO HealthNet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average Number of Dental Services Users per Month		
SFY	Actual	Projected
SFY2007	5,959	11,605
SFY2008	6,228	7,082
SFY2009	6,608	6,509
SFY2010		6,803
SFY2011		7,439
SFY2012		7,893

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
DENTAL								
Dental Rate Inc SB 577 (2007) - 1886017								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,172,165	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,172,165	0.00	0	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$4,172,165	0.00	$0	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$1,468,602	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$2,703,563	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Dental Rate Inc SB 577 (2007) - 1886017								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,592,788	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**5,592,788**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$5,592,788**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,968,661**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$3,624,127**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Dental Rate Inc SB 577 (2007) - 1886017								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,378,951	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,378,951**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,378,951**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$339,774**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,039,177**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Dental Rate Inc SB 577 (2007) - 1886017								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	109,800	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	109,800	0.00	0	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$109,800	0.00	$0	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$109,800	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

DURABLE MEDICAL EQUIPMENT (DME) RATE INCREASE

NEW DECISION ITEM
RANK: 23

Department: Social Services
Division: MO HealthNet
DI Name: DME Rate Increase--SB 577 (2007) Required Request

Budget Unit: 90550C, 90551C, 90556C, 90585C

DI#: 1886018

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	332,479	618,968		951,447
TRF				
Total	**332,479**	**618,968**		**951,447**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				**0**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to increase rates reimbursed to Durable Medical Equipment providers pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity.

Section 208.152.1(23) required the MO HealthNet Division to provide to the General Assembly a four-year plan by July 1, 2008, to achieve parity with Medicare reimbursement rates. The division is required to include the funding needed to complete the four-year plan in its annual budget request.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The requested funding will bring MO HealthNet reimbursement rates for durable medical equipment procedure codes up to 96% of reimbursement parity pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity. The amount requested was calculated by determining the difference between the FY 09 MO HealthNet reimbursement rates and the comparison rates for the procedure codes billed under the fee-for-service program. This difference was multiplied by the number of units utilized in FY07 to arrive at the cost to bring reimbursement into parity. The total net cost to reach reimbursement parity for durable medical equipment is $3,842,284. The four-year plan assumes procedure codes that are currently over 100% of the Medicare/state proxy rates are reduced to the Medicare/state proxy rate. The savings is deducted from the total cost to determine a net cost to reach parity. This request totals $951,447 and funds the first year of the plan.

Cost to Reach Parity	Total	GR	Federal
Rehab	538,471	189,542	348,929
State Medical	23,439	23,439	0
Managed Care	613,577	215,979	397,598
CHIP	135,071	33,281	101,790
Total	1,310,558	$462,241	$848,317
Savings to Reach Parity			
Rehab	(164,811)	(58,013)	(106,798)
State Medical	(10,296)	(10,296)	0
Managed Care	(152,587)	(53,711)	(98,876)
CHIP	(31,417)	(7,741)	(23,676)
Total	(359,111)	(129,761)	(229,350)
Net Cost to Reach Parity			
Rehab	373,660	131,528	242,132
State Medical	13,143	13,143	0
Managed Care	460,990	162,268	298,722
CHIP	103,654	25,540	78,114
Total	$951,447	$332,479	$618,968

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	332,479		618,968		0		951,447		
Total PSD	**332,479**		**618,968**		**0**		**951,447**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**332,479**	**0.0**	**618,968**	**0.0**	**0**	**0.0**	**951,447**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO HealthNet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly DME Users		
SFY	Actual	Projected
2007	23,410	23,031
2008	26,976	23,031
2009	28,241	27,003
2010		29,653
2011		31,136
2012		32,693

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
DME Rate Inc SB 577 (2007) Req - 1886018								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	373,660	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**373,660**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$373,660**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$131,528**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$242,132**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
DME Rate Inc SB 577 (2007) Req - 1886018								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	460,990	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**460,990**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$460,990**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$162,268**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$298,722**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
DME Rate Inc SB 577 (2007) Req - 1886018								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	103,654	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**103,654**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$103,654**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$25,540**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$78,114**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
DME Rate Inc SB 577 (2007) Req - 1886018								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	13,143	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**13,143**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$13,143**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$13,143**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

OPTICAL RATE INCREASE

NEW DECISION ITEM
RANK: 24

Department: Social Services
Division: MO HealthNet
DI Name: Optical Rate Increase--SB 577 (2007) Required Request

Budget Unit: 90550C, 90551C, 90556C, 90585C

DI#: 1886019

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	919,085	1,557,977		2,477,062
TRF				
Total	919,085	1,557,977		2,477,062
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to increase rates reimbursed for Optical services pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity.

Section 208.152.1(23) required the MO HealthNet Division to provide to the General Assembly a four-year plan by July 1, 2008, to achieve parity with Medicare reimbursement rates. The division is required to include the funding needed to complete the four-year plan in its annual budget.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The requested funding will bring MO HealthNet reimbursement rates for optical procedure codes up to 66% of reimbursement parity pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity. The amount was calculated by determining the difference between the FY09 MO HealthNet reimbursement rates and the comparison rates for the procedure codes billed in FY07 under the fee-for-service program. This difference was multiplied by the number of units utilized in FY07 to arrive at the cost to bring reimbursement into parity. The total net cost to reach reimbursement parity for optical rates is $9,909,028. This assumes procedure codes that are currently over 100% of the comparison rates are reduced to the comparison rates. This request totals $2,477,062 and funds the first year of the plan.

Cost to Reach Parity	Total	GR	Federal
Rehab Services	1,267,323	446,098	821,225
State Medical	101,240	101,240	0
Managed Care	936,762	329,740	607,022
CHIP	173,878	42,844	131,034
Total	$2,479,203	$919,922	$1,559,281
Savings to Reach Parity			
Rehab Services	(1,324)	(466)	(858)
State Medical	(140)	(140)	0
Managed Care	(603)	(212)	(391)
CHIP	(74)	(19)	(55)
Total	($2,141)	($837)	($1,304)
Net Cost to Reach Parity			
Rehab Services	1,265,999	445,632	820,367
State Medical	101,100	101,100	0
Managed Care	936,159	329,528	606,631
CHIP	173,804	42,825	130,979
Total	$2,477,062	$919,085	$1,557,977

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	919,085		1,557,977		0		2,477,062		
Total PSD	**919,085**		**1,557,977**		**0**		**2,477,062**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**919,085**	**0.0**	**1,557,977**	**0.0**	**0**	**0.0**	**2,477,062**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO HealthNet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly Number of Users of Optical Services		
SFY	Actual	Projected
2006	10,728	
2007	11,381	
2008	11,530	
2009	12,064	11,645
2010		11,762
2011		11,879

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,265,999	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,265,999**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,265,999**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$445,632**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$820,367**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	936,159	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**936,159**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$936,159**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$329,528**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$606,631**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	173,804	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	173,804	0.00	0	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$173,804	0.00	$0	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$42,825	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$130,979	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	101,100	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**101,100**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$101,100**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$101,100**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

THERAPIES-REHAB RATE INCREASE

NEW DECISION ITEM
RANK: 25

Department: Social Services
Division: MO HealthNet
DI Name: Therapies-Rehab Center Rate Increase--
SB 577 (2007) Required Request

Budget Unit: 90550C, 90551C, 90556C, 90585C

DI#: 1886020

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	135,080	261,879		396,959
TRF				
Total	135,080	261,879		396,959
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI Synopsis: Funding is needed to increase rates reimbursed to Rehab Centers for therapy pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity.

Section 208.152.1(23) required the MO HealthNet Division to provide to the General Assembly a four-year plan by July 1, 2008, to achieve parity with Medicare reimbursement rates. The division is required to include the funding needed to complete the four-year plan in its annual budget request.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The rehabilitation center program pays for adaptive training of MO HealthNet participants who have prosthetic/orthotic devices. Covered services include: comprehensive evaluation, stump conditioning, prosthetic and orthotic training, speech therapy for artificial larynx and occupational therapy related to the prosthetic/orthotic adaption. These procedures are covered by MO HealthNet even when the prosthetic/orthotic service was not provided through the MO HealthNet program.

Coverage of augmentative communication devices and training are covered and include the cost of the device, accessories, evaluation and training. Training is also covered for the following prosthetic devices: artificial arms, artificial legs, artificial larynx and orthotics.

The requested funding will bring MO HealthNet reimbursement rates for these procedure codes up to 44% of reimbursement parity pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity. The amount requested was calculated by determining the difference between the FY09 MO HealthNet reimbursement rates and the comparison rates for the procedure codes billed in FY07 under the fee-for-service program. This difference was multiplied by the number of units utilized in FY07 to arrive at the cost to bring reimbursement into parity. The total cost to reach reimbursement parity for Rehab Center Therapy rates is $1,587,836. This request totals $396,959 and funds the first year of the plan.

	Total	GR	Federal
Rehab	137,188	48,290	88,898
State Medical	918	918	0
Managed Care	209,192	73,636	135,556
CHIP	49,661	12,236	37,425
Total	$396,959	$135,080	$261,879

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	135,080		261,879		0		396,959		
Total PSD	**135,080**		**261,879**		**0**		**396,959**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**135,080**	**0.0**	**261,879**	**0.0**	**0**	**0.0**	**396,959**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO Healthnet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly Number of Users of Rehabilitation Center Services		
SFY	Actual	Projected
2006	207	
2007	206	
2008	203	
2009	195	203
2010		203
2011		203

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Therapies Rate Inc SB 577 2007 - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	137,188	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**137,188**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$137,188**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$48,290**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$88,898**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Therapies Rate Inc SB 577 2007 - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	209,192	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**209,192**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$209,192**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$73,636**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$135,556**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Therapies Rate Inc SB 577 2007 - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	49,661	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**49,661**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$49,661**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$12,236**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$37,425**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Therapies Rate Inc SB 577 2007 - 1886020								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	918	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**918**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$918**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$918**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

PHYSICIAN RELATED SERVICES RATE INCREASE

NEW DECISION ITEM
RANK: 26

Department: Social Services
Division: MO HealthNet
DI Name: Physician Related Services Rate Increase--
SB 577 (2007) Required Request

Budget Unit: 90544C, 90546C, 90551C, 90554C, 90556C, 90585C

DI#: 1886021

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	16,203,110	28,327,013		44,530,123
TRF				
Total	16,203,110	28,327,013		44,530,123
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to increase rates reimbursed for Physician-Related services pursuant to the first year of the Four-Year plan to reach reimbursement parity.

Section 208.152.1(23) required the MO HealthNet Division to provide to the General Assembly a four-year plan by July 1, 2008, to achieve parity with Medicare reimbursement rates. The division is required to include the funding needed to complete the four-year plan in its annual budget request.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The requested funding will bring MO HealthNet reimbursement rates for physician-related services procedure codes up to 75% of reimbursement parity pursuant to the first year of the Four-Year Plan to Reach Reimbursement Parity. The amount requested was calculated by determining the difference between the FY09 MO HealthNet reimbursement rates and the comparison rates for the procedure codes billed in FY07 under the fee-for-service program. This difference was multiplied by the number of units utilized in FY07 to arrive at the cost to bring reimbursement into parity. The total net cost to reach reimbursement parity for physician-related services is $176,630,800. This assumes procedure codes that are currently over 100% of the Medicare/state proxy rates are reduced to the Medicare/state proxy rate. The savings is deducted from the total cost to determine a net cost to reach parity. This request totals $44,530,123 and funds the first year of the plan.

Cost to Reach Parity	Total	GR	Federal
Physicians	22,948,670	8,077,932	14,870,738
Dental	383,844	135,113	248,731
State Medical	1,830,907	1,830,907	0
Managed Care	16,883,368	5,942,946	10,940,422
CHIP	3,131,094	771,502	2,359,592
Women's Health	1,189,576	130,853	1,058,723
Total	$46,367,459	$16,889,253	$29,478,206
Savings to Reach Parity			
Physicians	(1,023,307)	(360,204)	(663,103)
Dental	(66)	(23)	(43)
State Medical	(99,893)	(99,893)	0
Managed Care	(561,670)	(197,708)	(363,962)
CHIP	(84,684)	(20,866)	(63,818)
Women's Health	(67,716)	(7,449)	(60,267)
Total	($1,837,336)	($686,143)	($1,151,193)
Net Cost to Reach Parity			
Physicians	21,925,363	7,717,728	14,207,635
Dental	383,778	135,090	248,688
State Medical	1,731,014	1,731,014	0
Managed Care	16,321,698	5,745,238	10,576,460
CHIP	3,046,410	750,636	2,295,774
Women's Health	1,121,860	123,404	998,456
Total	$44,530,123	$16,203,110	$28,327,013

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	16,203,110		28,327,013		0		44,530,123		
Total PSD	**16,203,110**		**28,327,013**		**0**		**44,530,123**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**16,203,110**	**0.0**	**28,327,013**	**0.0**	**0**	**0.0**	**44,530,123**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO HealthNet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly Physician Users		
SFY	Actual	Projected
FY2007	207,071	229,966
FY2008	204,997	223,599
FY2009	215,403	205,000
FY2010		209,100
FY2011		213,282
FY2012		217,548

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHYSICIAN RELATED PROF								
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	21,925,363	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**21,925,363**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$21,925,363**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$7,717,728**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$14,207,635**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
DENTAL								
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	383,778	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	383,778	0.00	0	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$383,778	0.00	$0	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$135,090	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$248,688	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	16,321,698	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	16,321,698	0.00	0	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$16,321,698	0.00	$0	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$5,745,238	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$10,576,460	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
WOMEN'S HEALTH SRVC								
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,121,860	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,121,860**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,121,860**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$123,405**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$998,455**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,046,410	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	3,046,410	0.00	0	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$3,046,410	0.00	$0	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$750,635	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$2,295,775	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,731,014	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,731,014**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,731,014**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,731,014**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

E PHARMACY PMPM INCREASE

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy PMPM Increase

Budget Unit: 90541C, 90554C, 90556C, 90585C

DI#: 1866030

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	6,714,253	31,523,783	11,726,256	49,964,292
TRF				
Total	**6,714,253**	**31,523,783**	**11,726,256**	**49,964,292**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates (0114), Life Sciences Research Trust Fund (0763)

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Inflation and Utilization Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies and inflation. The request includes a 5.7% inflationary factor for all eligibles.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures due to increased utilization.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Pharmacy costs continue to grow at a higher rate than other medical costs. The increasing costs can be attributed to the rising cost of drug ingredients, an increase in units per prescription, the cost of new, expensive medications, and utilization increases. The increase in ingredient costs is due to the inflationary increases which are incorporated into the overall pricing of prescription medications by the pharmaceutical industry as well as the addition of new, expensive agents to the marketplace. The inflation rate in this decision item is consistent with the projected inflation rate being projected by all pharmacy payers.

According to the latest Express Scripts (ESI) Trend Report, ESI is projecting a trend increase of 18% for Specialty drugs and a trend increase of 3% for Non-Specialty drugs. The disabled population utilizes a disproportionate share of Specialty drugs and therefore, the overall projected increase is higher than the average.

The estimated PMPM increase for FY11 was calculated in two ways. As previous stated, ESI Trend Report is projecting a trend rate of 18% for Specialty and 3% for Non-Specialty. In FY11, the MHD pharmacy expenditures are expected to be 82% Specialty and 18% for Non-Specialty. This equates to a blended rate of 5.70%.

In addition, the actual PMPM increase for the last two years were 8.03% in FY08 and 3.42% in FY09. The average of these two rates is slightly over 5.70%. For this calculation, MHD assumed an increase of 5.70%.

Calculation:

	OAA	% Increase	PTD	% Increase	Other	% Increase	Total
FY09	$172.75		$440.34		$47.14		
FY10	$182.60	5.70%	$465.44	5.70%	$49.83	5.70%	
FY11	$193.01	5.70%	$491.97	5.70%	$52.67	5.70%	
Increase	$10.41		$26.53		$2.84		
FY10 Elg	9,876		85,874		627,694		
	102,809		2,278,230.8528		1,782,651		
	12		12		12		
Total	$1,233,708		$27,338,770		$21,391,812		$49,964,290

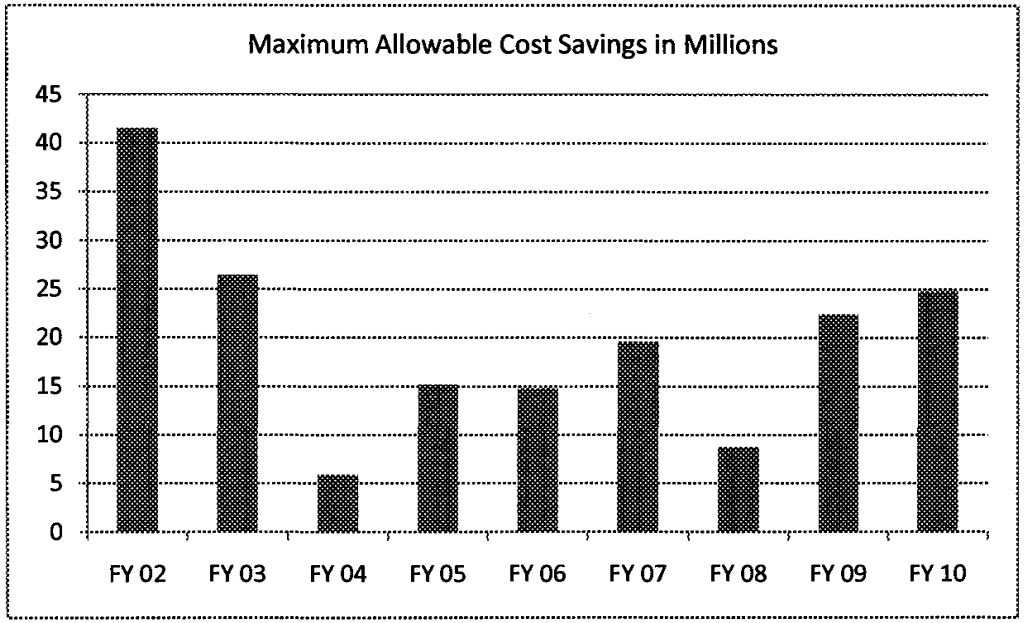
	Total	GR	Federal	Rebates	Life Science Research
Pharmacy	47,935,742	5,724,751	30,484,735	9,895,006	$1,831,250
CHIP	1,269,093	323,428	945,665		
Women Health	104,925	11,542	93,383		
State Medical	654,532	654,532			
Total	$49,964,292	$6,714,253	$31,523,783	$9,895,006	$1,831,250

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	6,714,253		31,523,783		11,726,256		49,964,292		
Total PSD	**6,714,253**		**31,523,783**		**11,726,256**		**49,964,292**		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	**6,714,253**	0.0	**31,523,783**	0.0	**11,726,256**	0.0	**49,964,292**	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.



6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

Participants:

Pharmacy services are available to all MO HealthNet participants. Prior to FY 2010, managed care plans had the option to carve out pharmacy services. Beginning in SFY 2010, managed care plans are no longer responsible for paying for pharmacy services. Pharmacy services for both fee-for-service and managed care will be paid from the pharmacy section.

Average Monthly Number of Pharmacy Users		
SFY	Actual	Projected
2007	198,540	
2008	196,097	
2009	208,686	224,400
2010		324,400
2011		334,000
2012		344,000

Number of Pharmacy Claims		
SFY	Actual	Projected
2007	9.6 mil	10.4 mil
2008	10.8 mil	11.4 mil
2009	11.6 mil	13.4 mil
2010		12.0 mil
2011		12.5 mil
2012		13.1 mil

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY								
Pharmacy PMPM - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	47,935,742	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**47,935,742**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$47,935,742**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$5,724,751**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$30,484,735**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$11,726,256**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
WOMEN'S HEALTH SRVC								
Pharmacy PMPM - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	104,925	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**104,925**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$104,925**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$11,542**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$93,383**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Pharmacy PMPM - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,269,093	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,269,093**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,269,093**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$323,428**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$945,665**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Pharmacy PMPM - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	654,532	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**654,532**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$654,532**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$654,532**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

E COST TO CONTINUE

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: Cost to Continue Medicaid Program

Budget Unit: 90541C, 90544C, 90546C, 90547C, 90549C, 90550C, 90551C, 90552C, 90561C, 90564C, 90585C
DI#: 1886035

1. AMOUNT OF REQUEST

FY 2010 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2010 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	88,741,864	147,597,076	6,449,467	242,788,407
TRF				
Total	**88,741,864**	**147,597,076**	**6,449,467**	**242,788,407**
FTE				**0.00**
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebate Fund (0114)

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion	X	Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funds additional anticipated costs of the following programs: Pharmacy, Physician, Dental, Home Health, Premium Payments, Nursing Facilities, Rehab & Specialty, NEMT, Hospital, State Medical, and Managed Care to ensure the core is sufficiently funded.

The Federal Authority is Social Security Act 1902(a)(10), 1903(w), 1905, 1915(d), 1915(b), 1923(a)-(f), 2100 and 1115 Waiver; 42 CFR 406, 410, 412, 418, 431, 433 440, 441 subpart B, and 434 subpart C. State Authority is 208.151, 208.152, 208.153, 208.166, 167.600 through167.621, 191.831 RSMo.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MHD performed detailed projections of all program cores. These projections include estimating expenditures for the next fiscal year in order to ensure adequate funding is available. Federal match rate used is 63.595%. Other funds are Pharmacy Rebates.

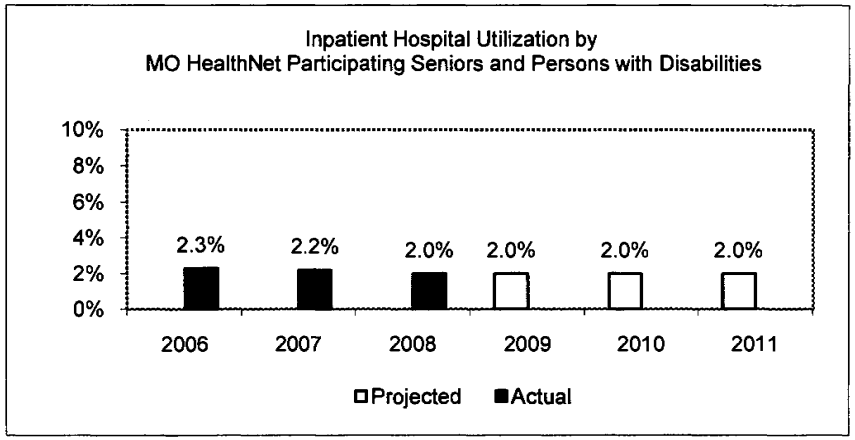
	Total	GR	Federal	Other
Hospital Services	$56,609,659	$20,608,747	$36,000,912	
Pharmacy	$8,700,464	$819,475	$1,431,522	$6,449,467
Physician	$97,555,977	$35,515,253	$62,040,724	
Dental	$4,771,295	$1,736,990	$3,034,305	
Premium Payments	$7,188,947	$2,617,136	$4,571,811	
Nursing Facilities	$2,411,712	$2,411,712	$0	
Rehab and Specialty	$12,153,294	$4,424,407	$7,728,887	
State Medical	$1,838,108	$1,838,108	$0	
Managed Care	$51,489,897	$18,744,897	$32,745,000	
Home Health	$22,112	$8,050	$14,062	
NEMT	$46,942	$17,089	$29,853	
Total	$242,788,407	$88,741,864	$147,597,076	$6,449,467

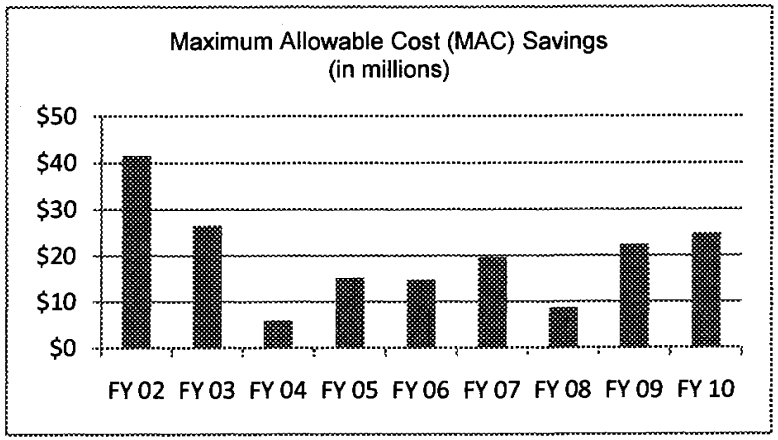
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	88,741,864		147,597,076		6,449,467		242,788,407		
Total PSD	**88,741,864**		**147,597,076**		**6,449,467**		**242,788,407**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**88,741,864**	**0.0**	**147,597,076**	**0.0**	**6,449,467**	**0.0**	**242,788,407**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

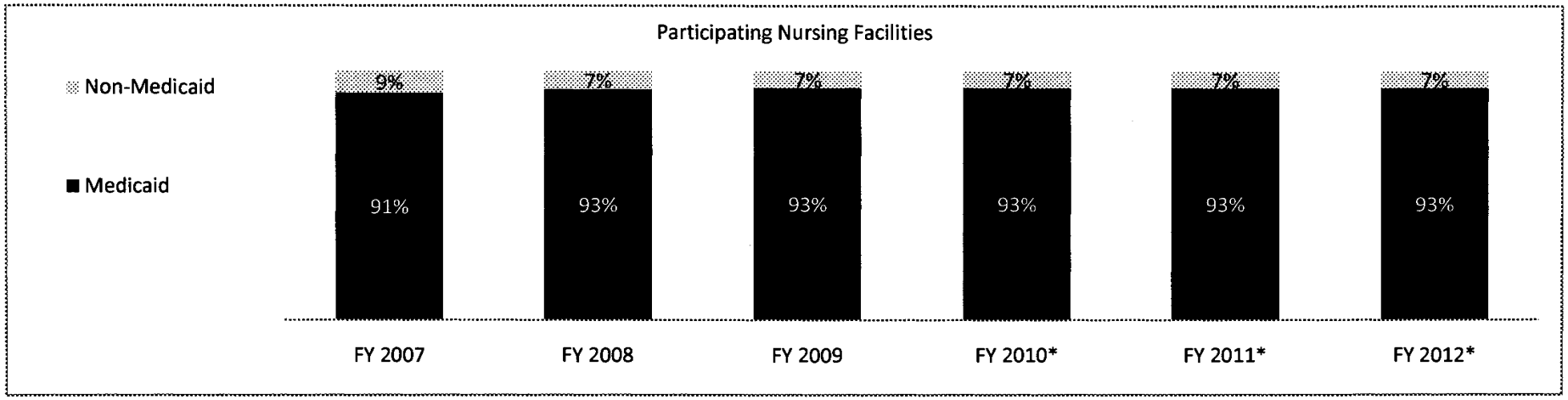
6a. Provide an effectiveness measure.



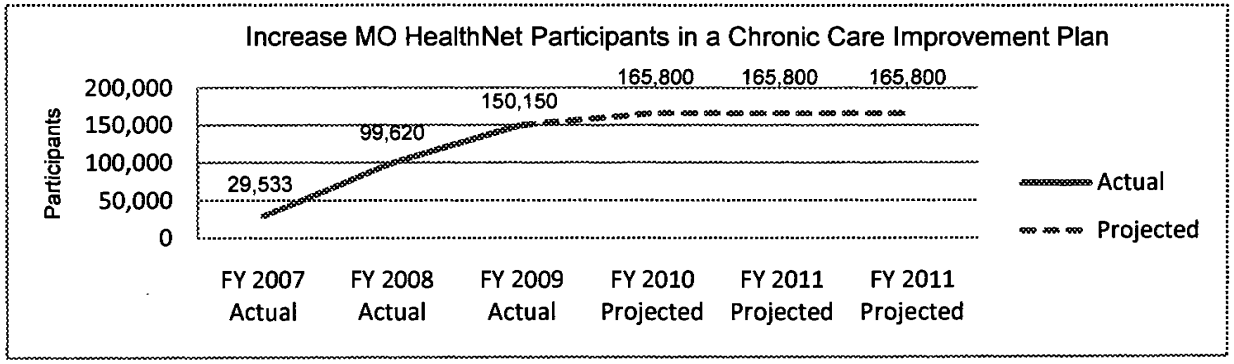


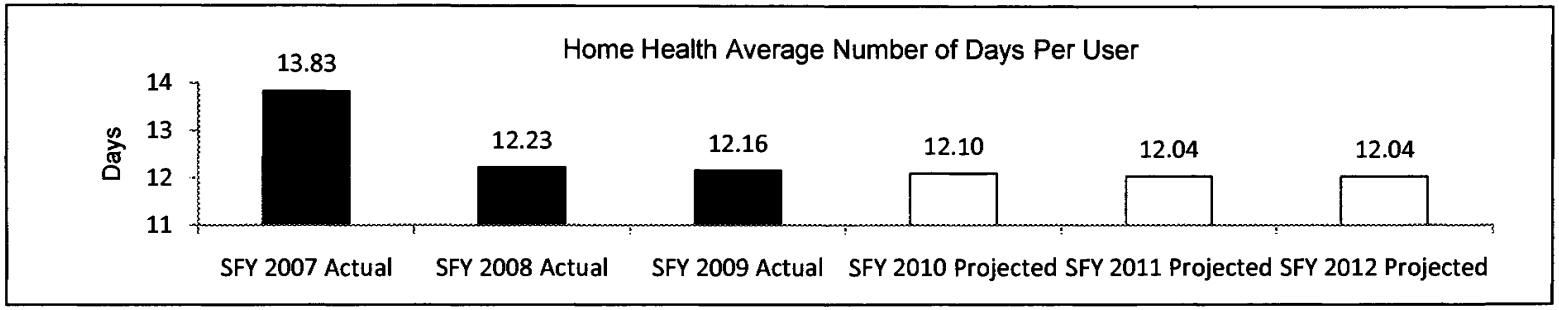
EPSDT Participant Ratio			
Federal Fiscal Year*	Participants who should have received a screening	Participants who received at least one screening	Participant Ratio
2007	405,672	275,101	68%
2008	397,792	275,618	69%
2009	398,346	278,622	70%
2010**	402,329	285,654	71%
2011**	406,353	292,574	72%
2012**	410,416	299,604	73%

*Based on federal fiscal year in which report was submitted to CMS.
**Projected.


Participating Nursing Facilities
Non-Medicaid
Medicaid
9%
7%
7%
7%
7%
7%
91%
93%
93%
93%
93%
93%
FY 2007
FY 2008
FY 2009
FY 2010*
FY 2011*
FY 2012*

*Projected


Increase MO HealthNet Participants in a Chronic Care Improvement Plan
Participants
200,000
150,000
100,000
50,000
0
29,533
99,620
150,150
165,800
165,800
165,800
FY 2007 Actual
FY 2008 Actual
FY 2009 Actual
FY 2010 Projected
FY 2011 Projected
FY 2011 Projected
Actual
Projected

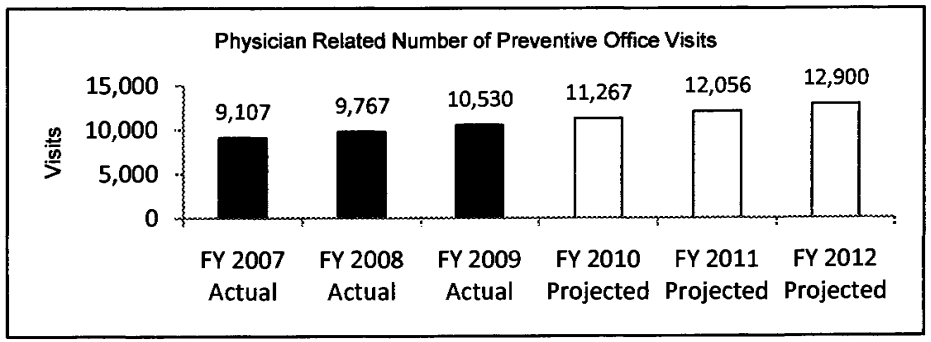


Average Number of Trips NEMT (per month)	
SFY	Trips
2007	70,745
2008	75,024
2009	81,258
2010*	82,883
2011*	84,541
2012*	86,232

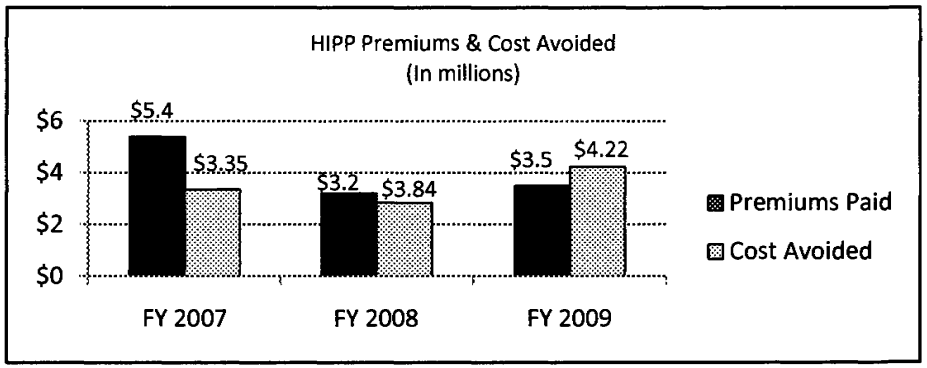
*Projected

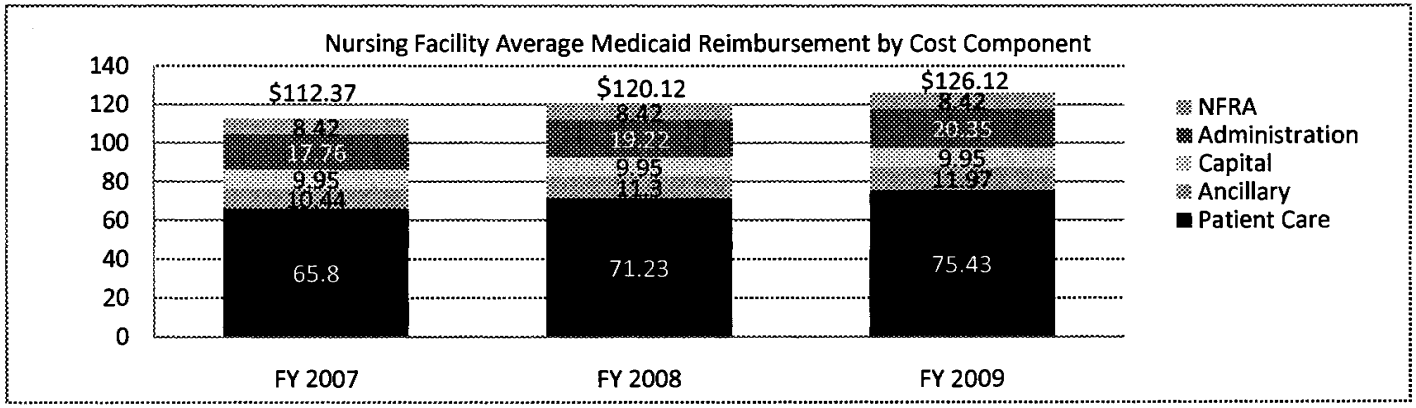
6b. Provide an efficiency measure.

Number of Hospital Outpatient (Thousands)		
SFY	Actual	Projected
2007	9,754.7	
2008	9,224.7	
2009	8,842.0	
2010		9,410.2
2011		9,504.3
2012		9,599.0



Dental Average Cost per Service		
SFY	Actual	Projected
2007	$32.89	$41.34
2008	$32.47	$32.91
2009	$37.89	$32.05
2010		$40.08
2011		$42.40
2012		$44.86





NEMT Payments			
Provider	SFY07	SFY08	SFY09
Private Contractor	$26,985,709	$29,834,820	$29,841,994
Public Entities (federal only)	$4,362,701	$ 5,205,740	$ 4,155,684
TOTAL	$31,348,410	$35,040,560	$33,997,678

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly Number of Users of Hospital Services		
SFY	Actual	Projected
2007	107,049	105,387
2008	96,140	111,215
2009	97,589	97,101
2010		98,072
2011		99,053
2012		100,044

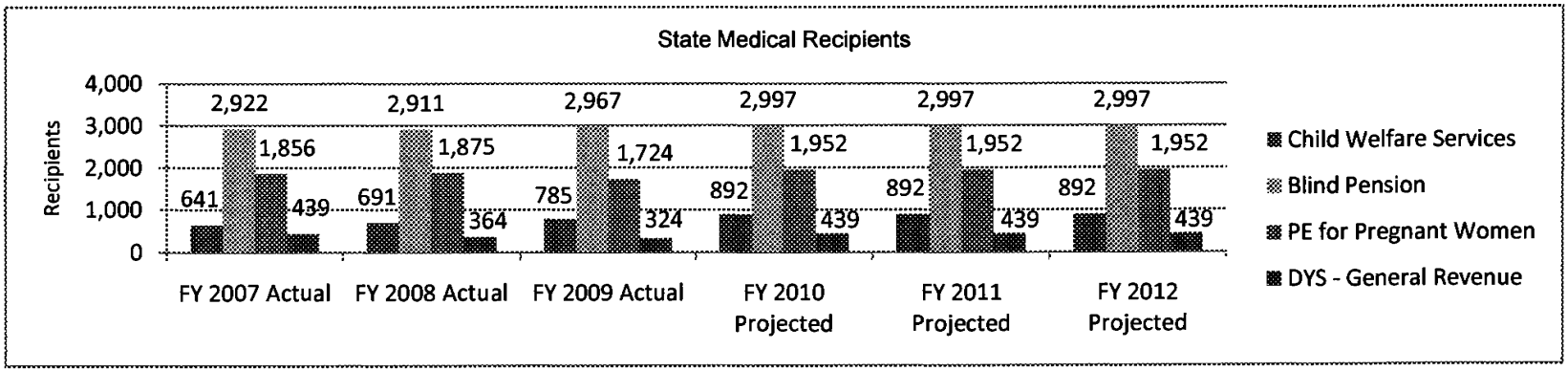
Average Monthly Number of Pharmacy Users		
SFY	Actual	Projected
2007	198,540	
2008	196,097	
2009	208,686	224,400
2010		324,400
2011		334,000
2012		344,000

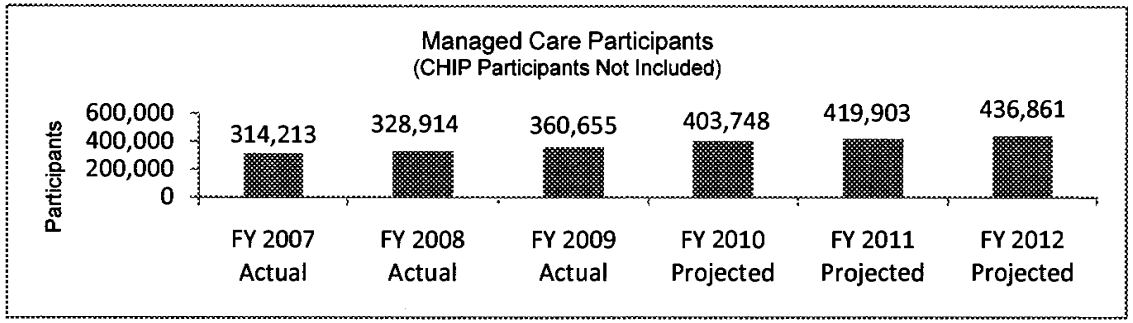
Average Monthly FFS Users of Physician, Nurse Practioners and Related Professionals		
SFY	Actual	Projected
2007	207,071	
2008	204,997	
2009	215,403	
2010		219,711
2011		224,105
2012		228,587

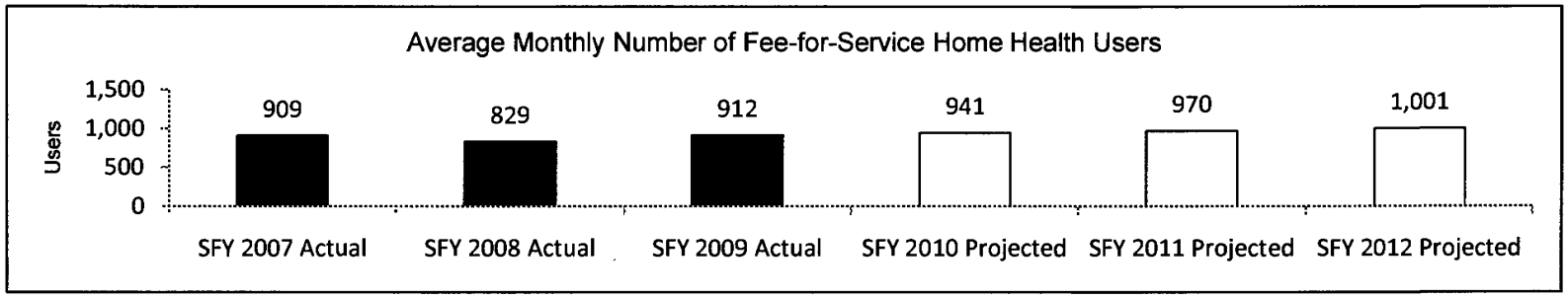
Average Number of Dental Services Users per Month		
SFY	Actual	Projected
2007	5,959	11,605
2008	6,228	7,082
2009	6,608	6,509
2010		6,803
2011		7,439
2012		7,893

Average Number of Nursing Facility Users per Month		
SFY	Actual	Projected
2007	24,395	
2008	24,505	
2009	24,099	
2010*		24,500
2011*		25,000
2012*		25,500

Average Number of Durable Medical Equipment Users per Month		
SFY	Actual	Projected
2007	23,410	23,031
2008	26,976	23,031
2009	28,241	27,003
2010*		29,653
2011*		31,136
2012*		32,693







Average Monthly Fee for Service NEMT Participants		
SFY	Actual	Projected
2007	440,695	
2008	459,347	
2009	441,030	
2010		449,851
2011		458,848
2012		468,025

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	8,700,464	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**8,700,464**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$8,700,464**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$819,475**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,431,522**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$6,449,467**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHYSICIAN RELATED PROF								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	97,555,977	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**97,555,977**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$97,555,977**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$35,515,253**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$62,040,724**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
DENTAL								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	4,771,295	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**4,771,295**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,771,295**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,736,990**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$3,034,305**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PREMIUM PAYMENTS								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	7,188,947	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**7,188,947**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$7,188,947**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,617,136**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,571,811**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NURSING FACILITIES								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	2,411,712	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**2,411,712**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,411,712**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,411,712**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	12,153,294	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**12,153,294**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$12,153,294**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,424,407**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$7,728,887**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	51,489,897	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**51,489,897**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$51,489,897**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$18,744,897**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$32,745,000**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOSPITAL CARE								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	56,609,659	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	56,609,659	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$0	0.00	$56,609,659	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$20,608,747	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$36,000,912	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NON-EMERGENCY TRANSPORT								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	46,942	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**46,942**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$46,942**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$17,089**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$29,853**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOME HEALTH								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	22,112	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**22,112**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$22,112**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$8,050**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$14,062**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,838,108	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,838,108**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,838,108**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,838,108**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

MO HEALTHNET
ADMINISTRATION

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HEALTHNET ADMIN								
CORE								
PERSONAL SERVICES								
GENERAL REVENUE	3,093,605	78.51	3,439,947	85.03	3,383,472	83.31	3,439,947	85.03
DEPT OF SOC SERV FEDERAL & OTH	5,303,348	134.62	5,510,988	136.49	5,546,532	136.21	5,603,007	138.49
PHARMACY REBATES	2,287	0.07	0	0.00	0	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	330,822	9.82	372,582	12.29	372,582	12.29	372,582	12.29
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	92,019	2.00	92,019	2.00
PHARMACY REIMBURSEMENT ALLOWAN	23,691	0.43	25,101	0.50	25,101	0.50	25,101	0.50
NURSING FAC QUALITY OF CARE	69,935	1.81	80,513	2.45	80,513	2.45	80,513	2.45
HEALTH INITIATIVES	282,072	7.24	303,795	9.35	303,795	9.35	303,795	9.35
MISSOURI RX PLAN FUND	727,529	14.71	730,059	17.00	730,059	17.00	730,059	17.00
TOTAL - PS	9,833,289	247.21	10,462,985	263.11	10,534,073	263.11	10,647,023	267.11
EXPENSE & EQUIPMENT								
GENERAL REVENUE	1,282,764	0.00	1,271,758	0.00	1,263,070	0.00	1,256,859	0.00
DEPT OF SOC SERV FEDERAL & OTH	3,665,511	0.00	4,054,457	0.00	4,053,883	0.00	4,047,672	0.00
THIRD PARTY LIABILITY COLLECT	495,189	0.00	495,188	0.00	495,188	0.00	495,188	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	8,114	0.00	8,114	0.00
PHARMACY REIMBURSEMENT ALLOWAN	375	0.00	375	0.00	375	0.00	375	0.00
NURSING FAC QUALITY OF CARE	10,281	0.00	10,281	0.00	10,281	0.00	10,281	0.00
HEALTH INITIATIVES	27,362	0.00	31,385	0.00	31,385	0.00	31,385	0.00
MISSOURI RX PLAN FUND	47,049	0.00	57,800	0.00	57,800	0.00	57,800	0.00
TOTAL - EE	5,528,531	0.00	5,921,244	0.00	5,920,096	0.00	5,907,674	0.00
PROGRAM-SPECIFIC								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	1,030	0.00	1,030	0.00	1,030	0.00
TOTAL - PD	0	0.00	1,030	0.00	1,030	0.00	1,030	0.00
TOTAL	**15,361,820**	**247.21**	**16,385,259**	**263.11**	**16,455,199**	**263.11**	**16,555,727**	**267.11**
Ambulance Reimbursement Allown - 1886036								
PERSONAL SERVICES								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	0	0.00	17,212	0.50
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	0	0.00	17,211	0.50
TOTAL - PS	0	0.00	0	0.00	0	0.00	34,423	1.00
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	0	0.00	3,473	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HEALTHNET ADMIN								
Ambulance Reimbursement Allown - 1886036								
EXPENSE & EQUIPMENT								
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	0	0.00	3,474	0.00
TOTAL - EE	0	0.00	0	0.00	0	0.00	6,947	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**41,370**	**1.00**
GRAND TOTAL	**$15,361,820**	**247.21**	**$16,385,259**	**263.11**	**$16,455,199**	**263.11**	**$16,597,097**	**268.11**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Administration

Budget Unit: 90512C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS	3,383,472	5,546,532	1,604,069	10,534,073
EE	1,263,070	4,053,883	603,143	5,920,096
PSD		1,030		1,030
TRF				
Total	4,646,542	9,601,445	2,207,212	16,455,199
FTE	83.31	136.21	43.59	263.11
Est. Fringe	*2,034,482*	*3,335,130*	*964,527*	*6,334,138*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Quality of Care Fund (NFQC) (0271)
Third Party Liability Collections Fund (TPL) (0120)
MO Rx Plan Fund (0779)
Federal Reimbursement Allowance Fund (FRA) (0142)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS	3,439,947	5,603,007	1,604,069	10,647,023
EE	1,256,859	4,047,672	603,143	5,907,674
PSD		1,030		1,030
TRF				
Total	4,696,806	9,651,709	2,207,212	16,555,727
FTE	85.03	138.49	43.59	267.11
Est. Fringe	*2,068,440*	*3,369,088*	*964,527*	*6,402,055*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Quality of Care Fund (NFQC) (0271)
Third Party Liability Collections Fund (TPL) (0120)
MO Rx Plan Fund (0779)
Federal Reimbursement Allowance Fund (FRA) (0142)

2. CORE DESCRIPTION

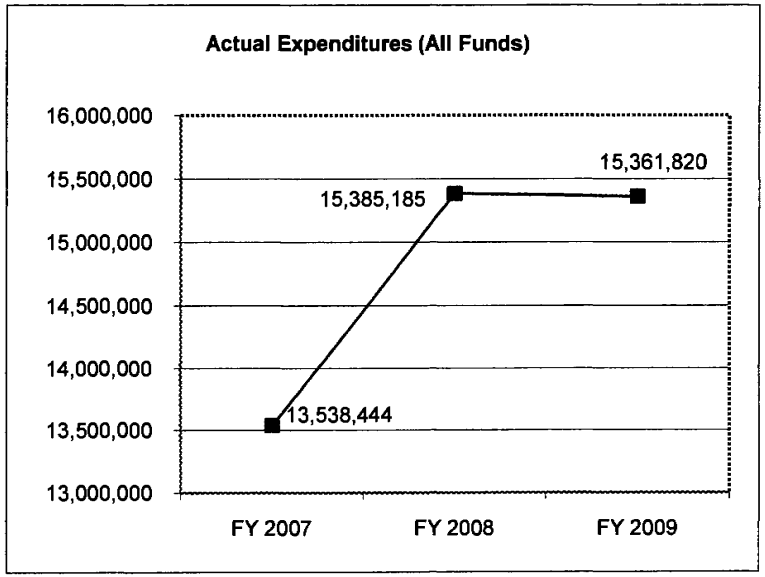
This core request is for the continued operation of the MO HealthNet program. The MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing administrative staffing, expense and equipment and contractor resources effectively.

3. PROGRAM LISTING (list programs included in this core funding)

MO Healthnet Division Administration

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	14,476,869	15,933,157	16,457,280	16,385,259
Less Reverted (All Funds)	(124,882)	(131,956)	(406,711)	N/A
Budget Authority (All Funds)	14,351,987	15,801,201	16,050,569	N/A
Actual Expenditures (All Funds)	13,538,444	15,385,185	15,361,820	N/A
Unexpended (All Funds)	813,543	416,016	688,749	N/A
Unexpended, by Fund:				
General Revenue	14,184	17,404	3,714	N/A
Federal	667,991	89,195	611,126	N/A
Other	131,368	309,417	73,909	N/A
	(1)	(2) (3)	(4) (5)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Agency reserve of $621,701 in federal funds: $290,000 in PS and $331,701 in E & E.

(2) Agency reserve of $65,800: federal funds $40,000 in PS and $10,800 in E & E; MO Rx Plan funds $5,000 in PS and $10,000 in E & E.

(3) FY2008 increases: $415,000 for managed care expansion actuarial study; $500,000 for expansion of fraud and abuse detection system; $295,000 pay plan.

(4) Agency reserve of $438,387 in E & E: general revenue of $3,689; federal funds $420,675; MO Rx Plan funds $10,000 and $4,023 in Health Initiatives funds.

(5) FY2009 increases: $758,000 for SB 577 (2007) implementation; $300,000 pay plan. Reduction for actuarial study completed in FY2008.

DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			PS	263.11	3,439,947	5,510,988	1,512,050	10,462,985	
			EE	0.00	1,271,758	4,054,457	595,029	5,921,244	
			PD	0.00	0	1,030	0	1,030	
			Total	**263.11**	**4,711,705**	**9,566,475**	**2,107,079**	**16,385,259**	
DEPARTMENT CORE ADJUSTMENTS									
Transfer Out	781	0215	EE	0.00	0	(1,188)	0	(1,188)	Transfer to Office of Administration fuel and utilities funding from FY10 Program Integrity Initiative NDI.
Transfer Out	781	6377	EE	0.00	(1,188)	0	0	(1,188)	Transfer to Office of Administration fuel and utilities funding from FY10 Program Integrity Initiative NDI.
Core Reduction	844	6376	PS	(1.72)	(56,475)	0	0	(56,475)	FY 10 expenditure restriction plan.
Core Reduction	844	6378	PS	(2.28)	0	(56,475)	0	(56,475)	FY 10 expenditure restriction plan.
Core Reduction	844	0215	EE	0.00	0	(7,500)	0	(7,500)	FY 10 expenditure restriction plan.
Core Reduction	844	6377	EE	0.00	(7,500)	0	0	(7,500)	FY 10 expenditure restriction plan.
Core Reallocation	534	6378	PS	2.00	0	92,019	0	92,019	Transfer in Rev Max unit
Core Reallocation	534	6889	PS	2.00	0	0	92,019	92,019	Transfer in Rev Max unit
Core Reallocation	534	6910	EE	0.00	0	0	8,114	8,114	Transfer in Rev Max unit
Core Reallocation	534	0215	EE	0.00	0	8,114	0	8,114	Transfer in Rev Max unit
NET DEPARTMENT CHANGES				**0.00**	**(65,163)**	**34,970**	**100,133**	**69,940**	
DEPARTMENT CORE REQUEST									
			PS	263.11	3,383,472	5,546,532	1,604,069	10,534,073	
			EE	0.00	1,263,070	4,053,883	603,143	5,920,096	

DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE REQUEST								
		PD	0.00	0	1,030	0	1,030	
		Total	**263.11**	**4,646,542**	**9,601,445**	**2,207,212**	**16,455,199**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	844	PS	4.00	56,475	56,475	0	112,950	FY 10 expenditure restriction plan.
Core Reduction	844	EE	0.00	7,500	7,500	0	15,000	FY 10 expenditure restriction plan.
Core Reduction	1608	EE	0.00	(13,711)	(13,711)	0	(27,422)	Core reduction of one-time FY10 program integrity funding
NET GOVERNOR CHANGES			**4.00**	**50,264**	**50,264**	**0**	**100,528**	
GOVERNOR'S RECOMMENDED CORE								
		PS	267.11	3,439,947	5,603,007	1,604,069	10,647,023	
		EE	0.00	1,256,859	4,047,672	603,143	5,907,674	
		PD	0.00	0	1,030	0	1,030	
		Total	**267.11**	**4,696,806**	**9,651,709**	**2,207,212**	**16,555,727**	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER:	**90512C**	**DEPARTMENT:**	**Social Services**
BUDGET UNIT NAME:	**Mo HealthNet Administration**	**DIVISION:**	**Mo HealthNet**

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

Section	PS or E&E	Core	% Flex Requested	Flex Requested Amount
	PS	$10,534,073	25%	$2,633,518
	E&E	$5,921,126	25%	$1,480,282
Total Request		$16,455,199		$4,113,800

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None	House Bill 11.400 language allows for up to 25% flexibility between personal service and equipment and expense. Mo HealthNet does not have an estimate of the amount of flexibility that might be used in FY10.	25% flexibility is being requested for FY10. MO HealthNet does not have an estimate of the amount of flexibility that might be used if approved.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
No flexibility was used.	Flexibility allows MO HealthNet to explore avenues of service delivery that may provide the same or increased services with greater efficiency. Flexibility opens doors to analyzing current operations and seeking effective and cost-efficient means of providing services.

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HEALTHNET ADMIN								
CORE								
OFFICE SUPPORT ASST (CLERICAL)	46,803	2.00	64,440	2.50	64,440	2.50	64,440	2.50
SR OFC SUPPORT ASST (CLERICAL)	48,975	2.02	0	0.00	0	0.00	0	0.00
ADMIN OFFICE SUPPORT ASSISTANT	178,506	6.57	187,547	7.00	187,547	7.00	187,547	7.00
OFFICE SUPPORT ASST (KEYBRD)	102,220	4.67	151,934	6.01	103,166	4.01	151,934	6.01
SR OFC SUPPORT ASST (KEYBRD)	326,694	13.37	416,519	16.87	416,519	16.87	416,519	16.87
ACCOUNT CLERK II	146,437	5.89	154,565	6.00	152,979	6.00	152,979	6.00
AUDITOR II	99,964	2.79	257,940	8.24	328,996	10.24	328,996	10.24
AUDITOR I	105,236	3.23	0	0.00	0	0.00	0	0.00
SENIOR AUDITOR	203,133	5.04	232,897	6.00	278,355	7.00	278,355	7.00
AUDITOR III	0	0.00	54,246	1.00	67,524	1.00	67,524	1.00
ACCOUNTANT I	59,604	2.00	60,100	2.01	60,100	2.01	60,100	2.01
ACCOUNTANT III	150,967	3.55	172,126	4.00	173,712	4.00	173,712	4.00
PERSONNEL OFCR I	40,163	1.00	40,212	1.00	40,212	1.00	40,212	1.00
EXECUTIVE II	34,552	0.99	37,878	1.00	37,878	1.00	37,878	1.00
MANAGEMENT ANALYSIS SPEC II	273,459	6.00	274,014	6.00	274,014	6.00	274,014	6.00
HEALTH PROGRAM REP III	44,666	1.01	44,265	1.00	44,265	1.00	44,265	1.00
PERSONNEL CLERK	0	0.00	28,886	1.00	28,886	1.00	28,886	1.00
PHYSICIAN	109,391	1.00	109,522	1.00	109,524	1.00	109,524	1.00
REGISTERED NURSE III	90,094	2.00	90,409	2.00	90,409	2.00	90,409	2.00
REGISTERED NURSE IV	143,012	2.69	208,506	4.00	208,504	4.00	208,504	4.00
REGISTERED NURSE V	61,544	1.00	61,723	1.00	61,723	1.00	61,723	1.00
PHARMACEUTICAL CNSLT	0	0.00	418,484	3.00	424,067	3.00	424,067	3.00
PROGRAM DEVELOPMENT SPEC	398,427	9.71	413,625	10.00	411,516	10.00	411,516	10.00
INVESTIGATOR II	0	0.00	41,874	1.00	41,874	1.00	41,874	1.00
INVESTIGATOR III	0	0.00	45,294	1.00	45,294	1.00	45,294	1.00
MEDICAID PROGRAM RELATIONS REP	124,373	3.00	125,105	3.00	125,105	3.00	125,105	3.00
CORRESPONDENCE & INFO SPEC I	835,621	23.77	896,541	26.58	894,852	26.58	894,852	26.58
MEDICAID PHARMACEUTICAL TECH	214,996	6.74	224,174	7.00	191,844	6.00	191,844	6.00
MEDICAID CLERK	397,728	14.29	406,739	14.57	406,739	14.57	406,739	14.57
MEDICAID TECHNICIAN	963,152	30.51	983,680	31.36	919,498	29.36	983,680	31.36
MEDICAID SPEC	1,457,746	38.45	1,497,066	40.00	1,529,396	41.00	1,529,396	41.00
MEDICAID UNIT SPV	631,511	14.06	634,414	14.00	669,799	15.00	669,799	15.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HEALTHNET ADMIN								
CORE								
FISCAL & ADMINISTRATIVE MGR B1	134,471	2.80	136,512	3.00	190,758	4.00	190,758	4.00
FISCAL & ADMINISTRATIVE MGR B2	183,242	3.00	184,374	3.00	184,374	3.00	184,374	3.00
RESEARCH MANAGER B1	53,228	1.00	53,291	1.00	53,291	1.00	53,291	1.00
SOCIAL SERVICES MGR, BAND 1	108,809	2.00	108,291	2.00	109,980	2.00	109,980	2.00
SOCIAL SERVICES MNGR, BAND 2	501,987	8.98	589,280	10.02	548,312	9.02	548,312	9.02
DIVISION DIRECTOR	167,172	0.99	167,376	1.00	167,376	1.00	167,376	1.00
DEPUTY DIVISION DIRECTOR	248,614	2.00	82,102	1.00	82,102	1.00	82,102	1.00
DESIGNATED PRINCIPAL ASST DIV	203,363	2.56	237,039	3.00	239,148	3.00	239,148	3.00
LEGAL COUNSEL	64,593	0.90	71,562	1.00	71,562	1.00	71,562	1.00
CLERK	19,231	0.92	0	0.00	0	0.00	0	0.00
TYPIST	34,508	1.71	0	0.00	0	0.00	0	0.00
OFFICE WORKER MISCELLANEOUS	10,713	0.49	0	0.00	0	0.00	0	0.00
ACCOUNT CLERK	350	0.01	0	0.00	0	0.00	0	0.00
MISCELLANEOUS TECHNICAL	65,465	2.16	0	0.00	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	668,383	8.28	418,792	6.95	420,901	6.95	420,901	6.95
SPECIAL ASST OFFICE & CLERICAL	78,703	2.04	79,641	2.00	77,532	2.00	77,532	2.00
DIRECTOR OF PERFORMANCE REVWS	1,483	0.02	0	0.00	0	0.00	0	0.00
TOTAL - PS	**9,833,289**	**247.21**	**10,462,985**	**263.11**	**10,534,073**	**263.11**	**10,647,023**	**267.11**
TRAVEL, IN-STATE	33,161	0.00	125,802	0.00	50,802	0.00	50,802	0.00
TRAVEL, OUT-OF-STATE	9,840	0.00	8,914	0.00	8,914	0.00	8,914	0.00
FUEL & UTILITIES	0	0.00	2,376	0.00	0	0.00	0	0.00
SUPPLIES	409,288	0.00	557,695	0.00	451,764	0.00	451,764	0.00
PROFESSIONAL DEVELOPMENT	19,333	0.00	28,603	0.00	22,803	0.00	22,803	0.00
COMMUNICATION SERV & SUPP	130,977	0.00	157,332	0.00	117,332	0.00	115,392	0.00
PROFESSIONAL SERVICES	4,206,597	0.00	4,915,517	0.00	4,658,206	0.00	4,673,206	0.00
M&R SERVICES	561,403	0.00	40,328	0.00	540,598	0.00	533,180	0.00
COMPUTER EQUIPMENT	0	0.00	5,166	0.00	2,666	0.00	83	0.00
OFFICE EQUIPMENT	5,324	0.00	34,281	0.00	19,281	0.00	3,800	0.00
OTHER EQUIPMENT	0	0.00	1,000	0.00	1,000	0.00	1,000	0.00
PROPERTY & IMPROVEMENTS	9,515	0.00	0	0.00	0	0.00	0	0.00
BUILDING LEASE PAYMENTS	230	0.00	1,930	0.00	1,930	0.00	1,930	0.00
EQUIPMENT RENTALS & LEASES	15	0.00	121	0.00	121	0.00	121	0.00

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HEALTHNET ADMIN								
CORE								
MISCELLANEOUS EXPENSES	142,848	0.00	42,179	0.00	44,679	0.00	44,679	0.00
TOTAL - EE	**5,528,531**	**0.00**	**5,921,244**	**0.00**	**5,920,096**	**0.00**	**5,907,674**	**0.00**
PROGRAM DISTRIBUTIONS	0	0.00	1,030	0.00	1,030	0.00	1,030	0.00
TOTAL - PD	**0**	**0.00**	**1,030**	**0.00**	**1,030**	**0.00**	**1,030**	**0.00**
GRAND TOTAL	**$15,361,820**	**247.21**	**$16,385,259**	**263.11**	**$16,455,199**	**263.11**	**$16,555,727**	**267.11**
GENERAL REVENUE	**$4,376,369**	**78.51**	**$4,711,705**	**85.03**	**$4,646,542**	**83.31**	**$4,696,806**	**85.03**
FEDERAL FUNDS	**$8,968,859**	**134.62**	**$9,566,475**	**136.49**	**$9,601,445**	**136.21**	**$9,651,709**	**138.49**
OTHER FUNDS	**$2,016,592**	**34.08**	**$2,107,079**	**41.59**	**$2,207,212**	**43.59**	**$2,207,212**	**43.59**

PROGRAM DESCRIPTION

Department: Social Services

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

1. What does this program do?

In order to efficiently operate the $6.4 billion MO HealthNet program, the MO HealthNet Division effectively utilizes its appropriated staff of 267.11 FTE. Without these staff and expense and equipment resources, the MO HealthNet program would not function. The staff running the MO HealthNet program account for less than .5% of total state employees while the MO HealthNet program comprises 20% of the total FY 2010 state operating budget of $32.4 billion. The Administrative portion of the budget (Personal Services and Expense and Equipment) comprises less than 0.3% of the division's total budget. As of June 2009, there were a total of 871,081 participants enrolled in MO HealthNet for a ratio of 3,261 clients per FTE. Participants and providers benefit from the assistance of the MO HealthNet Division's staff.

Administrative expenditures for the division consist of Personal Services and Expense and Equipment. These expenditures are driven by the operational demands of the MO HealthNet program. The division operates both a fee-for-service program and a managed care program. As of June 2009, there were 414,101 participants eligible for capitated managed care in the Eastern, Central and Western regions of the state. At the same time, fee-for-service programs with 456,980 MO HealthNet participants are being operated for those not in managed care. Administrative expenditures also include payment to contractors for professional services comprising about 76% of the administrative Expense & Equipment expenditures. Examples of professional services include consulting contracts with health care professionals to conduct utilization claim reviews to determine medical necessity of services. Other examples of contracted services include actuarial services and services of an external quality reviewer as required by federal law.

The remaining 24% of administrative Expense and Equipment expenditures goes for support to MO HealthNet employees for such needs as travel, supplies, and equipment. MO HealthNet administration is tightly managed with a primary focus of ensuring that expenditures go to the benefit of the program of ensuring participants receive needed services. Included in that goal is protecting against waste, fraud and abuse of program dollars.

Personal Services The Division is structured into three major sections: (1) Finance (2) Operations and (3) Clinical Services. The Finance section incorporates the newest and best technology to accurately and efficiently pay providers in a paperless environment. Technology provides a robust reporting function that is a critical part of the management responsibilities of the agency. The Budget, Financial Services, Institutional Reimbursement, Premium Collections, Managed Care Rate Setting and Office Services comprise the Finance section. The Operations section is comprised of the Program Integrity and Cost Recovery, Program Management, and Information Services units.

Program development and policy decisions come from the Clinical Services section, allowing for policy decisions and processes to be oriented to the health and continuum of care needed by participants. Pharmacy enhancement, exceptions, pharmacy rebate, MoRx plan, psychology program and clinical program development encompass Clinical Services. The following provides a brief description of the agency's structure:

Administration

- **Administration** - Establishes goals, objectives, policies, and procedures; Overall guidance and direction; Legislative guidance on MO HealthNet issues; Final review of the budget and State Plan Amendments

Finance

- **Institutional Reimbursement Unit** - Calculates Outpatient FQHC/RHC Reimbursement, Nursing Home Policy & Reimbursement, and Hospital Policy & Reimbursement
- **Budget** - Develops and tracks the division's annual budget request, appropriations, quarterly estimates and expenditure reports required by CMS
- **Financial Services** - Manages the financial procedures of the MO HealthNet claims processing system, creates internal expenditure reports, prepares adjustments to claims, receives and deposits payments and manages provider account receivables and 1099 information.
- **Premium Collections** - Manages lock box, automatic withdrawals and cash deposits for CHIP and Spend-down pay-in cases.
- **Managed Care Rate Setting** - Develops capitation rates with actuary for Managed Care Program, NEMT and PACE.
- **Office Services** - Processes invoices for division and prepares purchase request. Unit is responsible for internal allocation and financial monitoring

Operations

- **Information Services Section** (23 FTE)- Payment Systems and MMIS - Overseas and monitors the MHD Fiscal Agent contract and Clinical Management Services & System for Pharmacy and Prior Authorization contracts; Provider Enrollment is within the Information Services section and enrolls providers.
- **Program Integrity and Cost Recovery Section** (71 FTE) - PI-conducts post-payment reviews of claims for accurate payment in accordance with Federal and state regulations; Cost Recovery and TPL - administers a program to offset MO HealthNet expenditures by TPL.
- **Program Management Section** (54 FTE)- Monitors MO HealthNet Managed Care, Contract Compliance, Quality Assessment, MO HealthNet Fee-for-Service Operations and Development; Provider Relations - responsible for provider education, provider communications, participant services, and premium collections.

Clinical Services

- **Pharmacy Unit** (24 FTE) - Oversees outpatient prescription drug reimbursement for fee-for-service eligibles, operates a toll-free hotline, provides medical precertifications, and DME precertifications.
- **Clinical Unit** (34)- Policy Implementation, program communications, & oversight of contracts with outside vendors for pharmacy program enhancement activities, collects rebates from pharmaceutical manufacturers
- **Missouri Rx Plan** (3) - Coordinates pharmaceutical benefits for the Medicare Part D program.

Expense and Equipment

The other major category in the Administration Core besides Personal Services is Expense and Equipment (E&E). In the FY 2010 core, it comprises 36% of the total Administration Core of $16.4 million, or approximately $5.9 million. Contracts for professional services total $4.5 million of the division's Expenses and Equipment (E&E).

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

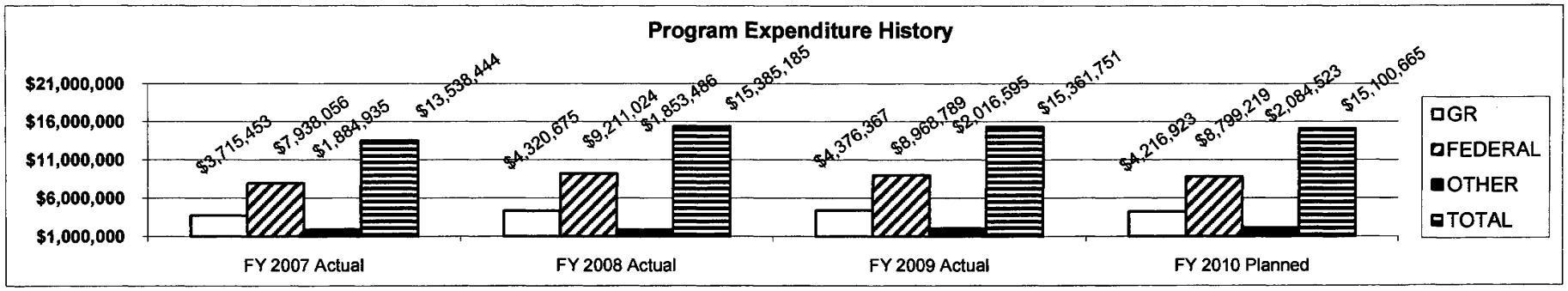
3. Are there federal matching requirements? If yes, please explain.

Medicaid administrative expenditures earn a 50% federal match. However, some positions earn 75% federal match such as our medical staff, pharmacy exceptions hotline, etc. 44.50 FTE at $4,307,591 wages earn 75% federal match.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the MO HealthNet State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Third Party Liability Collections Fund (0120), Nursing Facility Quality of Care Fund (0271), Health Initiatives Fund (0275), Pharmacy Reimbursement Allowance Fund (0144) and Missouri Rx Plan Fund (0779).

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 999

Department: Social Services | **Budget Unit: 90512C**
Division: MO HealthNet
DI Name: Ambulance Reimbursement Allowance - Staff | **DI#: 1886035**

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS		17,212	17,211	34,423
EE		3,473	3,474	6,947
PSD				
TRF				
Total		**20,685**	**20,685**	**41,370**
FTE		**0.50**	**0.50**	**1.00**
Est. Fringe	*0*	*10,350*	*10,349*	*20,699*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Ambulance Service Reimbursement Allowance (0958)

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI Synopsis: Funds are needed for one full time equivalent (FTE) staff to administer the Ambulance Reimbursement Allowance program.

SB 307 (FY 2009) established the Ambulance Reimbursement Allowance. All ground ambulance services except for state owned and operated ambulances are required to pay an ambulance service reimbursement allowance for the privilege of engaging in the business of providing ambulance services in the state.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The MO HealthNet Division will need one FTE staff to administer the Ambulance Reimbursement Allowance program. This staff will establish the annual tax, the monthly amount of tax, perform monthly billings, reconcile receivables, handle appeals of tax amounts, and review quarterly tax adjustment requests. The staff will also have frequent correspondence and communication with the ambulance services regarding their assessment, payments, and other inquiries.

The staff needed will be hired as an Auditor 1 and promote to an Auditor II. The costs associated with this employee include salary, equipment and expenses. Administrative costs usually receive a 50% match rate.

	Total	Federal	Other
Salary (1 FTE)	34,423	17,211	17,212
Equipment	6,407	3,204	3,203
Expenses	540	270	270
Total	$41,370	$20,685	$20,685

Other funds is Ambulance Service Reimbursement Allowance

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Salaries/Wages (Auditor I) (100)			17,212	0.5	17,211	0.5	34,423	1.0	
Total PS	**0**	**0.0**	**17,212**	**0.5**	**17,211**	**0.5**	**34,423**	**1.0**	**0**
Computer Equipment (480)			3,203		3,204		6,407		6,407
Office Supplies (190)			150		150		300		
Telephone (590)			120		120		240		240
Total EE	**0**		**3,473**		**3,474**		**6,947**		**6,647**
Program Distributions									
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**20,685**	**0.5**	**20,685**	**0.5**	**41,370**	**1.0**	**6,647**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO HealthNet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average monthly number of users of Ambulance Services	
Projected FY10 users	8,355
Projected FY11 users	8,373

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HEALTHNET ADMIN								
Ambulance Reimbursement Allown - 1886036								
AUDITOR I	0	0.00	0	0.00	0	0.00	34,423	1.00
TOTAL - PS	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**34,423**	**1.00**
SUPPLIES	0	0.00	0	0.00	0	0.00	300	0.00
COMPUTER EQUIPMENT	0	0.00	0	0.00	0	0.00	6,407	0.00
OTHER EQUIPMENT	0	0.00	0	0.00	0	0.00	240	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**6,947**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$41,370**	**1.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$20,685**	**0.50**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$20,685**	**0.50**

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HEALTHCARE TECHNOLOGY								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	2,500,000	0.00	2,500,000	0.00	2,500,000	0.00
HEALTH CARE TECHNOLOGY FUND	541,212	0.00	3,000,000	0.00	2,208,788	0.00	2,208,788	0.00
TOTAL - EE	541,212	0.00	5,500,000	0.00	4,708,788	0.00	4,708,788	0.00
PROGRAM-SPECIFIC								
HEALTH CARE TECHNOLOGY FUND	500,000	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	500,000	0.00	0	0.00	0	0.00	0	0.00
TOTAL	1,041,212	0.00	5,500,000	0.00	4,708,788	0.00	4,708,788	0.00
GRAND TOTAL	$1,041,212	0.00	$5,500,000	0.00	$4,708,788	0.00	$4,708,788	0.00

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Health Care Technology

Budget Unit: 90518C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE		2,500,000	2,208,788	4,708,788
PSD				
TRF				
Total		2,500,000	2,208,788	4,708,788
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthcare Technology Fund (0170)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE		2,500,000	2,208,788	4,708,788
PSD				
TRF				
Total		2,500,000	2,208,788	4,708,788
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthcare Technology Fund (0170)

2. CORE DESCRIPTION

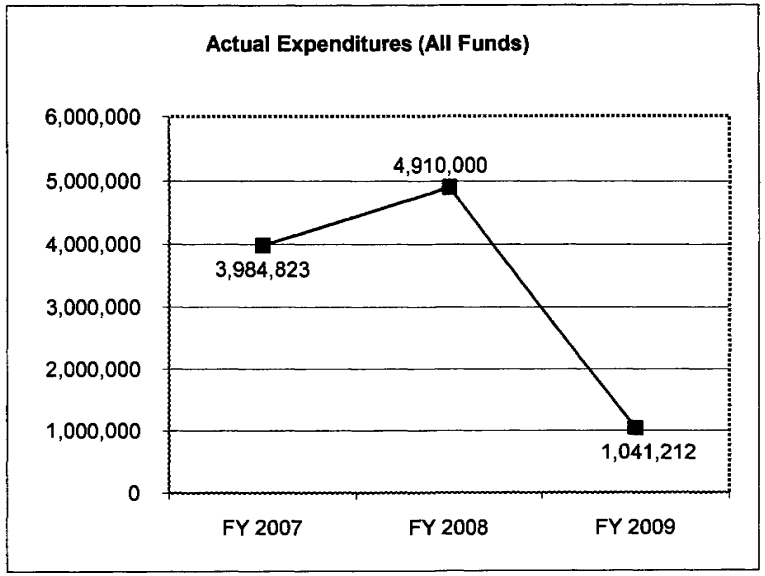
This core request is for the continued funding of health care technology to be used to improve health care delivery efficiency.

3. PROGRAM LISTING (list programs included in this core funding)

Healthcare Technology

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	9,550,000	8,250,000	8,250,000	5,500,000
Less Reverted (All Funds)	0	(58,582)	0	N/A
Budget Authority (All Funds)	9,550,000	8,191,418	8,250,000	N/A
Actual Expenditures (All Funds)	3,984,823	4,910,000	1,041,212	N/A
Unexpended (All Funds)	5,565,177	3,281,418	7,208,788	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	2,713,726	290,000	2,500,000	N/A
Other	2,851,451	2,991,418	4,708,788	N/A
			(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Agency reserve of $2,005,000 in Federal and $4,505,000 in the Health Care Technology fund.
Supplemental appropriation of $250,000.

DEPARTMENT OF SOCIAL SERVICES
HEALTHCARE TECHNOLOGY

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	2,500,000	3,000,000	5,500,000	
	Total	**0.00**	**0**	**2,500,000**	**3,000,000**	**5,500,000**	
DEPARTMENT CORE ADJUSTMENTS							
1x Expenditures 846 2910	EE	0.00	0	0	(791,212)	(791,212)	Core cut one-time fund source; northwest regional electronic med records ($500,000) and FY 09 expenditures for statewide electronic health records ($291,212).
NET DEPARTMENT CHANGES		**0.00**	**0**	**0**	**(791,212)**	**(791,212)**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	2,500,000	2,208,788	4,708,788	
	Total	**0.00**	**0**	**2,500,000**	**2,208,788**	**4,708,788**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	2,500,000	2,208,788	4,708,788	
	Total	**0.00**	**0**	**2,500,000**	**2,208,788**	**4,708,788**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HEALTHCARE TECHNOLOGY								
CORE								
PROFESSIONAL SERVICES	541,212	0.00	5,500,000	0.00	4,708,788	0.00	4,708,788	0.00
TOTAL - EE	**541,212**	**0.00**	**5,500,000**	**0.00**	**4,708,788**	**0.00**	**4,708,788**	**0.00**
PROGRAM DISTRIBUTIONS	500,000	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	**500,000**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$1,041,212**	**0.00**	**$5,500,000**	**0.00**	**$4,708,788**	**0.00**	**$4,708,788**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$2,500,000**	**0.00**	**$2,500,000**	**0.00**	**$2,500,000**	**0.00**
OTHER FUNDS	**$1,041,212**	**0.00**	**$3,000,000**	**0.00**	**$2,208,788**	**0.00**	**$2,208,788**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: HealthCare Technology
Program is found in the following core budget(s): HealthCare Technology

1. What does this program do?

PROGRAM SYNOPSIS: This program uses technology to improve the delivery of care, reduce administrative burdens and reduce waste fraud and abuse.

Funding is used to implement the provisions of SB577 (2007), such as expansion and increased use of technology in healthcare including electronic health records, community health records, personal health records and e-prescribing. Electronic health records (EHRs) are an important tool in healthcare that assist in providing safe, effective healthcare to patients. Funding also supports initiatives to achieve electronic health record interoperability, consistent with Executive Order 07-12; continued development of a statewide electronic health record; and integration of assessment and authorization processes for home and community based services with other MO HealthNet programs.

The MO HealthNet Division has implemented a web-based tool, CyberAccess (funded in the Clinical Services budget section 11.410). This tool allows electronic, web-based access to the provider's patient claim information, incorporating paid MO HealthNet medical and pharmacy claim data into a patient profile. Providers are able to review patient utilization of services, including medications and services from other providers, diagnoses and procedures, all in a comprehensive listing in chronological order. In addition, CyberAccess includes a feature that allows providers to select a medication for their patient and immediately determine whether it will be reimbursed by MO HealthNet without limitations such as prior authorization or clinical edit. If such a limitation is in place, the provider may request an override via the electronic tool itself, and eliminate the need for a phone call or fax request. The same rules-engine technology allows providers to submit requests for pre-certification for imaging procedures and prior authorization requests for durable medical equipment.

The Division continues to add value to the CyberAccess tool for providers by integrating lab data into the tool, as well as incorporating other clinical data traits for individuals patients. Future enhancements include the integration of Healthy Children and Youth screening forms and the integration of assessment and authorization processes for Home and Community Based Services. This core section will help fund these initiatives.

In addition to the provider focused tools, the Division is working on the development of a participant-focused tool that will allow individuals to access their own health information and receive individually-tailored educational and health and wellness materials via a secure web-based portal.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

TAFP CCS No. 2 for SCS for HCS for HB 11, Section 11.405

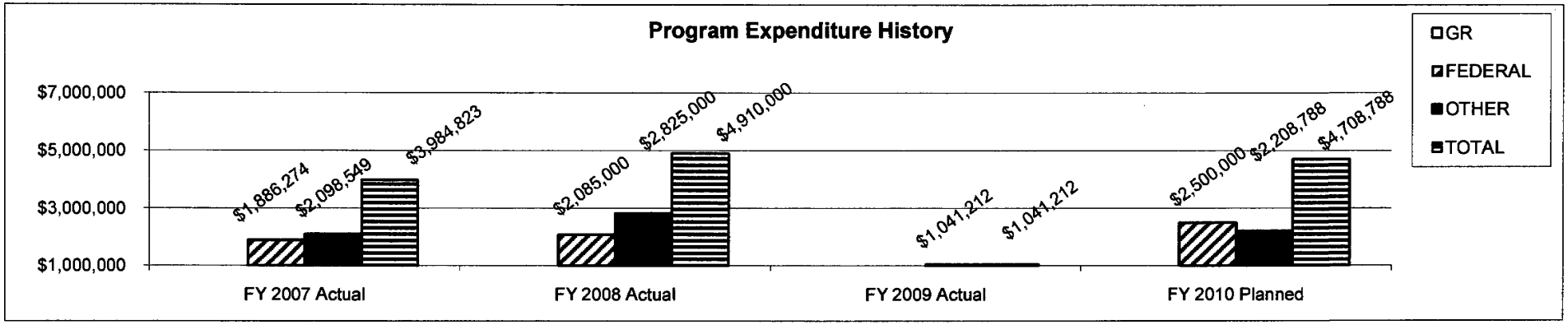
3. Are there federal matching requirements? If yes, please explain.

Expenditures for Health Care Technology that are associated with MO HealthNet projects earn 50% FFP and require 50% state share. Some MO HealthNet projects are eligible for enhanced federal matching of 75% and some projects can even qualify for 90% enhanced federal matching funds. Non-MO HealthNet related projects do not earn federal match.

4. Is this a federally mandated program? If yes, please explain.

No.

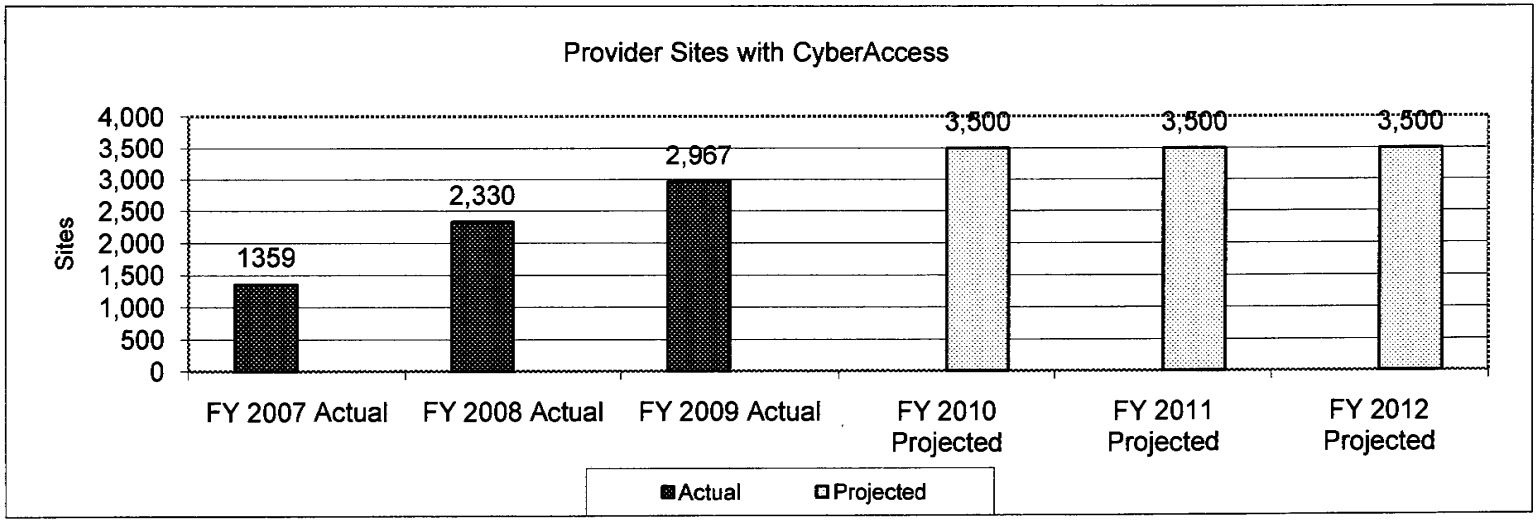
5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Health Care Technology Fund (0170)

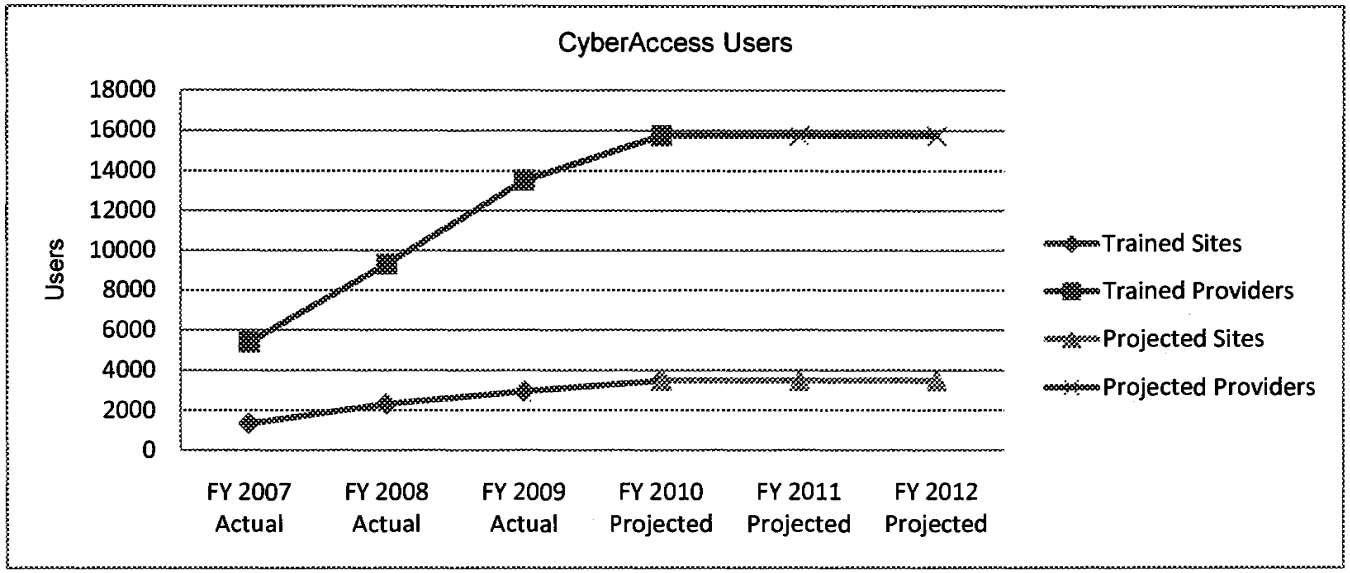
7a. Provide an effectiveness measure.



7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Providers using CyberAccess serve approximately 80% of MO HealthNet clients.



7d. Provide a customer satisfaction measure, if available.

CLINICAL SERVICES
PROGRAM MANAGEMENT

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit / Decision Item / Budget Object Summary / Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CLINICAL SRVC MGMT								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	2,221,190	0.00	551,123	0.00	551,123	0.00	551,123	0.00
DEPT OF SOC SERV FEDERAL & OTH	7,886,391	0.00	12,215,288	0.00	12,215,288	0.00	12,215,288	0.00
FEDRAL BUDGET STAB-MEDICAID RE	0	0.00	2,187,500	0.00	2,187,500	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	924,911	0.00	924,911	0.00	924,911	0.00	924,911	0.00
HEALTH CARE TECHNOLOGY FUND	2,394,114	0.00	0	0.00	0	0.00	0	0.00
MISSOURI RX PLAN FUND	1,169,499	0.00	4,160,894	0.00	4,160,894	0.00	4,160,894	0.00
TOTAL - EE	14,596,105	0.00	20,039,716	0.00	20,039,716	0.00	17,852,216	0.00
PROGRAM-SPECIFIC								
HEALTH CARE TECHNOLOGY FUND	93,386	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	93,386	0.00	0	0.00	0	0.00	0	0.00
TOTAL	**14,689,491**	**0.00**	**20,039,716**	**0.00**	**20,039,716**	**0.00**	**17,852,216**	**0.00**
CyberAccess Pick-Up - 1886033								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	2,187,500	0.00
TOTAL - EE	0	0.00	0	0.00	0	0.00	2,187,500	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**2,187,500**	**0.00**
GRAND TOTAL	**$14,689,491**	**0.00**	**$20,039,716**	**0.00**	**$20,039,716**	**0.00**	**$20,039,716**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Clinical Services Program Management

Budget Unit: 90516C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE	551,123	14,402,788	5,085,805	20,039,716
PSD				
TRF				
Total	**551,123**	**14,402,788**	**5,085,805**	**20,039,716**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections (TPL) (0120)
MO Rx Plan Fund (0779)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	551,123	12,215,288	5,085,805	17,852,216
PSD				
TRF				
Total	**551,123**	**12,215,288**	**5,085,805**	**17,852,216**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections (TPL) (0120)
MO Rx Plan Fund (0779)

Note: $2,187,500 is from Federal Budget Stabilization Fund 2000.

2. CORE DESCRIPTION

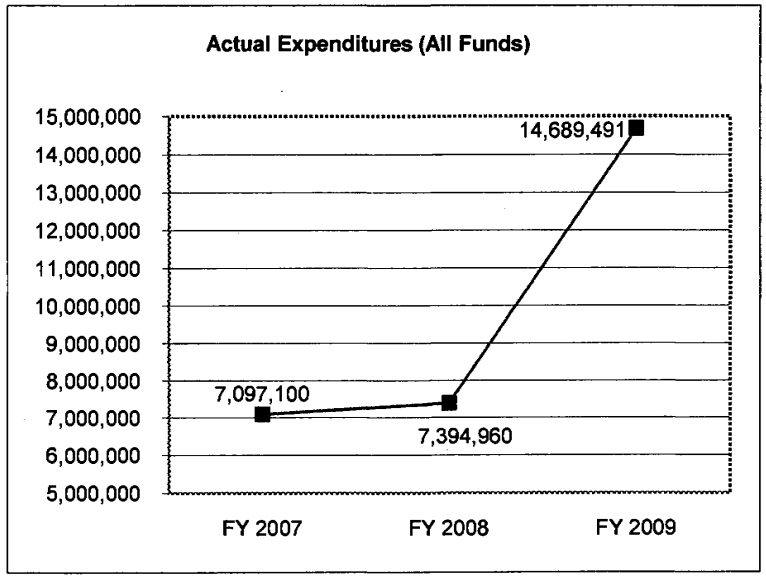
This core request is for the continued operation of the Missouri Medicaid Pharmacy Enhancement Program and the Missouri Rx program. The MO HealthNet Division seeks to aid recipients and providers in their efforts to access the MO HealthNet program by utilizing contractor resources effectively.

3. PROGRAM LISTING (list programs included in this core funding)

Missouri Medicaid Pharmacy Enhancement Program
Missouri Rx Program

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	10,989,716	10,989,716	17,839,716	20,039,716
Less Reverted (All Funds)	(69,034)	(69,034)	(69,034)	N/A
Budget Authority (All Funds)	10,920,682	10,920,682	17,770,682	N/A
Actual Expenditures (All Funds)	7,097,100	7,394,960	14,689,491	N/A
Unexpended (All Funds)	3,823,582	3,525,722	3,081,191	N/A
Unexpended, by Fund:				
General Revenue	0	28,187	10,899	N/A
Federal	64,145	283,627	78,897	N/A
Other	3,759,437	3,213,908	2,991,395	N/A
	(1)	(2)	(3) (4)	(5)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Agency reserve of $3,739,436 in MO Rx Plan funds.

(2) Agency reserve of $67,996 in Federal and $2,700,000 in MO Rx Plan funds.

(3) Agency reserve of $78,896 in Federal and $10,899 in General Revenue.

(4) FY2009 Increases: Transfer $3.75 million from Health Care Technology section to support CyberAccess. Additional $2.5 million for electronic prior authorization of DME.

(5) FY2010 Increases: $2.5 million to integrate hospital pre-certification with CyberAccess.

DEPARTMENT OF SOCIAL SERVICES
CLINICAL SRVC MGMT

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		EE	0.00	551,123	14,402,788	5,085,805	20,039,716	
		Total	**0.00**	**551,123**	**14,402,788**	**5,085,805**	**20,039,716**	
DEPARTMENT CORE REQUEST								
		EE	0.00	551,123	14,402,788	5,085,805	20,039,716	
		Total	**0.00**	**551,123**	**14,402,788**	**5,085,805**	**20,039,716**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	2173	EE	0.00	0	(2,187,500)	0	(2,187,500)	Fund Switch
NET GOVERNOR CHANGES			**0.00**	**0**	**(2,187,500)**	**0**	**(2,187,500)**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	551,123	12,215,288	5,085,805	17,852,216	
		Total	**0.00**	**551,123**	**12,215,288**	**5,085,805**	**17,852,216**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CLINICAL SRVC MGMT								
CORE								
TRAVEL, IN-STATE	22,782	0.00	10,050	0.00	29,025	0.00	29,025	0.00
TRAVEL, OUT-OF-STATE	1,810	0.00	10,050	0.00	4,500	0.00	4,500	0.00
SUPPLIES	227,683	0.00	42,800	0.00	297,000	0.00	297,000	0.00
PROFESSIONAL DEVELOPMENT	12,523	0.00	2,700	0.00	15,000	0.00	15,000	0.00
COMMUNICATION SERV & SUPP	33,829	0.00	13,000	0.00	50,000	0.00	50,000	0.00
PROFESSIONAL SERVICES	14,240,232	0.00	19,919,191	0.00	19,567,391	0.00	17,379,891	0.00
M&R SERVICES	29,513	0.00	20,000	0.00	26,000	0.00	26,000	0.00
OFFICE EQUIPMENT	8,394	0.00	0	0.00	20,000	0.00	20,000	0.00
OTHER EQUIPMENT	295	0.00	10,000	0.00	7,000	0.00	7,000	0.00
BUILDING LEASE PAYMENTS	14,899	0.00	8,900	0.00	18,000	0.00	18,000	0.00
EQUIPMENT RENTALS & LEASES	0	0.00	225	0.00	300	0.00	300	0.00
MISCELLANEOUS EXPENSES	4,145	0.00	2,800	0.00	5,500	0.00	5,500	0.00
TOTAL - EE	**14,596,105**	**0.00**	**20,039,716**	**0.00**	**20,039,716**	**0.00**	**17,852,216**	**0.00**
PROGRAM DISTRIBUTIONS	93,386	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	**93,386**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$14,689,491**	**0.00**	**$20,039,716**	**0.00**	**$20,039,716**	**0.00**	**$17,852,216**	**0.00**
GENERAL REVENUE	**$2,221,190**	**0.00**	**$551,123**	**0.00**	**$551,123**	**0.00**	**$551,123**	**0.00**
FEDERAL FUNDS	**$7,886,391**	**0.00**	**$14,402,788**	**0.00**	**$14,402,788**	**0.00**	**$12,215,288**	**0.00**
OTHER FUNDS	**$4,581,910**	**0.00**	**$5,085,805**	**0.00**	**$5,085,805**	**0.00**	**$5,085,805**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

1. What does this program do?

PROGRAM SYNOPSIS: The funding for Clinical Services Management supports the Pharmacy and Clinical Services' contractor costs.

Pharmacy
Through the Clinical Services Program, the Division is able to maintain current cost containment initiatives and implement new cost containment initiatives. Major initiatives include:

- Help Desk Staffing
- Quarterly Updates to the Missouri Maximum Allowable Cost (MACs)
- Maintenance and Updates to Fiscal and Clinical Edits
- Prospective and Retrospective Drug Use Review (DUR)
- Routine/Adhoc Drug Information Research
- Enrollment and Administration of Case Management
- Preferred Drug List (PDL) and Supplemental Rebates

These initiatives, along with other cost containment activities, have resulted in an increase in the pharmacy cost that is significantly below the national trend over the past few years.

Clinical
The major initiatives in the Clinical Services section include:
- Psychology and Medical Help Desk Staffing
- Smart PA for DME, including Dental and Optometry
- Major Medical PA, including Imaging
- Medical Evidence - Oregon Contract

Cyber Access
CyberAccess is an Electronic Health Record (EHR) program for MO HealthNet participants which is available to their healthcare providers. The Web-based tool, called CyberAccess, allows physicians to prescribe electronically, view diagnosis data, receive alerts, select appropriate preferred medications, and electronically request drug and medical prior authorizations for their MO HealthNet patients. The continued funding for CyberAccess is critical to continue to support the pharmacy and medical cost containment initiatives and electronic health records. EPSDT forms and patient specific lab results are currently available. Linkages to other health record systems yielding interoperability between systems will soon be available as well. A companion participant web portal tool is being developed.

The section is responsible for program development and clinical policy decision-making for MO HealthNet, with these activities oriented to the health and continuum of care needed by MO HealthNet participants. Policy development, benefit design and coverage decisions are made by the unit using best practices and evidence-based medicine.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

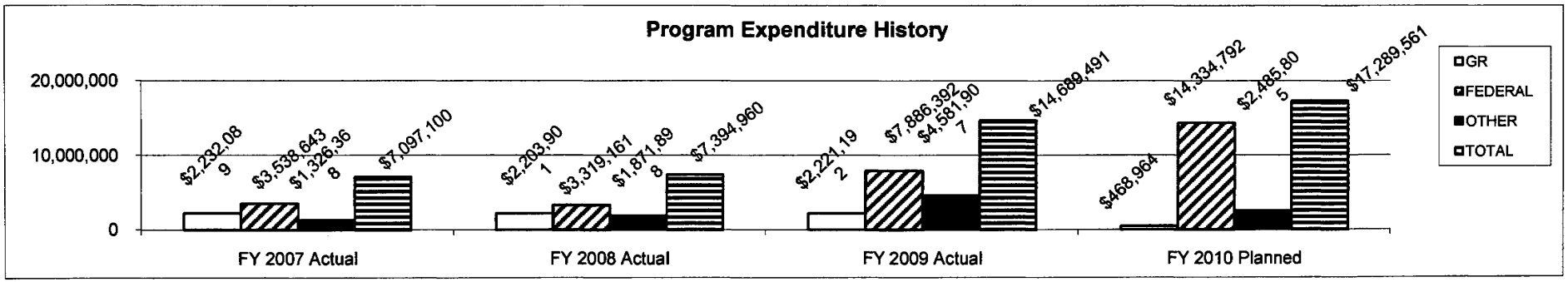
3. Are there federal matching requirements? If yes, please explain.

MO HealthNet administrative expenditures earn a 50% federal match. The Clinical Management Services for Pharmacy and Prior Authorization is matched at 75%.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

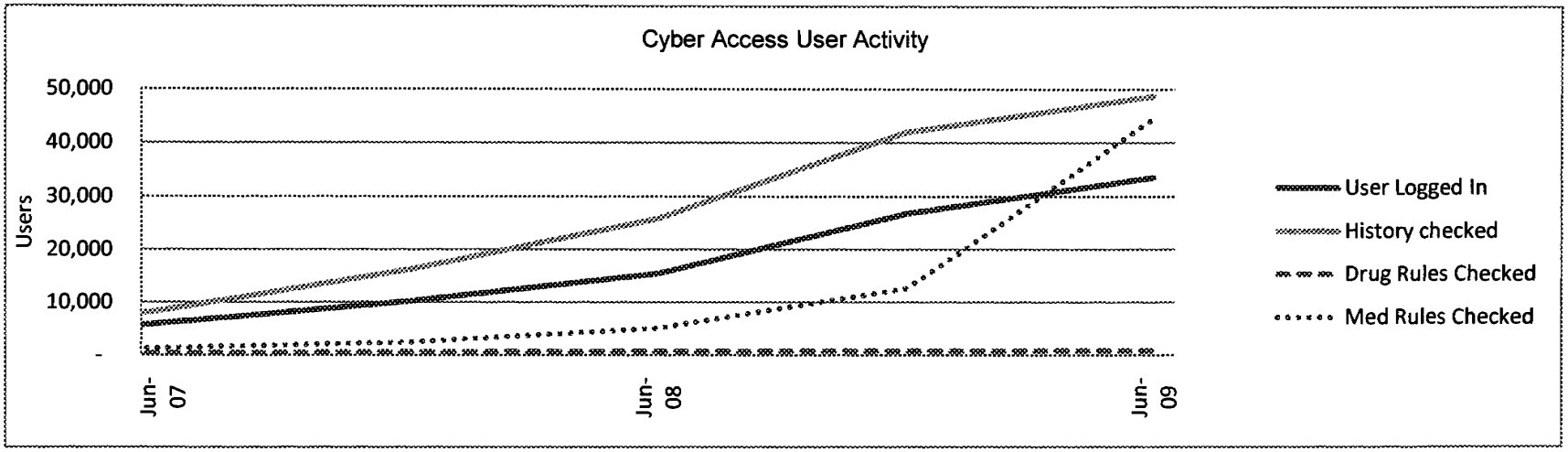


Reverted: $82,159 GR
Reserve: $2,667,996 Federal and Other Funds

6. What are the sources of the "Other " funds?

Third Party Liability Collections Fund (0120) and Missouri Rx Plan Fund (0779).

7a. Provide an effectiveness measure.



User activity is projected to grow consistent with historical trends.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Number of Pharmacy Claims		
SFY	Actual	Projected
2007	9.6 mil	10.4 mil
2008	10.8 mil	11.4 mil
2009	11.6 mil	13.4 mil
2010		12.0 mil
2011		12.5 mil
2012		13.1 mil

7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: CyberAccess Pick-up

Budget Unit: 90516C

DI#: 1886033

1. AMOUNT OF REQUEST

	FY 2011 Budget Request					FY 2011 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Fed	Other	Total
PS					PS				
EE					EE	2,187,500			2,187,500
PSD					PSD				
TRF					TRF				
Total					Total	2,187,500			2,187,500
FTE					FTE				0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
X	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This additional general revenue is needed to replace one-time Federal Budget Stabilization Funds (Fund 2000) that were used for ongoing programs in the FY 2010 budget. Without a replacement of these funds, the CyberAcess tool/website would be greatly diminished, resulting in a significant increase in MO HealthNet expenditures.

CyberAccess is the backbone for all MO HealthNet provider web tools used to manage and request services for their participants. CyberAcess is intergral to the Division's care coordination, cost avoidance and electronic health record for MO HealthNet participants. The CyberAccess tool is widely accepted and in regular use by the provider community serving 75% of the MO HealthNet population. CyberAccess, allows physicians to prescribe electronically, view diagnosis data, receive alerts, select appropriate preferred medications, and electronically request drug and medical prior authorizations for their MO HealthNet patients.

Fiscal and clinical editing on drugs, psychology, imaging claims, and continued integration of DME equipment/services, medical procedures and inpatient hospital certification are currently incorporated into CyberAccess. The continued funding for Cyber Access is critical to continue to support the pharmacy and medical cost containment intitiatives, including the recommendations included in the Lewin Group reports.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The FY 2010 appropriation amount out of Federal Budget Stabilization Funds was $2,187,500. The recommended amount was based on the amount funded from the Federal Budget Stabilization Fund. By requesting the amount appropriated in the prior year, clinical services management can maintain the same level of services as FY 2010. The continued funding for CyberAccess is critical to continue to support the pharmacy and medical cost containments initiatives.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions **Total PSD**	0		0		0		0		0
Transfers **Total TRF**	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	2,187,500		0		0		2,187,500		0
Program Distributions **Total PSD**	0		0		0		0		0
Transfers **Total TRF**	0		0		0		0		0
Grand Total	2,187,500	0.0	0	0.0	0	0.0	2,187,500	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CLINICAL SRVC MGMT								
CyberAccess Pick-Up - 1886033								
PROFESSIONAL SERVICES	0	0.00	0	0.00	0	0.00	2,187,500	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**2,187,500**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,187,500**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,187,500**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

WOMEN & MINORITY HEALTH
CARE OUTREACH

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
WOMEN & MINORITY OUTREACH								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	529,741	0.00	546,125	0.00	546,125	0.00	546,125	0.00
DEPT OF SOC SERV FEDERAL & OTH	568,625	0.00	568,625	0.00	568,625	0.00	568,625	0.00
TOTAL - EE	1,098,366	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00
TOTAL	**1,098,366**	**0.00**	**1,114,750**	**0.00**	**1,114,750**	**0.00**	**1,114,750**	**0.00**
GRAND TOTAL	**$1,098,366**	**0.00**	**$1,114,750**	**0.00**	**$1,114,750**	**0.00**	**$1,114,750**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Women & Minority Health Care Outreach

Budget Unit: 90513C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE	546,125	568,625		1,114,750
PSD				
TRF				
Total	546,125	568,625		1,114,750
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	546,125	568,625		1,114,750
PSD				
TRF				
Total	546,125	568,625		1,114,750
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

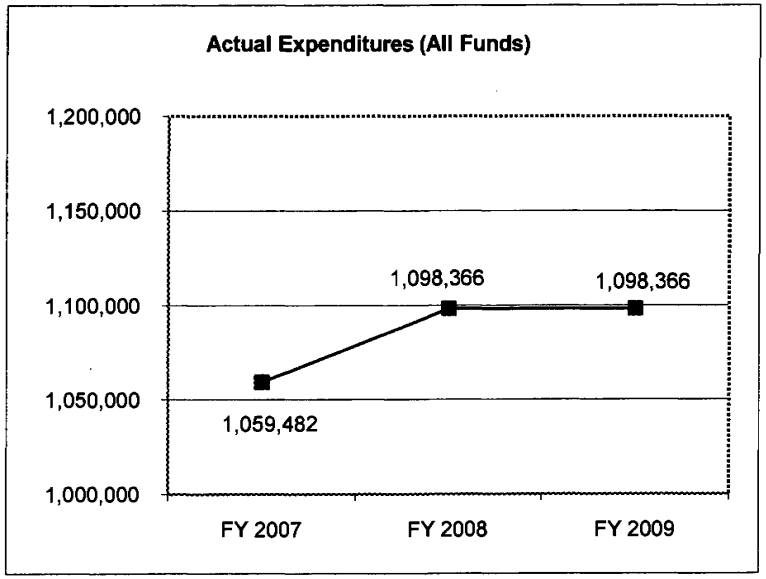
This core request is for the continued funding of the Women and Minority Health Care Outreach programs. These programs provide client outreach and education about the MO HealthNet program and reduce disparities in healthcare access for women and minority populations.

3. PROGRAM LISTING (list programs included in this core funding)

Women and Minority Health Care Outreach Program

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	1,114,750	1,114,750	1,114,750	1,114,750
Less Reverted (All Funds)	(16,384)	(16,384)	(16,384)	N/A
Budget Authority (All Funds)	1,098,366	1,098,366	1,098,366	N/A
Actual Expenditures (All Funds)	1,059,482	1,098,366	1,098,366	N/A
Unexpended (All Funds)	38,884	0	0	N/A
Unexpended, by Fund:				
General Revenue	14,958	0	0	N/A
Federal	23,926	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
WOMEN & MINORITY OUTREACH

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	546,125	568,625	0	1,114,750	
	Total	**0.00**	**546,125**	**568,625**	**0**	**1,114,750**	
DEPARTMENT CORE REQUEST							
	EE	0.00	546,125	568,625	0	1,114,750	
	Total	**0.00**	**546,125**	**568,625**	**0**	**1,114,750**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	546,125	568,625	0	1,114,750	
	Total	**0.00**	**546,125**	**568,625**	**0**	**1,114,750**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
WOMEN & MINORITY OUTREACH								
CORE								
PROFESSIONAL SERVICES	1,098,366	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00
TOTAL - EE	**1,098,366**	**0.00**	**1,114,750**	**0.00**	**1,114,750**	**0.00**	**1,114,750**	**0.00**
GRAND TOTAL	**$1,098,366**	**0.00**	**$1,114,750**	**0.00**	**$1,114,750**	**0.00**	**$1,114,750**	**0.00**
GENERAL REVENUE	**$529,741**	**0.00**	**$546,125**	**0.00**	**$546,125**	**0.00**	**$546,125**	**0.00**
FEDERAL FUNDS	**$568,625**	**0.00**	**$568,625**	**0.00**	**$568,625**	**0.00**	**$568,625**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Women and Minority Health Care Outreach
Program is found in the following core budget(s): Women and Minority Health Care Outreach

1. What does this program do?

PROGRAM SYNOPSIS: Provides client outreach and education about the MO HealthNet program with a goal to reduce disparities in health care access for women and minority populations.

The health of Missouri's citizens is critical to the well-being of the state. Without proper health care, Missouri citizens will be less productive and more costly to the state. The purpose of the MO HealthNet program is to finance, monitor and assure the health coverage of traditionally vulnerable populations. The funding in this appropriation provides outreach services in St. Louis, Columbia, Jefferson City, Springfield, the Bootheel, and the Kansas City Region targeted at African-American men and women at risk of diabetes, cardiovascular disease, HIV/AIDS, sexually transmitted diseases (STDs), and other life-threatening health conditions. The outreach programs also provide client outreach and education about the MO HealthNet program.

The Department of Social Services has contracted with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the Minority and Women's Health Outreach funding, assuring accurate and timely payments to the subcontractors and to act as a central data collection point for evaluation of program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, and to reduce disparities in health status between majority and minority populations.

This program was initiated in the fall of 1999 with five Federally-Qualified Health Centers (FQHCs) and has now expanded to eleven FQHCs in the St Louis, Kansas City, mid-Missouri, Southwest, and Bootheel regions, plus a consultant subcontractor. The outreach program builds on the strengths of the eleven FQHCs that are trusted, accessible sources of care for high-risk African-American populations, and the existence of natural leaders, often women, in African-American neighborhoods to provide outreach and education in their neighborhoods to encourage routine screenings for diabetes and cardiovascular disease and testing for HIV/AIDS and STDs. In the Bootheel area, the outreach program builds on the strengths of a FQHC and county hospital, using the Care-A-Van to reach at-risk persons in the largely rural area. Existing health promotion coalitions in the area, including the Bootheel's Heart Health Coalitions and the Missouri Health Alliance will also be used in outreach efforts. As part of the outreach program, workers identify eligible participants and help them enroll in the MO HealthNet program.

The current contractor is Missouri Primary Care Association. The contractor is paid for allowable costs related to establishing and implementing outreach programs not to exceed the appropriation cap.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.201; Federal law: Social Security Act Section 1903(a); Federal Regulations: 42 CFR, Part 433.15

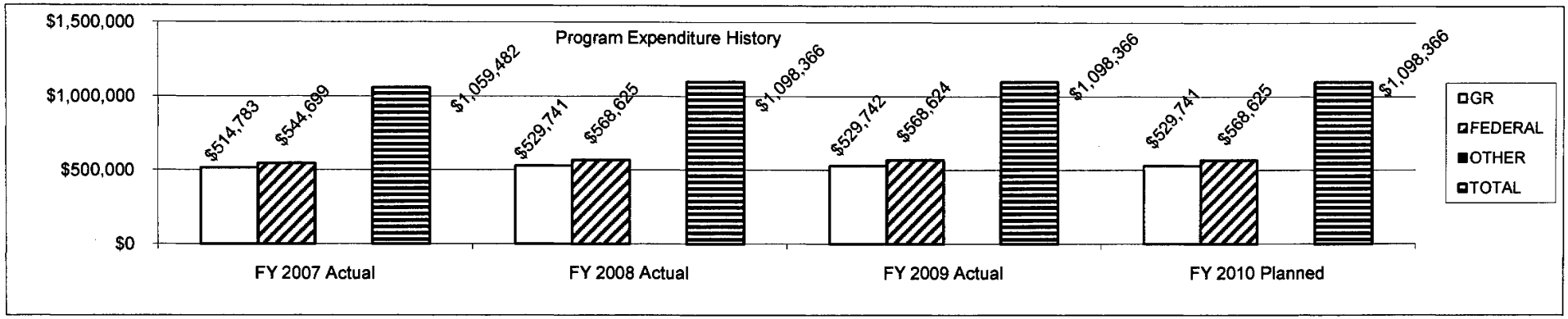
3. Are there federal matching requirements? If yes, please explain.

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn $0.50 in federal funding.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reverted: $16,384

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

Number of Users of FQHCs and RHCs for Primary Care		
SFY	Actual	Projected
2007	88,496	
2008	88,256	
2009	93,142	
2010		94,768
2011		96,421
2012		98,104

Number of Users Receiving Assistance from FQHCs and RHCs in Applying for MO HealthNet		
SFY	Actual	Projected
2007	3,240	
2008	4,370	
2009	6,160	
2010		7,403
2011		8,897
2012		10,693

FQHCs and RHCs in underserved areas provide greater access to health care services for women and minorities as well as serve as outreach centers to assist individuals in applying for MO HealthNet services.

7c. Provide the number of clients/individuals served, if applicable.

Prenatal Care Users Who Delivered During the Year		
SFY	Actual	Projected
2007	3,151	
2008	3,579	
2009	3,465	
2010		3,523
2011		3,583
2012		3,643

Number of Normal Births		
SFY	Actual	Projected
2007	2,914	
2008	3,062	
2009	3,186	
2010		3,260
2011		3,336
2012		3,414

Services are directed toward low-income women and minorities who are uninsured or eligible for MO HealthNet.

7d. Provide a customer satisfaction measure, if available.

REVENUE MAXIMIZATION UNIT

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HLTHNET REV MAX UNIT								
CORE								
PERSONAL SERVICES								
DEPT OF SOC SERV FEDERAL & OTH	84,477	1.87	92,019	2.00	0	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	84,476	1.87	92,019	2.00	0	0.00	0	0.00
TOTAL - PS	168,953	3.74	184,038	4.00	0	0.00	0	0.00
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	8,114	0.00	8,114	0.00	0	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	8,114	0.00	8,114	0.00	0	0.00	0	0.00
TOTAL - EE	16,228	0.00	16,228	0.00	0	0.00	0	0.00
TOTAL	**185,181**	**3.74**	**200,266**	**4.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$185,181**	**3.74**	**$200,266**	**4.00**	**$0**	**0.00**	**$0**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Revenue Maximization Unit

Budget Unit: 90514C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

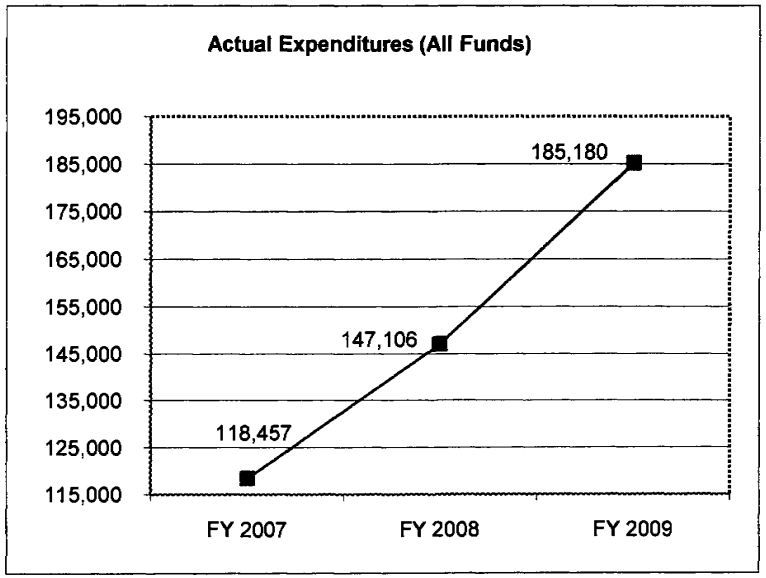
This core request was for the continued operation of the revenue maximization unit made up of four staff. Funding will be transferred to the MO HealthNet Administration appropriation in FY 11.

3. PROGRAM LISTING (list programs included in this core funding)

Medicaid Revenue Maximization

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	189,700	194,906	200,266	200,266
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	189,700	194,906	200,266	N/A
Actual Expenditures (All Funds)	118,457	147,106	185,180	N/A
Unexpended (All Funds)	71,243	47,800	15,086	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	34,979	23,900	7,543	N/A
Other	36,264	23,900	7,543	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
MO HLTHNET REV MAX UNIT

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PS	4.00	0	92,019	92,019	184,038	
		EE	0.00	0	8,114	8,114	16,228	
		Total	**4.00**	**0**	**100,133**	**100,133**	**200,266**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reallocation	672 5050	PS	(2.00)	0	0	(92,019)	(92,019)	Transfer Rev Max to MHN Admin
Core Reallocation	672 5048	PS	(2.00)	0	(92,019)	0	(92,019)	Transfer Rev Max to MHN Admin
Core Reallocation	672 5051	EE	0.00	0	0	(8,114)	(8,114)	Transfer Rev Max to MHN Admin
Core Reallocation	672 5049	EE	0.00	0	(8,114)	0	(8,114)	Transfer Rev Max to MHN Admin
NET DEPARTMENT CHANGES			**(4.00)**	**0**	**(100,133)**	**(100,133)**	**(200,266)**	
DEPARTMENT CORE REQUEST								
		PS	0.00	0	0	0	0	
		EE	0.00	0	0	0	0	
		Total	**0.00**	**0**	**0**	**0**	**0**	
GOVERNOR'S RECOMMENDED CORE								
		PS	0.00	0	0	0	0	
		EE	0.00	0	0	0	0	
		Total	**0.00**	**0**	**0**	**0**	**0**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HLTHNET REV MAX UNIT								
CORE								
AUDITOR II	25,466	0.70	71,056	2.00	0	0.00	0	0.00
AUDITOR I	9,707	0.30	0	0.00	0	0.00	0	0.00
SENIOR AUDITOR	57,570	1.34	45,458	1.00	0	0.00	0	0.00
AUDITOR III	54,294	1.00	67,524	1.00	0	0.00	0	0.00
FISCAL & ADMINISTRATIVE MGR B1	9,606	0.20	0	0.00	0	0.00	0	0.00
SOCIAL SERVICES MNGR, BAND 2	12,310	0.20	0	0.00	0	0.00	0	0.00
TOTAL - PS	**168,953**	**3.74**	**184,038**	**4.00**	**0**	**0.00**	**0**	**0.00**
TRAVEL, IN-STATE	0	0.00	1,182	0.00	0	0.00	0	0.00
SUPPLIES	16,228	0.00	6,000	0.00	0	0.00	0	0.00
COMMUNICATION SERV & SUPP	0	0.00	2,172	0.00	0	0.00	0	0.00
M&R SERVICES	0	0.00	4,818	0.00	0	0.00	0	0.00
OFFICE EQUIPMENT	0	0.00	2,056	0.00	0	0.00	0	0.00
TOTAL - EE	**16,228**	**0.00**	**16,228**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$185,181**	**3.74**	**$200,266**	**4.00**	**$0**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$92,591**	**1.87**	**$100,133**	**2.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$92,590**	**1.87**	**$100,133**	**2.00**	**$0**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Revenue Maximization Unit
Program is found in the following core budget(s): Revenue Maximization Unit

1. What does this program do?

PROGRAM SYNOPSIS: Staff identify and research strategies to earn additional federal funds and avoid costs.

A primary function of the staff is to administer the hospital assessment program and the nursing facility assessment program. The assessment collected from the facilities is considered to be a general revenue equivalent and is used, in large part, to fund the hospital and nursing facility MO HealthNet programs which draw down federal matching funds. The assessment programs allow for enhanced reimbursement to hospitals and nursing facilities to ensure quality services are provided to MO HealthNet participants. Staff also keep abreast of current issues and developments in the industry, researching and analyzing them to determine if applicable to Missouri. This includes reviewing the Federal Register, CMS' website for latest developments, other states' State Plans, etc. Staff are available to analyze, implement and oversee new programs to draw additional federal matching funds or to avoid costs.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201, Federal law: Social Security Act Section 1902(a)(4), Federal Regulations: 42 CFR Part 432.

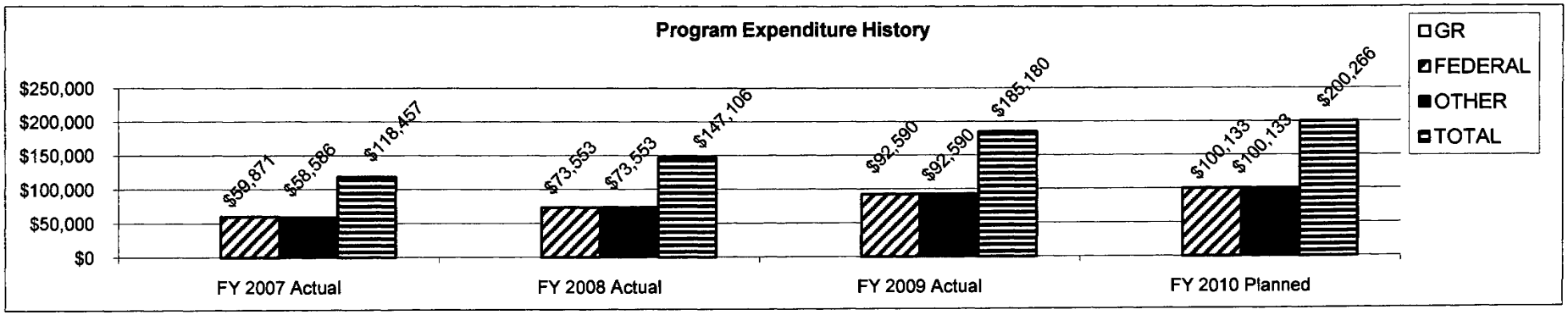
3. Are there federal matching requirements? If yes, please explain.

MO HealthNet administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn $0.50 in federal funding.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142) and Federal Fund (0610).

7a. Provide an effectiveness measure.

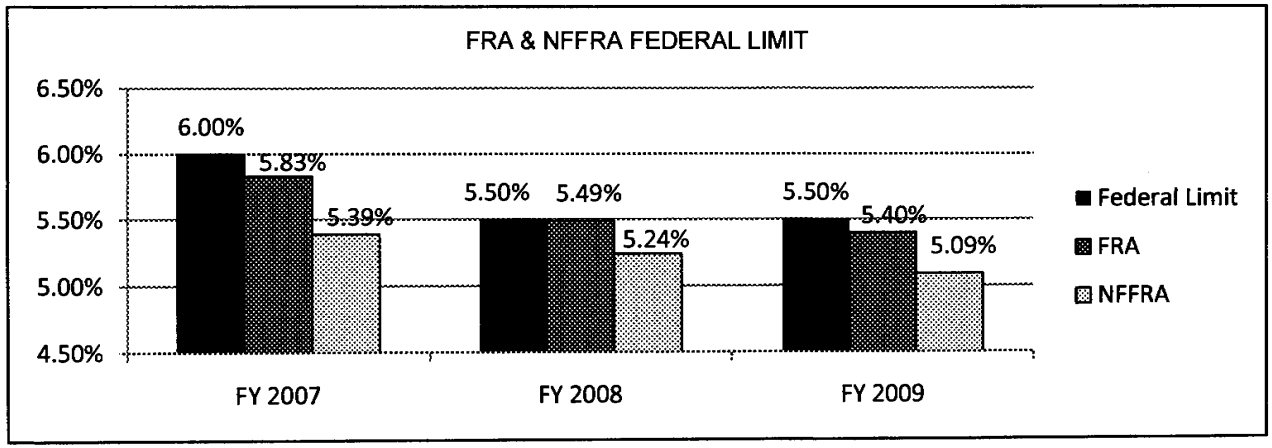
Effectiveness Measure: Use provider taxes to minimize the need for General Revenue as well as enhance payments to providers. In FY 2009, the Federal Reimbursment Allowance (FRA) was used as a General Revenue equivalent providing over $250 million to be used as state match to fund Medicaid services in various appropriations.

FRA as a Funding Source in the Various Appropriations	SFY			
	2007	2008	2009	2010
Revenue Max Admin	$94,850	$97,453	$100,133	$100,133
Managed Care	$109,065,009	$109,065,009	$109,065,009	$93,533,441
Hospital	$130,057,328	$115,682,390	$133,382,390	$148,913,958
Women's Health Services	$167,756	$167,756	$167,756	$167,756
Show-Me Health (SB 306)*				$52,615,793
CHIP	$7,719,204	$7,719,204	$7,719,204	$7,719,204
Total	$247,104,147	$232,731,812	$250,434,492	$303,050,285

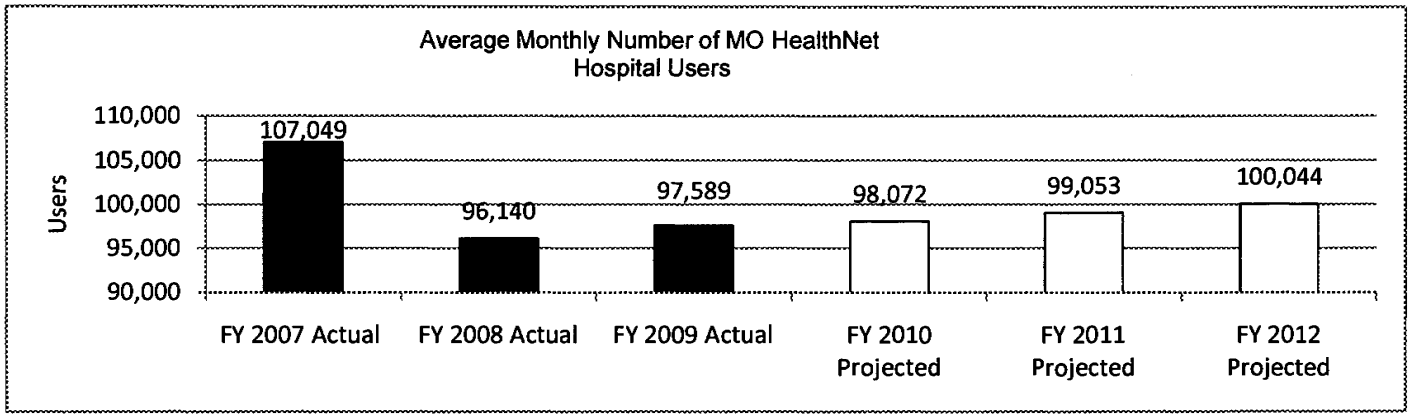
*Appropriation contingent on passage of enabling legislation (SB 306). Enabling legislation did not pass.

7b. Provide an efficiency measure.

Efficiency Measure: Administer the FRA and NFFRA tax programs to maximize allowable tax collections while minimizing the need for general revenue. If the assessment exceeds the federal limit, the FFP for payments funded by the excessive assessment is disallowed by the Centers for Medicare and Medicaid Services (CMS).



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

TPL CONTRACTS

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
TPL CONTRACTS								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	1,218,652	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
THIRD PARTY LIABILITY COLLECT	1,218,652	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL - EE	2,437,304	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00
TOTAL	**2,437,304**	**0.00**	**3,000,000**	**0.00**	**3,000,000**	**0.00**	**3,000,000**	**0.00**
GRAND TOTAL	**$2,437,304**	**0.00**	**$3,000,000**	**0.00**	**$3,000,000**	**0.00**	**$3,000,000**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Third Party Liability (TPL) Contracts

Budget Unit: 90515C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE		1,500,000	1,500,000	3,000,000	E
PSD					
TRF					
Total		1,500,000	1,500,000	3,000,000	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

Note: An "E" is requested for $1,500,000 Other Funds and $1,500,000 Federal Funds.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE		1,500,000	1,500,000	3,000,000	E
PSD					
TRF					
Total		1,500,000	1,500,000	3,000,000	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

Note: An "E" is requested for $1,500,000 Other Funds and $1,500,000 Federal Funds.

2. CORE DESCRIPTION

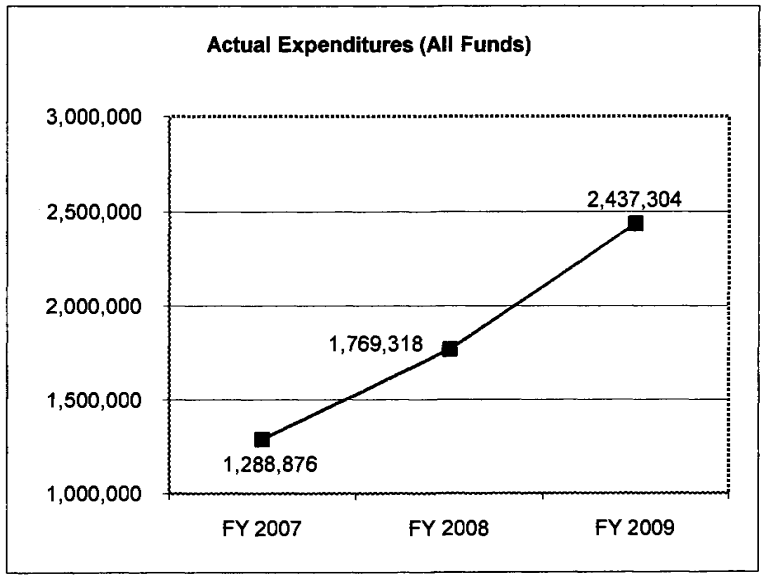
This core request is for the continued funding of contracted third party liability (TPL) recovery activities. TPL functions are performed by agency staff in the TPL Unit and by a contractor. This core appropriation is Expense and Equipment funding and is the source of payments to the contractor who works with the agency on TPL recovery activities.

3. PROGRAM LISTING (list programs included in this core funding)

Third Party Liability Contracts

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	6,000,000	6,000,000	6,000,000	3,000,000 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	6,000,000	6,000,000	6,000,000	N/A
Actual Expenditures (All Funds)	1,288,876	1,769,318	2,437,304	N/A
Unexpended (All Funds)	4,711,124	4,230,682	3,562,696	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	2,355,562	2,115,341	1,781,348	N/A
Other	2,355,562	2,115,341	1,781,348	N/A
		(1)	(2)	(3)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for federal and Third Party Liability Collections (TPL) fund appropriations.

(1) Agency reserves of $4,000,000 in E & E: $2,000,000 in federal and $2,000,000 in TPL fund.

(2) Agency reserves of $2,900,000 in E & E: $1,450,000 in federal and $1,450,000 in TPL fund.

(3) FY2010 core reduction of $3.0 million for empty authority.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
TPL CONTRACTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	1,500,000	1,500,000	3,000,000	
	Total	**0.00**	**0**	**1,500,000**	**1,500,000**	**3,000,000**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	1,500,000	1,500,000	3,000,000	
	Total	**0.00**	**0**	**1,500,000**	**1,500,000**	**3,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	1,500,000	1,500,000	3,000,000	
	Total	**0.00**	**0**	**1,500,000**	**1,500,000**	**3,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
TPL CONTRACTS								
CORE								
PROFESSIONAL SERVICES	2,437,304	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00
TOTAL - EE	**2,437,304**	**0.00**	**3,000,000**	**0.00**	**3,000,000**	**0.00**	**3,000,000**	**0.00**
GRAND TOTAL	**$2,437,304**	**0.00**	**$3,000,000**	**0.00**	**$3,000,000**	**0.00**	**$3,000,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$1,218,652**	**0.00**	**$1,500,000**	**0.00**	**$1,500,000**	**0.00**	**$1,500,000**	**0.00**
OTHER FUNDS	**$1,218,652**	**0.00**	**$1,500,000**	**0.00**	**$1,500,000**	**0.00**	**$1,500,000**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

1. What does this program do?

PROGRAM SYNOPSIS: Provides payments for contracted TPL recovery activities. By identifying other insurance carriers, MO HealthNet is able to cost avoid or recover costs already incurred.

The Third Party Liability (TPL) program is responsible for cost recovery and cost avoidance of MO HealthNet expenditures. The MO HealthNet program seeks recovery from third party sources when liability at the time of service had not yet been determined, when the third party source was not known at the time of MO HealthNet payment, and for services that are federally mandated to be paid and then pursued. TPL functions are performed by agency staff in the TPL Unit and by a contractor. The TPL Contracts appropriation allows for payments to the contractor who works with the agency on TPL recovery activities. The contractor is paid for its services through a 6.75% contingency contract rate for cash recoveries. The third-party recovery program accounted for more than $221.2 million in savings for the MO HealthNet program in FY 09 by cost-avoiding claims and TPL recoveries. Health Plans in the MO HealthNet Managed Care program are responsible for the collection of TPL from commercial health insurance for plan enrollees.

Historically, the contractor is successful in areas of recovery that the state is unable to pursue due to staff and computer system limitations for instance, in Health Insurance Recovery. When the retroactive cash recovery benefit is exhausted, these recovery areas are converted to cost avoidance mechanisms and transferred to the state MMIS claims processing system. The contractor has the advantage of automation to increase TPL recoveries. Information stored in the data base includes participant eligibility, insurance carrier, billing addresses, insurance coverage, and other reference information necessary for automated billing. The TPL Unit and the contractor share responsibility for maintaining and updating the data, as well as conducting manual operations that continue to be a part of the recovery program.

Even though some responsibilities are shared, the TPL Unit and the contractor each perform specific cost saving and recovery activities. The TPL Unit concentrates on asserting liens on settlements of trauma-related incidents (which include personal injury, product liability, wrongful death, malpractice, workers' compensation, and traffic accidents). The TPL Unit also files claims for recovery of MO HealthNet expenditures in estate cases, on the personal funds accounts of deceased nursing home residents, and on any excess funds from irrevocable burial plans. For cost avoidance, the TPL Unit operates the Health Insurance Premium Payment (HIPP) Program and maintains the TPL data base where participant insurance information is stored. The contractor focuses on bulk billings to insurance carriers and other third parties and data matches to identify potential third parties. The following list itemizes the activities performed by the contractor as compared to those performed by the TPL Unit staff, and is followed by descriptions of the primary TPL programs.

TASKS PERFORMED BY THE CONTRACTOR
- ✔ Health insurance billing and follow-up;
- ✔ Data matches and associated billing (Tricare, MCHCP, and other insurance carriers such as BCBS, United Healthcare and Aetna);
- ✔ Provide TPL information for state files;
- ✔ Post Accounts Receivable data to state A/R system; and
- ✔ Maintain insurance billing files.

The current contractor is Health Management Systems. The contractor is paid for services on a contingency basis through a portion of cash recoveries.

TASKS PERFORMED BY STATE TPL STAFF
- ✔ Liens, updates and follow-up on Trauma cases;
- ✔ Identify and follow-up on all Estate cases;
- ✔ Identify, file and follow-up on TEFRA liens;
- ✔ Identify and follow-up on Personal Funds cases;
- ✔ Recover any excess funds from irrevocable burial plans;
- ✔ Operate HIPP program;
- ✔ Post recoveries to Accounts Receivable systems;
- ✔ Maintain state TPL databases;
- ✔ Verify leads through MMIS contract; and
- ✔ Contract oversight.

HIPP Program - The objective of the Health Insurance Premium Payment Program (HIPP) is to identify and pay for employer-sponsored insurance policies for MO HealthNet participants to maximize MO HealthNet monies by shifting medical costs to private insurers and exhausting all third party resources before utilizing MO HealthNet. Each insurance policy paid by the HIPP program saves an average of $540 annually.

Trauma Settlement Recovery - The objective is to identify potentially liable third parties and to assert liens on litigation settlements to ensure maximum recovery of MO HealthNet expenditures. Each identification is researched to determine if pursuit is cost effective or even possible.

Personal Funds Recovery - The objective of this program is to identify Personal Funds Account Balances of deceased MO HealthNet participants who lived in nursing facilities and recover MO HealthNet expenditures made on behalf of those participants. Nursing facilities are required to pay MO HealthNet within sixty (60) days from the date of death (Section 198.090(7), RSMo).

Burial Plans Recovery - The objective of this program is to recover MO HealthNet expenditures from any excess funds from irrevocable burial plans. Burial lots and irrevocable burial contracts are exempt from consideration in determining MO HealthNet eligibility (Section 208.010, RSMo). The law also provides that if there are excess funds from irrevocable burial plans, the state should recover the excess up to the amount of public assistance benefits provided to the participant.

Estate Recovery - In this program, expenditures are recovered through identification and filing of claims on estates of deceased MO HealthNet participants. Data matches are coordinated with the Department of Health's Vital Statistics, Family Support county offices' staff and cooperation of other public and private groups. When cases are established, staff verify expenditure documentation and assemble data for evidence. The TPL staff appear in court to testify on behalf of the state and explain MO HealthNet policies and procedures.

TEFRA Liens - The Tax Equity and Fiscal Responsibility Act of 1982 authorizes the MO HealthNet program to file a lien as a claim against the real property of certain MO HealthNet participants. The TEFRA lien is for the debt due the state for medical assistance paid or to be paid on behalf of a MO HealthNet participant. TEFRA was implemented with the filing of 13 CSR 70-4.110 which was effective November 30, 2005. Since the implementation, the amount of recoveries attributable to TEFRA is approximately $3.2 million.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State: RSMo. 198.090, 208.010, 208.153, 208.215, 473.398, 473.399 Federal law: Social Security Act, Section 1902, 1903, 1906, 1912, 1917; Federal regulation: 42 CFR 433 Subpart D

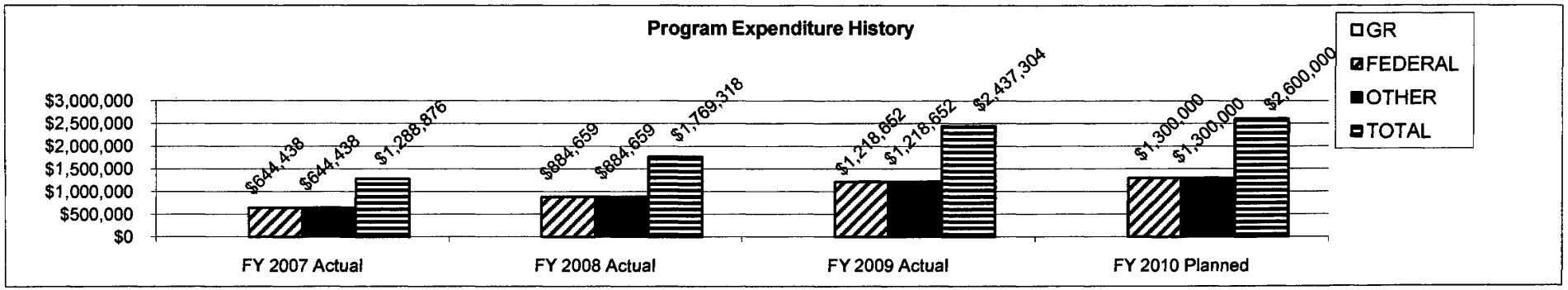
3. Are there federal matching requirements? If yes, please explain.

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn $0.50 in federal funding.

4. Is this a federally mandated program? If yes, please explain.

Yes, if cost effective. In order to not pursue a TPL claim, the agency must obtain a waiver from CMS by proving that a cost recovery effort is not cost effective.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



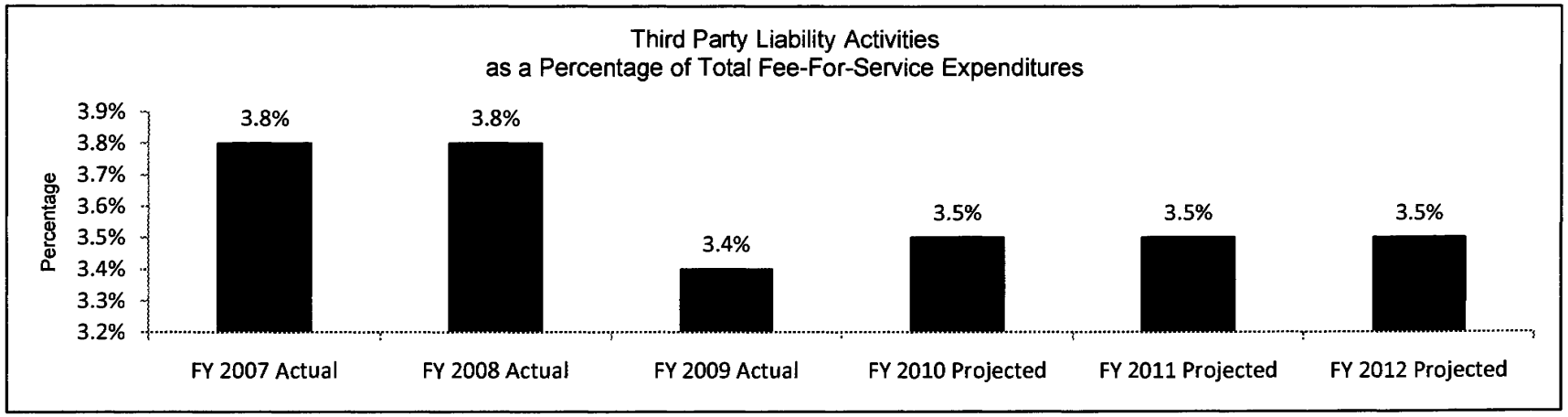
Reserve: $400,000 Federal and Other Funds

6. What are the sources of the "Other " funds?

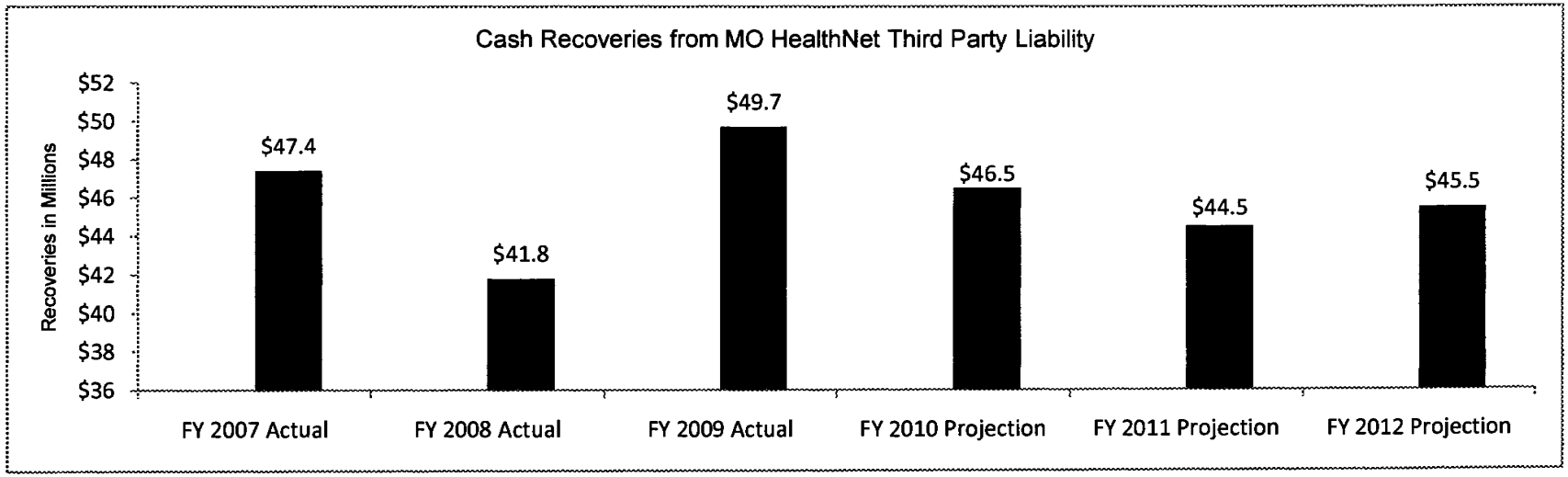
Third Party Liability Collections Fund (0120)

7a. Provide an effectiveness measure.

Effectiveness Measure: Third Party Liability (TPL) activities within the MO HealthNet Program ensure that liable third party resources are being utilized as a primary source of payment in lieu of General Revenue. In state fiscal year 2009, TPL activities, including cost avoidance and cash recovery activities, saved 3.4% of total fee-for-service expenditures.



7b. Provide an efficiency measure.



Cash Recoveries by Contractor		
SFY	Actual	Projected
2007	$18.3 mil	$21.9 mil
2008	$15.5 mil	$16.5 mil
2009	$26.3 mil	$16.5 mil
2010		$21.0 mil
2011		$18.0 mil
2012		$18.0 mil

Cash Recoveries by MHD Staff		
SFY	Actual	Projected
2007	$29.2 mil	$28.0 mil
2008	$26.3 mil	$32.0 mil
2009	$23.3 mil	$25.3 mil
2010		$25.5 mil
2011		$26.5 mil
2012		$27.5 mil

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.

The projection in cash recoveries is decreasing because efforts are being made by MHD to obtain timely health insurance carrier information on a proactive basis as the result of SB 577 and Medicare providers are performing on-line adjustments rather than submitting reimbursement by check. Cash recoveries for the Estate Program are decreasing due to the expanded definition of "estate" not being in statute and a court decision regarding spousal recovery.

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
INFORMATION SYSTEMS								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	5,438,458	0.00	5,565,516	0.00	5,565,516	0.00	5,565,516	0.00
DEPT OF SOC SERV FEDERAL & OTH	28,854,604	0.00	53,299,849	0.00	44,296,284	0.00	44,296,284	0.00
HEALTH CARE TECHNOLOGY FUND	1,460,910	0.00	5,296,733	0.00	3,835,822	0.00	3,835,822	0.00
TOTAL - EE	35,753,972	0.00	64,162,098	0.00	53,697,622	0.00	53,697,622	0.00
TOTAL	**35,753,972**	**0.00**	**64,162,098**	**0.00**	**53,697,622**	**0.00**	**53,697,622**	**0.00**
GRAND TOTAL	**$35,753,972**	**0.00**	**$64,162,098**	**0.00**	**$53,697,622**	**0.00**	**$53,697,622**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Information Systems

Budget Unit: 90522C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE	5,565,516	44,296,284	3,835,822	53,697,622
PSD				
TRF				
Total	**5,565,516**	**44,296,284**	**3,835,822**	**53,697,622**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthcare Technology Fund (0170)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	5,565,516	44,296,284	3,835,822	53,697,622
PSD				
TRF				
Total	**5,565,516**	**44,296,284**	**3,835,822**	**53,697,622**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthcare Technology Fund (0170)

2. CORE DESCRIPTION

This core request is for the continued funding of Information Systems (IS), which is a component of the Division's total administrative costs. Information Systems is comprised of two program areas, MMIS (Medicaid Management Information System) and the Medicaid Fraud and Abuse Detection system (FADS).

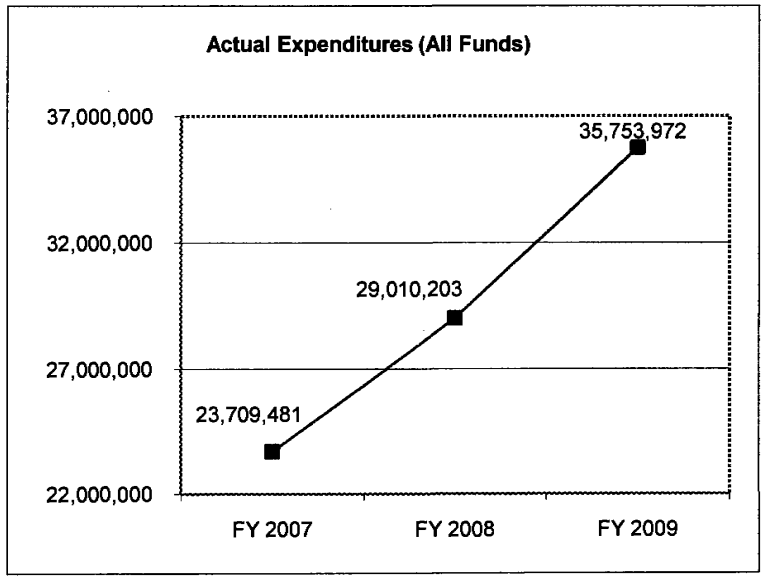
A portion of this funding is a one-time cost to re-engineer the MMIS.

3. PROGRAM LISTING (list programs included in this core funding)

Information Systems

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	25,998,456	66,148,456	66,148,456	64,162,098
Less Reverted (All Funds)	(170,923)	(170,923)	(622,227)	N/A
Budget Authority (All Funds)	25,827,533	65,977,533	65,526,229	N/A
Actual Expenditures (All Funds)	23,709,481	29,010,203	35,753,972	N/A
Unexpended (All Funds)	2,118,052	36,967,330	29,772,257	N/A
Unexpended, by Fund:				
General Revenue	53,573	0	0	N/A
Federal	2,000,479	31,670,597	25,936,435	N/A
Other	64,000	5,296,733	3,835,822	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Agency reserve of $1,712,600 federal funds.

(2) Lapsed authority is for one-time MMIS reengineering costs spread over several fiscal years. The FY2010 core includes a reduction for actual FY2008 one-time MMIS reengineering expenditures.

(3) Lapsed authority is for one-time MMIS reengineering costs spread over several fiscal years. Agency reserve of $3,269,402 federal funds. The FY2011 core includes a reduction for actual FY2009 one-time MMIS reengineering expenditures.

DEPARTMENT OF SOCIAL SERVICES
INFORMATION SYSTEMS

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		EE	0.00	5,565,516	53,299,849	5,296,733	64,162,098	
		Total	**0.00**	**5,565,516**	**53,299,849**	**5,296,733**	**64,162,098**	
DEPARTMENT CORE ADJUSTMENTS								
1x Expenditures	845 4192	EE	0.00	0	(9,003,565)	0	(9,003,565)	Core cut one-time expenditures for MMIS FY 09 reengineering.
1x Expenditures	845 3687	EE	0.00	0	0	(1,460,911)	(1,460,911)	Core cut one-time expenditures for MMIS FY 09 reengineering.
NET DEPARTMENT CHANGES			**0.00**	**0**	**(9,003,565)**	**(1,460,911)**	**(10,464,476)**	
DEPARTMENT CORE REQUEST								
		EE	0.00	5,565,516	44,296,284	3,835,822	53,697,622	
		Total	**0.00**	**5,565,516**	**44,296,284**	**3,835,822**	**53,697,622**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	5,565,516	44,296,284	3,835,822	53,697,622	
		Total	**0.00**	**5,565,516**	**44,296,284**	**3,835,822**	**53,697,622**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
INFORMATION SYSTEMS								
CORE								
COMMUNICATION SERV & SUPP	0	0.00	898	0.00	898	0.00	898	0.00
PROFESSIONAL SERVICES	35,240,999	0.00	62,911,200	0.00	52,446,724	0.00	52,446,724	0.00
M&R SERVICES	512,973	0.00	1,250,000	0.00	1,250,000	0.00	1,250,000	0.00
TOTAL - EE	**35,753,972**	**0.00**	**64,162,098**	**0.00**	**53,697,622**	**0.00**	**53,697,622**	**0.00**
GRAND TOTAL	**$35,753,972**	**0.00**	**$64,162,098**	**0.00**	**$53,697,622**	**0.00**	**$53,697,622**	**0.00**
GENERAL REVENUE	**$5,438,458**	**0.00**	**$5,565,516**	**0.00**	**$5,565,516**	**0.00**	**$5,565,516**	**0.00**
FEDERAL FUNDS	**$28,854,604**	**0.00**	**$53,299,849**	**0.00**	**$44,296,284**	**0.00**	**$44,296,284**	**0.00**
OTHER FUNDS	**$1,460,910**	**0.00**	**$5,296,733**	**0.00**	**$3,835,822**	**0.00**	**$3,835,822**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

1. What does this program do?

PROGRAM SYNOPSIS: Information Systems processes fee-for-service claims and managed care encounter data through a contractor for the Medicaid Management Information Systems (MMIS) and provides for operation of the Medicaid Fraud and Abuse Detection System. MO HealthNet Managed Care enrollment broker services are included in the MMIS contract.

The Information Systems (IS) program area includes the MMIS contract, the Medicaid Fraud and Abuse Detection System (FADS) contract, the Provider Enrollment Unit and the contract for the enrollment services for the MO HealthNet Managed Care Program. The primary function of Information Systems is to provide the tools and data needed to support administrative and financial decisions and to process fee-for-service claims and MO HealthNet Managed Care encounter data. IS focuses on the gathering, maintenance, analysis, and output of information and data related to claims and a multitude of claims-related interfaces. It is additionally responsible for providing the software and hardware support needed to measure, analyze, assess and manipulate this information in the process of decision making and formulating and testing new systems.

The State contracts with a private entity to operate the subsystems of the Medicaid Management Information System. The subsystems include Claims Processing, Management and Analysis Reporting, Surveillance and Utilization, Reference, Provider, Participant, Third Party Liability and Financial. In order to maintain quality management of MO HealthNet claims, the MO HealthNet Division requires the fiscal agent to:

- Maintain and enhance a highly automated MO HealthNet claims processing and information retrieval system.
- Process MO HealthNet claims involving over 39,900 providers of 68 different types, such as hospitals, physicians, dentists, ambulance service providers, nursing homes, therapists, hospices, and managed care health plans.
- Perform manual tasks associated with processing MO HealthNet claims, and to retrieve and produce utilization and management information that is required by the Division and/or various agencies within the federal government. For example, semi-annual utilization reports are generated for the Program Integrity unit to allow staff to detect and investigate over-utilization patterns and abuse. Third Party Liability (TPL) reports are produced that allow tracking of cost avoidance on claims and provide the capability to perform cost recovery functions.
- Provide capabilities and/or communications with the Department and the Division via on-line data links to facilitate transfers of data and monitoring of contract issues using menu driven reports and communications via electronic mail.
- Provide technical support to Managed Care health plans in the maintenance of data lines and the transfer of daily enrollment files and encounter data.

The MMIS is run on a mainframe computer system. There are approximately 35 programmers employed by the fiscal agent to maintain this system. The Interactive Voice Response (IVR) has the availability of approximately 70 incoming lines. The IVR hardware and software allows immediate access to eligibility, payment and claim status information.

The Imaging System allows document storage and retrieval along with a report repository. The fiscal agent supports a web application (www.emomed.com) that supports various provider functions such as claims data entry, send and receive files, electronic remittance advice along with real-time inquiries of claims, attachments, prior authorizations, eligibility and payment status.

The state began contracting MMIS in 1979. The latest MMIS contract began in FY2008 and was awarded to Infocrossing, Inc. It consists of one year for takeover and transition, six years contracted for operations, and is renewable for three one-year extensions. This new MMIS contract includes seventeen (17) major enhancements scheduled to be implemented over the first few years of the contract period. The highlights of this re-engineering include a new relational database, a rules engine, and browser-based functionality.

Claims Processing

Claims processing changes with the two programs, the fee-for-service program versus MO HealthNet Managed Care. Under the fee-for-service program, claims are processed for payment to the provider. Services under MO HealthNet Managed Care which are covered by the capitation payment do not generate a claim. Whomever provides the service is reimbursed by a health plan. The service still results in involvement by IS through the processing of encounter claims. An encounter claim is the same as a regular claim in terms of the information processed such as patient identification, diagnosis and the service(s) provided; it is just not subject to payment. The MO HealthNet Division needs the encounter claim to know what services are being provided to managed care enrollees so encounter claims are transmitted by health plans to the fiscal agent where they are processed and the data is stored.

Managed Care Impact: The primary issue reflecting the increased demand on Information Systems with the advent of the MO HealthNet Managed Care program is interfacing with numerous different data processing systems. The MMIS system must now "talk" to the system run by the enrollment contractor and each of the six individual health plans that contract with the state for Managed Care. Success of the Managed Care program is data-driven. The agency needs encounter data from the health plans in order to see what services are being provided to agency clients, otherwise on-site audits of thousands of providers would be required. The biggest demand is staff time to work with individual health plans when they have system problems involving the processing of Managed Care information.

Average claims processing time continues to decrease due to increased electronic claims processing and system improvements from 3.03 days in FY95 to .81 days in FY09.

Fraud and Abuse Detection System

The implementation of a Medicaid Fraud and Abuse Detection System (FADS) occurred in October 2004. The system is designed to maximize the return on investment in fraud and abuse programs. This system assists staff in monitoring utilization and program compliance by providers and participants within the MO HealthNet program on a post-payment basis to enforce Federal and State Medicaid policy and program restrictions.

Provider Enrollment Unit

The Provider Enrollment Unit is responsible for maintaining the provider records for all providers enrolled with MO HealthNet. This unit must ensure compliance with all federal and state rules and regulations regarding enrollment of providers in MO HealthNet.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.166 and 208.201; Federal law: Social Security Act Section 1902(a)(4), 1903(a)(3) and 1915(b); Federal Regulation 42 CFR 433(C) and 438; Children's Health Insurance Program State Plan Amendment.

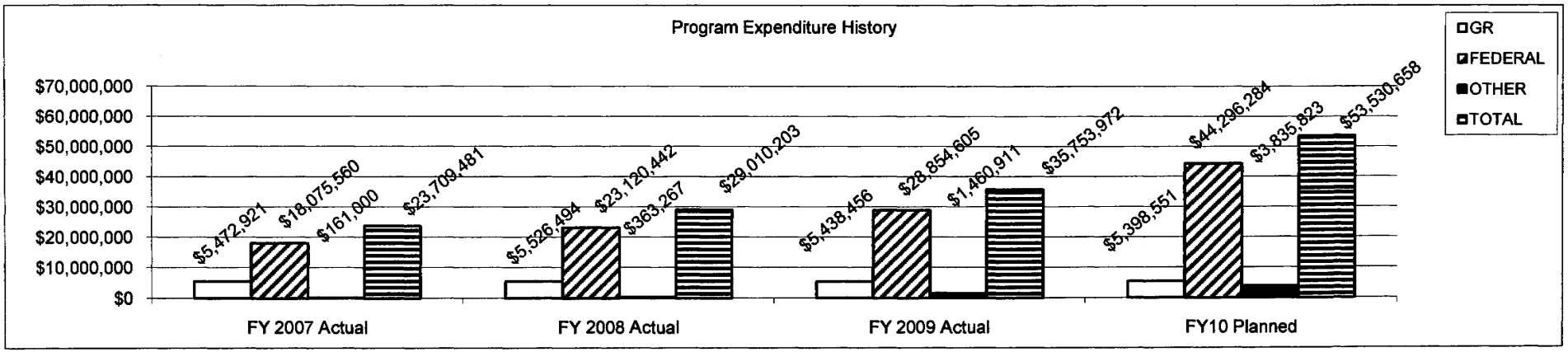
3. Are there federal matching requirements? If yes, please explain.

Expenditures for MMIS operations have three different federal financial participation (FFP) rates. The majority of MMIS expenditures earn 75% FFP and require 25% state share. Approved system ehancements earn 90% FFP and require 10% state share. Postage and Medicaid administrative expenditures earn 50% FFP and requires 50% state share.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



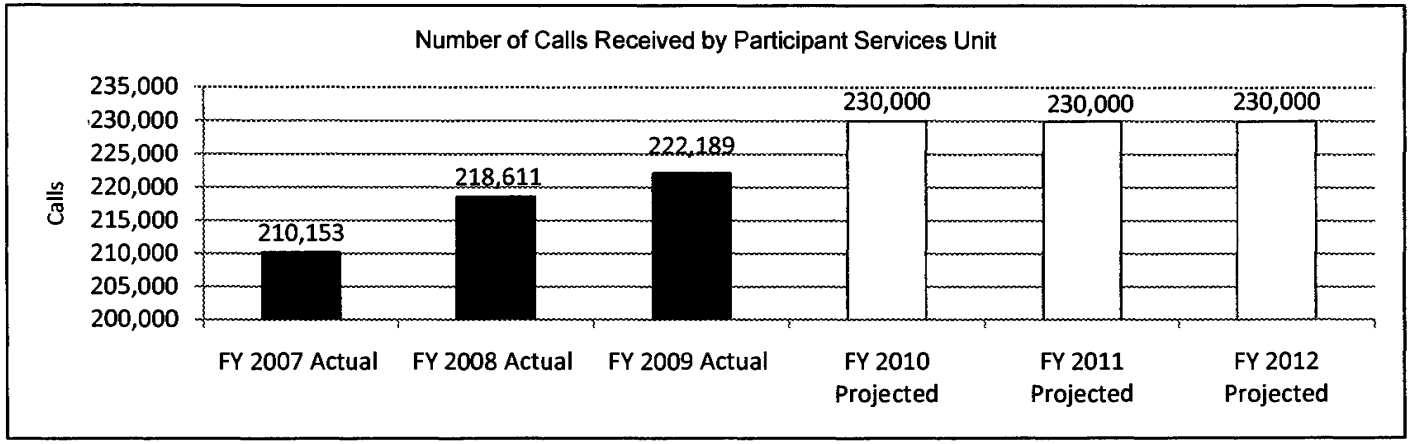
FY2009 expenditures include one-time MMIS reengineering costs. Some costs will carry into subsequent fiscal years.
Reverted: $166,965 GR
Reserve: $10,464,475 Federal and Other

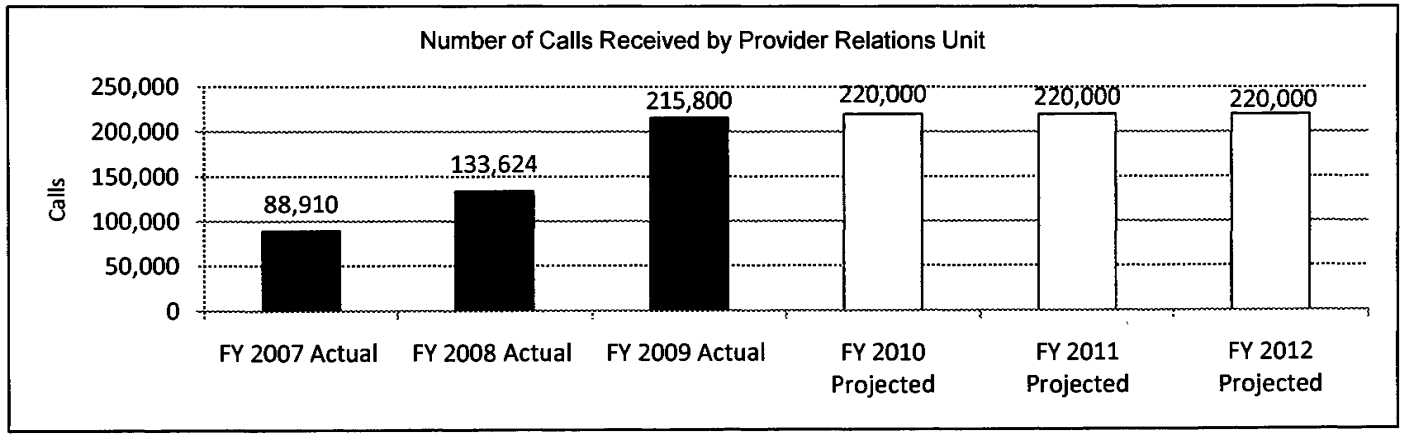
6. What are the sources of the "Other" funds?

Healthcare Technology Fund (0170)

7a. Provide an effectiveness measure.

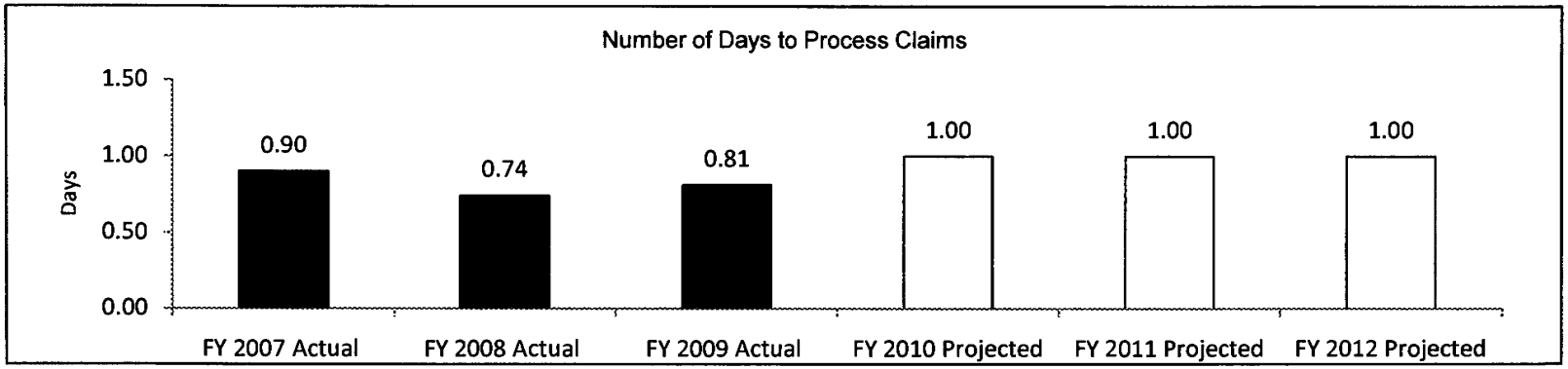
Effectiveness Measure: Provide support for participants and providers. For each of the past three state fiscal years, the Participant Services Unit received and responded to over 200,000 calls from participants. The Provider Relations Unit received and responded to over 215,000 calls in SFY 2009.



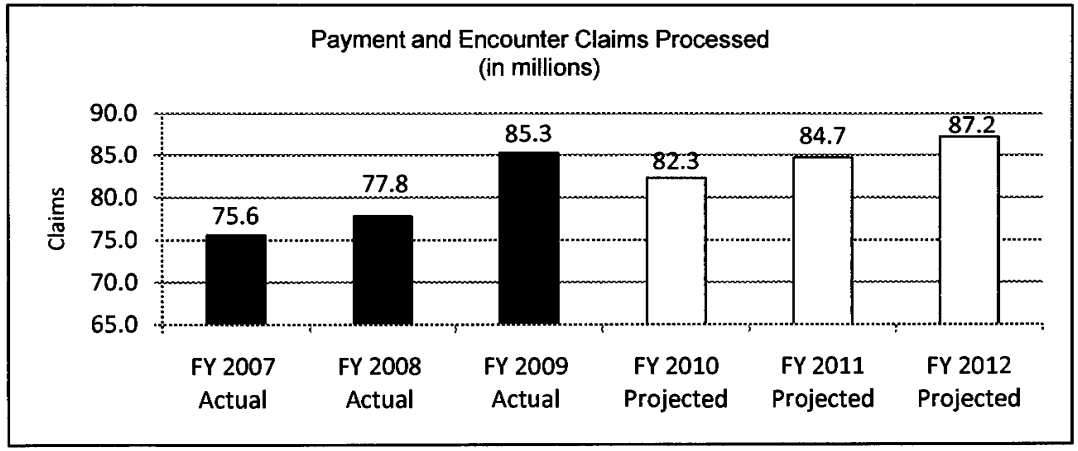


7b. Provide an efficiency measure.

Efficiency Measure: Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2009, over 85.3 million claims were processed.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

PHARMACY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	13,049,821	0.00	12,000,000	0.00	12,000,000	0.00	12,000,000	0.00
TITLE XIX-FEDERAL AND OTHER	15,528,537	0.00	15,300,000	0.00	15,300,000	0.00	15,300,000	0.00
TOTAL - EE	28,578,358	0.00	27,300,000	0.00	27,300,000	0.00	27,300,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	54,849,523	0.00	113,426,149	0.00	115,726,886	0.00	74,071,847	0.00
TITLE XIX-FEDERAL AND OTHER	418,000,257	0.00	591,450,829	0.00	606,309,006	0.00	504,277,337	0.00
PHARMACY REBATES	95,858,777	0.00	96,130,097	0.00	96,130,097	0.00	87,330,097	0.00
THIRD PARTY LIABILITY COLLECT	600,555	0.00	5,252,468	0.00	5,252,468	0.00	5,252,468	0.00
PHARMACY REIMBURSEMENT ALLOWAN	99,303,707	0.00	60,479,712	0.00	36,500,000	0.00	33,800,000	0.00
HEALTH INITIATIVES	969,293	0.00	969,293	0.00	969,293	0.00	969,293	0.00
HEALTHY FAMILIES TRUST	1,041,034	0.00	1,041,034	0.00	1,041,034	0.00	1,041,034	0.00
LIFE SCIENCES RESEARCH TRUST	28,311,716	0.00	28,725,000	0.00	28,725,000	0.00	28,725,000	0.00
PREMIUM	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00
TOTAL - PD	702,734,862	0.00	901,274,582	0.00	894,453,784	0.00	739,267,076	0.00
TOTAL	**731,313,220**	**0.00**	**928,574,582**	**0.00**	**921,753,784**	**0.00**	**766,567,076**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	10,093,380	0.00	9,957,549	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	18,580,995	0.00	18,235,469	0.00
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	481,357	0.00
TOTAL - PD	0	0.00	0	0.00	28,674,375	0.00	28,674,375	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**28,674,375**	**0.00**	**28,674,375**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	18,581,491	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	5,770,372	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	5,770,372	0.00	18,581,491	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**5,770,372**	**0.00**	**18,581,491**	**0.00**

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit / Decision Item / Budget Object Summary / Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY								
Pharmacy PMPM - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	5,724,751	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	30,484,735	0.00
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	9,895,006	0.00
LIFE SCIENCES RESEARCH TRUST	0	0.00	0	0.00	0	0.00	1,831,250	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	47,935,742	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**47,935,742**	**0.00**
Pharmacy Reimbursement Allowan - 1886032								
PROGRAM-SPECIFIC								
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	0	0.00	21,753,508	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	21,753,508	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**21,753,508**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	819,475	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,431,522	0.00
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	6,449,467	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	8,700,464	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**8,700,464**	**0.00**
GRAND TOTAL	**$731,313,220**	**0.00**	**$928,574,582**	**0.00**	**$956,198,531**	**0.00**	**$892,212,656**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy

Budget Unit: 90541C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE	12,000,000	15,300,000		27,300,000	
PSD	115,726,886	606,309,006	172,417,892	894,453,784	E
TRF					
Total	127,726,886	621,609,006	172,417,892	921,753,784	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates Fund (0114)
Third Party Liability Collections Fund (TPL) (0120)
Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Premium Fund (0885)
Life Sciences Research Trust Fund (0763)

Note: An "E" is requested for the $96,130,097 Pharmacy Rebates Fund and for the $36,500,000 Pharmacy Reimbursement Allowance Fund.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE	12,000,000	15,300,000		27,300,000	
PSD	74,071,847	504,277,337	160,917,892	739,267,076	E
TRF					
Total	86,071,847	519,577,337	160,917,892	766,567,076	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates Fund (0114)
Third Party Liability Collections Fund (TPL) (0120)
Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Premium Fund (0885)
Life Sciences Research Trust Fund (0763)

Note: An "E" is requested for the $87,330,097 Pharmacy Rebates Fund and for the $33,800,000 Pharmacy Reimbursement Allowance Fund.

2. CORE DESCRIPTION

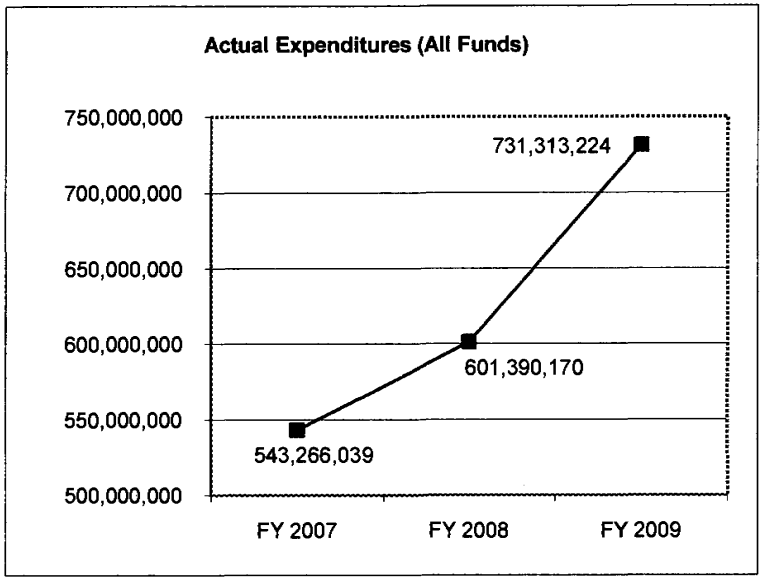
This core request is for the continued funding of the pharmacy fee-for-service program. Funding provides pharmacy services for the non-managed care MO HealthNet population and for the managed care population beginning October 1, 2009. Funding is necessary to maintain pharmacy reimbursement at a sufficient level to ensure quality health care and provider participation.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.	
Appropriation (All Funds)	663,627,151	781,079,605	897,730,792	928,574,582	E
Less Reverted (All Funds)	(7,776,315)	(14,500,000)	(67,943,111)	N/A	
Budget Authority (All Funds)	655,850,836	766,579,605	829,787,681	N/A	
Actual Expenditures (All Funds)	543,266,039	601,390,170	731,313,224	N/A	
Unexpended (All Funds)	112,584,797	165,189,435	98,474,457	N/A	
Unexpended, by Fund:					
General Revenue	7,289,531	55,911,179	15,097,538	N/A	
Federal	80,605,536	103,331,552	62,421,155	N/A	
Other	24,689,730	5,946,704	20,955,764	N/A	
	(1)		(2) (3)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Agency reserve of $5,250,000 Life Science Research Trust Fund.

(2) "E" increases of $30,000,000 Pharmacy Rebates and $82,600,000 Pharmacy Reimbursement Allowance.

(3) Agency reserve of $5,100,000 General Revenue and $4,670,778 Third Party Liability Collections.

DEPARTMENT OF SOCIAL SERVICES
PHARMACY

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		EE	0.00	12,000,000	15,300,000	0	27,300,000	
		PD	0.00	113,426,149	591,450,829	196,397,604	901,274,582	
		Total	**0.00**	**125,426,149**	**606,750,829**	**196,397,604**	**928,574,582**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	1058 2525	PD	0.00	(5,770,372)	0	0	(5,770,372)	FMAP adjustment.
Core Reallocation	699 5586	PD	0.00	0	0	(23,979,712)	(23,979,712)	Move enhanced dispensing fee funding to new section for Pharmacy reimbursement allowance.
Core Reallocation	1377 2525	PD	0.00	8,071,109	0	0	8,071,109	Transfer in 3 months of Managed Care for Pharmacy carve out.
Core Reallocation	1377 2526	PD	0.00	0	14,858,177	0	14,858,177	Transfer in 3 months of Managed Care for Pharmacy carve out.
NET DEPARTMENT CHANGES			**0.00**	**2,300,737**	**14,858,177**	**(23,979,712)**	**(6,820,798)**	
DEPARTMENT CORE REQUEST								
		EE	0.00	12,000,000	15,300,000	0	27,300,000	
		PD	0.00	115,726,886	606,309,006	172,417,892	894,453,784	
		Total	**0.00**	**127,726,886**	**621,609,006**	**172,417,892**	**921,753,784**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	1058	PD	0.00	5,770,372	(18,581,491)	0	(12,811,119)	FMAP adjustment.
Core Reduction	1889	PD	0.00	0	(38,694,561)	(11,500,000)	(50,194,561)	Core reduction of Pharmacy Rebates, PFRA, and federal empty authority
Core Reduction	1891	PD	0.00	(184,491)	(322,283)	0	(506,774)	Medicare eligibles
Core Reduction	2039	PD	0.00	(21,753,508)	0	0	(21,753,508)	Fund switch to PFRA due to increase in tax to 1.82%

DEPARTMENT OF SOCIAL SERVICES
PHARMACY

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	2040	PD	0.00	(1,456,200)	(2,453,800)	0	(3,910,000)	Increase utilization of generic prescriptions
Core Reduction	2042	PD	0.00	(1,838,900)	(3,212,329)	0	(5,051,229)	Ensure Medicaid is payer of last resort
Core Reduction	2046	PD	0.00	(3,000,000)	(5,240,626)	0	(8,240,626)	Maximum Allowable Cost (MAC) pricing on specialty drugs
Core Reduction	2047	PD	0.00	(9,700,000)	(16,944,692)	0	(26,644,692)	Preferred drug list on psychotropics
Core Reduction	2048	PD	0.00	(5,424,622)	(9,476,139)	0	(14,900,761)	Better management of high cost pharmacy users
Core Reduction	2050	PD	0.00	(500,000)	(873,438)	0	(1,373,438)	Immigration assistance to help legal immigrants properly enroll in Medicare
Core Reduction	2051	PD	0.00	(3,567,690)	(6,232,310)	0	(9,800,000)	Elimination of the dual eligibles from the current CCIP contract
NET GOVERNOR CHANGES			**0.00**	**(41,655,039)**	**(102,031,669)**	**(11,500,000)**	**(155,186,708)**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	12,000,000	15,300,000	0	27,300,000	
		PD	0.00	74,071,847	504,277,337	160,917,892	739,267,076	
		Total	**0.00**	**86,071,847**	**519,577,337**	**160,917,892**	**766,567,076**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY								
CORE								
PROFESSIONAL SERVICES	28,578,358	0.00	27,300,000	0.00	27,300,000	0.00	27,300,000	0.00
TOTAL - EE	28,578,358	0.00	27,300,000	0.00	27,300,000	0.00	27,300,000	0.00
PROGRAM DISTRIBUTIONS	702,734,862	0.00	901,274,582	0.00	894,453,784	0.00	739,267,076	0.00
TOTAL - PD	702,734,862	0.00	901,274,582	0.00	894,453,784	0.00	739,267,076	0.00
GRAND TOTAL	$731,313,220	0.00	$928,574,582	0.00	$921,753,784	0.00	$766,567,076	0.00
GENERAL REVENUE	$67,899,344	0.00	$125,426,149	0.00	$127,726,886	0.00	$86,071,847	0.00
FEDERAL FUNDS	$433,528,794	0.00	$606,750,829	0.00	$621,609,006	0.00	$519,577,337	0.00
OTHER FUNDS	$229,885,082	0.00	$196,397,604	0.00	$172,417,892	0.00	$160,917,892	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

1. What does this program do?

PROGRAM SYNOPSIS: Provides payment for pharmacy services for fee-for-service MO HealthNet participants.

This Pharmacy Services appropriation provides funding for fee-for-service eligibles for prescription drugs produced by manufacturers for which there exists a rebate agreement between the manufacturer and the federal Department of Health and Human Services (HHS) and dispensed by qualified providers. Since January 1, 1991, the MO HealthNet program has provided reimbursement for all outpatient drugs (except for those which are specifically excluded) for which there is a manufacturer's rebate agreement. While over-the-counter preparations do not require a prescription for sale to the general public, a prescription for those selected types of over-the-counter products that qualify for MO HealthNet coverage is required in order for the product to be reimbursable. In general terms, MO HealthNet drug reimbursement is made at the lower of: the Wholesale Acquisition Cost (WAC) plus 10%; the Federal Upper Limit (FUL); the Missouri Maximum Acquisition Cost (MAC); or the billed charge. MO HealthNet uses its electronic tools incorporating clinical criteria derived from best practices and evidence-based medical information to adjudicate claims through Clinical Edits, Preferred Drug List Edits, and Prior Authorization.

The U.S. Congress created the Medicaid outpatient prescription drug rebate program when it enacted the Omnibus Budget Reconciliation Act of 1990 (OBRA '90). The goal of the program is to reduce the cost of outpatient prescription drugs by requiring drug manufacturers to pay a rebate directly to state Medicaid programs. The purpose of the program is to reduce the cost of prescription drugs without placing an undue burden on pharmacies by requiring the drug manufacturers to pay a rebate directly to the state Medicaid programs. The intent of this rebate is to allow the state and federal governments to receive price reductions similar to those received by other high volume purchasers of drugs.

Rebate Program

OBRA '90 requires all drug manufacturers to enter into a drug rebate agreement with the Department of Health and Human Services before their product lines will be eligible for coverage by Medicaid. Currently, 500 manufacturers have signed agreements with Centers for Medicare and Medicaid Services (CMS) and participate in the Drug Rebate Program. Approximately 400 manufacturers have products dispensed and are invoiced quarterly. Once the drug manufacturer has entered into the agreement, the state Medicaid programs are required to provide coverage of the manufacturers' drug products. However, the state has the option of excluding certain categories of the manufacturer's products or requiring prior authorization for reimbursement of products. Manufacturers are required to calculate and make rebate payments to the state Medicaid agency for the manufacturer's covered outpatient drugs reimbursed by the state during each quarter. Manufacturers are to be invoiced no later than sixty days after the end of each calendar quarter and are required to make payment for the calculated drug rebate directly to the state Medicaid program within 38 days of invoicing. For generic drugs, the rebate amount is currently 11% of Average Manufacturer Price (AMP). For multi-source drugs, the rebate is the greater of 15% of AMP or the difference between the AMP and the manufacturer's "best price", plus CPI-U factors. The manufacturer has the option of disputing the calculated drug rebate amount if the manufacturer disagrees with the state's drug utilization data. The manufacturer is required to report the nature of the dispute to the state, and the state is then responsible for resolving the dispute through negotiation or a hearing process, if necessary. Approximately 35% of the total rebates collected are used as a state share funding source rather than using General Revenue funds. The approximate 65% federal share of the rebates collected is returned to the federal government.

Prior Authorization

Any covered outpatient drug can be subject to prior authorization. Effective August 1, 1992, a prior authorization (PA) process was implemented for certain specific drugs under the pharmacy program.

Drug PA requests are received via telephone, fax or mail. All requests for drug PA must be initiated by a physician or authorized prescriber (advanced practice nurse) with prescribing authority for the drug category for which a PA is being requested. As specified in OBRA 90, drug PA programs must provide a response by telephone or other telecommunication device within 24 hours of receipt. All requests must include all required information. Requests received with insufficient information for review or received from someone other than a physician will not initiate a PA review nor the 24-hour response period. Drug PA requests received via telephone are keyed on-line and notification of approval will be given at the time of the call or by return FAX or phone call. The MO HealthNet Technicians who staff this hotline work through algorithms developed by the Drug Prior Authorization Committee with the assistance of UMKC-DIC, School of Pharmacy. These algorithms are sets of questions used to make a determination to approve or deny the request. Making the prior authorization determination on-line allows the PA file to be updated immediately. For approvals, the requestor will be given an authorization period. Pharmacies may record this information for this purpose as well.

Board and Committee Support and Oversight

The MO HealthNet Oversight Committee was created in 2007 and is charged with evaluating the program and its implementation.

The MO HealthNet Division operates both prospective and retrospective Drug Utilization Review (DUR) as required by federal and state law. The DUR program is focused on educating health care providers in the appropriate use of medications, and informing them of potential drug therapy problems found in the review of drug and diagnostic information obtained from MO HealthNet claims history. The DUR Board is central to all DUR program activities, and its duties and membership requirements are specified in state and federal law. DUR Board members are appointed by the Governor with advice and consent of the Senate, and its 13 members include six physicians, six pharmacists, and one quality assurance nurse. In an ongoing process, the DUR Board reviews and makes changes to the clinical therapeutic criteria used to generate prospective and retrospective DUR interventions. The DUR Board also advises the Division on other issues related to appropriate drug therapy and produces a quarterly newsletter for providers on selected drug topics. In addition to the Board, a Regional DUR Committee, comprised of physicians and pharmacists, evaluates individual participants' retrospective drug regimens and advises their providers on appropriate drug use or potentially problematic drug therapies.

The MO HealthNet Drug Prior Authorization (PA) Committee is established in state regulation. This advisory committee is charged with reviewing drugs and recommending those drugs which are appropriate for reimbursement as a regular benefit verses those which should be placed on prior authorization status. All such recommendations made by the Drug PA Committee are referred to the DUR Board, as they are the statutorily-appointed advisory group for final recommendation to the Division.

Cost Containment Initiatives

As a result of new drugs, rapidly changing prescribing patterns and increased expenditures in the MO HealthNet fee-for-service pharmacy program, the MO HealthNet program continues to implement a number of administrative measures to ensure the economic and efficient provision of the MO HealthNet pharmacy benefit. These strategies have been developed through recommendations from a number of sources, including affected state agencies, provider groups, and the pharmaceutical industry. The intent of these initiatives is to ensure that MO HealthNet participants get the right drug to meet their needs, in the right amount and for the right period of time. Examples of some of the cost containment initiatives include:

Expanded Missouri Maximum Allowable Cost (MAC) List: The list of drugs for which the state agency has established a generic reimbursement limit will be monitored and expanded on a regular basis. A mechanism is in place to review existing MACs as well as identifying new generic drugs for addition to this list, as they become available. This optimizes generic utilization in the MO HealthNet program.

The Preferred Drug List (PDL) utilizes information from various clinical sources, including the UMKC Drug Information Center, the Oregon Evidence-Based Drug Research Consortium, our clinical contractors, and our own clinical research team. Clinical information is paired with fiscal evaluation to develop a therapeutic class recommendation. The resulting PDL process incorporates clinical edits, including step therapies, into the prescription drug program. Clinical edits are dsigned to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. Point-of-sale (POS) pharmacy claims are routed through an automated computer system to apply edits specifically designed to ensure effective and appropriate drug utilization. The goal is to encourage cost effective therapy within the selected drug class.

Specialty medications include high-cost injectable, infused, oral, or inhaled drugs that involve specific handling, supervision or monitoring. MO HealthNet will continue to review specialty medications within each of the therapeutic categories to identify clinical editing, preferred drug list (PDL) and prior authorization (PA) opportunities. MO HealthNet is focusing on opportunities to reduce expenditures without compromising participant outcomes. One example is the Missouri Maximum Allowable Cost (MAC) Pricing for Specialty Drugs. The MAC specialty program follows MO HealthNet pricing methodology, utilizing Wholesale Acquisition Cost (WAC), pricing generally available to providers, as a basis for pricing the identified specialty medications. In accordance with MO HealthNet MAC program policy, MO HealthNet staff monitors and updates the more inclusive Missouri MAC list.

Edits - Dose Optimization: Effective for dates of service on or after April 16, 2002, claims submitted to the MO HealthNet Pharmacy Program are subject to edits to identify claims for pharmacy services that fall outside expected patterns of use for certain products. Overrides to these edit denials can be processed through the help desk. Justification for utilization outside expected patterns such as FDA approved labeling is required for approval of such an override.

Pharmacy Provider Tax: The Missouri General Assembly passed legislation establishing a tax on licensed retail pharmacies in Missouri for the privilege of providing outpatient prescription drugs. The Department of Social Services has notified each pharmacy of the amount of tax due. The tax began in 2002. Effective July 1, 2007, Missouri pharmacies were given an enhanced dispensing fee of $4.82, for a total dispensing fee of $9.66.

Prior Authorization of All New Drugs: Effective July 1, 2002, prior authorization is required for all new drug entities and new drug product dosage forms of these products through existing drug entities that have been approved by the Food and Drug Administration and are available on the market. After identifying First Data Bank's weekly updates, the medications are reviewed for medical and clinical criteria along with pharmacoeconomic impact to the pharmacy program.

In December 2003, the MHD moved diabetic testing supplies and syringes from the DME program to the pharmacy program, and initiated a single source diabetic testing supply initiative, continuing to encourage patient blood glucose testing while minimizing state expenditures. In April 2005, the pharmacy program moved to a multi-source diabetic testing supplies initiative. Diabetic testing supply products and syringes are now available in preferred status from multiple manufacturers, providing greater participant choice.

Enhanced Retrospective Drug Utilization: Enhanced Retrospective Drug Utilization involves retroactively reviewing population based patterns of drug use to compare those patterns to approved therapeutic guidelines in order to determine the appropriateness of care, length of treatment, drug interaction, and other clinical issues.

Provider Audits: Daily provider audits are performed by MHD/IFOX staff for the identification and resolution of potential recoupments.

Clinical Management Services Program (CMSP)
Through a contract with ACS Heritage, MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes. The current CMSP claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with ACS-Heritage utilizes their *CyberAccess*SM tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. *CyberAccess*SM provides: participant claims history profiles, updated daily, identifying all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period; and three years of point of sale (POS) pharmacy claims refreshed every ten (10) minutes.

Point-of-service pharmacy - Claims are routed through Heritage's automated system to apply edits specifically designed to assure effective utilization of pharmaceuticals. The edits are founded on evidence-based clinical and nationally recognized expert consensus criteria. Claims will continue to be processed by IFOX for all other edits and final adjudication. After processing by Heritage and IFOX, the claim will be sent back to the provider with a total processing time of approximately 10 seconds. Claims which are denied by the system edits will require an override from the existing help desk. Providers seeking an override must contact the help desk for approval, which will be granted if medically necessary.

Fiscal and Clinical Edits - This initiative optimizes the use of program funds and enhances patient care through improved use of pharmaceuticals. Since the implementation of the Omnibus Budget Reduction Act of 1990 (OBRA 90), education on the use of pharmaceuticals has been accomplished primarily through DUR. However, the prospective DUR alerts currently generated by the fiscal agent (IFOX) have been largely ignored by pharmacy providers as they are more general in nature and few are tied to claim reimbursement. Other third party payors have successfully utilized more extensive evidence based claims screening edits in an effort to control costs. Such edits are applicable within the Medicaid program to achieve similar cost controls.

Drug Utilization Review: This process is currently provided by Heritage, and will be an extension of the current process with some enhancements. Under the new contract, this initiative will utilize the same database / computer system as for the previously described components. This system uses a relational database capable of interfacing MO HealthNet paid claims history with flexible, high quality clinical evaluation criteria. The process is designed to identify high-risk drug use patterns among physicians, pharmacists, and beneficiaries, and to educate providers (prescribers and dispensers) in appropriate and cost-effective drug use. This process is capable of identifying providers prescribing and dispensing practices which deviate from defined standards, as well as generate provider profiles and ad hoc reports for specified provider and participant populations. The goal of the program is to maximize drug therapy and outcomes, and optimize expenditures for health care.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Statute: RSMo. 208.152, 208.166, Federal law: Social Security Act Section 1902(a)(12), Federal regulation: 42 CFR 440.120

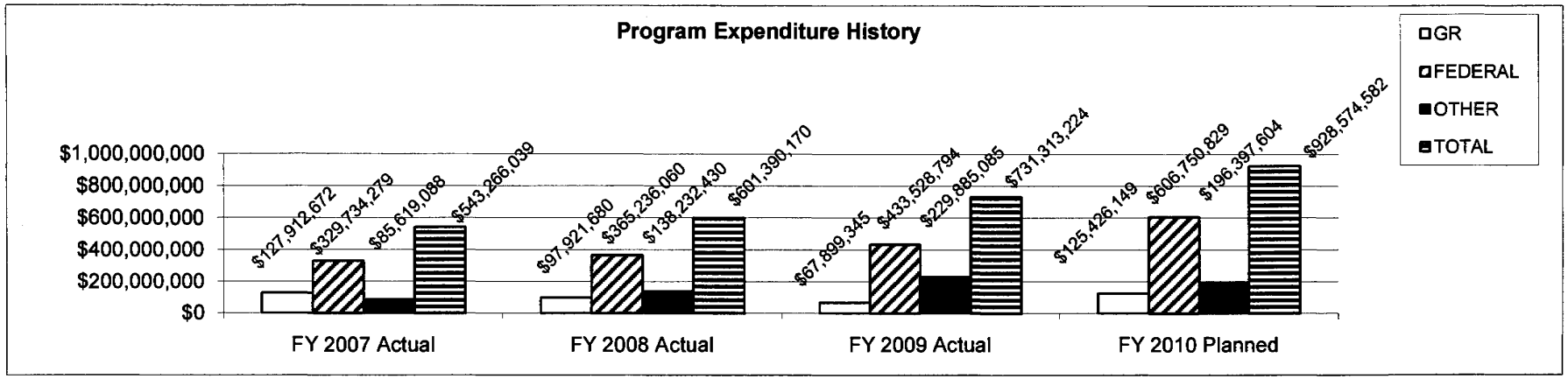
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

Yes for children. No for adults.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

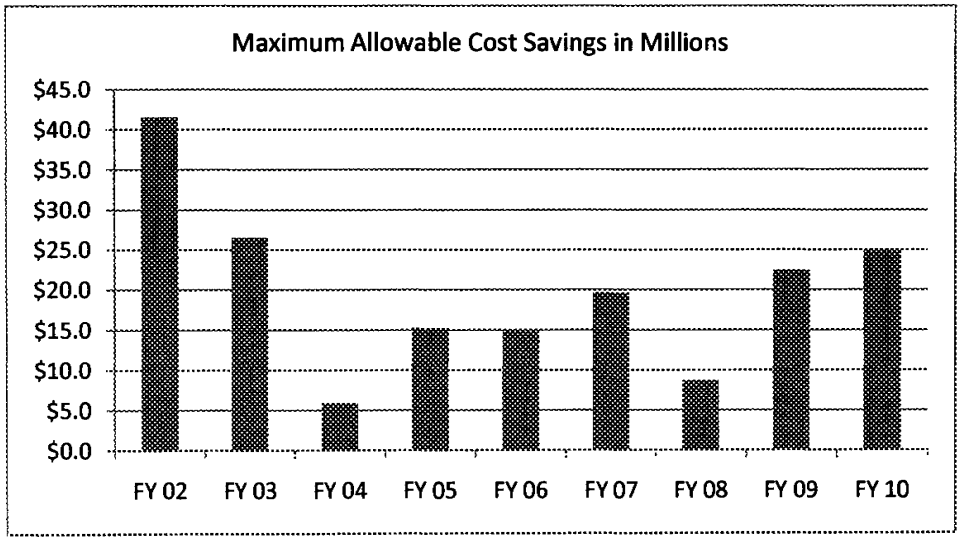


Reverted: $12,479,079 GR and Other Funds
Reserve: $43,225,000 Other Funds

6. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144), Pharmacy Rebates Fund (0114), Health Initiatives Fund (0275), Third Party Liability Fund (0120), Healthy Families Trust Fund (0625), Premium (0885) and Life Science Research Trust Fund (0763).

7a. Provide an effectiveness measure.



7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Participants:

Pharmacy services are available to all MO HealthNet participants. Prior to FY 2010, managed care plans had the option to carve out pharmacy services. Beginning in SFY 2010, managed care plans are no longer responsible for paying for pharmacy services. Pharmacy services for both fee-for-service and managed care will be paid from the pharmacy section.

Average Monthly Number of Pharmacy Users		
SFY	Actual	Projected
2007	198,540	
2008	196,097	
2009	208,686	224,400
2010		324,400
2011		334,000
2012		344,000

Number of Pharmacy Claims		
SFY	Actual	Projected
2007	9.6 mil	10.4 mil
2008	10.8 mil	11.4 mil
2009	11.6 mil	13.4 mil
2010		12.0 mil
2011		12.5 mil
2012		13.1 mil

7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy Reimbursement Allowance

Budget Unit: 90541C

DI#: 1886032

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD			21,753,508	21,753,508
TRF				
Total			**21,753,508**	**21,753,508**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Increase Budget Authority		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI synopsis: This funding is requested to increase budget authority in the Pharmacy section for increase Pharmacy Federal Reimbursement Allowance (PFRA) profit.

To ensure that recipients receive quality care and to control the use of state funds, the Pharmacy Federal Reimbursement Allowance (PFRA) program provides payments (as a general revenue equivalent) under Title XIX of the Social Security Act.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

An additional $21.7 million is requested to align the estimated appropriation for increased profit. A core reduction of $21,753,508 in general revenue is reflected in the FY11 pharmacy core.

Federal Share (63.595%)	$57,431,960
Less: Administration	$2,166,178
Estimated Profit	$55,265,782
FY11 PFRA	$33,512,274
Request - Increase in Pharmacy Core PFRA	$21,753,508

	Total	GR	Federal	Other
Total request	$21,753,508	$0	$0	$21,753,508

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions					21,753,508		21,753,508		
Total PSD	0		0		**21,753,508**		**21,753,508**		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	**21,753,508**	0.0	**21,753,508**	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY								
Pharmacy Reimbursement Allowan - 1886032								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	21,753,508	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**21,753,508**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$21,753,508**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$21,753,508**	**0.00**

PHARMACY—MEDICARE PART D CLAWBACK

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	175,000,000	0.00	185,000,000	0.00	185,000,000	0.00	185,000,000	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	1	0.00	1	0.00	1	0.00
TOTAL - PD	175,000,000	0.00	185,000,001	0.00	185,000,001	0.00	185,000,001	0.00
TOTAL	**175,000,000**	**0.00**	**185,000,001**	**0.00**	**185,000,001**	**0.00**	**185,000,001**	**0.00**
Clawback Increase - 1886008								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	10,816,779	0.00	10,701,025	0.00
TOTAL - PD	0	0.00	0	0.00	10,816,779	0.00	10,701,025	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**10,816,779**	**0.00**	**10,701,025**	**0.00**
GRAND TOTAL	**$175,000,000**	**0.00**	**$185,000,001**	**0.00**	**$195,816,780**	**0.00**	**$195,701,026**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy-Medicare Part D Clawback

Budget Unit: 90543C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD	185,000,000	1		185,000,001	E
TRF					
Total	185,000,000	1		185,000,001	E
FTE				0.00	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: An "E" is requested for the $1 Federal Funds.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD	185,000,000	1		185,000,001	E
TRF					
Total	185,000,000	1		185,000,001	E
FTE				0.00	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: An "E" is requested for the $1 Federal Funds.

2. CORE DESCRIPTION

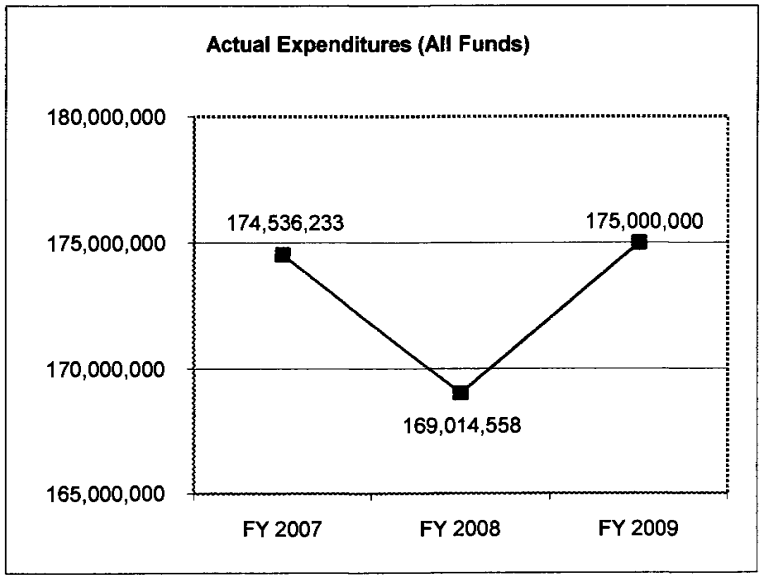
This core request is for the continued funding of the Medicare Part D Clawback. Part of the Medicare Prescription Drug Act requires States to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the State absent the Part D drug benefit.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy--Medicare Part D--Clawback

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.	
Appropriation (All Funds)	495,273,609	196,269,135	175,000,001	185,000,001	E
Less Reverted (All Funds)	0	(20,000,000)	0	N/A	
Budget Authority (All Funds)	495,273,609	176,269,135	175,000,001	N/A	
Actual Expenditures (All Funds)	174,536,233	169,014,558	175,000,000	N/A	
Unexpended (All Funds)	320,737,376	7,254,577	1	N/A	
Unexpended, by Fund:					
General Revenue	10,263,767	7,254,576	0	N/A	
Federal	310,473,609	1	1	N/A	
Other	0	0	0	N/A	
	(1)		(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated E for Federal fund appropriation.

(1) Agency reserve of $310,473,609 in Federal Funds.

(2) Expenditures of $2,533,496 paid from pharmacy.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
PHARMACY-MED PART D-CLAWBACK

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	185,000,000	1	0	185,000,001	
	Total	**0.00**	**185,000,000**	**1**	**0**	**185,000,001**	
DEPARTMENT CORE REQUEST							
	PD	0.00	185,000,000	1	0	185,000,001	
	Total	**0.00**	**185,000,000**	**1**	**0**	**185,000,001**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	185,000,000	1	0	185,000,001	
	Total	**0.00**	**185,000,000**	**1**	**0**	**185,000,001**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM DISTRIBUTIONS	175,000,000	0.00	185,000,001	0.00	185,000,001	0.00	185,000,001	0.00
TOTAL - PD	175,000,000	0.00	185,000,001	0.00	185,000,001	0.00	185,000,001	0.00
GRAND TOTAL	$175,000,000	0.00	$185,000,001	0.00	$185,000,001	0.00	$185,000,001	0.00
GENERAL REVENUE	$175,000,000	0.00	$185,000,000	0.00	$185,000,000	0.00	$185,000,000	0.00
FEDERAL FUNDS	$0	0.00	$1	0.00	$1	0.00	$1	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy--Medicare Part D Clawback
Program is found in the following core budget(s): Pharmacy--Medicare Part D Clawback

1. What does this program do?

PROGRAM SYNOPSIS: The Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003 required that all individuals who are eligible for both Medicare and MO HealthNet receive their prescription drugs through the Medicare Part D program. This change resulted in a significant shift in benefits for elderly and disabled dual eligible participants because they receive their drugs through a prescription drug plan (PDP) rather than through the state's MO HealthNet program.

The federal government refers to this payment as the "Phased-down State Contribution", whereas the states more appropriately refer to the payment as the "clawback". This clawback payment is, in effect, a funding source for the Medicare Part D program. In theory, it uses the General Revenue that the state would have paid for the MO HealthNet pharmacy benefit for funding the Part D program.

States are required to make a monthly payment to the federal government to, in effect, re-direct the money that the states would have spent on providing prescription drugs to participants in the MO HealthNet program. The clawback consists of a monthly calculation based on the combination of (a) the state's per capita spending on prescription drugs in 2003, (b) the state's federal Medicaid match rate, (c) the number of dual eligibles residing in the state, and (d) a "phase-down percentage" of state savings to be returned to the federal government beginning with 90 percent in 2006 and phasing down to 75 percent in 2015. The phased-down percentage for CY 2010 is 83.33%.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003, P.L. 108-173.

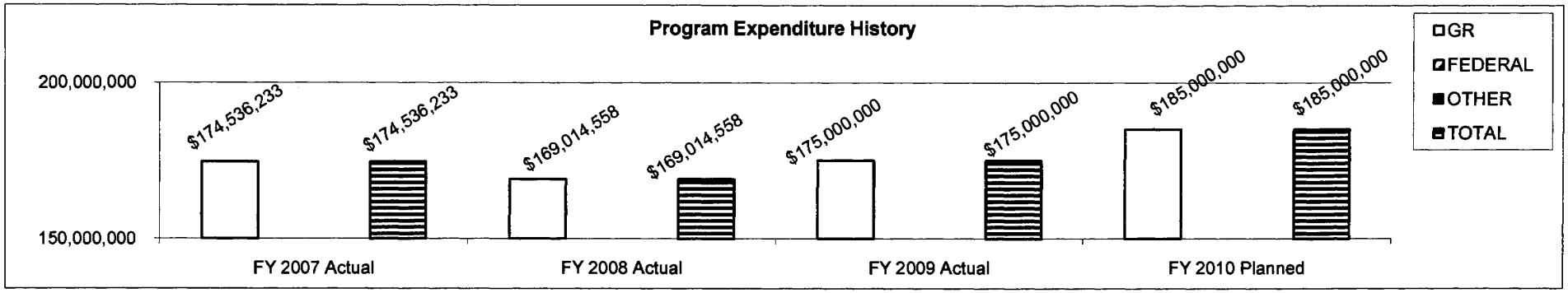
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

Yes. The states are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

SFY	Dual Eligibles	
	Actual	Projected
2007	127,237	
2008	128,381	
2009	130,031	129,477
2010		133,000
2011		136,500
2012		139,000

7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 11

Department: Social Services
Division: MO HealthNet
DI Name: Clawback Increase

Budget Unit: 90543C

DI#: 1886008

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	10,816,779			10,816,779
TRF				
Total	**10,816,779**			**10,816,779**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	10,701,025			10,701,025
TRF				
Total	**10,701,025**			**10,701,025**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: To provide for the anticipated increase in the Clawback payment.

This decision item requests funding for the increase in General Revenue needed for the payment of the Clawback, as calculated by the Centers for Medicare and Medicaid Services (CMS).

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Calculation for the MO HealthNet Clawback payment is shown below. The number of duals was calculated using a simple line trend, based on previous years' eligibility. The clawback assessment was calculated using CMS' methodology.

	Period July - Sept	Period Oct - Dec	Period Jan - Jun
Number of Duals	135,339	136,114	137,275
Monthly Clawback Assessment	$116.24	$114.97	$123.94
	15,731,805	15,649,027	17,013,864
Number of Months	3	3	6
Subtotal	$47,195,415	$46,947,081	$102,083,184
Total	196,225,680		
FY 10 Projected Expenditures	185,408,901		
Request (all General Revenue)	$10,816,779		

	Total	GR	Federal
Total	$10,816,779	$10,816,779	$0

Governor's Recommendation:

Calculation includes an updated number of dual eligibles and the latest clawback assessment. The inflation trend used for July-December 2010 is 4.77% and for January-June 2011 is 5.65%. The phase down percent used for July-December 2010 is 83.33% and for January-June 2011 is 81.67%. The months per period have changed to include the lag in billing.

	Period June - Sept	Period Oct - Dec	Period Jan - May
Number of Duals	134,104	134,862	135,727
Monthly Clawback Assessment	$116.37	$120.37	$124.63
	15,605,682	16,233,339	16,915,656
Number of Months	4	3	5
Subtotal	$62,422,728	$48,700,017	$84,578,280
Total	195,701,025		
FY 10 Projected Expenditures	185,000,000		
Request (all General Revenue)	$10,701,025		

	Total	GR	Federal
Total	$10,701,025	$10,701,025	$0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	10,816,779						10,816,779		
Total PSD	**10,816,779**		**0**		**0**		**10,816,779**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**10,816,779**	**0.0**	**0**	**0.0**	**0**	**0.0**	**10,816,779**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	10,701,025						10,701,025		
Total PSD	**10,701,025**		**0**		**0**		**10,701,025**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**10,701,025**	**0.0**	**0**	**0.0**	**0**	**0.0**	**10,701,025**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

SFY	Dual Eligibles	
	Actual	Projected
2007	127,237	
2008	128,381	
2009	130,031	129,477
2010		133,000
2011		136,500
2012		139,000

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY-MED PART D-CLAWBACK								
Clawback Increase - 1886008								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	10,816,779	0.00	10,701,025	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**10,816,779**	**0.00**	**10,701,025**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$10,816,779**	**0.00**	**$10,701,025**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$10,816,779**	**0.00**	**$10,701,025**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MISSOURI RX PLAN								
CORE								
EXPENSE & EQUIPMENT								
HEALTHY FAMILIES TRUST	0	0.00	26,600	0.00	26,600	0.00	26,600	0.00
TOTAL - EE	0	0.00	26,600	0.00	26,600	0.00	26,600	0.00
PROGRAM-SPECIFIC								
HEALTHY FAMILIES TRUST	13,820,394	0.00	13,793,794	0.00	13,793,794	0.00	13,793,794	0.00
MISSOURI RX PLAN FUND	2,649,169	0.00	5,781,772	0.00	5,781,772	0.00	5,781,772	0.00
TOTAL - PD	16,469,563	0.00	19,575,566	0.00	19,575,566	0.00	19,575,566	0.00
TOTAL	**16,469,563**	**0.00**	**19,602,166**	**0.00**	**19,602,166**	**0.00**	**19,602,166**	**0.00**
GRAND TOTAL	**$16,469,563**	**0.00**	**$19,602,166**	**0.00**	**$19,602,166**	**0.00**	**$19,602,166**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Missouri Rx Plan

Budget Unit: 90538C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE			26,600	26,600	
PSD			19,575,566	19,575,566	E
TRF					
Total			19,602,166	19,602,166	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Missouri Rx Plan Fund (0779)
Healthy Families Trust Fund (0625)

Note: An "E" is requested for the $5,781,772 Missouri Rx Plan Fund

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE			26,600	26,600	
PSD			19,575,566	19,575,566	E
TRF					
Total			19,602,166	19,602,166	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Missouri Rx Plan Fund (0779)
Healthy Families Trust Fund (0625)

Note: An "E" is requested for the $5,781,772 Missouri Rx Plan Fund

2. CORE DESCRIPTION

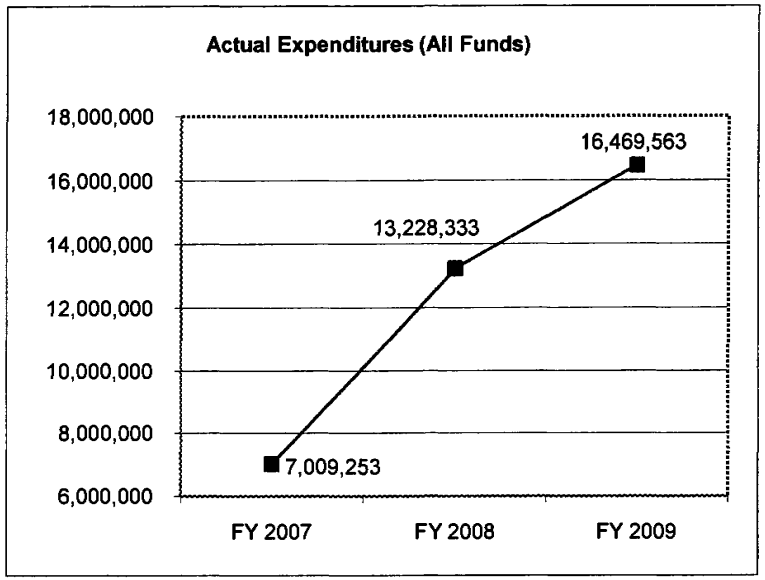
The Missouri Rx Plan provides certain pharmaceutical benefits to certain low-income elderly and disabled residents of the state, facilitates coordination of benefits between the Missouri Rx plan and the federal Medicare Part D drug benefit program established by the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA), P.L. 108-173 and enrolls individuals in the program.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy services under MMA - Part D

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	19,602,166	19,602,166	19,602,166	19,602,166 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	19,602,166	19,602,166	19,602,166	N/A
Actual Expenditures (All Funds)	7,009,253	13,228,333	16,469,563	N/A
Unexpended (All Funds)	12,592,913	6,373,833	3,132,603	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	12,592,913	6,373,833	3,132,603	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for MO RX Plan fund appropriation.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
MISSOURI RX PLAN

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	0	26,600	26,600	
	PD	0.00	0	0	19,575,566	19,575,566	
	Total	**0.00**	**0**	**0**	**19,602,166**	**19,602,166**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	0	26,600	26,600	
	PD	0.00	0	0	19,575,566	19,575,566	
	Total	**0.00**	**0**	**0**	**19,602,166**	**19,602,166**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	0	26,600	26,600	
	PD	0.00	0	0	19,575,566	19,575,566	
	Total	**0.00**	**0**	**0**	**19,602,166**	**19,602,166**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MISSOURI RX PLAN								
CORE								
TRAVEL, IN-STATE	0	0.00	1,000	0.00	1,000	0.00	1,000	0.00
PROFESSIONAL SERVICES	0	0.00	25,500	0.00	25,500	0.00	25,500	0.00
BUILDING LEASE PAYMENTS	0	0.00	100	0.00	100	0.00	100	0.00
TOTAL - EE	**0**	**0.00**	**26,600**	**0.00**	**26,600**	**0.00**	**26,600**	**0.00**
PROGRAM DISTRIBUTIONS	16,469,563	0.00	19,575,566	0.00	19,575,566	0.00	19,575,566	0.00
TOTAL - PD	**16,469,563**	**0.00**	**19,575,566**	**0.00**	**19,575,566**	**0.00**	**19,575,566**	**0.00**
GRAND TOTAL	**$16,469,563**	**0.00**	**$19,602,166**	**0.00**	**$19,602,166**	**0.00**	**$19,602,166**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$16,469,563**	**0.00**	**$19,602,166**	**0.00**	**$19,602,166**	**0.00**	**$19,602,166**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Missouri Rx Plan
Program is found in the following core budget(s): Missouri Rx Plan

1. What does this program do?

PROGRAM SYNOPSIS: Pharmacy benefit program for Medicare/Medicaid dual eligibles and certain elderly and disabled below 200% of Federal Poverty Level (FPL), which provides a wrap around benefit for those enrolled in Medicare's (Part D) prescription drug program.

S.B. 539 (2005) established a state pharmaceutical assistance program known as the Missouri Rx Plan. The purpose of this program is to coordinate pharmaceutical benefits between the Missouri Rx plan and the federal Medicare Part D drug program for Medicare/Medicaid full dual eligibles, partial duals and other elderly and disabled Missourians below 200% of FPL. The Missouri Rx plan pays 50% of members' out of pocket costs remaining after their Medicare Prescription Drug Plan pays. Missouri Rx pays for 50% of the deductible, 50% of the co-pays before the coverage gap, 50% of the coverage gap and 50% of the co-pays in the catastrophic coverage.

MoRx works all Medicare Part D plans, but has a preferred relationship with four Medicare Part D plans to provide members with the best possible prescription drug coverage. The preferred plans provide MoRx members with high quality, affordable prescription drug coverage by offering easier access to a broader drug formulary with fewer medication restrictions.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statute: RSMo. 208.780 through 208.798; Federal law: Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173.

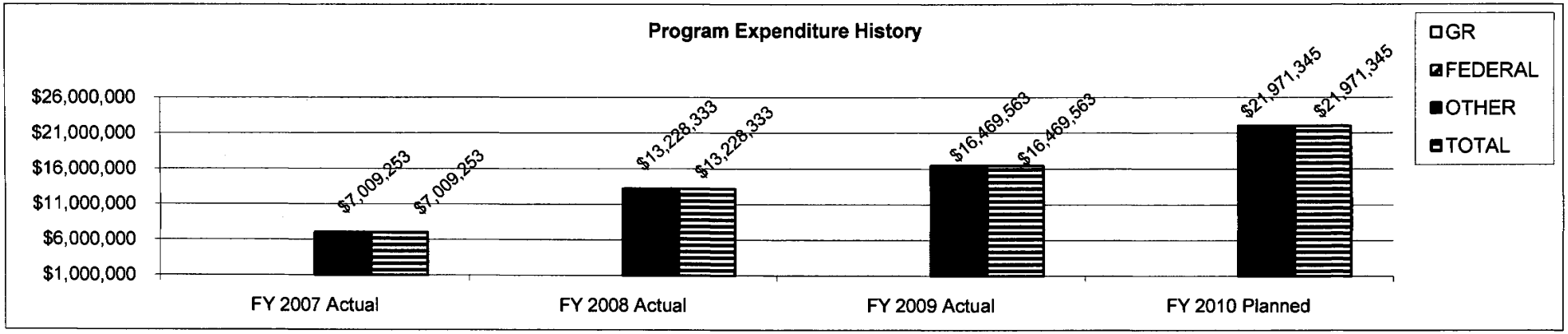
3. Are there federal matching requirements? If yes, please explain.

No. This program is funded with 100% state sources.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

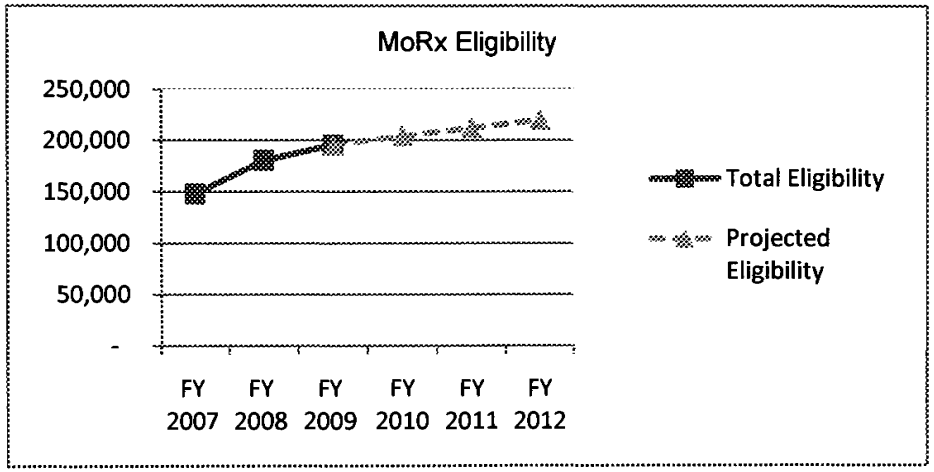


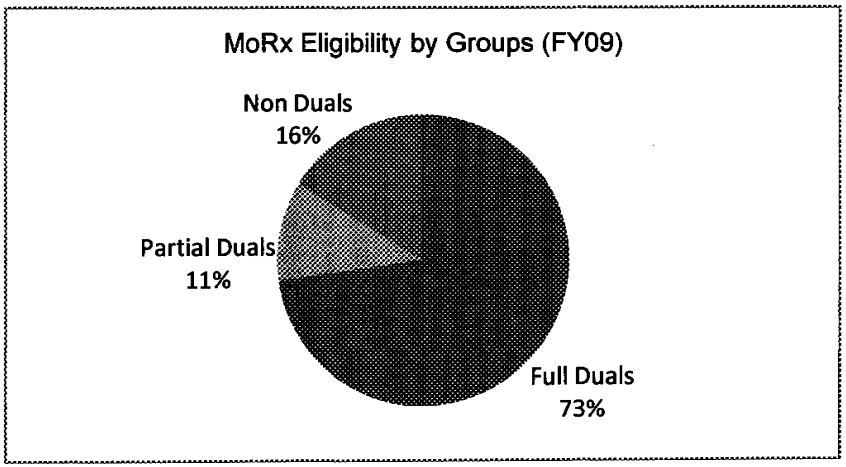
Program started January 2006.

6. What are the sources of the "Other " funds?

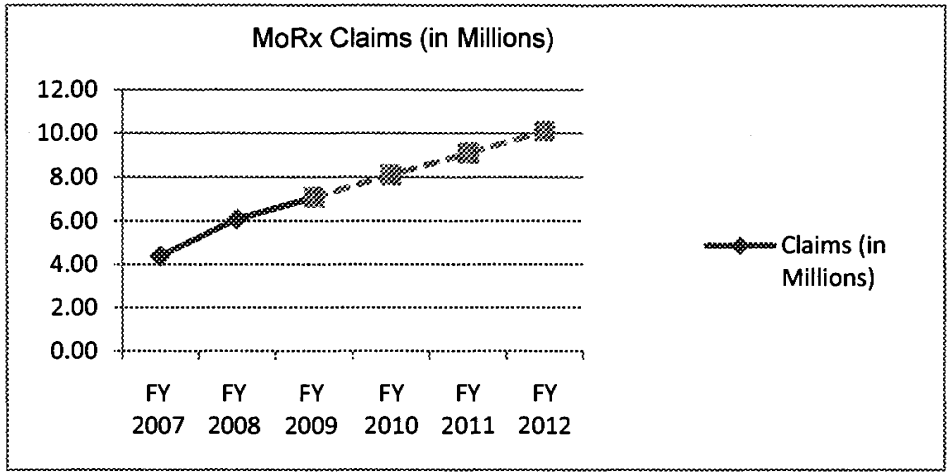
Missouri Rx Plan Fund (0779) and Healthy Families Trust Fund (0625).

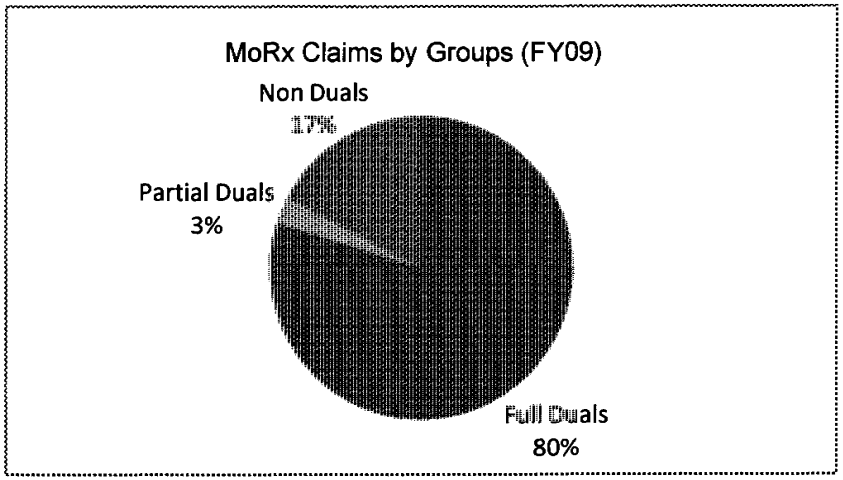
7a. Provide an effectiveness measure.



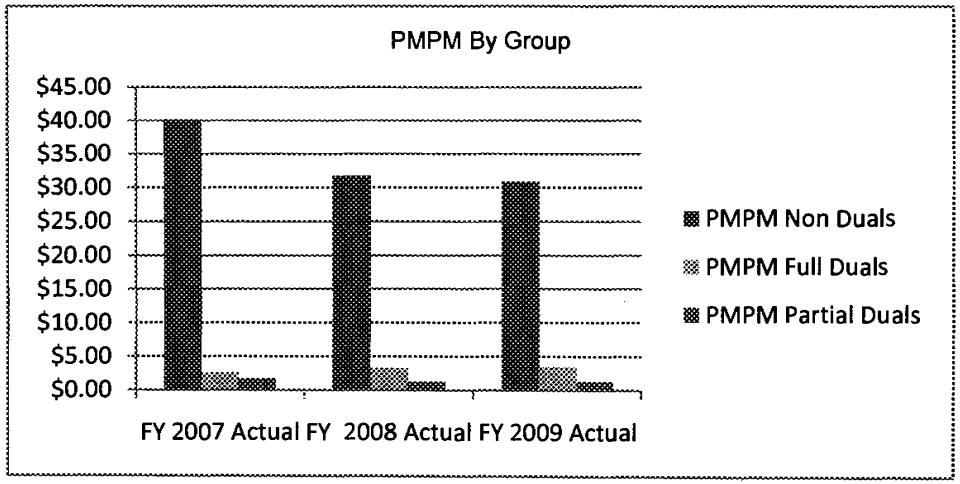


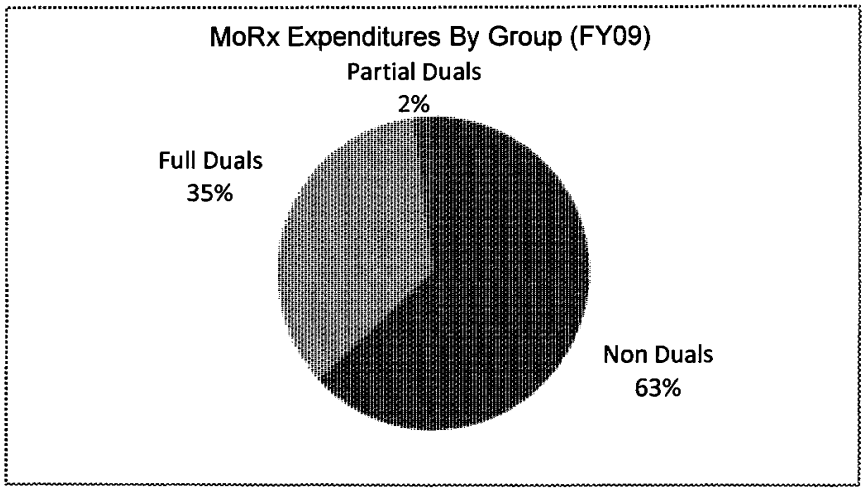
Full and partial dual eligibles receive the federal governments full "extra help" with Part D prescription drug costs, so that MoRx's 50% benefit for these members is expected to be $3.00 or less for each prescription for 2009. In contrast, 80% of the Non Duals do not qualify for the federal government's "extra help", so that the MoRx benefit is more substantial for them.





7b. Provide an efficiency measure.





7c. Provide the number of clients/individuals served, if applicable.

Average Monthly MoRx Members		
SFY	Actual	Projected
2007	172,000	
2008	174,233	
2009	187,904	179,000
2010		204,000
2011		212,000
2012		220,000

Number of MoRx Claims (In millions)		
SFY	Actual	Projected
2007	4.40	
2008	6.10	
2009	7.09	6.83
2010		8.10
2011		9.10
2012		10.10

7d. Provide a customer satisfaction measure, if available.

PHARMACY FRA

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit / Decision Item / Budget Object Summary / Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY FRA								
CORE								
PROGRAM-SPECIFIC								
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	23,979,712	0.00	23,979,712	0.00
TOTAL - PD	0	0.00	0	0.00	23,979,712	0.00	23,979,712	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**23,979,712**	**0.00**	**23,979,712**	**0.00**
Pharmacy Reimb Allowance Autho - 1886022								
PROGRAM-SPECIFIC								
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	36,270,288	0.00	66,329,214	0.00
TOTAL - PD	0	0.00	0	0.00	36,270,288	0.00	66,329,214	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**36,270,288**	**0.00**	**66,329,214**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$60,250,000**	**0.00**	**$90,308,926**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

Budget Unit: 90542C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD			23,979,712	23,979,712	E
TRF					
Total			23,979,712	23,979,712	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

Note: An "E" is requested for the Pharmacy Reimbursement Allowance Fund.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD			23,979,712	23,979,712	E
TRF					
Total			23,979,712	23,979,712	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

Note: An "E" is requested for the Pharmacy Reimbursement Allowance Fund.

2. CORE DESCRIPTION

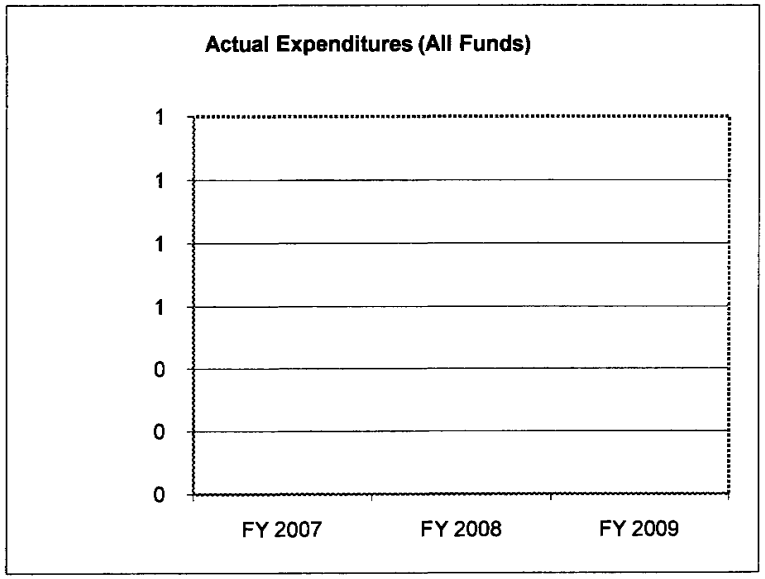
This core request is for ongoing funding for payments for pharmacy services for Title XIX participants. Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Federal Reimbursement Allowance under the Title XIX of the Social Security Act as General Revenue equivalent. Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this PFRA program appropriation and the Pharmacy appropriation.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Federal Reimbursement Allowance (PFRA) Program

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)				0
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)				N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(1)	(1)	(1)



NOTES:

(1) The PFRA program was funded through the Pharmacy appropriation prior to FY11.

DEPARTMENT OF SOCIAL SERVICES
PHARMACY FRA

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE ADJUSTMENTS							
Core Reallocation 703 6741	PD	0.00	0	0	23,979,712	23,979,712	Transfer in from Pharmacy authority for enhanced dispensing fee payments.
NET DEPARTMENT CHANGES		**0.00**	**0**	**0**	**23,979,712**	**23,979,712**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	23,979,712	23,979,712	
	Total	**0.00**	**0**	**0**	**23,979,712**	**23,979,712**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	23,979,712	23,979,712	
	Total	**0.00**	**0**	**0**	**23,979,712**	**23,979,712**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY FRA								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	23,979,712	0.00	23,979,712	0.00
TOTAL - PD	0	0.00	0	0.00	23,979,712	0.00	23,979,712	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$23,979,712	0.00	$23,979,712	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$23,979,712	0.00	$23,979,712	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy Federal Reimbursement Allowance (PFRA) Payments
Program is found in the following core budget(s): Pharmacy Federal Reimbursement Allowance (PFRA)

1. What does this program do?

PROGRAM SYNOPSIS: Provides enhanced dispensing payments.

Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund the PFRA program. This program provides funding to pay enhanced dispensing fees to pharmacies using the Pharmacy Federal Reimbursement Allowance Fund as a General Revenue equivalent.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 338.500; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B

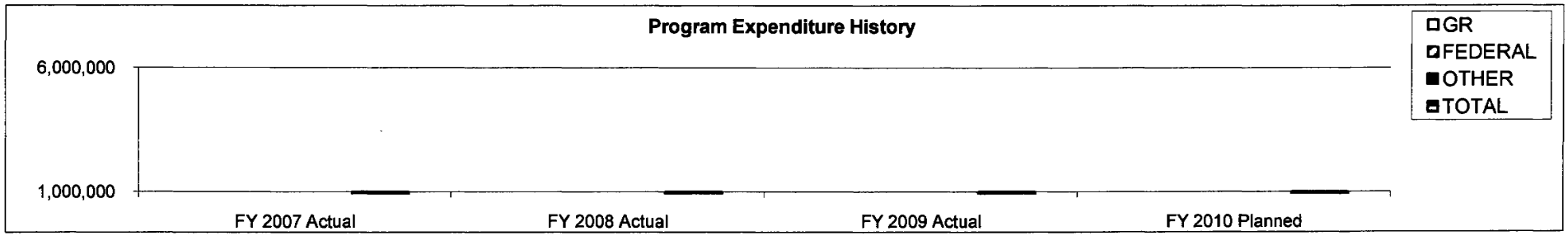
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



The PFRA is requested as a new section in FY 11. Previous expenditures are included in the Pharmacy program expeniture history.

6. What are the sources of the "Other " funds?

Pharmacy Federal Reimbursement Allowance (0144)

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

Pharmacy FRA Tax Assessments Revenues Obtained	
SFY	Assessments
2007	$33.0 mil
2008	$40.5 mil
2009	$39.8 mil
2010	$52.9 mil estimated
2011	$55.9 mil estimated
2012	$55.9 mil estimated

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 17

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy Reimbursement Allowance (PFRA) Increase Authority

Budget Unit: 90542C

DI#: 1886022

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD			36,270,288	36,270,288
TRF				
Total			36,270,288	36,270,288
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD			66,329,214	66,329,214
TRF				
Total			66,329,214	66,329,214
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

2. THIS REQUEST CAN BE CATEGORIZED AS:

____	New Legislation	____	New Program	____	Fund Switch
____	Federal Mandate	____	Program Expansion	____	Cost to Continue
____	GR Pick-Up	____	Space Request	____	Equipment Replacement
____	Pay Plan	X	Other: Increase Budget Authority		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI synopsis: This funding is requested to increase budget authority to align the Pharmacy Federal Reimbursement Allowance (PFRA) budget section with estimated expenditures.

To ensure that recipients receive quality care and to control the use of state funds, the Pharmacy Federal Reimbursement Allowance (PFRA) program provides payments (as a general revenue equivalent) for enhanced dispensing fee payments under Title XIX of the Social Security Act.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

It is estimated that $60.3 million will be paid for enhanced dispensing fees. The PFRA Core is almost $24.0 million with an "E". An additional $36.3 million is requested to align the estimated appropriation with planned expenditures.

FY11 projected claims	12,500,000
Enhanced dispensing fee	$4.82
FY 11 payment	$60,250,000
FY 10 appropriation	$23,979,712
Request	$36,270,288

	Total	Other	Federal
Total request	$36,270,288	$36,270,288	$0

Governor's Recommendation:

Includes the addition of the generic claims enhanced dispensing fee. It is estimated that $92.2 million will be paid for enhanced dispensing fees. The PFRA Core is almost $24.0 million with an "E". An additional $68.2 million is requested to align the estimated appropriation with planned expenditures.

FY 11 projected claims	12,105,754
Enhanced dispensing fee	$4.82
FY11 payment	$58,349,734
FY11 projected generic claims	7,989,798
Generic incentive enhanced dispensing fee	$4.00
Total generic fee cost	$31,959,192
FY11 payment	$58,349,734
Total need	$90,308,926
FY 10 appropriation	$23,979,712
Request	$66,329,214

	Total	Other	Federal
Total request	$66,329,214	$66,329,214	$0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions					36,270,288		36,270,288		
Total PSD	0		0		**36,270,288**		**36,270,288**		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	**36,270,288**	0.0	**36,270,288**	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions					66,329,214		66,329,214		
Total PSD	0		0		**66,329,214**		**66,329,214**		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	**66,329,214**	0.0	**66,329,214**	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHARMACY FRA								
Pharmacy Reimb Allowance Autho - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	36,270,288	0.00	66,329,214	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**36,270,288**	**0.00**	**66,329,214**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$36,270,288**	**0.00**	**$66,329,214**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$36,270,288**	**0.00**	**$66,329,214**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHYSICIAN RELATED PROF								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	2,817,983	0.00	2,700,000	0.00	2,700,000	0.00	2,700,000	0.00
TITLE XIX-FEDERAL AND OTHER	2,596,954	0.00	2,800,000	0.00	2,800,000	0.00	2,800,000	0.00
TOTAL - EE	5,414,937	0.00	5,500,000	0.00	5,500,000	0.00	5,500,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	166,310,314	0.00	161,821,124	0.00	160,978,963	0.00	158,012,185	0.00
TITLE XIX-FEDERAL AND OTHER	312,789,357	0.00	321,289,254	0.00	321,289,254	0.00	309,835,696	0.00
THIRD PARTY LIABILITY COLLECT	1,906,107	0.00	1,906,107	0.00	1,906,107	0.00	1,906,107	0.00
HEALTH INITIATIVES	1,247,544	0.00	1,247,544	0.00	1,247,544	0.00	1,247,544	0.00
HEALTHY FAMILIES TRUST	1,041,034	0.00	1,041,034	0.00	1,041,034	0.00	1,041,034	0.00
TOTAL - PD	483,294,356	0.00	487,305,063	0.00	486,462,902	0.00	472,042,566	0.00
TOTAL	**488,709,293**	**0.00**	**492,805,063**	**0.00**	**491,962,902**	**0.00**	**477,542,566**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	7,746,952	0.00	8,012,153	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	14,261,433	0.00	13,996,232	0.00
TOTAL - PD	0	0.00	0	0.00	22,008,385	0.00	22,008,385	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**22,008,385**	**0.00**	**22,008,385**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	4,799,817	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	842,161	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	842,161	0.00	4,799,817	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**842,161**	**0.00**	**4,799,817**	**0.00**
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	7,717,728	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHYSICIAN RELATED PROF								
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	14,207,635	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	21,925,363	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**21,925,363**	**0.00**	**0**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	35,515,253	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	62,040,724	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	97,555,977	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**97,555,977**	**0.00**
GRAND TOTAL	**$488,709,293**	**0.00**	**$492,805,063**	**0.00**	**$536,738,811**	**0.00**	**$601,906,745**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Physician, Nurse Practitioner, and Related Professionals

Budget Unit: 90544C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE	2,700,000	2,800,000		5,500,000
PSD	160,978,963	321,289,254	4,194,685	486,462,902
TRF				
Total	**163,678,963**	**324,089,254**	**4,194,685**	**491,962,902**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	2,700,000	2,800,000		5,500,000
PSD	158,012,185	309,835,696	4,194,685	472,042,566
TRF				
Total	**160,712,185**	**312,635,696**	**4,194,685**	**477,542,566**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)

2. CORE DESCRIPTION

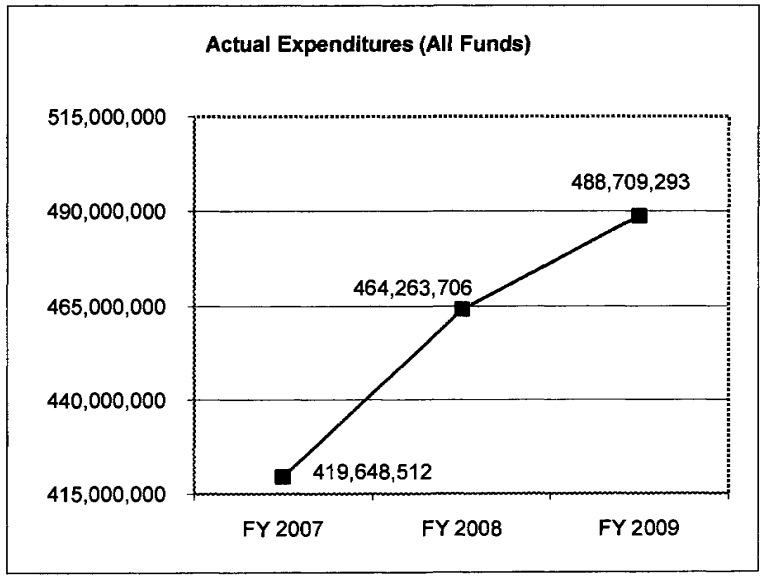
This core request is for the ongoing funding for payments for physician-related services.

3. PROGRAM LISTING (list programs included in this core funding)

Physician, nurse practitioner and other related professionals.

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	421,283,001	480,762,260	488,755,007	492,805,063
Less Reverted (All Funds)	(1,488,807)		(37,426)	N/A
Budget Authority (All Funds)	419,794,194	480,762,260	488,717,581	N/A
Actual Expenditures (All Funds)	419,648,512	464,263,706	488,709,293	N/A
Unexpended (All Funds)	145,682	16,498,554	8,288	N/A
Unexpended, by Fund:				
General Revenue	62	6,762,076	3,151	N/A
Federal	145,620	9,736,478	5,137	N/A
Other	0	0	0	N/A
	(1)		(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Expenditures of $139,636 were paid from the Supplemental Pool and $4,648,089 paid from Managed Care.

(2) Expenditures of $22,501,730 were paid from the Supplemental Pool.

DEPARTMENT OF SOCIAL SERVICES
PHYSICIAN RELATED PROF

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		EE	0.00	2,700,000	2,800,000	0	5,500,000	
		PD	0.00	161,821,124	321,289,254	4,194,685	487,305,063	
		Total	**0.00**	**164,521,124**	**324,089,254**	**4,194,685**	**492,805,063**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	972 8196	PD	0.00	(842,161)	0	0	(842,161)	FMAP adjustment.
NET DEPARTMENT CHANGES			**0.00**	**(842,161)**	**0**	**0**	**(842,161)**	
DEPARTMENT CORE REQUEST								
		EE	0.00	2,700,000	2,800,000	0	5,500,000	
		PD	0.00	160,978,963	321,289,254	4,194,685	486,462,902	
		Total	**0.00**	**163,678,963**	**324,089,254**	**4,194,685**	**491,962,902**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	972	PD	0.00	842,161	(4,799,817)	0	(3,957,656)	FMAP adjustment.
Core Reduction	1892	PD	0.00	(141,601)	(247,359)	0	(388,960)	Medicare eligibles
Core Reduction	2044	PD	0.00	(667,338)	(1,165,756)	0	(1,833,094)	Ensure Medicaid is payer of last resort
Core Reduction	2057	PD	0.00	(3,000,000)	(5,240,626)	0	(8,240,626)	Specific reimbursement rates to 90% of Medicare
NET GOVERNOR CHANGES			**0.00**	**(2,966,778)**	**(11,453,558)**	**0**	**(14,420,336)**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	2,700,000	2,800,000	0	5,500,000	
		PD	0.00	158,012,185	309,835,696	4,194,685	472,042,566	
		Total	**0.00**	**160,712,185**	**312,635,696**	**4,194,685**	**477,542,566**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PHYSICIAN RELATED PROF								
CORE								
PROFESSIONAL SERVICES	5,414,937	0.00	5,500,000	0.00	5,500,000	0.00	5,500,000	0.00
TOTAL - EE	5,414,937	0.00	5,500,000	0.00	5,500,000	0.00	5,500,000	0.00
PROGRAM DISTRIBUTIONS	483,294,356	0.00	487,305,063	0.00	486,462,902	0.00	472,042,566	0.00
TOTAL - PD	483,294,356	0.00	487,305,063	0.00	486,462,902	0.00	472,042,566	0.00
GRAND TOTAL	$488,709,293	0.00	$492,805,063	0.00	$491,962,902	0.00	$477,542,566	0.00
GENERAL REVENUE	$169,128,297	0.00	$164,521,124	0.00	$163,678,963	0.00	$160,712,185	0.00
FEDERAL FUNDS	$315,386,311	0.00	$324,089,254	0.00	$324,089,254	0.00	$312,635,696	0.00
OTHER FUNDS	$4,194,685	0.00	$4,194,685	0.00	$4,194,685	0.00	$4,194,685	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Physician, Nurse Practitioner, and Related Professionals
Program is found in the following core budget(s): Physician Related

1. What does this program do?

PROGRAM SYNOPSIS: This program provides payment for professional services provided to MO HealthNet participants by physicians, clinics, lab & x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, nurse practitioners, federally qualified health centers, psychologists, professional counselors, and licensed clinical social workers.

A general description of each of the MO HealthNet provider groups in the Physician Related Program includes the following:

Physician - Proper health care is essential to the general health and well-being of MO HealthNet participants. Physicians, including medical doctors and doctors of osteopathy, are typically the front line providers where MO HealthNet participants enter the state's health care system. They provide a myriad of health care services and tie the various parts of the health care system together.

Physician services are diagnostic, therapeutic, rehabilitative or palliative procedures provided by, and under the supervision of, a licensed physician who is practicing within the scope of practice allowed and is enrolled in the MO HealthNet program.

Physicians enrolled in the MO HealthNet program are identified by the specialty of medicine they practice. Specialties include: allergy immunology; anesthesiology; dermatology; emergency medicine; family practice; general practice; general surgery; internal medicine; laryngology; nuclear medicine; neurological surgery; obstetrics/gynecology; ophthalmology; otology; otolaryngology; orthopedic surgery; pathology; pediatrics; physical medicine and rehabilitation; plastic surgery; preventive medicine; proctology; psychiatry; neurology; radiation therapy; radiology; rectal and colon surgery; rehabilitative medicine; rhinology; thoracic surgery; urology; and cardiology.

The services of a physician may be administered in a myriad of settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility.

Services rendered by a physician, including appropriate supplies, are billable by the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision such as nurses, non-physician anesthetists, technicians, therapists and other aides.

The majority of services provided by a physician are reimbursed on a fee schedule basis although a few services are reimbursed on a manual basis, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures, such as organ transplants, are available only on a prior approval basis.

The Early Periodic Screening Diagnosis Treatment /Healthy Children and Youth (EPSDT/HCY) program provides services to MO HealthNet participants who are infants, children, and youth under the age of 21 years with a primary and preventive care focus. Full, partial and interperiodic health screenings, medical and dental examinations, immunizations and medically necessary treatment services are covered. The goal of the MO HealthNet program is for each child to be healthy. This is achieved by the primary care provider who manages a coordinated, comprehensive, continuous health care program to address the child's primary health care needs. The program provides early and periodic medical or dental screening, diagnosis, and treatment to correct or improve defects and chronic conditions found during the screening.

Clinic - Clinics offer preventive, diagnostic, therapeutic, rehabilitative or palliative services that are furnished by a facility that is not part of a hospital but is organized and operated to provide medical care to outpatients. Services furnished to outpatients include those furnished at the clinic by, or under the direction of, a physician and those services furnished outside the clinic by clinic personnel under the direction of a physician.

MO HealthNet reimbursement is made solely to the clinic. All health care professionals are employed by the clinic. Each provider of health care services through the clinic, in addition to being employed by the participating clinic, must be a MO HealthNet provider. Health care providers at a clinic can include physicians, nurse practitioners, radiologists and other health professsionals whose services are offered at the clinic.

Lab & X-Ray - Laboratory and x-ray facilities provide examination and radiology services under the Physician program. Laboratories perform examinations of body fluids, tissues or organs by the use of various methods employing specialized equipment such as electron microscopes and radio-immunoassay. A clinical laboratory is a laboratory where microbiological, serological, chemical, hematological, radio bioassay, cytological, immunohematological or pathological examinations are performed on material derived from the human body to provide information for the diagnosis, prevention or treatment of a disease or assessment of a medical condition. Operations of a laboratory are generally directed by a pathologist.

X-ray facilities offer radiological services in which x-rays or rays from radioactive substances are used for diagnostic or therapeutic purposes. Such services include, but are not limited to radium therapy; the use of radioisotopes for diagnostic or therapeutic purposes for example, in nuclear medicine; diagnostic tests such as aortograms, pyelograms, myelograms, arteriograms and venticulograms; imaging services; x-rays; and diagnostic ultra-sounds. These operations are generally directed by a radiologist.

Both laboratories and x-ray clinics are reimbursed on a fee schedule basis.

Nurse Midwife - Nurse Midwife services are those services related to the management and provision of care to a pregnant woman and her unborn/newborn infant by a certified nurse midwife. These services may be provided throughout the maternity cycle which includes pregnancy, labor and delivery and the initial postpartum period not to exceed six weeks. Covered services include antepartum care, delivery, post-partum care, newborn care, office visits, laboratory services and other services within the scope of practice of a nurse midwife. If there is any indication the maternity care is not for a normal uncomplicated delivery, the nurse midwife must refer the case to a physician.

Nurse midwives may also provide care outside of the maternity cycle such as family planning, counseling, birth control techniques and well-woman gynecological care including routine pap smears and breast examinations (Section 13605, OBRA 93). Nurse midwife services may also include services to the newborn, age 0 through 2 months and any other MO HealthNet eligible female, age 15 and over.

Services furnished by a nurse midwife must be within the scope of practice authorized by federal and state laws or regulations and, in the case of inpatient or outpatient hospital services or clinic services, furnished by or under the direction of a nurse midwife only to the extent permitted by the facility.

In order to qualify for participation in the MO HealthNet Nurse Midwife program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) in the state of Missouri and be currently certified as a nurse midwife by the American College of Nurse Midwives.

The services of a nurse midwife may be administered in a variety of settings including the provider's office, a hospital (inpatient or outpatient), the home of the participant (delivery and newborn care only) or a birthing center. Reimbursement for nurse midwife services is made on a fee-for-service basis and must be reasonable and consistent with efficiency, economy and quality of care as determined by MO HealthNet. MO HealthNet payment is the lower of the provider's actual billed charge, based on his/her usual and customary charge to the general public for the service, or the MO HealthNet maximum allowable amount per unit of service. The level of reimbursement to the nurse midwife is the same as that reimbursed to a physician for the same procedure.

Podiatry - Podiatrists provide medical, surgical and mechanical services for the foot or any area not above the ankle joint and receive MO HealthNet reimbursement for diagnostic, therapeutic, rehabilitative and palliative services which are within the scope of practice the podiatrist is authorized to perform. Most services provided by a podiatrist are reimbursed on a fee schedule basis although a few services are reimbursed on a manual basis, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case.

The following podiatry services are not covered for adults (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents): trimming of nondystrophic nails; debridement of one to five nails by any method; debridement of six or more nails by any method; partial or complete excision of the nail and nail matrix; and strapping of the ankle and/or foot.

The services of a podiatrist may be administered in the podiatrist's office, the participant's home (or other place of residence such as a nursing facility), a hospital (inpatient/outpatient), a medical clinic or ambulatory surgical care facility.

Certified Registered Nurse Anesthetist (CRNA) - CRNA services are those services related to the introduction and management of a substance into the body by external or internal means that causes loss of sensation with or without loss of consciousness. In order to qualify for participation in the MO HealthNet Certified Registered Nurse Anesthetist program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) or nurse practitioner in the state of Missouri and be currently certified as a CRNA by the Council on Certification of Nurse Anesthetists.

Reimbursement for CRNA services are made on a fee-for-service basis. The services of a CRNA may be administered in the providers' office, a hospital, nursing home or clinic and include the same scope of practice as that of an anesthesiologist. CRNAs are often employed by physicians (anesthesiologists), but are not required to be employed by a physician.

Anesthesiologist Assistants (AA) - Effective February 1, 2007, MO HealthNet began allowing AAs to enroll as MO HealthNet providers. An AA is a person who works under the supervision of a licensed anesthesiologist and provides anesthesia services and related care. An AA shall practice only under the direct supervision of an anesthesiologist who is physically present or immediately available. A supervising anesthesiologist shall be allowed to supervise up to four AAs concurrently, consistent with 42 CFR 415.110. The name and mailing address of the supervising anesthesiologist must be submitted by an AA. An AA must be licensed by the Missouri Board of Healing Arts as set forth in 20 CSR 2150-9 and submit a copy to the MO HealthNet Division. An AA must practice within their scope of practice referenced in Section 334.402, RSMo. Reimbursement for AA services is made on a fee-for-service basis. An AA and a Certified Registered Nurse Anesthetist (CRNA) are not allowed to bill for the same anesthesia service.

Independent Diagnostic Testing Facility (IDTF) - These providers are independent of a hospital or a physician's office and offer medically necessary diagnostic tests. The IDTF may be a fixed location or a mobile entity. An IDTF must have one or more supervising physicians who are responsible for the direct and ongoing oversight of the quality of the testing performed, the proper operation and calibration of the equipment used to perform tests, and the qualification of non-physician personnel who use the equipment.

Rural Health Clinic (RHC) - The Rural Health Clinic Services Act of 1977 designated Rural Health Clinics as health care providers. The Act became effective for MO HealthNet reimbursement on July 1, 1978. The Rural Health Clinic Services Act of 1977 extended benefits to cover health care services to under-served rural areas where access to traditional physician care had been difficult. In those areas, specifically trained practitioners furnish the health care services needed by the community.

Rural Health Clinics must be located in a rural area that is designated a shortage area for primary care. To be eligible for this designation, a clinic must be located in an area not identified as "urbanized" by the Bureau of the Census and designated as a shortage or under-served area by one of the following definitions:

- An area with a shortage of personal health services under Section 30(b)(3) or 330(b)(3) of the Public Health Service Act (PHS);
- A Health Professional Shortage Area (HPSA) designated under Section 332(a)(1)(A) of the PHS Act;
- An area which includes a population group designated as having a health professional shortage under Section 332(a)(1)(B) of the PHS Act; or
- An area designated by the chief executive officer (Governor) of the State and certified by the Secretary of Health and Human Services as an area with a shortage of personal health services.

In addition to the above criteria, RHCs must meet the additional staffing and health and safety requirements set forth by the Rural Health Clinic Services Act. To be a MO HealthNet RHC, a clinic must be certified by the Public Health Service, be certified for participation in Medicare, and be enrolled as a MO HealthNet provider. The RHC is then designated as either an independent or a provider-based RHC.

In order to be designated a provider-based RHC, the RHC must be an integral and subordinate part of a hospital, skilled nursing facility or home health agency. The provider-based RHC must also be under common licensure, governance and professional supervision with its parent provider. Hospital-based RHCs are reimbursed the lower of 100% of their usual and customary charges or their cost-to-charge ratio. The RHCs that are based in skilled nursing facilities and home health agencies are reimbursed their usual and customary charges multiplied by the lower of the Medicare RHC rate or the rate approved by the MO HealthNet Division.

An independent RHC has no financial, organizational or administrative connection to a hospital, skilled nursing facility or home health agency. They are reimbursed a fee that is calculated either by dividing the lesser of their reasonable costs by their total number of encounters, or by multiplying the Medicare upper- payment limit by the number of MO HealthNet encounters. An annual audit of the Medicare cost report is reviewed by the Institutional Reimbursement Unit (IRU) within the MO HealthNet Division.

Nurse Practitioner - A nurse practitioner, or advanced practice nurse, is one who has had education beyond the basic nursing education and is certified by a nationally recognized professional organization as having a nursing specialty, or who meets criteria for advanced practice nurses established by the Missouri Board of Nursing. The Board of Nursing may promulgate rules specifying which professional nursing organization certifications are to be recognized as advanced practice nurses and may set standards for education, training and experience required for those without such specialty certification to become advanced practice nurses.

Numerous nurse practitioner specialties are recognized such as family, gerontology, clinical, obstetrics/GYN, neonatal, mental health, and certified registered nurse anesthetists. Reimbursement for nurse practitioner services are made on a fee-for-service basis. The level of reimbursement to the nurse practitioner is the same as that reimbursed to a physician for the same procedure. Nurse practitioners, or advanced practical nurses may prescribe medications only through a collaborative agreement with a physician.

Nurse practitioner services involve the performance for compensation of any act which requires substantial specialized education, judgment, and skill based on knowledge and application of principles derived from the biological, physical, social and nursing sciences, including: a) responsibility for the teaching of health care and the prevention of illness to the patient and his/her family; b) assessment, nursing diagnosis, nursing care, and counsel of persons who are ill, injured or experiencing alterations in normal health processes; c) administration of medications and treatments as prescribed by a person licensed in this state to prescribe such medications and treatments; and d) coordination and assistance in the delivery of a plan of health care with all members of the health team.

The services of a nurse practitioner may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. Nurse practitioners are generally employed by physicians, but are not required to be employed by physicians.

Federally Qualified Health Clinic (FQHC) - The FQHC program was established by the Omnibus Budget Reconciliation Acts of 1989 (OBRA 89) and 1990 (OBRA 90). These laws designated certain community-based health care organizations as unique health care providers called Federally Qualified Health Centers. These laws establish a set of FQHC health care services that MO HealthNet and Medicare must cover for those beneficiaries who receive services from the FQHC and require the reimbursement of reasonable cost to the FQHC for such services.

By passing the FQHC legislation, Congress recognized two goals of the FQHC program. They are:

- To provide adequate reimbursement to community-based primary health care organizations (FQHCs) so that they, in turn, may better serve large numbers of MO HealthNet participants and/or provide more services, thus improving access to primary care.
- To enable FQHCs to use other resources previously subsidizing MO HealthNet to serve uninsured individuals who, although not eligible for MO HealthNet, have a difficult time obtaining primary care because of economic or geographic barriers.

In order to qualify for FQHC status, a facility must receive or be eligible for a grant under Section 329, 330 or 340 of the Public Health Service Act, meet the requirements for receiving such a grant, or have been a Federally Funded Health Center as of January 1, 1990.

FQHC services are initially reimbursed at 97% of the billed MO HealthNet FQHC covered charges. An annual audit of the MO HealthNet cost report is performed by the

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.166; Federal law: Social Security Act Sections 1905(a)(2), (3), (5), (6), (9), (17), (21); 1905(r) and 1915(d); Federal regulations: 42 CFR 440.210, 440.500, 412.113(c) and 441 Subpart B.

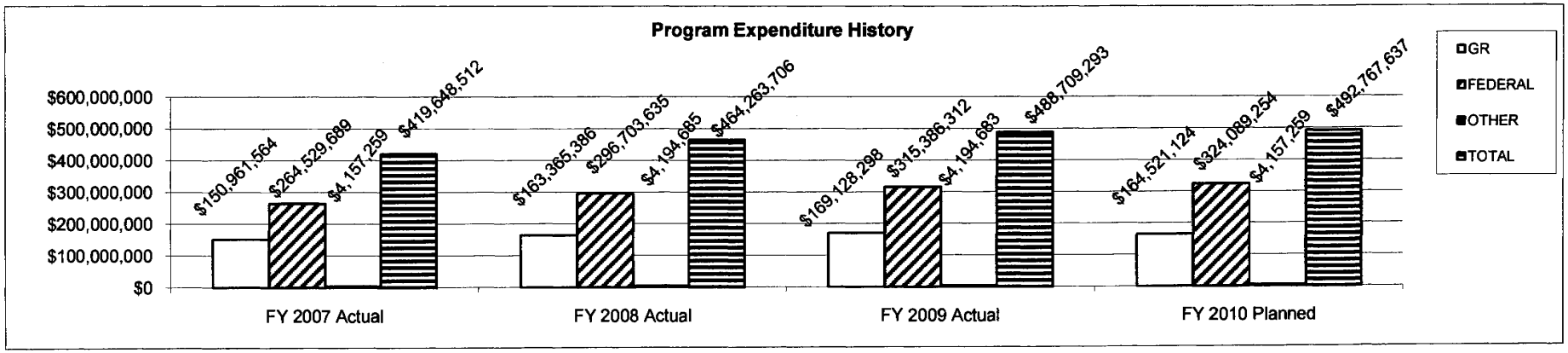
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program. (Some services are optional: podiatry, clinics, nurse practitioners and certified nurse anesthetist.)

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reverted: $37,426 Other Funds

6. What are the sources of the "Other " funds?

Third Party Liability Collections Fund (0120), Health Initiatives Fund (0275) and Healthy Families Trust Fund (0625).

7a. Provide an effectiveness measure.

The Healthy Children and Youth (HCY) Program in Missouri is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program is also known as Early Periodic Screening, Diagnosis and Treatment (EPSDT). The HCY Program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening.

Effectiveness Measure: Increase the ratio of participants who receive EPSDT screenings. The average ratio of participants who received an EPSDT screening in the last three years has remained at 69%.

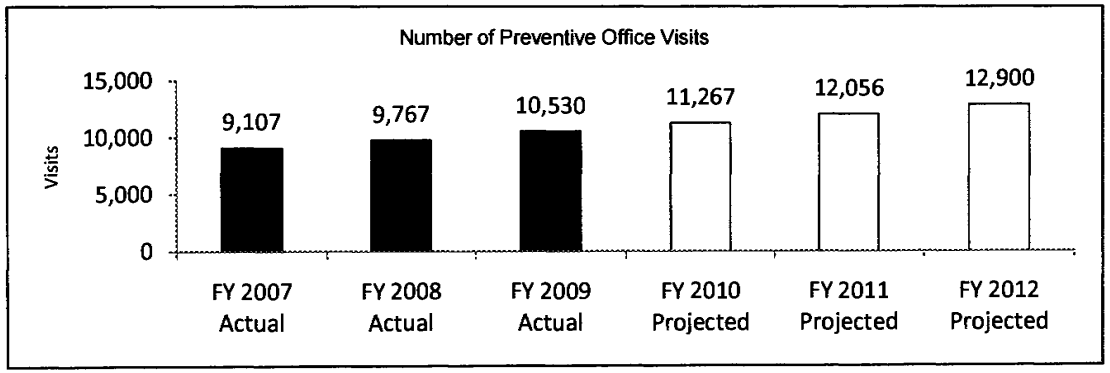
EPSDT Participant Ratio			
Federal Fiscal Year*	Participants who should have received a screening	Participants who received at least one screening	Participant Ratio
2007	405,672	275,101	68%
2008	397,792	275,618	69%
2009	398,346	278,622	70%
2010**	402,329	285,654	71%
2011**	406,353	292,574	72%
2012**	410,416	299,604	73%

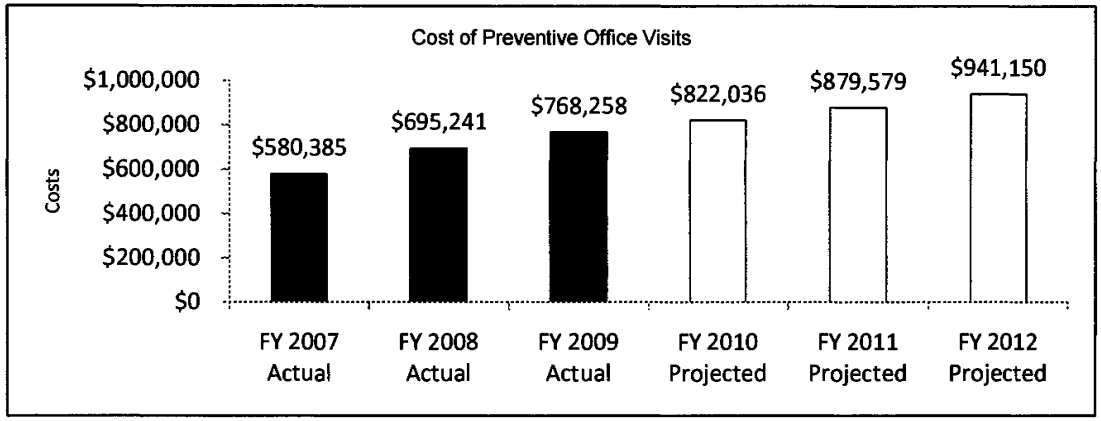
**Based on federal fiscal year in which report was submitted to CMS.*
***Projected.*

7b. Provide an efficiency measure.

MO HealthNet pays for one "preventive" examination/physical. Preventive visits are important for routine evaluation and management of adults for the maintenance of good health and a reduction in risk factors that could lead to more expensive health care costs.

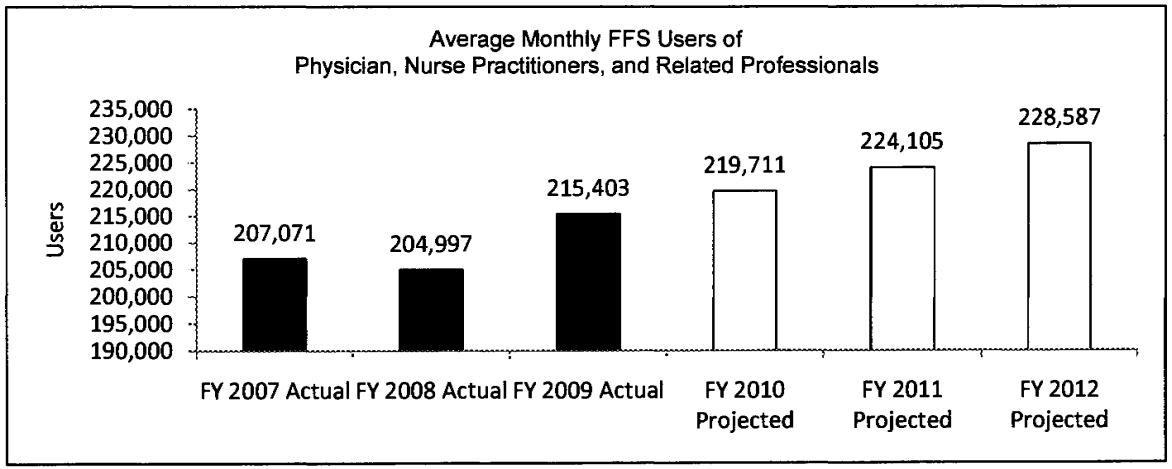
Efficiency Measure: Increase the number of adult preventive office visits. In state fiscal year 2009, the number of adult preventive office visits increased by over 7%.





7c. Provide the number of clients/individuals served, if applicable.

Proper health care is essential to the general health and well-being of MO HealthNet participants. Physician related services are typically the front line where MO HealthNet participants enter the state's health care system. Services are provided by physicians, psychologists, nurse practitioners, podiatrists, clinics, and x-ray and lab facilities.



7d. Provide a customer satisfaction measure, if available.

DENTAL

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
DENTAL								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	3,947,256	0.00	4,286,170	0.00	4,193,788	0.00	4,280,870	0.00
TITLE XIX-FEDERAL AND OTHER	8,332,660	0.00	9,402,308	0.00	9,402,308	0.00	9,310,375	0.00
HEALTH INITIATIVES	71,162	0.00	71,162	0.00	71,162	0.00	71,162	0.00
HEALTHY FAMILIES TRUST	848,773	0.00	848,773	0.00	848,773	0.00	848,773	0.00
TOTAL - PD	13,199,851	0.00	14,608,413	0.00	14,516,031	0.00	14,511,180	0.00
TOTAL	**13,199,851**	**0.00**	**14,608,413**	**0.00**	**14,516,031**	**0.00**	**14,511,180**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	289,968	0.00	299,895	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	533,806	0.00	523,879	0.00
TOTAL - PD	0	0.00	0	0.00	823,774	0.00	823,774	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**823,774**	**0.00**	**823,774**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	82,675	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	92,382	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	92,382	0.00	82,675	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**92,382**	**0.00**	**82,675**	**0.00**
Dental Rate Inc SB 577 (2007) - 1886017								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,468,602	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,703,563	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,172,165	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,172,165**	**0.00**	**0**	**0.00**
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	135,090	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
DENTAL								
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	248,688	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	383,778	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**383,778**	**0.00**	**0**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,736,990	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	3,034,305	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	4,771,295	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**4,771,295**	**0.00**
GRAND TOTAL	**$13,199,851**	**0.00**	**$14,608,413**	**0.00**	**$19,988,130**	**0.00**	**$20,188,924**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Dental

Budget Unit: 90546C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	4,193,788	9,402,308	919,935	14,516,031
TRF				
Total	4,193,788	9,402,308	919,935	14,516,031
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Healthly Families Trust Fund (0625)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	4,280,870	9,310,375	919,935	14,511,180
TRF				
Total	4,280,870	9,310,375	919,935	14,511,180
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Healthly Families Trust Fund (0625)

2. CORE DESCRIPTION

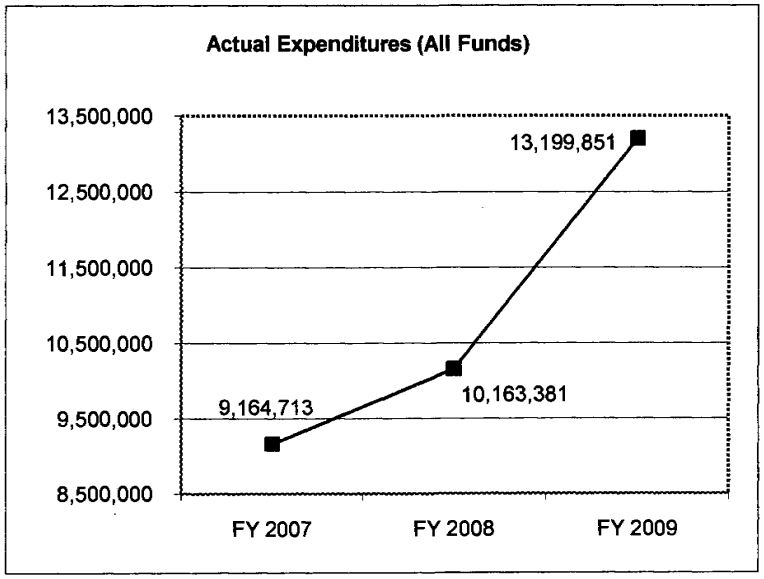
This core request is for the continued funding of the dental fee-for-service program. Funding provides dental services for children, pregnant women, the blind, and nursing facility residents in the defined non-managed care MO HealthNet population.

3. PROGRAM LISTING (list programs included in this core funding)

Dental Services

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	9,362,981	10,163,381	13,201,986	14,608,413
Less Reverted (All Funds)	(198,268)	0	(2,135)	N/A
Budget Authority (All Funds)	9,164,713	10,163,381	13,199,851	N/A
Actual Expenditures (All Funds)	9,164,713	10,163,381	13,199,851	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Expenditures of $1,149,629 were paid from the Supplemental Pool and $3,088,772 from Managed Care.

(2) Expenditures of $3,700,340 were paid from the Supplemental Pool.

(3) Expenditures of $1,902,556 were paid from the Supplemental Pool.

DEPARTMENT OF SOCIAL SERVICES
DENTAL

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	4,286,170	9,402,308	919,935	14,608,413	
		Total	**0.00**	**4,286,170**	**9,402,308**	**919,935**	**14,608,413**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	973 8198	PD	0.00	(92,382)	0	0	(92,382)	FMAP adjustment.
NET DEPARTMENT CHANGES			**0.00**	**(92,382)**	**0**	**0**	**(92,382)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	4,193,788	9,402,308	919,935	14,516,031	
		Total	**0.00**	**4,193,788**	**9,402,308**	**919,935**	**14,516,031**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	973	PD	0.00	92,382	(82,675)	0	9,707	FMAP adjustment.
Core Reduction	1893	PD	0.00	(5,300)	(9,258)	0	(14,558)	Medicare eligibles
NET GOVERNOR CHANGES			**0.00**	**87,082**	**(91,933)**	**0**	**(4,851)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	4,280,870	9,310,375	919,935	14,511,180	
		Total	**0.00**	**4,280,870**	**9,310,375**	**919,935**	**14,511,180**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
DENTAL								
CORE								
PROGRAM DISTRIBUTIONS	13,199,851	0.00	14,608,413	0.00	14,516,031	0.00	14,511,180	0.00
TOTAL - PD	13,199,851	0.00	14,608,413	0.00	14,516,031	0.00	14,511,180	0.00
GRAND TOTAL	$13,199,851	0.00	$14,608,413	0.00	$14,516,031	0.00	$14,511,180	0.00
GENERAL REVENUE	$3,947,256	0.00	$4,286,170	0.00	$4,193,788	0.00	$4,280,870	0.00
FEDERAL FUNDS	$8,332,660	0.00	$9,402,308	0.00	$9,402,308	0.00	$9,310,375	0.00
OTHER FUNDS	$919,935	0.00	$919,935	0.00	$919,935	0.00	$919,935	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Dental
Program is found in the following core budget(s): Dental

1. What does this program do?

PROGRAM SYNOPSIS: Provides payment for dental services for fee-for-service MO HealthNet participants eligible for dental services.

Dental services are typically those diagnostic, preventive and corrective procedures provided by a licensed dentist or dental hygienist performing within his/her scope of practice. The dentist must be enrolled in the MO HealthNet program. Generally, dental services include: treatment of the teeth and associated structure of the oral cavity; preparation, fitting and repair of dentures and associated appliances; and treatment of disease, injury or impairments that affect the general oral health of a participant.

To participate in the MO HealthNet program, a dentist must be licensed by the Missouri Dental Board and have a signed Title XIX Participation Agreement. The services of a dentist may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. The fees paid to the provider are based on maximum allowable amounts identified on a fee schedule. Prior authorization is required for certain services, such as orthodontic treatment, composite resin crowns, metallic and porcelain/ceramic inlay restorations, high noble metal crowns, etc.

Since September 1, 2005, MO HealthNet only covers dental services for adults (age 21 and over) (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents) if the dental care is related to trauma of the mouth, jaw, teeth or other contiguous sites as a result of injury or for the treatment of a medical condition without which the health of the individual would be adversely affected. Treatment for a medical condition requires a written referral from the participant's physician stating that the absence of dental treatment would adversely affect a stated pre-existing medical condition. Dental services for children ages 20 and under and individuals under a category of assistance for pregnant women or the blind or nursing facility residents remain unchanged.

Covered services under the dental program include, but are not limited to, the following: examinations; prophylaxis; fluoride treatments; extractions; anesthesia; crowns; injections; oral surgery; periodontal treatment (in limited cases); pulp treatment; restoration; root canal therapy and x-rays. Orthodontic services, the field of dentistry associated with the correction of abnormally positioned or misaligned teeth, are available only to those eligibles age 20 and under for the most severe malocclusions. Dentures (full or partial), denture adjustments or repairs, and denture duplication or relines are covered only for participants under a category of assistance for pregnant women, the blind, nursing facility residents or children 20 and under.

Senate Bill 577 (94th General Assembly) provided dental services for adults; however no appropriations were allocated for these services.

A copayment, a portion of the providers' charges paid by the participant, is required on many dental services. Participants under age 19, hospice participants, participants who reside in nursing facilities, residential care facilities, psychiatric hospitals or adult boarding homes, and participants age 18-21 in foster care are exempt from copayments. The copayment, in accordance with title 42 Code of Federal Regulations part 447.54, is based on the lesser of the provider's usual charge for the service or the Maximum Allowable Amount. The copayment is $.50 for charges of $10.00 or less, $1.00 for $10.01 to $25.00, $2.00 for $25.01 to $50.00 and $3.00 for charges of $50.01 or more. Reimbursement for services to individuals not subject to the copayment is determined by adding together the maximum allowable amount plus one-half the participant cost share amount listed for the procedure. This formula represents the minimum amount allowed for the procedure code. Reimbursement is made at the lower of the providers billed amount or the maximum allowed less any third-party-liability (TPL) amounts.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statute: RSMo. 208.152, 208.166; Federal law: Social Security Act Section 1905(a)(10); Federal regulation: 42 CFR 440.100

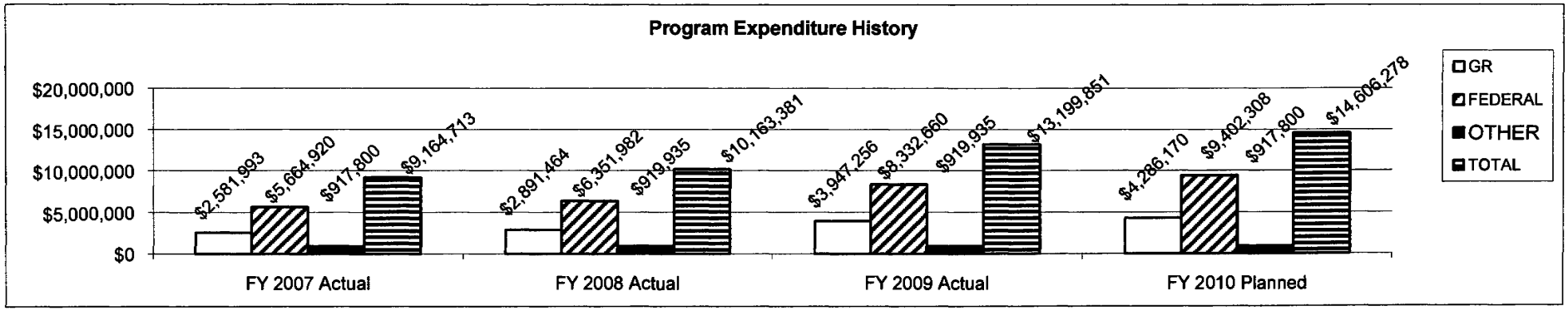
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

No for adults. Yes for children.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reverted: $2,135 Other Funds

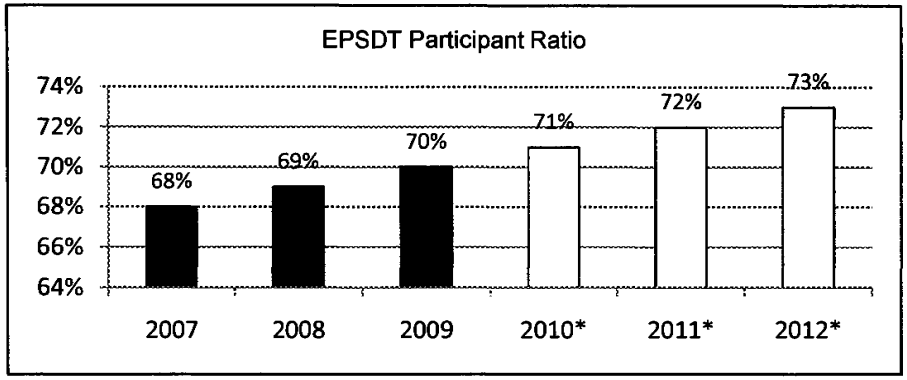
6. What are the sources of the "Other " funds?

Health Initiatives Fund (0275) and Healthy Families Trust Fund (0625).

7a. Provide an effectiveness measure.

The purpose of the Early Periodic Screening Diagnosis and Treatment/ Healthy Children and Youth (EPSDT/HCY) program is to ensure a comprehensive, preventive health care program for Missouri. The HCY program provides early and periodic medical, dental, vision, and hearing screening, diagnosis and treatment to ameliorate defects and chronic conditions found during the screening. A dental screening is available to children from birth until they become 21 years of age.

Effectiveness Measure: Increase the EPSDT participant ratio.

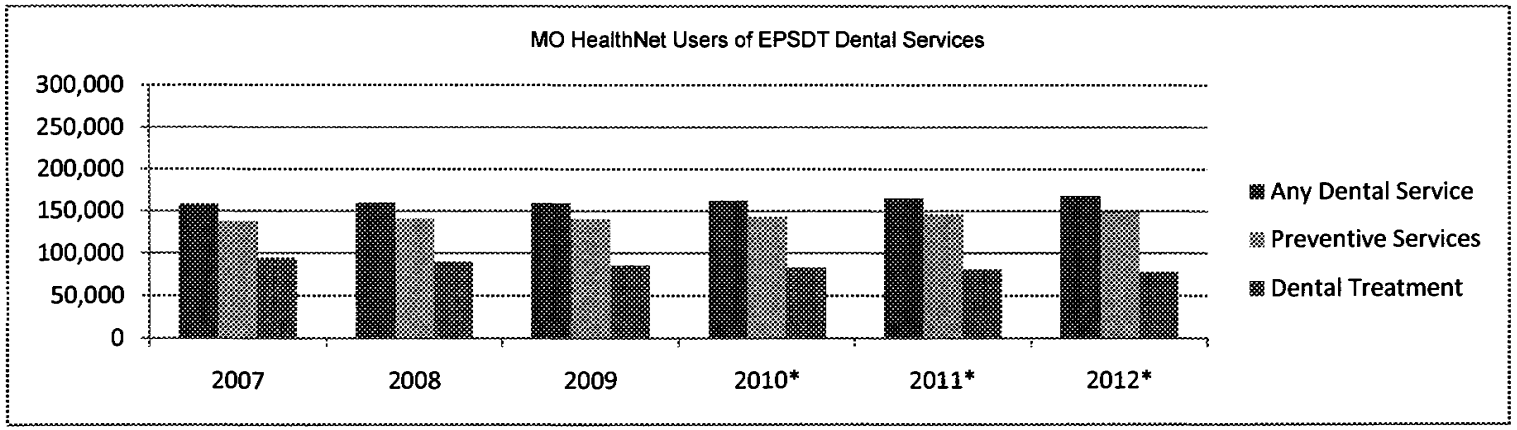


*Data for years 2010 - 2012 is projected.
Note: Based on federal fiscal year reported to CMS - percentage for prior federal fiscal year.

Effectiveness Measure 2: Increase the number of MO HealthNet users of EPSDT preventive dental services.

MO HealthNet Users of EPSDT Dental Services			
Federal	Any Dental	Preventive	Dental
2007	157,869	137,719	94,086
2008	159,591	140,785	89,792
2009	159,066	140,539	85,621
2010*	162,000	143,000	83,000
2011*	165,000	146,000	81,000
2012*	168,000	149,000	78,000

*Projected
Note: Data includes both fee-for-service and Managed Care users.

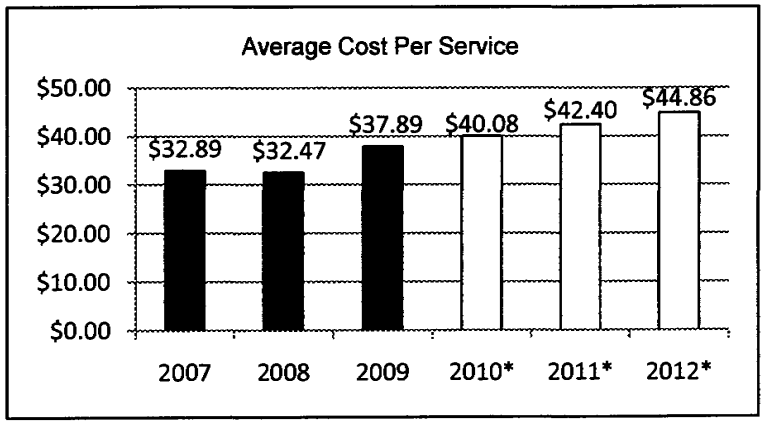


*Data for years 2010 - 2012 is projected.
Note: Data includes both fee-for-service and Managed Care.

7b. Provide an efficiency measure.

Efficiency Measure: Provide adequate dental services to MO HealthNet recipients with the funds appropriated.

Average Cost per Service		
SFY	Actual	Projected
2007	$32.89	$41.34
2008	$32.47	$32.91
2009	$37.89	$32.05
2010		$40.08
2011		$42.40
2012		$44.86



*Data for years 2010 - 2012 is projected.

7c. Provide the number of clients/individuals served, if applicable.

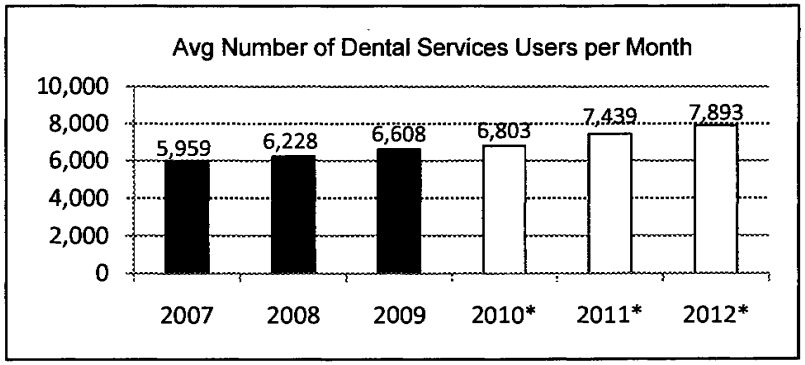
Participants:
Dental services are available to all MO HealthNet participants*. In the regions of the state where managed care has been implemented, children have dental services available through the managed care health plans.

*Effective September 1, 2005 dental services were available only to children, pregnant women, the blind, and nursing facility residents. Dental services were available to other adults if the dental care was related to trauma or a disease/medical condition. Qualified Medicare Beneficiaries (QMB's) were not eligible for dental services.

Dental services for adults have been reinstated with SB 577, subject to appropriation, during the 94th General Assembly; however no appropriations were allocated for these services.

Average Number of Dental Services Users per Month		
SFY	Actual	Projected
2007	5,959	11,605
2008	6,228	7,082
2009	6,608	6,509
2010*		6,803
2011*		7,439
2012*		7,893

*Data for years 2010 - 2012 is projected.



7d. Provide a customer satisfaction measure, if available.

PREMIUM PAYMENTS

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PREMIUM PAYMENTS								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	53,660,289	0.00	55,028,382	0.00	53,840,985	0.00	54,990,390	0.00
TITLE XIX-FEDERAL AND OTHER	94,501,130	0.00	102,606,126	0.00	102,606,126	0.00	101,884,020	0.00
TOTAL - PD	148,161,419	0.00	157,634,508	0.00	156,447,111	0.00	156,874,410	0.00
TOTAL	**148,161,419**	**0.00**	**157,634,508**	**0.00**	**156,447,111**	**0.00**	**156,874,410**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,078,536	0.00	2,149,690	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,826,395	0.00	3,755,241	0.00
TOTAL - PD	0	0.00	0	0.00	5,904,931	0.00	5,904,931	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**5,904,931**	**0.00**	**5,904,931**	**0.00**
Medicare Premium Increase - 1886006								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	109,212	0.00	7,918,579	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	201,108	0.00	13,829,466	0.00
TOTAL - PD	0	0.00	0	0.00	310,320	0.00	21,748,045	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**310,320**	**0.00**	**21,748,045**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	655,739	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,187,397	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,187,397	0.00	655,739	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,187,397**	**0.00**	**655,739**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	2,617,136	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PREMIUM PAYMENTS								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	4,571,811	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	7,188,947	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**7,188,947**	**0.00**
GRAND TOTAL	**$148,161,419**	**0.00**	**$157,634,508**	**0.00**	**$163,849,759**	**0.00**	**$192,372,072**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Premium Payments

Budget Unit: 90547C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	53,840,985	102,606,126		156,447,111
TRF				
Total	53,840,985	102,606,126		156,447,111
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	54,990,390	101,884,020		156,874,410
TRF				
Total	54,990,390	101,884,020		156,874,410
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

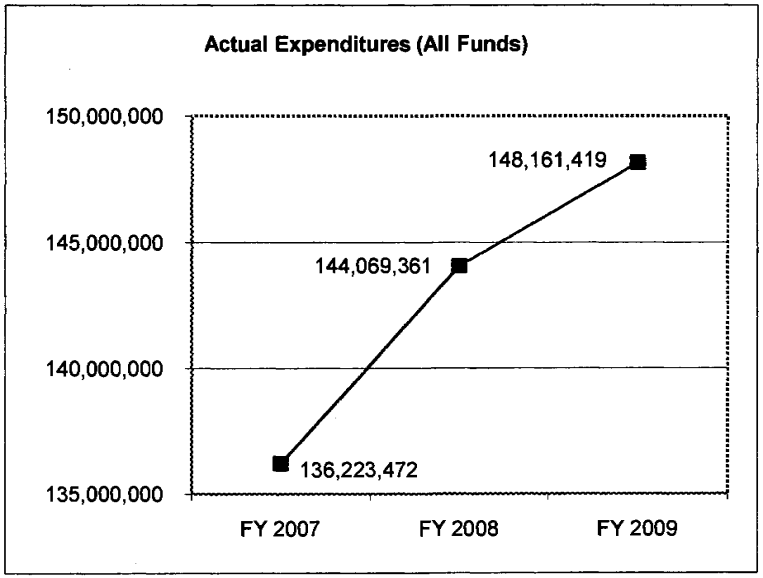
This core request is for the ongoing funding for premium payments for health insurance through the following MO HealthNet programs: Medicare Buy-In and the Health Insurance Premium Payment (HIPP) program.

3. PROGRAM LISTING (list programs included in this core funding)

Premium Payments Program:
- Medicare Part A and Part B Buy-In
- Health Insurance Premium Payment (HIPP) Program

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	146,129,677	153,556,238	148,162,552	157,634,508
Less Reverted (All Funds)	0	(4,000,000)	0	N/A
Budget Authority (All Funds)	146,129,677	149,556,238	148,162,552	N/A
Actual Expenditures (All Funds)	136,223,472	144,069,361	148,161,419	N/A
Unexpended (All Funds)	9,906,205	5,486,877	1,133	N/A
Unexpended, by Fund:				
General Revenue	4,294,000	337,073	417	N/A
Federal	5,612,205	5,149,804	716	N/A
Other	0	0	0	N/A
			(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Expenditures of $3,578,354 were paid from the Supplemental Pool.

DEPARTMENT OF SOCIAL SERVICES
PREMIUM PAYMENTS

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	55,028,382	102,606,126	0	157,634,508	
		Total	**0.00**	**55,028,382**	**102,606,126**	**0**	**157,634,508**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	974 8200	PD	0.00	(1,187,397)	0	0	(1,187,397)	FMAP adjustment.
NET DEPARTMENT CHANGES			**0.00**	**(1,187,397)**	**0**	**0**	**(1,187,397)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	53,840,985	102,606,126	0	156,447,111	
		Total	**0.00**	**53,840,985**	**102,606,126**	**0**	**156,447,111**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	974	PD	0.00	1,187,397	(655,739)	0	531,658	FMAP adjustment.
Core Reduction	2021	PD	0.00	(37,992)	(66,367)	0	(104,359)	Medicare eligibles
NET GOVERNOR CHANGES			**0.00**	**1,149,405**	**(722,106)**	**0**	**427,299**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	54,990,390	101,884,020	0	156,874,410	
		Total	**0.00**	**54,990,390**	**101,884,020**	**0**	**156,874,410**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PREMIUM PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	148,161,419	0.00	157,634,508	0.00	156,447,111	0.00	156,874,410	0.00
TOTAL - PD	**148,161,419**	**0.00**	**157,634,508**	**0.00**	**156,447,111**	**0.00**	**156,874,410**	**0.00**
GRAND TOTAL	**$148,161,419**	**0.00**	**$157,634,508**	**0.00**	**$156,447,111**	**0.00**	**$156,874,410**	**0.00**
GENERAL REVENUE	**$53,660,289**	**0.00**	**$55,028,382**	**0.00**	**$53,840,985**	**0.00**	**$54,990,390**	**0.00**
FEDERAL FUNDS	**$94,501,130**	**0.00**	**$102,606,126**	**0.00**	**$102,606,126**	**0.00**	**$101,884,020**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Premium Payments
Program is found in the following core budget(s): Premium Payments

1. What does this program do?

PROGRAM SYNOPSIS: This program pays for health insurance premiums for eligible participants. Payments include premiums for Medicare Part A, Medicare Part B and group health insurance premiums provided under the Health Insurance Premium Payment (HIPP) program. Payment of these premiums transfers medical costs from MO HealthNet to Medicare and other payers.

Medicare Buy-In

The Medicare Buy-in Program allows states to enroll certain groups of eligible individuals in the Medicare Part A and Part B program and pay their premiums. The purpose of buy-in is to permit the state, as part of its total assistance plan, to provide Medicare protection to certain groups of eligible individuals. It transfers medical costs from the Title XIX Medicaid program to the Medicare program - Title XVIII. This process allows the state to realize cost savings through substitution of Medicare liability for the majority of the medical costs before Medicaid reimburses for the services. There are two types of buy-in agreements - "1634 agreements" and "209b". States with "1634 agreements" have the same Medicaid eligibility standards as the Supplemental Security Income (SSI) program. States with more restrictive eligibility standards for Medicaid are "209b" states. The "209b" states make their own buy-in determinations. Missouri is a "209b" state.

The buy-in for Part A began in FY 90 (September 1989). The Part B buy-in has been a MO HealthNet service since January 1968.

Health Insurance Premium Payment

The Health Insurance Premium Payment (HIPP) program is a program that pays for the cost of health insurance premiums, coinsurance, and deductibles. The program pays for health insurance for MO HealthNet eligibles when it is "cost effective". "Cost effective" means that it costs less to buy health insurance to cover medical care than to pay for the same services with MO HealthNet funds. Cost effectiveness is determined by comparing the cost of the medical coverage (includes premium payments, coinsurance, and deductibles) with the average cost of each MO HealthNet eligible person in the household. The average cost of each MO HealthNet participant is based on the previous year's MO HealthNet expenditures with like demographic data: age; sex; geographic location (county); type of assistance (MO HealthNet for Families - MAF, Old Age Assistance - OAA, and disabled); and the types of services covered by the group insurance. The HIPP program has been a MO HealthNet program since September 1992.

Provisions of Omnibus Budget Reconciliation Act of 1990 (OBRA 90) require states to purchase group health insurance (such as an employer sponsored insurance) for a MO HealthNet participant (who is eligible to enroll for the coverage) when it is more cost-effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo 208.153; Federal law: Social Security Act Section 1905(p)(1), 1902(a)(10) and 1906; Federal Regulation: 42 CFR 406.26 and 431.625

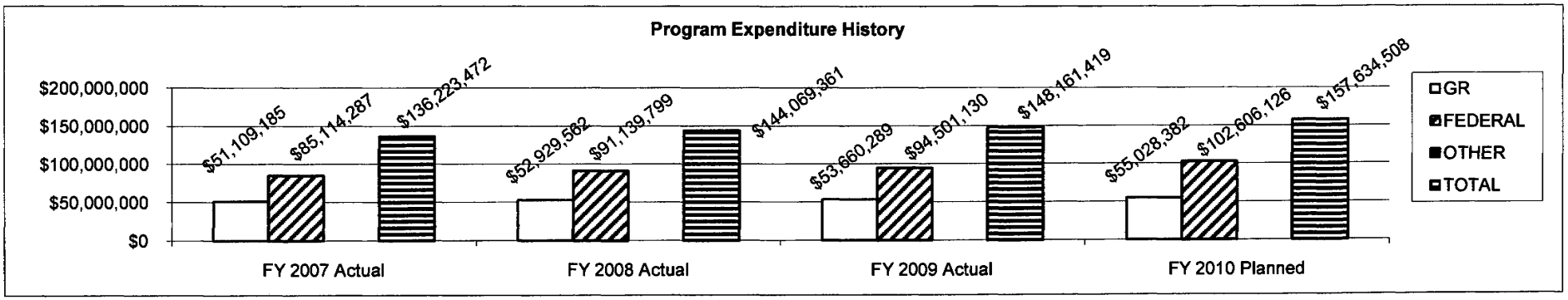
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the annual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



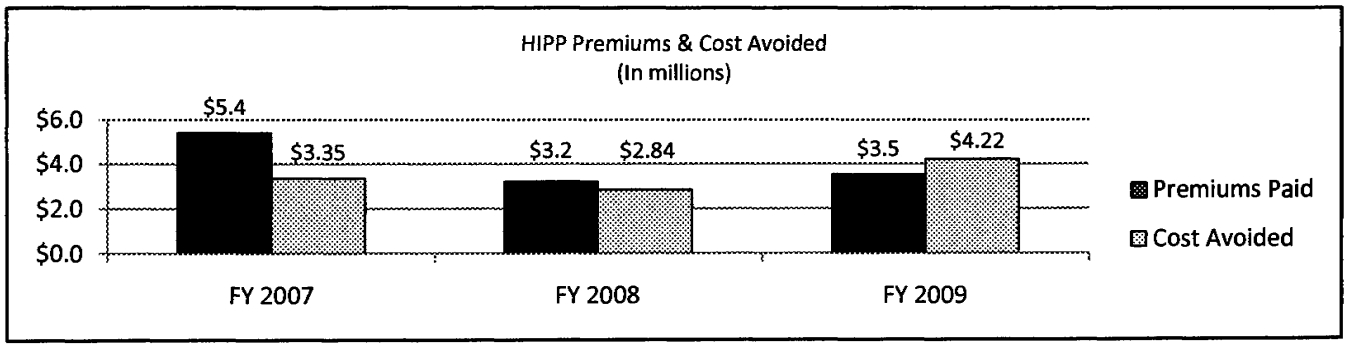
6. What are the sources of the "Other " funds?

N/A.

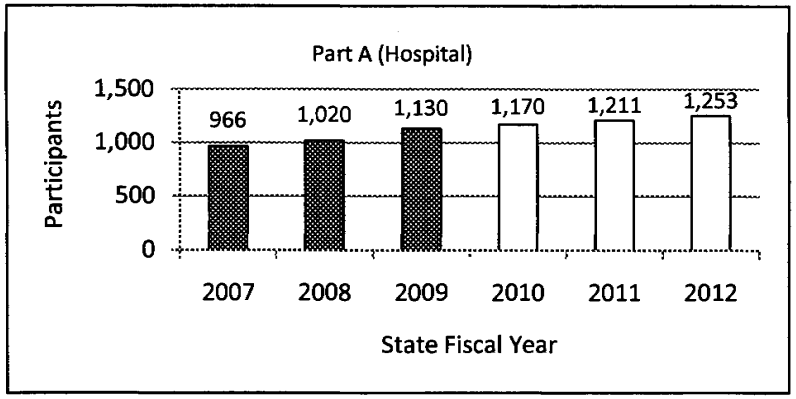
7a. Provide an effectiveness measure.

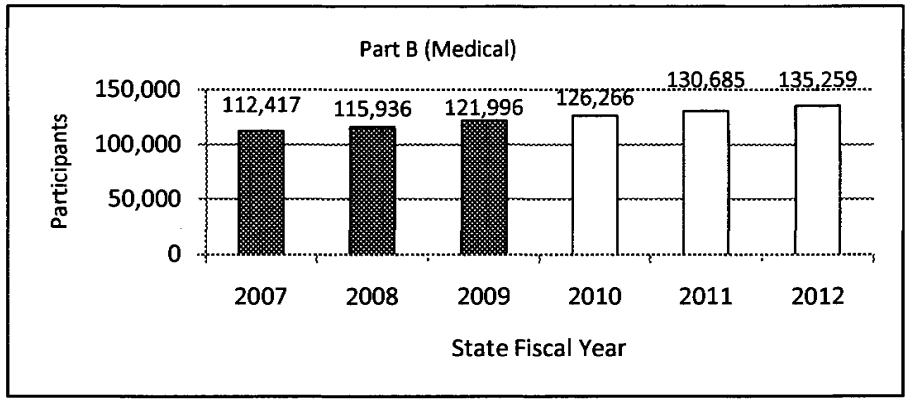
7b. Provide an efficiency measure.

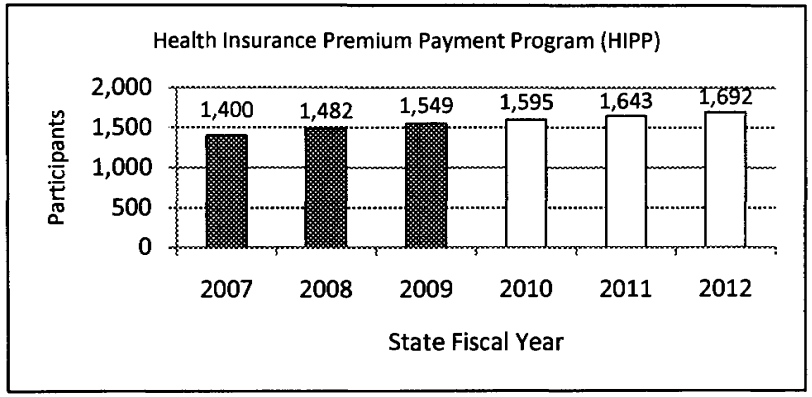
Efficiency Measure: Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for Mo HealthNet eligibles when it is cost effective to do so. In FY09, the MO HealthNet Division paid $3.5 million for health insurance premiums, coinsurance and deductibles and avoided $4.22 million in costs.



7c. Provide the number of clients/individuals served, if applicable.







Eligibles:
Part A (Hospital) premium payments can be made for: Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals
Part B (Medical) premium payments can be made for: Individuals meeting certain income standards, QMBs, and Specified Low-Income Medicare Beneficiaries
HIPP: Provisions of OBRA 90 require states to purchase group health insurance for a MO HealthNet participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 9

Department: Social Services
Division: MO HealthNet
DI Name: Medicare Premium Increases

Budget Unit: 90547C

DI#: 1886006

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	109,212	201,108		310,320
TRF				
Total	109,212	201,108		310,320
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	7,918,579	13,829,466		21,748,045
TRF				
Total	7,918,579	13,829,466		21,748,045
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is requested for anticipated Medicare Part A and Part B increases.

Federal law mandates that the Medicare Part A and Part B premiums cover a certain percentage of the cost of the Medicare program. Medicare Part A and Part B premiums are adjusted each January. In FY11, Part A premiums are estimated to be $483.00 which consists of a FY10 projection of $463.00 plus a $20.00 increase. In FY11, Part B premiums are estimated to be $110.50 which consists of a FY10 projection of $96.40 plus a $14.10 increase.

The Federal Authority is Social Security Act Section 1905(p)(1), 1902(a)(10), and 1906 and Federal Regulations 42 CFR 406.26 and 431.625. The State Authority is RSMo. 208.153.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The request is for six months of funding for the calendar year 2010 premium increases and six months of funding for the expected premium increases for calendar year 2011.

Projected participants are based on historical data. The projected premium increases are based on the average increases in premiums for the last few years as well as other information sources. The federal matching rate used is 64.51% for three months and 64.9% for nine months.

FY11 Department Request:	Part A			
Eligibles per month (CY10)	1,232			
Eligibles per month (CY11)	1,354			
Premium Increase (1/10)	$20.00			
Premium Increase (1/11)	$20.00			
Calendar Year 2010 Increase:				
Average eligibles per month	1,232		1,232	
Premium increase for 2010	$20.00		$20.00	
Number of months to increase	3		3	
Projected increase 7/10 - 12/10	73,920	x 64.51%	73,920	x 64.90%
Calendar Year 2011 Increase:				
Average eligibles per month	1,354			
Premium increase for 2010	$20.00			
Number of months to increase	6	x 64.90%		
Projected increase 1/11 - 6/11.	162,480			
Total	$310,320			

	Total	GR	Federal
Part A Request	310,320	109,212	201,108
Total	$310,320	$109,212	$201,108

Governor's Recommendation:

Both a Part A and a Part B request is included. The federal matching rate used is 64.51% for three months and 63.29% for nine months.

FY11 Department Request:	Part A		
Eligibles per month (CY10)	1,232		
Eligibles per month (CY11)	1,354		
Premium Increase (1/10)	$20.00		
Premium Increase (1/11)	$20.00		
Calendar Year 2010 Increase:			
Average eligibles per month	1,232		1,232
Premium increase for 2010	$20.00		$20.00
Number of months to increase	3		3
Projected increase 7/10 - 12/10	73,920	x 64.51%	73,920 x 63.29%
Calendar Year 2011 Increase:			
Average eligibles per month	1,354		
Premium increase for 2010	$20.00		
Number of months to increase	6		
Projected increase 1/11 - 6/11.	162,480	x 63.29%	
Total	$310,320		

Part B		
Eligibles per month (CY10)	124,454	
Eligibles per month (CY11)	128,947	
Premium Increase (1/10)	$14.10	
Premium Increase (1/11)	$14.10	
Calendar Year 2010 Increase:		
Average eligibles per month	124,454	124,454
Premium increase for 2010	$14.10	$14.10
Number of months to increase	3	3
Projected increase 7/10 - 12/10	5,264,404 x 64.51%	5,264,404 x 63.29%
Calendar Year 2011 Increase:		
Average eligibles per month	128,947	
Premium increase for 2010	$14.10	
Number of months to increase	6	
Projected increase 1/11 - 6/11.	10,908,916 x 63.29%	
Total	$21,437,725	

	Total	GR	Federal
Part A Request	310,320	113,016	197,304
Part B Request	21,437,725	7,805,563	13,632,162
Total	$21,748,045	$7,918,579	$13,829,466

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	109,212		201,108		0		310,320		
Total PSD	**109,212**		**201,108**		**0**		**310,320**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**109,212**	**0.0**	**201,108**	**0.0**	**0**	**0.0**	**310,320**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	7,918,579		13,829,466				21,748,045		
Total PSD	**7,918,579**		**13,829,466**		**0**		**21,748,045**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**7,918,579**	**0.0**	**13,829,466**	**0.0**	**0**	**0.0**	**21,748,045**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

▪ Part A (Hospital) premium payment can be made for:

- Qualified Medicare Beneficiaries (QMBs)
- Qualified Disabled Working Individuals

▪ Part B (Medical) premium payment can be made for:

- Individuals that meet certain income standards
- Qualified Medicare Beneficiaries (QMBs)
- Specified Low-Income Medicare Beneficiaries

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PREMIUM PAYMENTS								
Medicare Premium Increase - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	310,320	0.00	21,748,045	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**310,320**	**0.00**	**21,748,045**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$310,320**	**0.00**	**$21,748,045**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$109,212**	**0.00**	**$7,918,579**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$201,108**	**0.00**	**$13,829,466**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

NURSING FACILITIES

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NURSING FACILITIES								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	155,056,638	0.00	150,973,789	0.00	149,306,375	0.00	138,025,976	0.00
TITLE XIX-FEDERAL AND OTHER	366,089,396	0.00	403,485,546	0.00	402,808,553	0.00	370,084,077	0.00
UNCOMPENSATED CARE FUND	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00
THIRD PARTY LIABILITY COLLECT	1,471,618	0.00	2,592,981	0.00	2,592,981	0.00	2,592,981	0.00
NURSING FACILITY FED REIM ALLW	0	0.00	9,134,756	0.00	9,134,756	0.00	9,134,756	0.00
HEALTHY FAMILIES TRUST	17,973	0.00	17,973	0.00	17,973	0.00	17,973	0.00
TOTAL - PD	581,152,103	0.00	624,721,523	0.00	622,377,116	0.00	578,372,241	0.00
TOTAL	**581,152,103**	**0.00**	**624,721,523**	**0.00**	**622,377,116**	**0.00**	**578,372,241**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	3,616,307	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,299,665	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,299,665	0.00	3,616,307	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,299,665**	**0.00**	**3,616,307**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	2,411,712	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,411,712	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**2,411,712**	**0.00**
GRAND TOTAL	**$581,152,103**	**0.00**	**$624,721,523**	**0.00**	**$623,676,781**	**0.00**	**$584,400,260**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

Budget Unit: 90549C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	149,306,375	402,808,553	70,262,188	622,377,116
TRF				
Total	149,306,375	402,808,553	70,262,188	622,377,116
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Healthy Families Trust Fund (HFTF) (0625)
Third Party Liability Collections Fund (TPL) (0120)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	138,025,976	370,084,077	70,262,188	578,372,241
TRF				
Total	138,025,976	370,084,077	70,262,188	578,372,241
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Healthy Families Trust Fund (HFTF) (0625)
Third Party Liability Collections Fund (TPL) (0120)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)

2. CORE DESCRIPTION

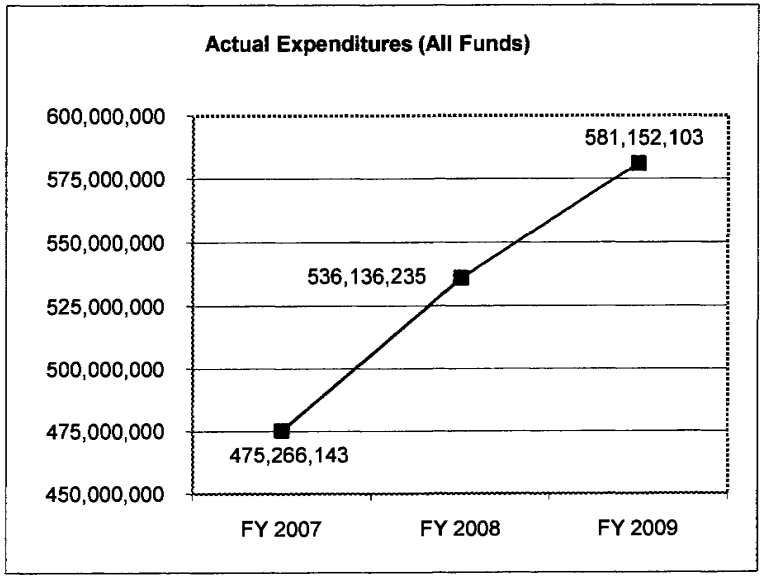
This core is for ongoing funding for payments for long-term nursing care for MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	507,691,439	574,423,429	607,082,123	624,721,523
Less Reverted (All Funds)	0	(5,000,000)	(5,277,944)	N/A
Budget Authority (All Funds)	507,691,439	569,423,429	601,804,179	N/A
Actual Expenditures (All Funds)	475,266,143	536,136,235	581,152,103	N/A
Unexpended (All Funds)	32,425,296	33,287,194	20,652,076	N/A
Unexpended, by Fund:				
General Revenue	0	11,550,695	3,093,353	N/A
Federal	19,692,210	21,718,526	16,437,360	N/A
Other	12,733,086	17,973	1,121,363	N/A
	(1)		(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Received $11.5 million ($7 million federal and $4.5 million general revenue) in supplemental funding for a $3.00 a day rate increase. Increase not granted in FY 07 - awaiting approval from CMS. CMS approved the rate adjustment in FY 08 and back payments were made to nursing homes for the $3 per day increase.

(2) Agency reserve of $4,121,362: $3,000,000 General Revenue and $1,121,362 in Third Party Liability Collections fund.

DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITIES

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	150,973,789	403,485,546	70,262,188	624,721,523	
		Total	**0.00**	**150,973,789**	**403,485,546**	**70,262,188**	**624,721,523**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	944 6473	PD	0.00	0	(676,993)	0	(676,993)	Increase in patient surplus. Adjustment made to core reduction for increase in personal needs allowance (HB 395 - 2009). Gov Rec- As a result of no Medicare COLA, undone the dept core reduction...
Core Reduction	944 6472	PD	0.00	(367,749)	0	0	(367,749)	Increase in patient surplus. Adjustment made to core reduction for increase in personal needs allowance (HB 395 - 2009). Gov Rec- As a result of no Medicare COLA, undone the dept core reduction...
Core Reduction	1059 6472	PD	0.00	(1,299,665)	0	0	(1,299,665)	FMAP adjustment
NET DEPARTMENT CHANGES			**0.00**	**(1,667,414)**	**(676,993)**	**0**	**(2,344,407)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	149,306,375	402,808,553	70,262,188	622,377,116	
		Total	**0.00**	**149,306,375**	**402,808,553**	**70,262,188**	**622,377,116**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	944	PD	0.00	367,749	676,993	0	1,044,742	Increase in patient surplus. Adjustment made to core reduction for increase in personal needs allowance (HB 395 - 2009). Gov Rec- As a result of no Medicare COLA, undone the dept core reduction...
Core Reduction	1059	PD	0.00	1,299,665	(3,616,307)	0	(2,316,642)	FMAP adjustment

DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITIES

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	1890	PD	0.00	0	(7,166,946)	0	(7,166,946)	Core reduction of empty federal authority
Core Reduction	2036	PD	0.00	(40,000)	(69,875)	0	(109,875)	Require Medicare certification on all nursing facilities.
Core Reduction	2038	PD	0.00	(12,000,000)	(20,962,505)	0	(32,962,505)	Medicare Part A crossover claims.
Core Reduction	2041	PD	0.00	(907,813)	(1,585,836)	0	(2,493,649)	Ensure Medicaid is payer of last resort
NET GOVERNOR CHANGES			**0.00**	**(11,280,399)**	**(32,724,476)**	**0**	**(44,004,875)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	138,025,976	370,084,077	70,262,188	578,372,241	
		Total	**0.00**	**138,025,976**	**370,084,077**	**70,262,188**	**578,372,241**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NURSING FACILITIES								
CORE								
PROGRAM DISTRIBUTIONS	581,152,103	0.00	624,721,523	0.00	622,377,116	0.00	578,372,241	0.00
TOTAL - PD	581,152,103	0.00	624,721,523	0.00	622,377,116	0.00	578,372,241	0.00
GRAND TOTAL	$581,152,103	0.00	$624,721,523	0.00	$622,377,116	0.00	$578,372,241	0.00
GENERAL REVENUE	$155,056,638	0.00	$150,973,789	0.00	$149,306,375	0.00	$138,025,976	0.00
FEDERAL FUNDS	$366,089,396	0.00	$403,485,546	0.00	$402,808,553	0.00	$370,084,077	0.00
OTHER FUNDS	$60,006,069	0.00	$70,262,188	0.00	$70,262,188	0.00	$70,262,188	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facilities
Program is found in the following core budget(s): Nursing Facilities

1. What does this program do?

PROGRAM SYNOPSIS: Provides payment for long-term nursing care for MO HealthNet participants.

This program provides long-term institutional care for MO HealthNet participants. An average of 500 nursing homes were enrolled in the MO HealthNet program in SFY 09 with an average of 24,099 participants per month. Nursing facility care users are 2.85% of the total MO HealthNet participants. However, the nursing facility program comprises almost 14.98% of the total program dollars.

Payment is based on a per diem rate established for each nursing home by the Institutional Reimbursement Unit (IRU) of the MO HealthNet Division. A portion of the per diem rate is paid from the Nursing Facilities budget section and a portion from the Nursing Facilities Federal Reimbursement Allowance (NFFRA) section. During the SFY09 legislative session, a trend adjustment was granted in the Nursing Facilities budget section to increase all nursing facility rates by $5.50 per day effective for dates of services beginning July 1, 2009. The NFFRA assessment also increased from $8.42 to $9.07 (an increase of $0.65) per patient occupancy day effective July 1, 2009, to fund a portion of the nursing facility per diem rate increase. Since the NFFRA assessment is an allowable cost for reimbursement and is accounted for as an add-on to the per diem rate the total per diem rate increase effective July 1, 2009, is $6.15 per patient occupancy day ($5.50 + $0.65).

The current reimbursement methodology is based on a cost component system. The components are patient care, ancillary, administration and capital. A working capital allowance, incentives and the NFFRA are also elements of the total reimbursement rate. Patient care includes medical supplies, nursing, supplies, activities, social services and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry and housekeeping. Administration includes plant operation costs and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes rental value, return, computed interest, borrowing costs and pass-through expenses. Property insurance and real estate and personal taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. There are three incentives which are paid to qualified facilities to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half of the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem rate are between 60 - 80% of total per diem rate. An additional amount is allowed for facilities with high MO HealthNet utilization. The current NFFRA is also included in the total reimbursement rate since it is an allowable MO HealthNet cost.

The reimbursement system is a prospective system. When the rate is established on a particular cost report year, it will not change until the rates are rebased on another cost report year. This rate may be adjusted for global per diem rate adjustments, such as trends, which are granted to the industry as a whole and are applied to the previously established rate.

Providers are reimbursed for MO HealthNet participants based on the residents' days of care multiplied by the facility's Title XIX per diem rate less any patient surplus amount. The amount of money the MO HealthNet participant contributes to his or her nursing home care is called patient surplus. The patient surplus is based upon the participant's income and expenses. The amount of the patient surplus is calculated by a Family Support Division caseworker. The gross income (usually a Social Security benefit check) of the participant is adjusted for the personal needs allowance, an allotment of money allocated for use by the community spouse or dependent children and medical deductions (Medicare premiums or private medical insurance premiums that the participant pays for his own medical coverage). The remainder is the patient surplus. The participant and the nursing facility are notified of the amount of the patient surplus by the Family Support Division.

The nursing home provider is responsible for obtaining the patient surplus from the participant. HB 395 changed the personal needs allowance (currently $30 for all MO HealthNet participants). Beginning January 1, 2010, the allowance must be increased by an amount equal to the product of the percentage of the Social Security benefit cost-of-living adjustment and the average amount that MO HealthNet participants are required to contribute to their cost of care, not to exceed $5.00 in any year. When the allowance reaches $50, there will be no further increases unless authorized by annual appropriation.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Section 1905(a)(4); Federal regulations: 42CFR 440.40 and 440.210

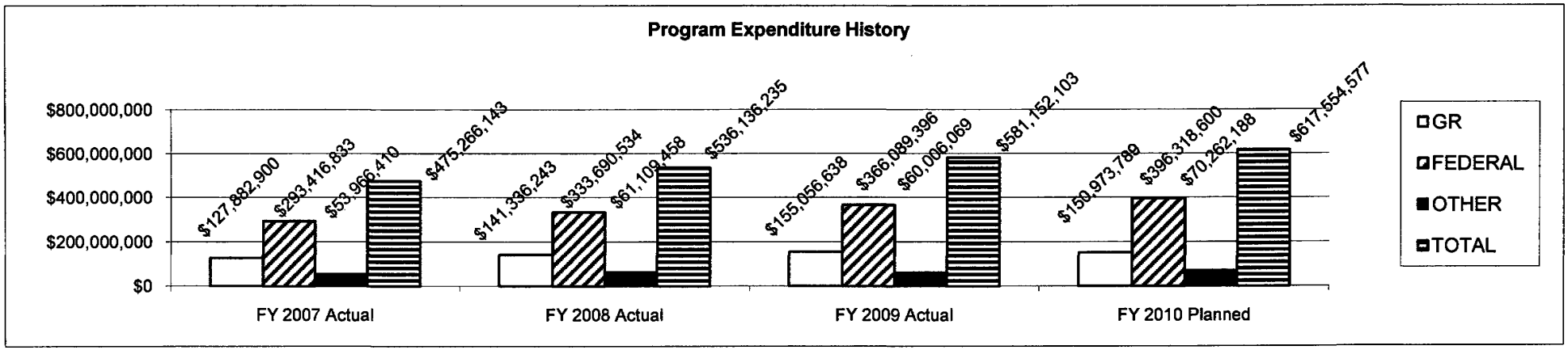
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

Yes, for people over age 21.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



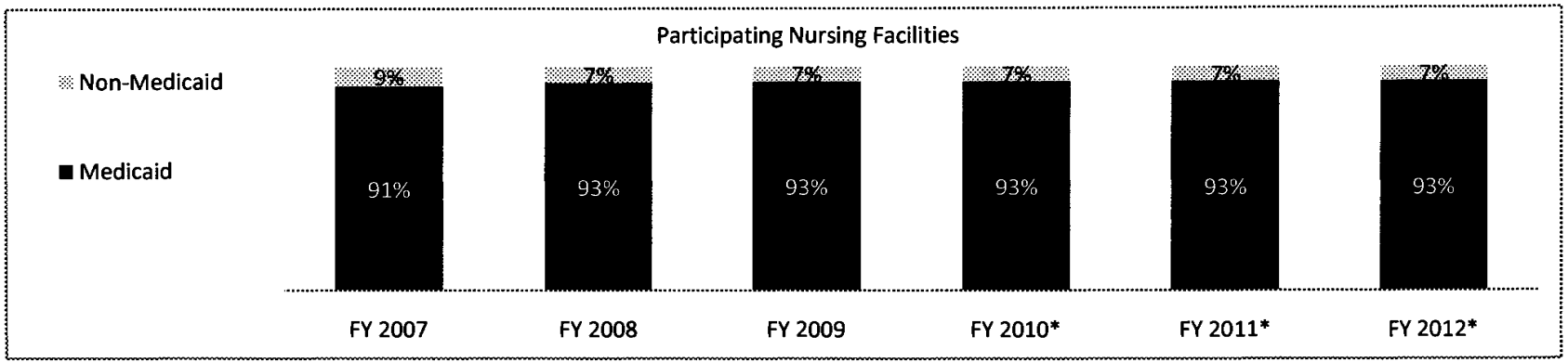
Reverted: $7,166,946 Federal Funds

6. What are the sources of the "Other " funds?

Uncompensated Care Fund (0108), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625) and Nursing Facilities Federal Reimbursement Allowance Fund (0196).

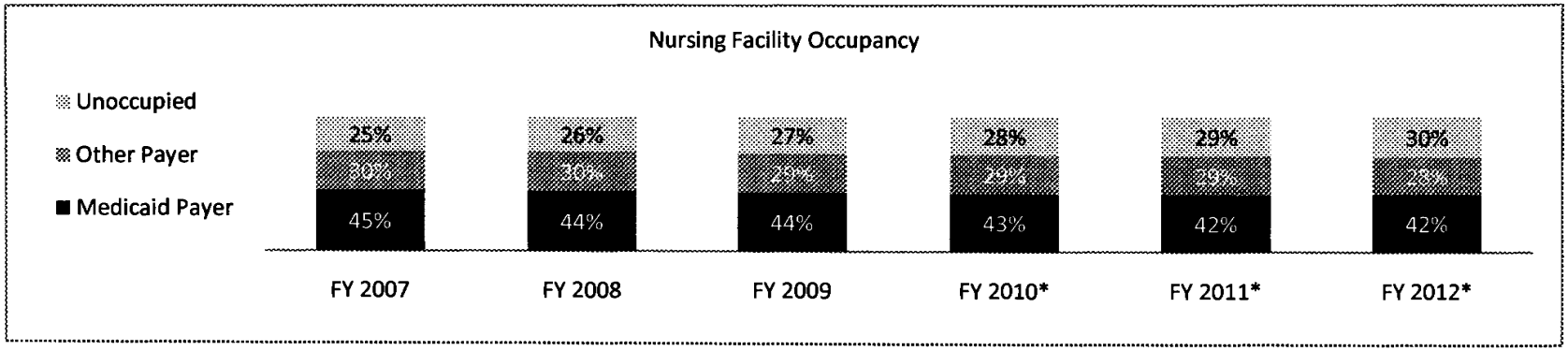
7a. Provide an effectiveness measure.

Effectiveness Measure 1: Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program . During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.



*FY 2010-FY 2012 data is projected.

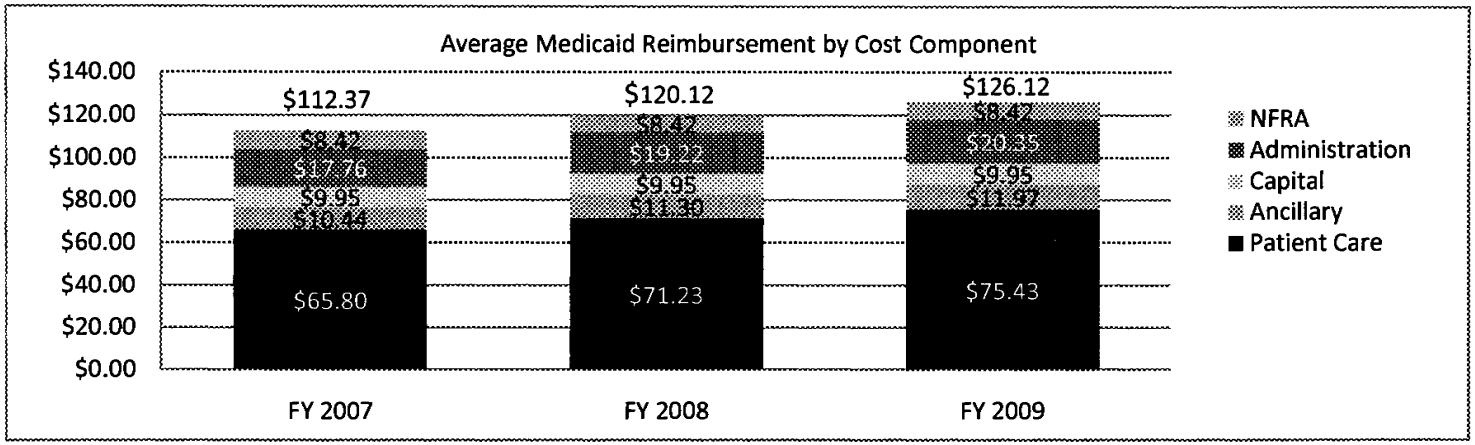
Effectiveness Measure 2: Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 27% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.



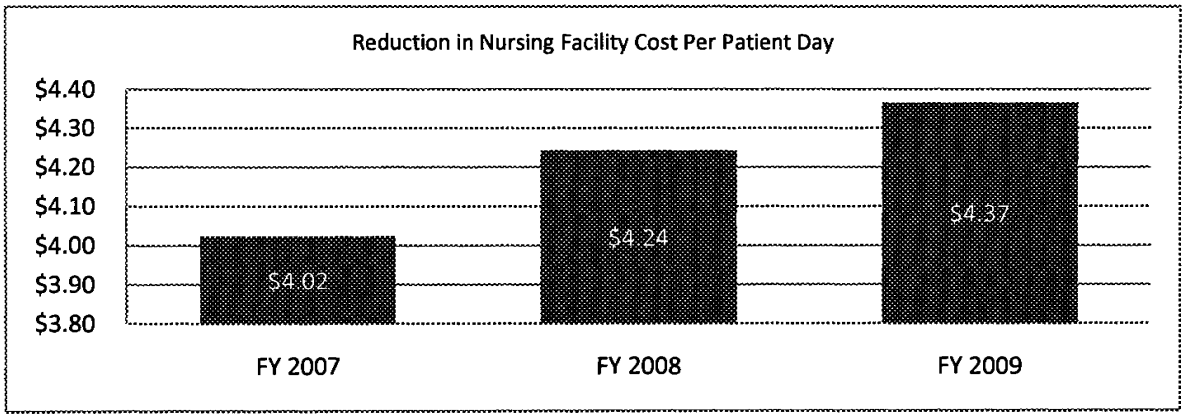
*FY 2010-FY 2012 data is projected.

7b. Provide an efficiency measure.

Efficiency Measure 1: Target and encourage quality patient care through the nursing facility reimbursement methodology. In the past three state fiscal years, more than 50% of the average Medicaid reimbursement rate related to patient care.



Efficiency Measure 2: Ensure nursing facility costs included in determining MO HealthNet reimbursement are allowable by performing audits of the provider's cost reports. During the past three state fiscal years, over $4.00 of nursing facility costs per patient day were disallowed as a result of MHD audits.

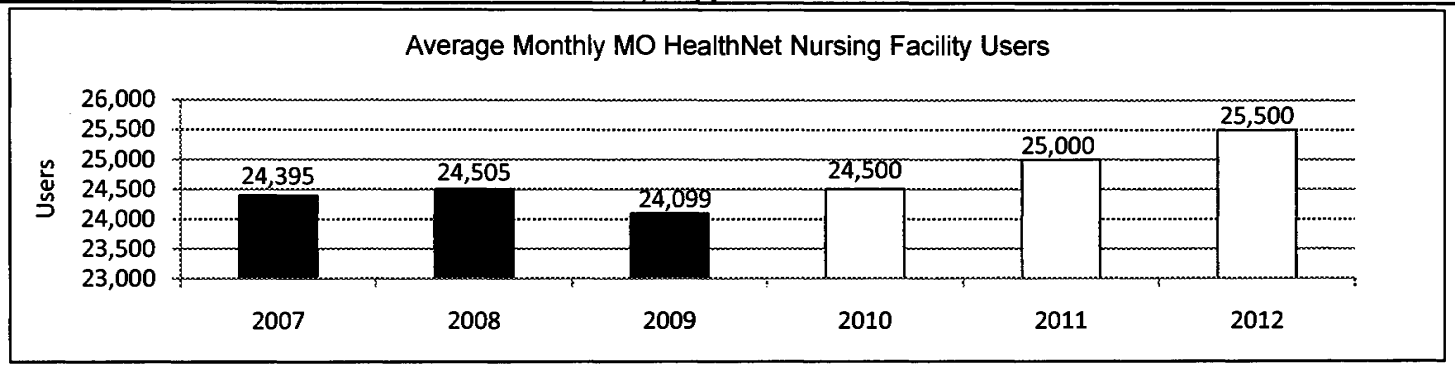


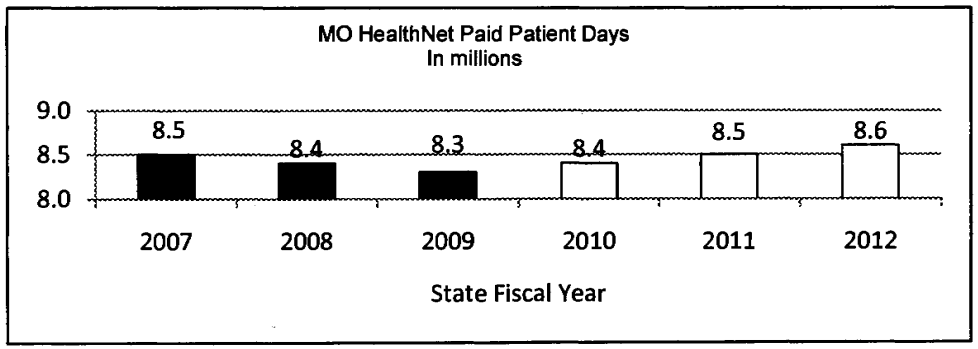
Efficiency Measure 3: Target and encourage quality patient care by utilizing a reimbursement methodology that allows for higher reimbursement of patient care costs while limiting administration and capital costs. The ceilings for the cost components related to patient care (patient care and ancillary) are 120% of the median. Various limitations are applied to administration and capital costs, some of which are identified below.

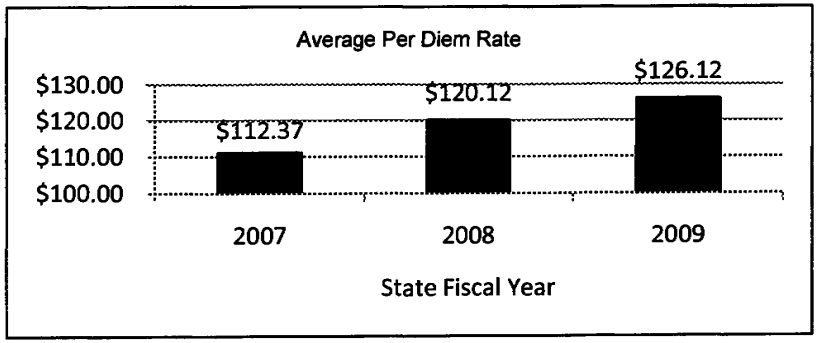
Cost Component Ceilings	
Patient Care	120% of median
Ancillary	120% of median
Administration	110% of median

Limitations on Administration & Capital Costs
* Minimum Utilization of 85% applied to Administration and Capital
* Owners' Compensation is limited
* Home office costs are limited to 7% of gross revenues less contractual allowance
* Related party transactions are limited to the cost incurred by the related party
* Fair Rental Value calculation is used to determine the capital cost component which limits excessive real estate costs.

7c. Provide the number of clients/individuals served, if applicable.







7d. Provide a customer satisfaction measure, if available.

HOME HEALTH

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOME HEALTH								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	4,053,915	0.00	2,393,434	0.00	2,349,250	0.00	2,391,458	0.00
TITLE XIX-FEDERAL AND OTHER	7,194,691	0.00	4,573,837	0.00	4,573,837	0.00	4,528,694	0.00
HEALTH INITIATIVES	159,305	0.00	159,305	0.00	159,305	0.00	159,305	0.00
TOTAL - PD	11,407,911	0.00	7,126,576	0.00	7,082,392	0.00	7,079,457	0.00
TOTAL	**11,407,911**	**0.00**	**7,126,576**	**0.00**	**7,082,392**	**0.00**	**7,079,457**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	108,092	0.00	111,792	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	198,987	0.00	195,287	0.00
TOTAL - PD	0	0.00	0	0.00	307,079	0.00	307,079	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**307,079**	**0.00**	**307,079**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	41,691	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	44,184	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	44,184	0.00	41,691	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**44,184**	**0.00**	**41,691**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	8,050	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	14,062	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	22,112	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**22,112**	**0.00**
GRAND TOTAL	**$11,407,911**	**0.00**	**$7,126,576**	**0.00**	**$7,433,655**	**0.00**	**$7,450,339**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Home Health

Budget Unit: 90564C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	2,349,250	4,573,837	159,305	7,082,392
TRF				
Total	2,349,250	4,573,837	159,305	7,082,392
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	2,391,458	4,528,694	159,305	7,079,457
TRF				
Total	2,391,458	4,528,694	159,305	7,079,457
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)

2. CORE DESCRIPTION

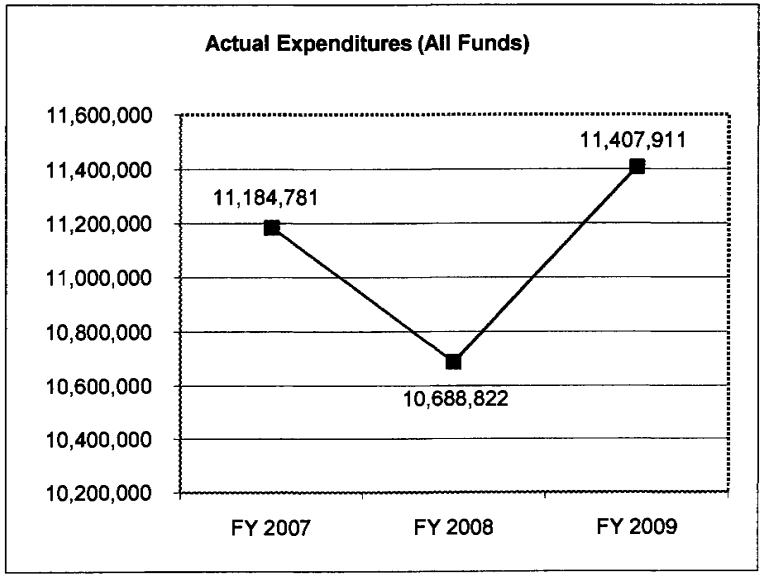
This core request is for on-going funding for payments for services provided through the Home Health program. This program is designed to help a MO HealthNet participant remain in their home instead of seeking institutional care.

3. PROGRAM LISTING (list programs included in this core funding)

Home Health Services

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	12,283,092	12,033,968	12,337,028	7,126,576
Less Reverted (All Funds)	(15,279)	(131,614)	(330,806)	N/A
Budget Authority (All Funds)	12,267,813	11,902,354	12,006,222	N/A
Actual Expenditures (All Funds)	11,184,781	10,688,822	11,407,911	N/A
Unexpended (All Funds)	1,083,032	1,213,532	598,311	N/A
Unexpended, by Fund:				
General Revenue	257,582	311,753	31,663	N/A
Federal	670,924	812,037	566,648	N/A
Other	154,526	89,742	0	N/A
	(1)	(1)	(1)	(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) The Home Health and PACE programs were funded through one appropriation in FY 2007, FY 2008 and FY 2009. They will be divided into separate budgeting units beginning in FY 2010.

Home Health expenditures for FY 07: $7,003,923
Home Health expenditures for FY 08: $5,984,839
Home Health expenditures for FY 09: $6,173,885

DEPARTMENT OF SOCIAL SERVICES
HOME HEALTH

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	2,393,434	4,573,837	159,305	7,126,576	
		Total	**0.00**	**2,393,434**	**4,573,837**	**159,305**	**7,126,576**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	976 1797	PD	0.00	(44,184)	0	0	(44,184)	FMAP adjustment.
NET DEPARTMENT CHANGES			**0.00**	**(44,184)**	**0**	**0**	**(44,184)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	2,349,250	4,573,837	159,305	7,082,392	
		Total	**0.00**	**2,349,250**	**4,573,837**	**159,305**	**7,082,392**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	976	PD	0.00	44,184	(41,691)	0	2,493	FMAP adjustment.
Core Reduction	2022	PD	0.00	(1,976)	(3,452)	0	(5,428)	Medicare eligibles
NET GOVERNOR CHANGES			**0.00**	**42,208**	**(45,143)**	**0**	**(2,935)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	2,391,458	4,528,694	159,305	7,079,457	
		Total	**0.00**	**2,391,458**	**4,528,694**	**159,305**	**7,079,457**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOME HEALTH								
CORE								
PROGRAM DISTRIBUTIONS	11,407,911	0.00	7,126,576	0.00	7,082,392	0.00	7,079,457	0.00
TOTAL - PD	11,407,911	0.00	7,126,576	0.00	7,082,392	0.00	7,079,457	0.00
GRAND TOTAL	$11,407,911	0.00	$7,126,576	0.00	$7,082,392	0.00	$7,079,457	0.00
GENERAL REVENUE	$4,053,915	0.00	$2,393,434	0.00	$2,349,250	0.00	$2,391,458	0.00
FEDERAL FUNDS	$7,194,691	0.00	$4,573,837	0.00	$4,573,837	0.00	$4,528,694	0.00
OTHER FUNDS	$159,305	0.00	$159,305	0.00	$159,305	0.00	$159,305	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Home Health
Program is found in the following core budget(s): Home Health

1. What does this program do?

PROGRAM SYNOPSIS: This program funds Home Health services. These programs help MO HealthNet participants remain in their homes instead of seeking institutional care.

Home Health services provide primarily medically oriented treatment or supervision on an intermittent basis to homebound individuals with an acute illness which can be therapeutically managed at home. Individuals are considered "homebound" if they have a condition that restricts their ability to leave their place of residence except with the aid of supportive devices, the use of special transportation or the assistance of another person, or if they have a condition that medically contraindicates traveling to obtain needed healthcare. However, the individual may still be considered homebound even if they occasionally leave home for infrequent and short periods of time for non-medical purposes such as a trip to the barber. They may also leave home to receive treatment that cannot be delivered in the home. The care follows a written plan of treatment established and reviewed every 62 days by a physician. Services included in the Home Health benefit are skilled nursing, home health aide, physical, occupational and speech therapies, and supplies. Participants who are eligible under aid categories for children, pregnant women, or blind individuals are eligible for physical, occupational and speech therapy provided through Home Health. Therapy must be reasonable and necessary for restoration to an optimal level of functioning following an injury or illness.

Home Health services are reimbursed on a per visit basis. A visit is a personal contact for a period of time not to exceed three hours in a client's home. Payment for the visit is the lower of the provider's actual billed charge or the state MO HealthNet agency established capped amount. The current MO HealthNet cap is $64.15. The Home Health program is a mandatory program added to the MO HealthNet program in July 1972, serving participants throughout the state.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(24), 1905(a)(7) and 1915(c);
Federal Regulations: 42 CFR 440.170(f), 440.210, 440.130 and 440.180 and 460. Social Security Act Sections: 1894, 1905(a) and 1934.

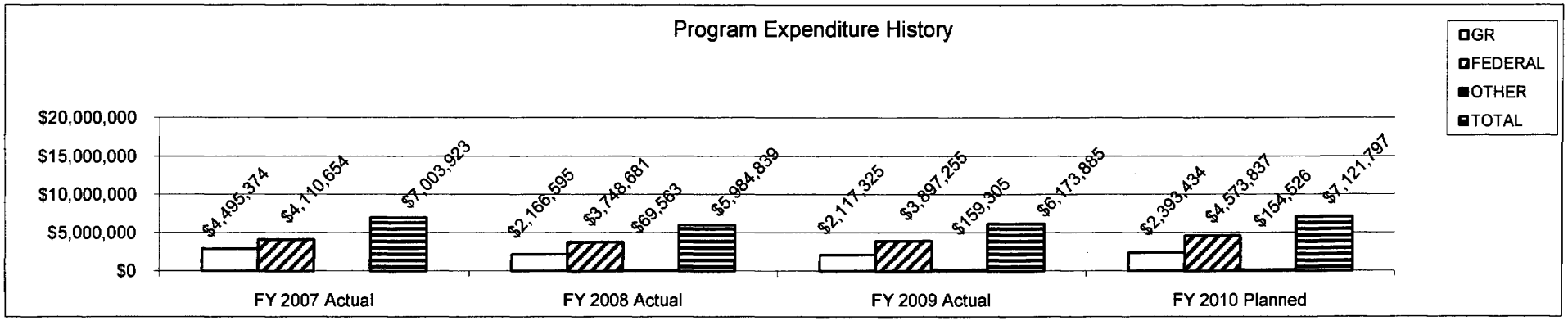
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 was a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

Home Health is a mandatory Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reverted: $4,779 Other Funds

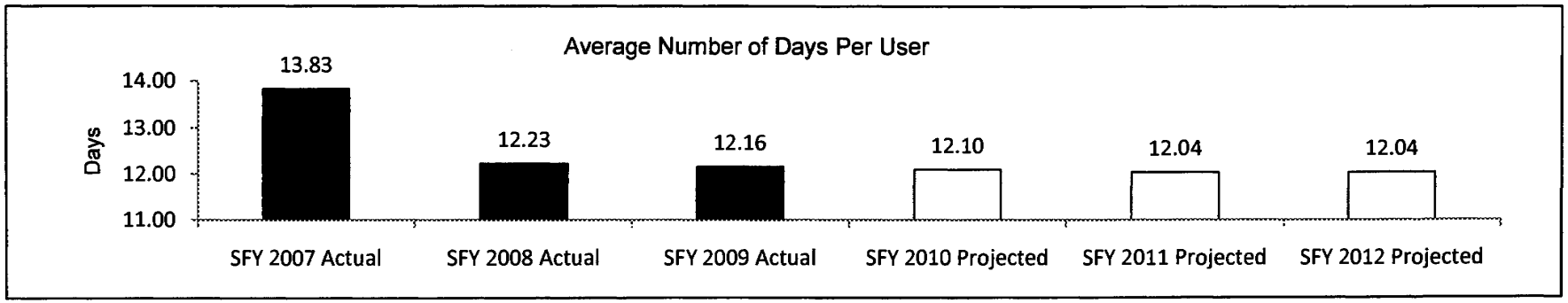
From FY 07 through FY 09 funding for the Home Health and PACE programs were combined in the same appropriation. In FY 10, funding was recommended for both programs in separate appropriations. The Program Expenditure History above provides expenditures for the Home Health program only.

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275).

7a. Provide an effectiveness measure.

Effectiveness Measure: Reduce the number of days per user of home health services. Home health plans are reviewed every 62 days. The average number of days per user of services is declining.



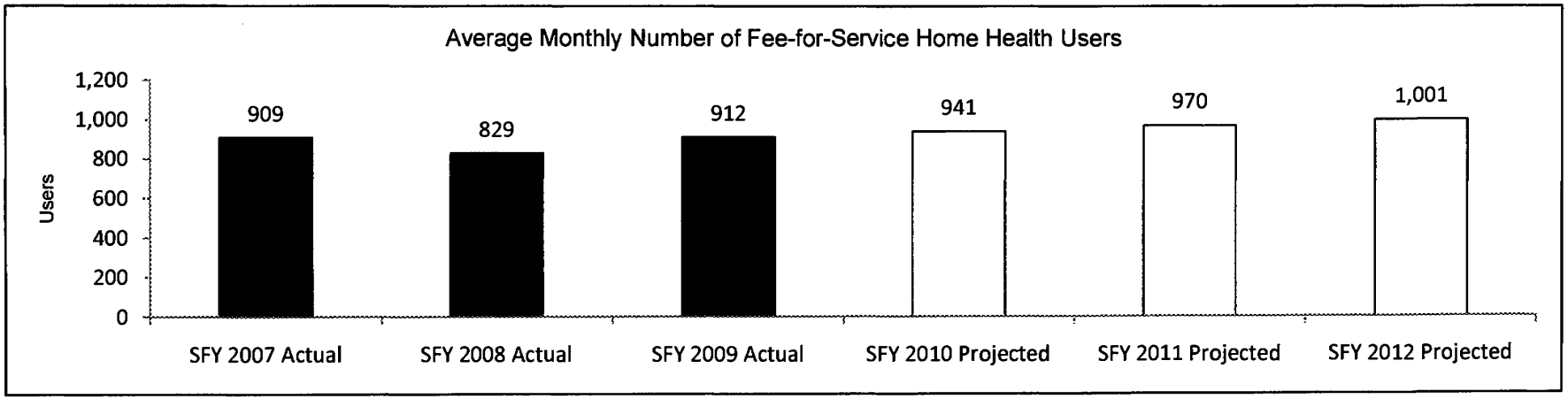
User Count by Number of Days					
SFY	0-60	61-90	91-120	121+	Total
2007	16,703	62	23	48	16,836
2008	16,676	29	10	24	16,739
2009	17,010	30	10	24	17,074
2010*	17,350	30	10	25	17,415
2011*	17,697	31	11	25	17,764
2012*	17,697	31	11	25	17,764

*Projected

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Services are available to all Mo HealthNet fee-for-service (FFS) and Managed Care participants; however, certain criteria (medical need or age requirement) must be met before participants can receive services.



7d. Provide a customer satisfaction measure, if available.

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PACE								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	2,251,372	0.00	1,994,832	0.00	1,464,091	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	4,073,454	0.00	4,073,454	0.00	2,961,233	0.00
TOTAL - PD	0	0.00	6,324,826	0.00	6,068,286	0.00	4,425,324	0.00
TOTAL	**0**	**0.00**	**6,324,826**	**0.00**	**6,068,286**	**0.00**	**4,425,324**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	256,540	0.00	188,251	0.00
TOTAL - PD	0	0.00	0	0.00	256,540	0.00	188,251	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**256,540**	**0.00**	**188,251**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$6,324,826**	**0.00**	**$6,324,826**	**0.00**	**$4,613,575**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Programs for All-Inclusive Care for the Elderly (PACE)

Budget Unit: 90568C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	1,994,832	4,073,454		6,068,286
TRF				
Total	1,994,832	4,073,454		6,068,286
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	1,464,091	2,961,233		4,425,324
TRF				
Total	1,464,091	2,961,233		4,425,324
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

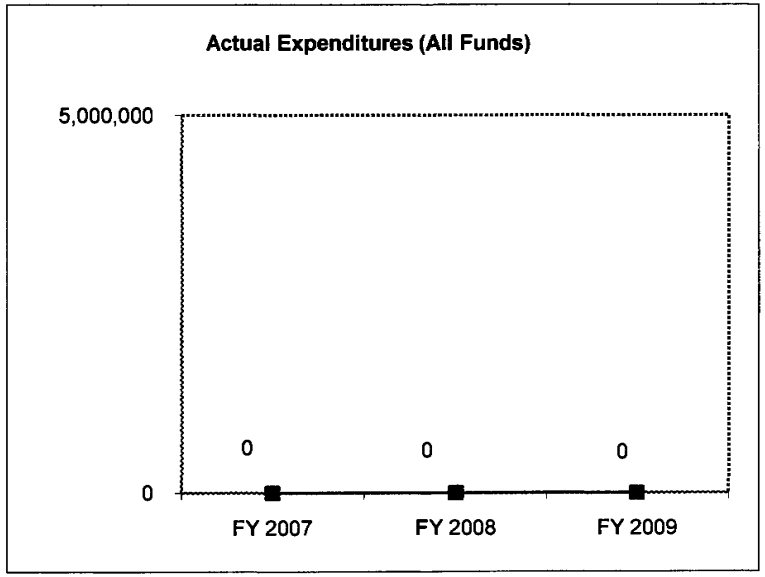
This core request is for on-going funding for payments for services provided through the PACE program. This program is designed to help a MO HealthNet participant remain in their home instead of seeking institutional care.

3. PROGRAM LISTING (list programs included in this core funding)

Programs for All-Inclusive Care for the Elderly (PACE)

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	0	0	0	6,324,826
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(1)	(1)	(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) The Home Health and PACE programs were funded through one appropriation in FY 2007, FY 2008 and FY 2009.

(2) The Home Health and PACE programs were divided into separate budgeting units in FY 2010.

PACE expenditures for FY 07:	$4,180,858
PACE expenditures for FY 08:	$4,703,983
PACE expenditures for FY 09:	$5,234,026

DEPARTMENT OF SOCIAL SERVICES
PACE

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	2,251,372	4,073,454	0	6,324,826	
		Total	**0.00**	**2,251,372**	**4,073,454**	**0**	**6,324,826**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	975 4422	PD	0.00	(256,540)	0	0	(256,540)	FMAP adjustment.
NET DEPARTMENT CHANGES			**0.00**	**(256,540)**	**0**	**0**	**(256,540)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	1,994,832	4,073,454	0	6,068,286	
		Total	**0.00**	**1,994,832**	**4,073,454**	**0**	**6,068,286**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	975	PD	0.00	68,289	0	0	68,289	FMAP adjustment.
Core Reduction	1884	PD	0.00	(599,030)	(1,112,221)	0	(1,711,251)	Core Cut FY10 projected lapse
NET GOVERNOR CHANGES			**0.00**	**(530,741)**	**(1,112,221)**	**0**	**(1,642,962)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	1,464,091	2,961,233	0	4,425,324	
		Total	**0.00**	**1,464,091**	**2,961,233**	**0**	**4,425,324**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
PACE								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	6,324,826	0.00	6,068,286	0.00	4,425,324	0.00
TOTAL - PD	0	0.00	6,324,826	0.00	6,068,286	0.00	4,425,324	0.00
GRAND TOTAL	$0	0.00	$6,324,826	0.00	$6,068,286	0.00	$4,425,324	0.00
GENERAL REVENUE	$0	0.00	$2,251,372	0.00	$1,994,832	0.00	$1,464,091	0.00
FEDERAL FUNDS	$0	0.00	$4,073,454	0.00	$4,073,454	0.00	$2,961,233	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Program of All Inclusive Care for the Elderly (PACE)
Program is found in the following core budget(s): PACE

1. What does this program do?

PROGRAM SYNOPSIS: Funds the Program of All Inclusive Care for the Elderly (PACE). This program helps MO HealthNet participants remain in their homes instead of seeking institutional care.

The goal is to maximize each participant's potential and continued residence in the home and community by providing preventive primary care and supports to the individual while in the home and community. The PACE program helps the participant stay as independent as possible. The PACE organization is the individual's sole source provider guaranteeing access to services, but not to a specific provider.

The PACE organization provides a full range of preventive, primary, acute, and long-term care services 24 hours per day, 7 days per week. The PACE Center is open Monday through Friday 8 AM to 5 PM to offer services on-site in an adult day health center setting. The PACE organization also provides in-home services as deemed necessary by the PACE Interdisciplinary Team (IDT). All medical services the individual requires while enrolled in the PACE program are the financial responsibility of the PACE provider.

PACE combines adult day settings, home care, interdisciplinary teams, transportation systems, and capitated payment systems so that providers can respond to the unique needs of each frail, elderly individual served.

The Missouri Department of Social Services, MO HealthNet Division, is the state administering agency for the PACE program.

To be eligible to enroll in the PACE program individuals must be at least 55 years old, live in the PACE service area, have been certified by the Missouri Department of Health and Senior Services to have met the nursing home level of care of 21 points or higher, and be recommended by the PACE staff for PACE program services as the best option for their care.

At the time of enrollment, an individual must be able to live in a community setting without jeopardizing his or her health or safety.

Enrollment in the PACE program is always voluntary and participants have the option to return to the fee-for-service system at any time. Eligibility to enroll in the PACE program is not restricted to Medicare beneficiaries or MO HealthNet participants. A potential PACE enrollee may, but is not required to be entitled to Medicare Part A, enrolled under Medicare Part B, or eligible for MO HealthNet.

Attendance at the PACE center is determined by the interdisciplinary team and based on the needs and preferences of the participants. Some participants attend every day and some only 2-3 times per week. The PACE organization provides transportation to and from the PACE center each day the participant is scheduled to attend.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152 and 208.168; Federal Regulations: 42 CFR 460.

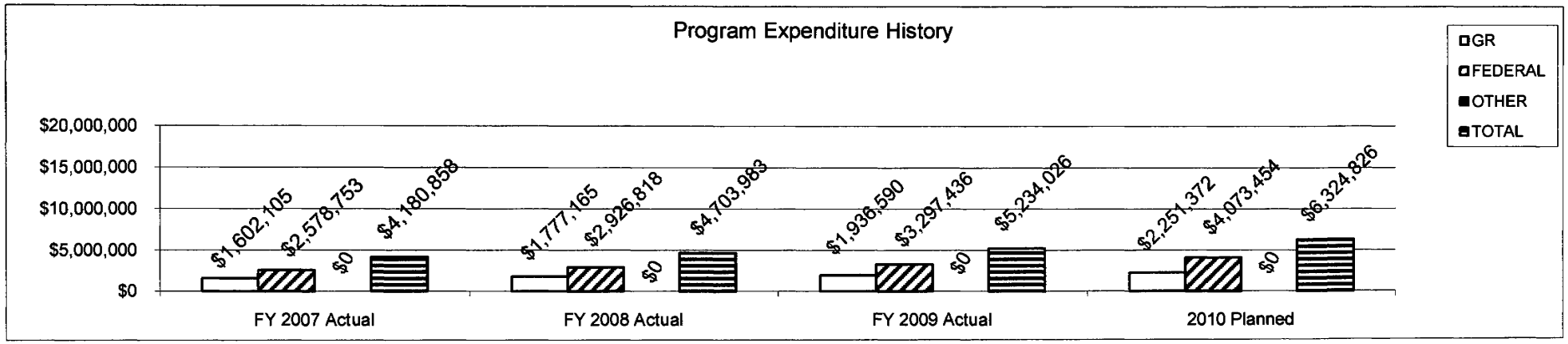
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 was a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

PACE is an optional program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



From FY 07 through FY 09 funding for the Home Health and PACE programs were combined in the same appropriation. In FY 10 funding was recommended for both programs in separate appropriations. The Program Expenditure History above provides expenditures for the PACE program only.

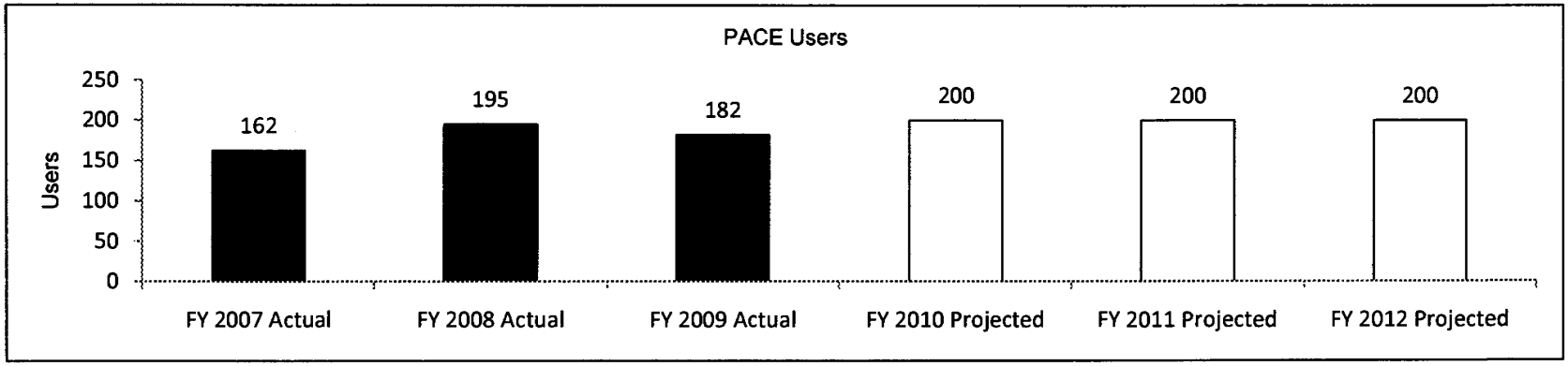
6. What are the sources of the "Other" funds?

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Users include dual participants, MO HealthNet participants and Medicare-only participants.



7d. Provide a customer satisfaction measure, if available.

REHAB & SPECIALTY
SERVICES

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	600,664	0.00	503,000	0.00	503,000	0.00	503,000	0.00
TITLE XIX-FEDERAL AND OTHER	1,351,610	0.00	1,203,000	0.00	1,203,000	0.00	1,203,000	0.00
TOTAL - EE	1,952,274	0.00	1,706,000	0.00	1,706,000	0.00	1,706,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	76,080,044	0.00	76,168,333	0.00	74,381,100	0.00	74,162,812	0.00
TITLE XIX-FEDERAL AND OTHER	129,389,779	0.00	153,948,728	0.00	153,948,728	0.00	149,360,730	0.00
NURSING FACILITY FED REIM ALLW	0	0.00	1,414,043	0.00	1,414,043	0.00	1,414,043	0.00
HEALTH INITIATIVES	194,881	0.00	194,881	0.00	194,881	0.00	194,881	0.00
HEALTHY FAMILIES TRUST	831,745	0.00	831,745	0.00	831,745	0.00	831,745	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	9,069,225	0.00	9,069,225	0.00	9,069,225	0.00
TOTAL - PD	206,496,449	0.00	241,626,955	0.00	239,839,722	0.00	235,033,436	0.00
TOTAL	**208,448,723**	**0.00**	**243,332,955**	**0.00**	**241,545,722**	**0.00**	**236,739,436**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,911,881	0.00	1,977,331	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,519,600	0.00	3,454,150	0.00
TOTAL - PD	0	0.00	0	0.00	5,431,481	0.00	5,431,481	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**5,431,481**	**0.00**	**5,431,481**	**0.00**
Hospice Rate Increase - 1886007								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	77,808	0.00	79,831	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	142,813	0.00	140,790	0.00
TOTAL - PD	0	0.00	0	0.00	220,621	0.00	220,621	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**220,621**	**0.00**	**220,621**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,084,603	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,787,233	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,787,233	0.00	1,084,603	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,787,233**	**0.00**	**1,084,603**	**0.00**
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,443,181	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,656,765	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,099,946	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,099,946**	**0.00**	**0**	**0.00**
Aud Rate Inc SB 577 (2007) Req - 1886016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	17,535	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	32,280	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	49,815	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**49,815**	**0.00**	**0**	**0.00**
DME Rate Inc SB 577 (2007) Req - 1886018								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	131,528	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	242,132	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	373,660	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**373,660**	**0.00**	**0**	**0.00**
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	445,632	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	820,367	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,265,999	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,265,999**	**0.00**	**0**	**0.00**
Therapies Rate Inc SB 577 2007 - 1886020								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	48,290	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	88,898	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	137,188	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**137,188**	**0.00**	**0**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	4,424,407	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	7,728,887	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	12,153,294	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**12,153,294**	**0.00**
Ambulance Reimb Methodology Ch - 1886037								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,844,213	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	0	0.00	1,072,605	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,916,818	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**2,916,818**	**0.00**
GRAND TOTAL	**$208,448,723**	**0.00**	**$243,332,955**	**0.00**	**$254,911,665**	**0.00**	**$258,546,253**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Rehab and Specialty Services

Budget Unit: 90550C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE	503,000	1,203,000		1,706,000	
PSD	76,168,333	153,948,728	11,509,894	241,626,955	E
TRF					
Total	76,671,333	155,151,728	11,509,894	243,332,955	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthy Families Trust Fund (0625)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)
Ambulance Service Reimbursement Allowance (0958)

Note: An "E" is requested for the $9,069,225 Ambulance Service Reimbursement Allowance.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE	503,000	1,203,000		1,706,000	
PSD	74,162,812	149,360,730	11,509,894	235,033,436	E
TRF					
Total	74,665,812	150,563,730	11,509,894	236,739,436	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthy Families Trust Fund (0625)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)
Ambulance Service Reimbursement Allowance (0958)

Note: An "E" is requested for the $9,069,225 Ambulance Service Reimbursement Allowance.

2. CORE DESCRIPTION

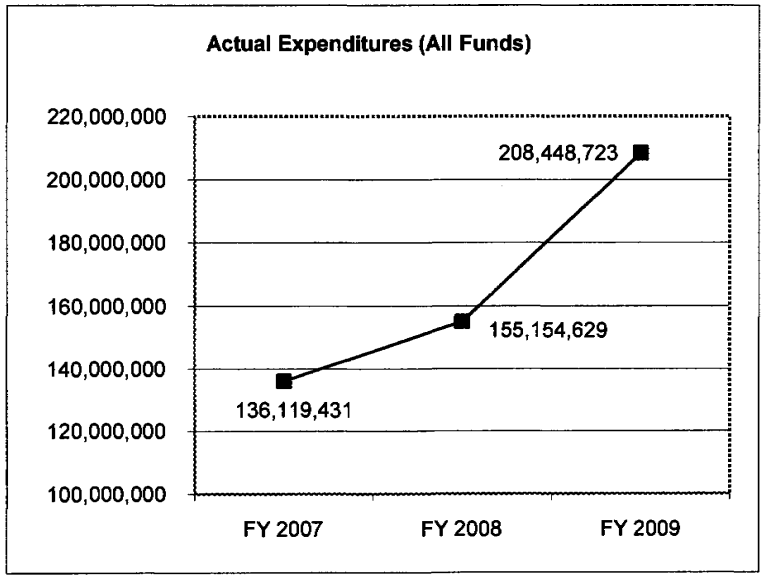
Funding provides Rehabilitation and Specialty services for the fee-for-service MO HealthNet population. In those regions of the state where MO HealthNet Managed Care has been implemented, participants have Rehab and Specialty services available through the MO HealthNet Managed Care health plans.

3. PROGRAM LISTING (list programs included in this core funding)

Rehabilitation and Specialty Services

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	136,949,034	158,280,469	208,454,848	243,332,955 E
Less Reverted (All Funds)	(829,603)	0	(5,846)	N/A
Budget Authority (All Funds)	136,119,431	158,280,469	208,449,002	N/A
Actual Expenditures (All Funds)	136,119,431	155,154,629	208,448,723	N/A
Unexpended (All Funds)	0	3,125,840	279	N/A
Unexpended, by Fund:				
General Revenue	0	607,275	103	N/A
Federal	0	2,518,565	176	N/A
Other	0	0	0	N/A
		(1)	(2) (3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for Ambulance Service Reimbursement Allowance for FY 2010.

(1) Expenditures of $3,017,949 were paid from the Supplemental Pool.

(2) Expenditures of $3,283,111 were paid from the Supplemental Pool.

(3) FY2009: Transfer of Children's residential rehab payments ($42.1 million) from Children's Division Residential Treatments Services budget to this section.

DEPARTMENT OF SOCIAL SERVICES
REHAB AND SPECIALTY SERVICES

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		EE	0.00	503,000	1,203,000	0	1,706,000	
		PD	0.00	76,168,333	153,948,728	11,509,894	241,626,955	
		Total	**0.00**	**76,671,333**	**155,151,728**	**11,509,894**	**243,332,955**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	1064 8204	PD	0.00	(1,787,233)	0	0	(1,787,233)	FMAP Adjustment
NET DEPARTMENT CHANGES			**0.00**	**(1,787,233)**	**0**	**0**	**(1,787,233)**	
DEPARTMENT CORE REQUEST								
		EE	0.00	503,000	1,203,000	0	1,706,000	
		PD	0.00	74,381,100	153,948,728	11,509,894	239,839,722	
		Total	**0.00**	**74,884,100**	**155,151,728**	**11,509,894**	**241,545,722**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	1064	PD	0.00	1,787,233	(1,084,603)	0	702,630	FMAP Adjustment
Core Reduction	2025	PD	0.00	(34,946)	(61,046)	0	(95,992)	Medicare eligibles
Core Reduction	2058	PD	0.00	(533,276)	(931,567)	0	(1,464,843)	Decrease DME providers to 90% of Medicare
Core Reduction	2059	PD	0.00	(1,437,299)	(2,510,782)	0	(3,948,081)	Decrease specific rehabilitation and specialty services providers to 90% of Medicare. These include optical, dental, radiology, labratory, and audiology.
NET GOVERNOR CHANGES			**0.00**	**(218,288)**	**(4,587,998)**	**0**	**(4,806,286)**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	503,000	1,203,000	0	1,706,000	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
REHAB AND SPECIALTY SERVICES

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	74,162,812	149,360,730	11,509,894	235,033,436	
	Total	**0.00**	**74,665,812**	**150,563,730**	**11,509,894**	**236,739,436**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
CORE								
PROFESSIONAL SERVICES	1,952,274	0.00	1,706,000	0.00	1,706,000	0.00	1,706,000	0.00
TOTAL - EE	**1,952,274**	**0.00**	**1,706,000**	**0.00**	**1,706,000**	**0.00**	**1,706,000**	**0.00**
PROGRAM DISTRIBUTIONS	206,496,449	0.00	241,626,955	0.00	239,839,722	0.00	235,033,436	0.00
TOTAL - PD	**206,496,449**	**0.00**	**241,626,955**	**0.00**	**239,839,722**	**0.00**	**235,033,436**	**0.00**
GRAND TOTAL	**$208,448,723**	**0.00**	**$243,332,955**	**0.00**	**$241,545,722**	**0.00**	**$236,739,436**	**0.00**
GENERAL REVENUE	**$76,680,708**	**0.00**	**$76,671,333**	**0.00**	**$74,884,100**	**0.00**	**$74,665,812**	**0.00**
FEDERAL FUNDS	**$130,741,389**	**0.00**	**$155,151,728**	**0.00**	**$155,151,728**	**0.00**	**$150,563,730**	**0.00**
OTHER FUNDS	**$1,026,626**	**0.00**	**$11,509,894**	**0.00**	**$11,509,894**	**0.00**	**$11,509,894**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Rehab and Specialty Services
Program is found in the following core budget(s): Rehab and Specialty Services

1. What does this program do?

PROGRAM SYNOPSIS: Provides payment for audiology, optometric, durable medical equipment, ambulance, rehabilitation services, hospice, comprehensive day rehabilitation, disease management and diabetes self-management training for MO HealthNet participants. Unless otherwise noted, the rehabilitation and specialty services are covered only for participants who are under the age of 21, pregnant women, blind persons, or nursing facility residents.

Audiology/Hearing Aid - This program is intended only to provide hearing aids and related covered services. Persons eligible for reimbursement of the MO HealthNet Hearing Aid Program services include eligible needy children or persons receiving MO HealthNet benefits under a category of assistance for pregnant women, the blind or nursing facility residents. Covered services include: audiological testing, hearing aids, ear molds, hearing aid fitting, hearing aid dispensing/evaluation, post-fitting evaluation, post-fitting adjustments, and hearing aid repairs. All hearing aids and related services must have prior approval except audiometric testing, post-fitting evaluation, post-fitting adjustment, and repairs to hearing aids no longer under warranty. An audiologist consultant gives prior authorization for the claims.

A participant is entitled to one new hearing aid and related services every four years. However, services for children under the EPSDT/HCY program are determined to be whatever is medically necessary. The EPSDT claims are reviewed by the consultant only if rejected by the computer system. Cost sharing, a charge for a small portion of the cost of services, applies to individuals age 19 and over with a few exceptions (foster care children and institutional residents).

Optical - The MO HealthNet Optometry program covers the following types of providers and services: (1) Optometrists, physicians (who can only bill for eyeglasses if they are enrolled as an optician), optometric clinics - eye examinations, eyeglasses, artificial eyes, and special ophthalmological services; and (2) Opticians - eyeglasses and artificial eyes.

As of June 15, 2009, the MO HealthNet Division (MHD) required precertification through MHD's web tool, CyberAccess℠, for all optical services provided to MO HealthNet fee-for-service participants.

Participants who are under the age of 21, pregnant, blind, or in a nursing facility are allowed an eye exam every twelve months unless there is a diopter change of .50. All other MO HealthNet participants over the age of 21 are allowed an eye exam every two years. MO HealthNet eligible participants are allowed one pair of eye glasses every two years. Cost sharing, a charge for a small portion of the cost of the service, applies to individuals age 19 and over with a few exceptions (foster care children and institutional residents). An optometrist is used as a consultant for this program. The consultant reviews prescriptions that do not meet the program criteria and prices claims for special lenses and frames.

Durable Medical Equipment (DME) - MO HealthNet reimburses qualified participating DME providers for certain items of durable medical equipment such as: prosthetics, diabetic supplies and equipment, oxygen and respiratory care equipment, ostomy supplies, wheelchairs, wheelchair accessories, labor and repair codes. These items must be for use in the participant's home when ordered in writing by the participant's physician or nurse practitioner and are covered for all MO HealthNet participants.

The following items are covered for MO HealthNet participants: apnea monitors, artificial larynx and related items, augmentative communications devices, canes, crutches, commodes, bed pans, urinals, CPAP devices, decubitus care equipment, hospital beds, side rails, humidifiers, BiPAP machines, IPPB machines, nebulizers, orthotics, patient lifts and trapeze, scooters, suction pumps, total parenteral nutrition mix, supplies and equipment, and walkers. Although an item is classified as DME, it may not be covered in every instance. Coverage is based on the fact that the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part, the equipment meets the definition of durable medical equipment or prosthesis, and the equipment is used in the participant's home.

Even though a DME item may serve some useful medical purpose, consideration must be given by the physician and the DME supplier to what extent, if any, it is reasonable for MO HealthNet to pay for the item as opposed to another realistically feasible alternative pattern of care. Consideration should also be given by the physician and the DME provider as to whether the item serves essentially the same purpose as equipment already available to the participant. If two different items each meet the need of the participant, the less expensive item must be employed, all other conditions being equal. Equipment features of an aesthetic or medical nature which are not medically necessary are not reimbursable.

Ambulance - Emergency medical transportation is provided under the ambulance program. Ambulance services are covered if they are emergency services and transportation is made to the nearest appropriate hospital. Certain specified non-emergency but medically necessary ambulance transports are also covered. Reimbursement is provided for the base charge (the lesser of the MO HealthNet maximum allowed amount or billed charge) for patient pick-up and transportation to destination (mileage for transporting a patient beyond the five miles is not included in the base charge), mileage, and ancillary services related to emergency situations. Ambulance services can be provided through ground or air transportation (helicopter/fixed wing) if medically necessary. All MO HealthNet participants are eligible for ambulance services.

Rehabilitation Center - The rehabilitation center program pays for adaptive training of MO HealthNet participants who have prosthetic/orthotic devices. Covered services include: comprehensive evaluation, stump conditioning, prosthetic training, and orthotic training, speech therapy for artificial larynx and occupational therapy related to the prosthetic/orthotic adaption. These procedures are covered by MO HealthNet even when the prosthetic/orthotic service was not provided through the MO HealthNet program.

Coverage of augmentative communication devices and training are covered and include the cost of the device, accessories, evaluation, and training. Training is also covered for the following prosthetic devices: artificial arms, artificial legs, artificial larynx, and orthotics.

Hospice - The hospice benefit is designed to meet the needs of patients with a life-limiting illness and to help their families cope with the problems and feelings related to this difficult time. Reimbursement is limited to qualified MO HealthNet enrolled hospice providers rendering services to terminally ill patients who have elected hospice benefits. After the participant elects hospice services, the hospice provides for all care, supplies, equipment, and medicines related to the terminal illness. MO HealthNet reimburses the hospice provider who then reimburses the provider of the services if the services are not provided by the hospice provider.

MO HealthNet reimburses for routine home care, continuous home care, general inpatient, inpatient respite, and nursing home room and board, if necessary. Hospice rates are authorized by Section 1814 (I)(1)(C)(ii) of the Social Security Act and provide for an annual increase in the payment rates for hospice care services. The MO HealthNet rates are calculated based on the annual hospice rates established by Medicare. In addition, the Social Security Act also provides for an annual increase in the hospice cap amounts. Nursing Home room and board is reimbursed to the hospice provider at 95% of the nursing home rate on file. The hospice is responsible for paying the nursing home. All MO HealthNet participants are eligible for hospice services.

Comprehensive Day Rehabilitation - This program covers services for certain persons with disabling impairments as the result of a traumatic head injury. It provides intensive, comprehensive services designed to prevent and/or minimize chronic disabilities while restoring the individual to an optimal level of physical, cognitive, and behavioral function within the context of the person, family, and community.

The program emphasizes functional living skills, adaptive strategies for cognitive, memory or perceptual deficits, and appropriate interpersonal skills. These services help to train individuals so that the person can leave the rehabilitation center and re-enter society. Services are designed to maintain and improve the participant's ability to function as independently as possible in the community. Services for this program must be provided in a free-standing rehabilitation center or in an acute hospital setting with space dedicated to head injury rehabilitation. Eligibility for this program is limited to individuals who are under the age of 21, pregnant women, blind persons or nursing home residents. These individuals must receive prior authorization from the MO HealthNet Division. Reimbursement is made for either a full day or a half day of services.

Clinical Management Services Program (CMSP)
Through a contract with ACS Heritage, MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes. The current CMSP claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical, and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with ACS-Heritage utilizes their CyberAccess℠ tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. CyberAccess℠ provides: participant claims history profiles, updated daily, identifying all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period; and three years of point of sale (POS) pharmacy claims refreshed every ten (10) minutes. MO HealthNet is in the process of adding precertification modules for the following services: psychology, home and community based services, DME, and imaging.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

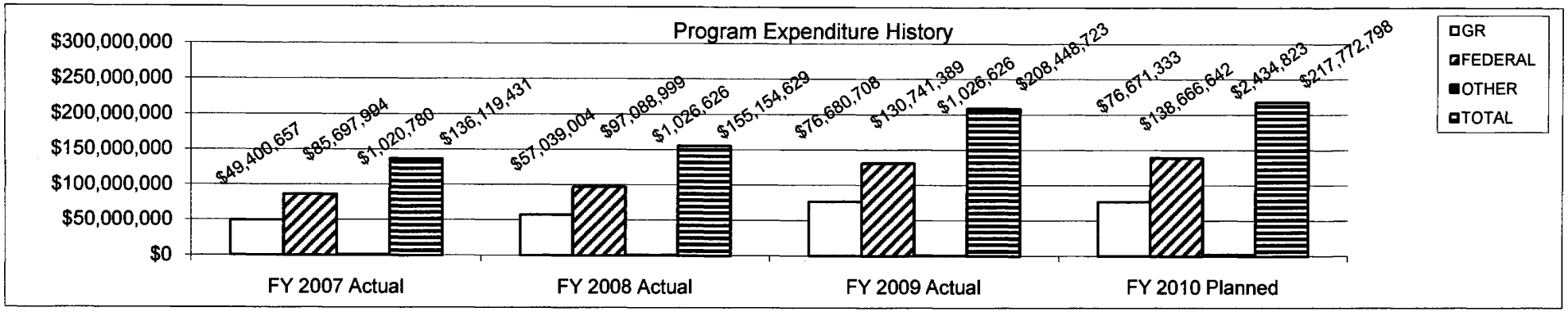
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 was a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



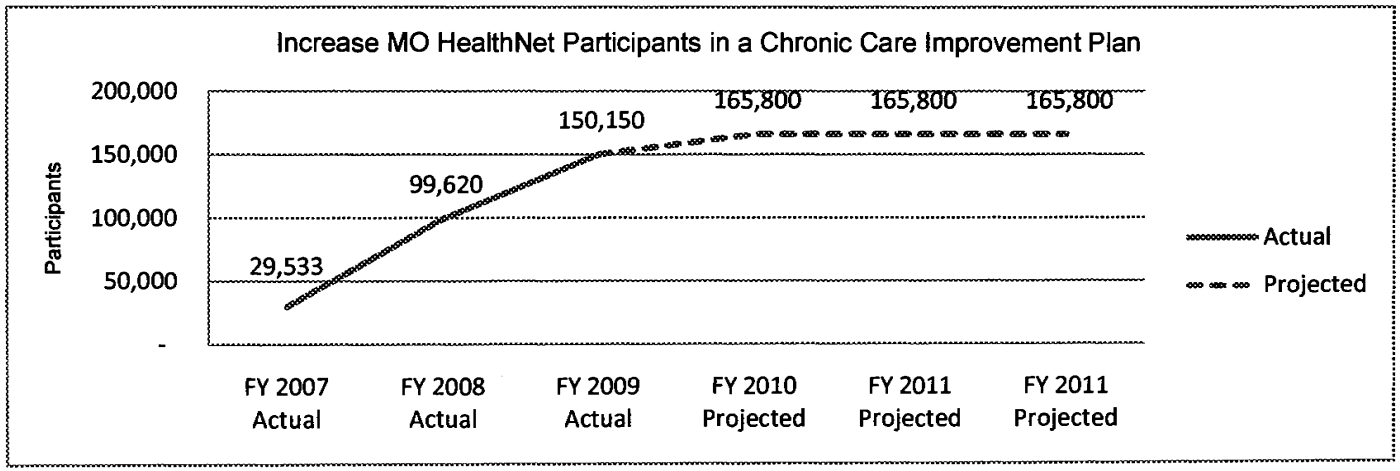
Reverted: $5,846 Other Funds
Reserve: $25,554,311 Federal and Other Funds

6. What are the sources of the "Other" funds?

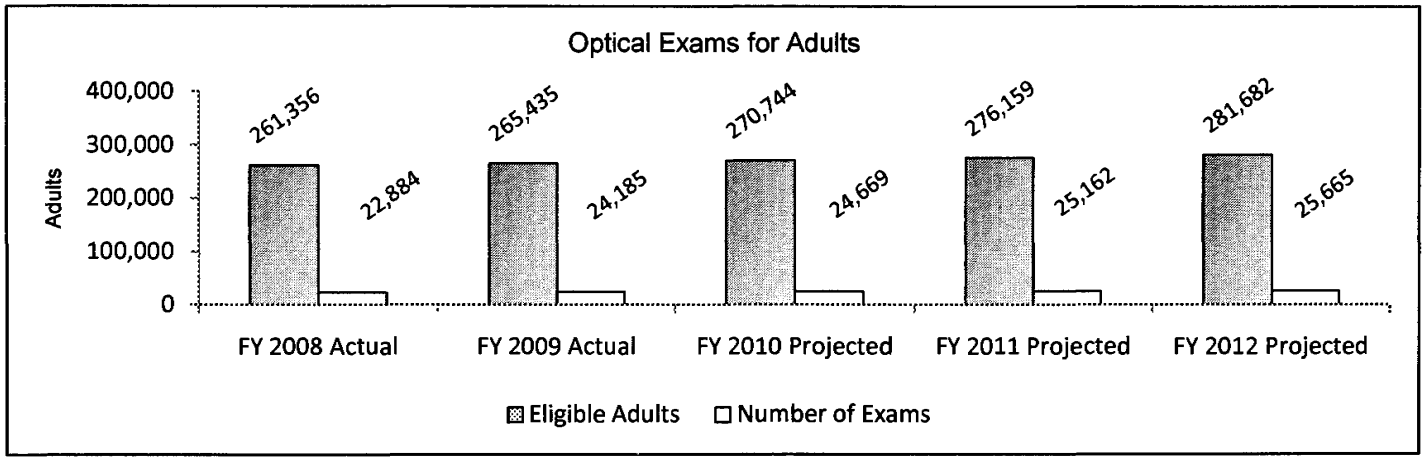
Health Initiatives Fund (0275) and Healthy Families Trust Fund (0625).

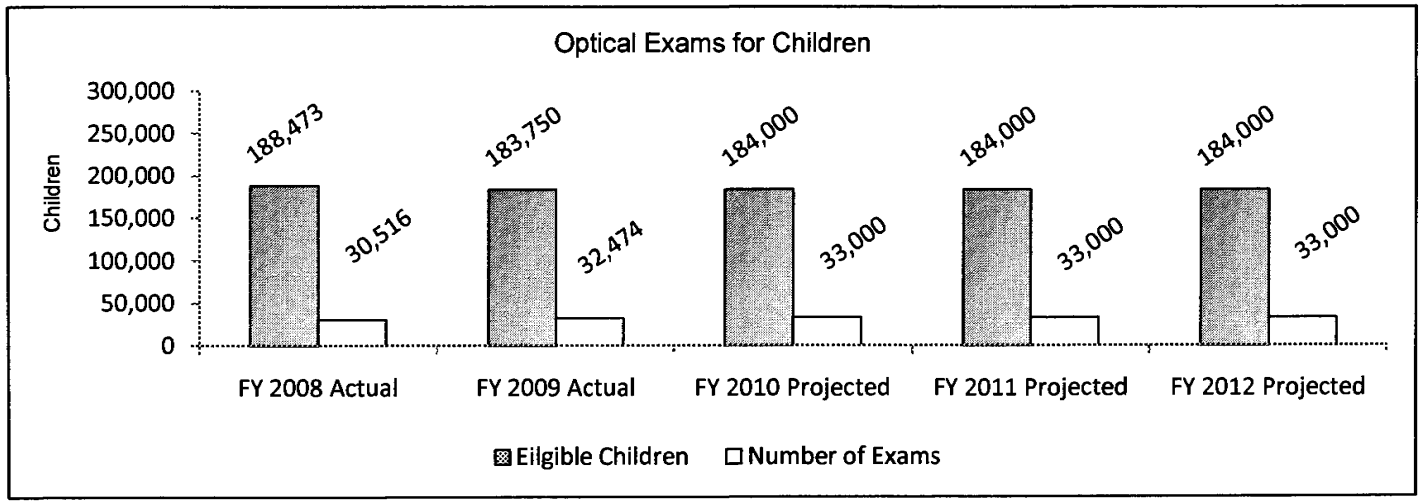
7a. Provide an effectiveness measure.

Effectiveness Measure 1: Increase utilization in the Chronic Care Improvement Program (CCIP) which provides MO HealthNet participants with chronic conditions (asthma, diabetes, CAD, CHF, COPD, GERD and sickle cell anemia) additional support through health coaches and outreach. In state fiscal year 2009, there were 150 MO HealthNet participants in the CCIP program. Initial results for participants show reductions in hospital admissions and emergency room visits of 36% and 35% respectively between February 2007 and December 2008. In addition, participants showed improved clinical outcomes and compliance with medications. An independent study is underway to evaluate the impact of the program.



Effectiveness Measure 2: Provide optical exams to MO HealthNet eligibles. Children and adults who are pregnant, blind, or in a nursing facility are eligible for an eye exam every twelve months. All other adults are eligible for one eye exam every twenty-four months. In state fiscal year 2009, over 24,000 optical examinations were provided to the population of 265,435 eligible adults, and over 32,000 optical examinations were provided to the population of 183,750 eligible children.

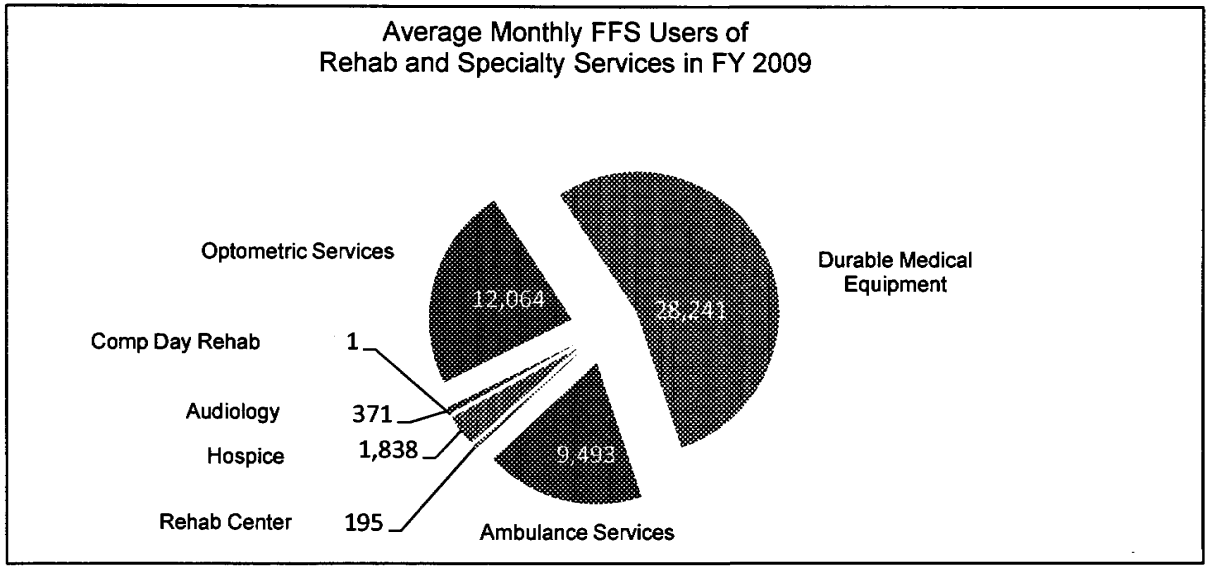


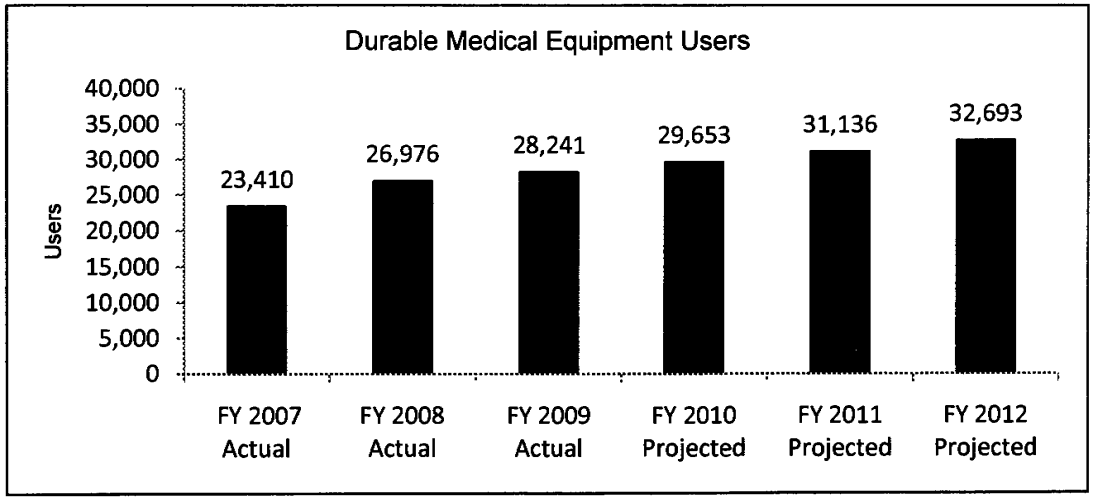


7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

In regions of the state with access to MO HealthNet Managed Care, rehab and specialty services are available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.





7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 10

Department: Social Services
Division: MO HealthNet
DI Name: Hospice Rate Increase

Budget Unit: 90550C

DI#: 1886007

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	77,808	142,813		220,621
TRF				
Total	77,808	142,813		220,621
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	79,831	140,790		220,621
TRF				
Total	79,831	140,790		220,621
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Inflation		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to apply the annual hospice rate increase as established by Medicare.

The MO HealthNet hospice rates are calculated based on the annual hospice rates established under Medicare, Section 1814(j)(1)(ii). The Act provides for an annual increase in payment rates for hospice care services.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of the hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages.

An increase of 1.63% is requested. This is the actual increase for FY 10. An increase of 2.5% was applied to actual FY09 units to arrive at the FY 11 projected units of service. The projected units of service was mutiplied by the projected increase in rates to arrive at the total need.

Hospice rates are adjusted in October which is the beginning of the federal fiscal year and is three months into the state's fiscal year. This request includes the three months of FFY 10 that fall within SFY 11 - estimated impact of $94,949. The twelve-months estimated increase for the FY 11 rate adjustment is $167,562. This total is then multiplied by 9/12 to arrive at the SFY 11 impact of $125,672. The total request for SFY 11 is $220,621 (3 months totaling $94,949 plus 9 months totaling $125,672).

	Total	GR	Federal	
July 2010 through Sept. 2010 Increase	94,949	33,697	61,252	FMAP 64.51% Quarter 1 (July through September)
Oct. 2010 through June 2011 Increase	125,672	44,111	81,561	FMAP 64.90% Quarters 2-4 (October through June)
Total	$220,621	$77,808	$142,813	

Governor's Recommendation:

	Total	GR	Federal	
July 2010 through Sept. 2010 Increase	94,949	33,697	61,252	FMAP 64.51% Quarter 1 (July through September)
Oct. 2010 through June 2011 Increase	125,672	46,134	79,538	FMAP 63.29% Quarters 2-4 (October through June)
Total	$220,621	$79,831	$140,790	

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	77,808		142,813		0		220,621		
Total PSD	**77,808**		**142,813**		**0**		**220,621**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**77,808**	**0.0**	**142,813**	**0.0**	**0**	**0.0**	**220,621**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	79,831		140,790				220,621		
Total PSD	**79,831**		**140,790**		**0**		**220,621**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**79,831**	**0.0**	**140,790**	**0.0**	**0**	**0.0**	**220,621**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly Hospice Users		
SFY	Actual	Projected
2007	1,518	
2008	1,795	
2009	1,838	1,992
2010		1,893
2011		1,950
2012		2,009

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Hospice Rate Increase - 1886007								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	220,621	0.00	220,621	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**220,621**	**0.00**	**220,621**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$220,621**	**0.00**	**$220,621**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$77,808**	**0.00**	**$79,831**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$142,813**	**0.00**	**$140,790**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: Ambulance Reimbursement Methodology Change

Budget Unit: 90550C

DI#: 1886037

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD		1,844,213	1,072,605	2,916,818
TRF				
Total		**1,844,213**	**1,072,605**	**2,916,818**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Ambulance Service Reimbursement Allowance (0958)

2. THIS REQUEST CAN BE CATEGORIZED AS:

X	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other: Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI Synopsis: Funding is needed to fulfill the requirements of SB 307 which changed the reimbursement methodology for ambulance services.

Section 1 of SB 307 (FY 2009) requires reimbursement for ambulance services provided under Chapter 208, RSMo, to be made based on mileage calculations from the point of pick-up to the destination.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Emergency medical transportation is provided under the ambulance program. Currently, ground ambulance providers are reimbursed for a base code that includes transportation; ancillary services and supplies; the first five miles from the point of pick-up to the destination; and an additional per mile reimbursement for every mile over five miles. Air ambulance providers are reimbursed for a base code that includes transportation; ancillary services and supplies; the first fifty miles from the point of pick-up to the destination; and a per mile reimbursement for every mile over fifty miles.

SB 307 requires that providers be reimbursed for all miles from the point of pick-up to the destination. Therefore, the cost calculation is based on the number of trips multiplied by the number of miles that were previously included in the base code. The number of trips used in the calculation is based on FY09 utilization.

	# Trips	# Miles	Cost/Mile	Annual Cost
Ground	146,761	5	$3.50	2,568,318
Air	2,788	50	$2.50	348,500
Total				$2,916,818

	Total	Federal	Other
Rehab and Specialty	2,869,857	1,825,086	1,044,771
State Medical	21,293	0	21,293
CHIP	25,668	19,127	6,541
Total	$2,916,818	$1,844,213	$1,072,605

Other funds is Ambulance Service Reimbursement Allowance

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions			1,844,213		1,072,605		2,916,818		
Total PSD	0		**1,844,213**		**1,072,605**		**2,916,818**		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	**1,844,213**	0.0	**1,072,605**	0.0	**2,916,818**	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

MO HealthNet will track utilization for improvements in access to care by monitoring the number of providers enrolled in the MO HealthNet program.

6c. Provide the number of clients/individuals served, if applicable.

Average Monthly Number of Users of Ambulance Services		
SFY	Actual	Projected
2007	8,335	
2008	8,320	
2009	9,493	8,337
2010		8,355
2011		8,373

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Ambulance Reimb Methodology Ch - 1886037								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	2,916,818	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**2,916,818**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,916,818**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,844,213**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,072,605**	**0.00**

NEMT

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NON-EMERGENCY TRANSPORT								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	11,041,222	0.00	11,400,003	0.00	11,258,446	0.00	10,964,553	0.00
TITLE XIX-FEDERAL AND OTHER	22,956,453	0.00	27,044,319	0.00	27,044,319	0.00	24,034,696	0.00
TOTAL - PD	33,997,675	0.00	38,444,322	0.00	38,302,765	0.00	34,999,249	0.00
TOTAL	**33,997,675**	**0.00**	**38,444,322**	**0.00**	**38,302,765**	**0.00**	**34,999,249**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	247,907	0.00	256,393	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	456,374	0.00	447,888	0.00
TOTAL - PD	0	0.00	0	0.00	704,281	0.00	704,281	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**704,281**	**0.00**	**704,281**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	243,853	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	141,557	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	141,557	0.00	243,853	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**141,557**	**0.00**	**243,853**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	17,089	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	29,853	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	46,942	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**46,942**	**0.00**
GRAND TOTAL	**$33,997,675**	**0.00**	**$38,444,322**	**0.00**	**$39,148,603**	**0.00**	**$35,994,325**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	11,258,446	27,044,319		38,302,765
TRF				
Total	11,258,446	27,044,319		38,302,765
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	10,964,553	24,034,696		34,999,249
TRF				
Total	10,964,553	24,034,696		34,999,249
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

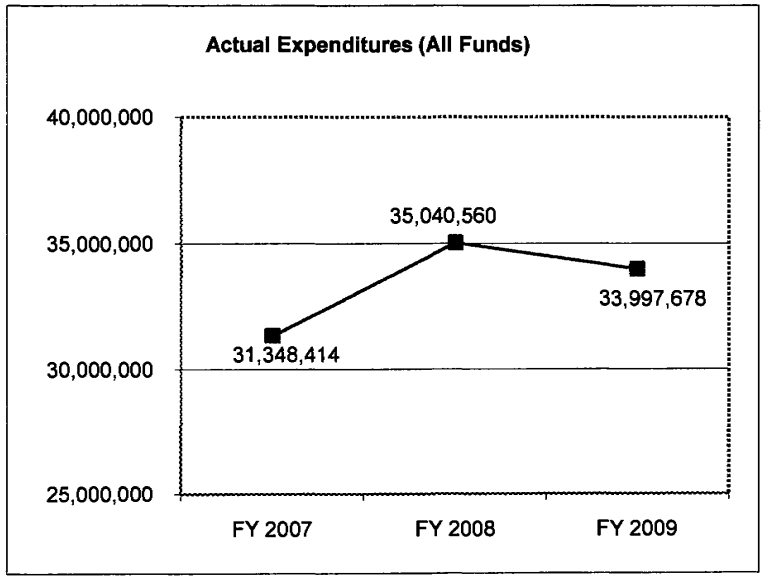
This core request is to provide funding for payments for non-emergency medical transportation.

3. PROGRAM LISTING (list programs included in this core funding)

Non-Emergency Medical Transportation (NEMT)

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	35,512,557	38,260,439	40,707,690	38,444,322
Less Reverted (All Funds)	0	0	(1,490,144)	N/A
Budget Authority (All Funds)	35,512,557	38,260,439	39,217,546	N/A
Actual Expenditures (All Funds)	31,348,414	35,040,560	33,997,678	N/A
Unexpended (All Funds)	4,164,143	3,219,879	5,219,868	N/A
Unexpended, by Fund:				
General Revenue	729,911	747,111	140,242	N/A
Federal	3,434,232	2,472,768	5,079,629	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
NON-EMERGENCY TRANSPORT

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	11,400,003	27,044,319	0	38,444,322	
		Total	**0.00**	**11,400,003**	**27,044,319**	**0**	**38,444,322**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	978 5928	PD	0.00	(141,557)	0	0	(141,557)	FMAP adjustment.
NET DEPARTMENT CHANGES			**0.00**	**(141,557)**	**0**	**0**	**(141,557)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	11,258,446	27,044,319	0	38,302,765	
		Total	**0.00**	**11,258,446**	**27,044,319**	**0**	**38,302,765**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	978	PD	0.00	141,557	(243,853)	0	(102,296)	FMAP adjustment.
Core Reduction	1886	PD	0.00	(430,919)	(2,757,855)	0	(3,188,774)	Core reduction of FY10 projected lapse
Core Reduction	2027	PD	0.00	(4,531)	(7,915)	0	(12,446)	Medicare eligibles
NET GOVERNOR CHANGES			**0.00**	**(293,893)**	**(3,009,623)**	**0**	**(3,303,516)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	10,964,553	24,034,696	0	34,999,249	
		Total	**0.00**	**10,964,553**	**24,034,696**	**0**	**34,999,249**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NON-EMERGENCY TRANSPORT								
CORE								
PROGRAM DISTRIBUTIONS	33,997,675	0.00	38,444,322	0.00	38,302,765	0.00	34,999,249	0.00
TOTAL - PD	33,997,675	0.00	38,444,322	0.00	38,302,765	0.00	34,999,249	0.00
GRAND TOTAL	$33,997,675	0.00	$38,444,322	0.00	$38,302,765	0.00	$34,999,249	0.00
GENERAL REVENUE	$11,041,222	0.00	$11,400,003	0.00	$11,258,446	0.00	$10,964,553	0.00
FEDERAL FUNDS	$22,956,453	0.00	$27,044,319	0.00	$27,044,319	0.00	$24,034,696	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Non-Emergency Medical Transportation (NEMT)
Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

1. What does this program do?

PROGRAM SYNOPSIS: Provides payments for non-emergency medical transportation (NEMT) for MO HealthNet participants who do not have access to free transportation to scheduled MO HealthNet covered services.

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants who do not have access to free appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. As of November 2005, the service is provided as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on which of the four regions of the state in which the participant resides.

Missouri's program utilizes and builds on the existing transportation networks in the state. Managed Care providers are required to include NEMT in their benefit package.

Where appropriate and possible, the MO HealthNet Division enters into cooperative agreements to provide matching MO HealthNet funds for state and local general revenue already being used to transport MO HealthNet participants to medical services. Participants are required to use public entity transportation when available. When they do so, the payments are made by public entities on a per trip basis. By working with existing governmental entities and established transportation providers, NEMT is provided in a cost-effective manner and governmental agencies are able to meet the needs of their constituency.

The MO HealthNet Division works with the following state agencies to provide federal matching funds for general revenue used for NEMT services: the Children's Division for children in state care and custody, DHSS Division of Senior Services, the Area Agencies on Aging (AAA), the Department of Mental Health, and school districts.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, Federal regulation: 42 CFR 431.53 and 440.170

3. Are there federal matching requirements? If yes, please explain.

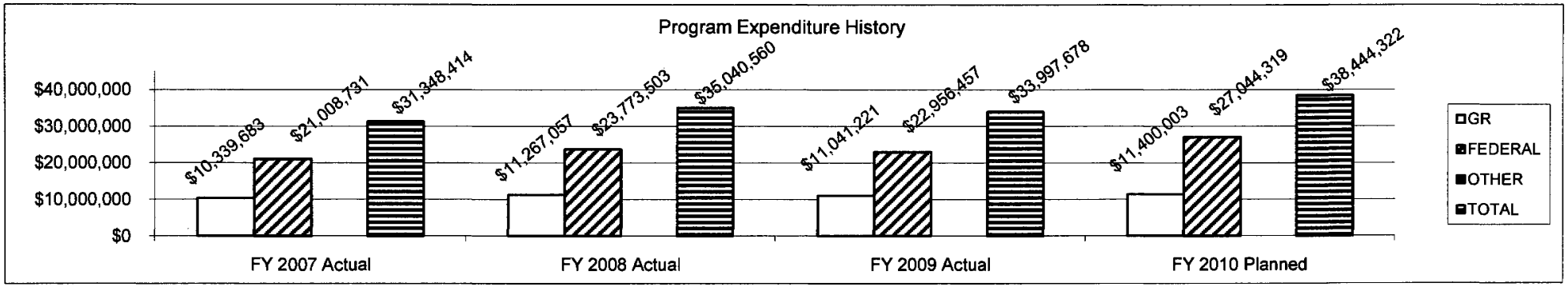
NEMT services receive a federal medical assistance percentage (FMAP) on program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

Services provided through public entities use state and local general revenue to transport MO HealthNet participants. MO HealthNet provides payment of the federal share for these services. These expenditures earn a 50% federal match.

4. Is this a federally mandated program? If yes, please explain.

Yes, state Medicaid programs must assure availability of medically necessary transportation.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

Effectiveness Measure: Provide non-emergency medical transportation to MO HealthNet participants to increase access to health care. There were 81,258 NEMT trips per month provided through the contractor in SFY 2009.

Average Number of Trips (per month)	
SFY	Trips
2007	70,745
2008	75,024
2009	81,258
2010	82,883
2011	84,541
2012	86,232

7b. Provide an efficiency measure.

Efficiency Measure: The federal government requires that MO HealthNet contract for services at rates that are actuarially sound. MO HealthNet paid a total of $34,097,677 in SFY 2009 for NEMT services.

NEMT Payments			
Provider	SFY07	SFY08	SFY09
Private Contractor	$26,985,709	$29,834,820	$29,841,994
Public Entities (federal only)	$4,362,701	$ 5,205,740	$ 4,155,684
TOTAL	$31,348,410	$35,040,560	$33,997,678

7c. Provide the number of clients/individuals served, if applicable.

Non-emergency medical transportation is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but they are not counted in Table 1.

Public entities have interagency agreements with the MO HealthNet Division to provide access to transportation services for a specific group of participants, such as dialysis patients, persons with disabilities, or the elderly. Public entities use state and local dollars to draw down the federal matching funds.

Table 2 provides the number of public entity trips provided. The SFY 2009 number of trips is projected due to timing of reported information.

Average Monthly Fee for Service NEMT Participants - Table 1		
SFY	Actual	Projected
2007	440,695	
2008	459,347	
2009	441,030	
2010		449,851
2011		458,848
2012		468,025

Number of Public Entity Trips - Table 2		
SFY	Actual	Projected
2007	440,695	
2008	459,347	
2009		445,050
2010		449,851
2011		458,848
2012		468,025

7d. Provide a customer satisfaction measure, if available.

*MHD began collecting these data in August, 2006 therefore the SFY 2007 figures are based on 11 months.

	NEMT Complaint to Trip Ratio (Contractor Trips)					
	Actual			Projection		
	*SFY 2007	SFY 2008	SFY 2009	SFY 2010	SFY 2011	SFY 2012
Trips	848,945	900,287	918,293	936,659	955,392	974,500
Complaints	6,804	7,693	7,847	8,004	8,164	8,327
% Complaints	<1%	<1%	<1%	<1%	<1%	<1%

MANAGED CARE

Budget Unit / Decision Item / Budget Object Summary / Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	237,315,554	0.00	247,514,485	0.00	236,729,890	0.00	236,164,704	0.00
TITLE XIX-FEDERAL AND OTHER	701,690,242	0.00	687,099,528	0.00	672,241,351	0.00	656,864,927	0.00
FEDERAL REIMBURSMENT ALLOWANCE	109,022,419	0.00	93,533,441	0.00	93,533,441	0.00	93,533,441	0.00
MO HEALTHNET MANAGED CARE ORG	49,612,625	0.00	11,478,156	0.00	1	0.00	1	0.00
HEALTH INITIATIVES	8,055,080	0.00	8,055,080	0.00	8,055,080	0.00	8,055,080	0.00
HEALTHY FAMILIES TRUST	4,447,110	0.00	4,447,110	0.00	4,447,110	0.00	4,447,110	0.00
TOTAL - PD	1,110,143,030	0.00	1,052,127,800	0.00	1,015,006,873	0.00	999,065,263	0.00
TOTAL	**1,110,143,030**	**0.00**	**1,052,127,800**	**0.00**	**1,015,006,873**	**0.00**	**999,065,263**	**0.00**
Replace Mg Care Prov Tax GR Re - 1886004								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	7,272,544	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	0	0.00	0	0.00	0	0.00	7,272,544	0.00
TOTAL - PD	0	0.00	0	0.00	7,272,544	0.00	7,272,544	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**7,272,544**	**0.00**	**7,272,544**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	15,246,084	0.00	15,768,003	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	28,066,655	0.00	27,544,736	0.00
TOTAL - PD	0	0.00	0	0.00	43,312,739	0.00	43,312,739	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**43,312,739**	**0.00**	**43,312,739**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	9,689,619	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,713,486	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,713,486	0.00	9,689,619	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**2,713,486**	**0.00**	**9,689,619**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	989,236	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,821,094	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,810,330	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**2,810,330**	**0.00**	**0**	**0.00**
Aud Rate Inc SB 577 (2007) Req - 1886016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	22,600	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	41,604	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	64,204	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**64,204**	**0.00**	**0**	**0.00**
Dental Rate Inc SB 577 (2007) - 1886017								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,968,661	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,624,127	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	5,592,788	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**5,592,788**	**0.00**	**0**	**0.00**
DME Rate Inc SB 577 (2007) Req - 1886018								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	162,268	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	298,722	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	460,990	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**460,990**	**0.00**	**0**	**0.00**
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	329,528	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	606,631	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	936,159	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**936,159**	**0.00**	**0**	**0.00**
Therapies Rate Inc SB 577 2007 - 1886020								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	73,636	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	135,556	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	209,192	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**209,192**	**0.00**	**0**	**0.00**
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	5,745,238	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	10,576,460	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	16,321,698	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**16,321,698**	**0.00**	**0**	**0.00**
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	18,744,897	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	32,745,000	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	51,489,897	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**51,489,897**	**0.00**
GRAND TOTAL	**$1,110,143,030**	**0.00**	**$1,052,127,800**	**0.00**	**$1,094,701,003**	**0.00**	**$1,110,830,062**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Managed Care

Budget Unit: 90551C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD	236,729,890	672,241,351	106,035,632	1,015,006,873	E
TRF					
Total	236,729,890	672,241,351	106,035,632	1,015,006,873	E
FTE				0.00	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: MO HealthNet Managed Care Organization Reimb Allow Fund (0160)
Health Initiatives Fund (HIF) (0275)
Federal Reimbursement Allowance Fund (FRA) (0142)
Healthy Families Trust Fund (0625)

Note: An "E" is requested for $1 Managed Care Organization Reimbursement Allowance Fund.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD	236,164,704	656,864,927	106,035,632	999,065,263	E
TRF					
Total	236,164,704	656,864,927	106,035,632	999,065,263	E
FTE				0.00	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: MO HealthNet Managed Care Organization Reimb Allow Fund (0160)
Health Initiatives Fund (HIF) (0275)
Federal Reimbursement Allowance Fund (FRA) (0142)
Healthy Families Trust Fund (0625)

Note: An "E" is requested for $1 Managed Care Organization Reimbursement Allowance Fund.

2. CORE DESCRIPTION

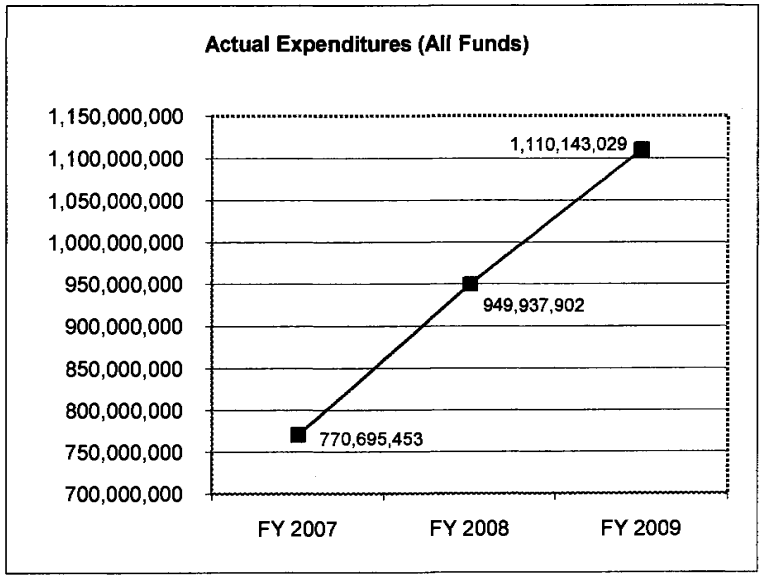
This core request is for the continued funding of the Managed Care program to provide health care services to the MO HealthNet managed care population.

3. PROGRAM LISTING (list programs included in this core funding)

Managed Care

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.	
Appropriation (All Funds)	911,897,488	999,330,249	1,116,494,035	1,052,127,800	E
Less Reverted (All Funds)	(271,652)	0	(6,308,415)	N/A	
Budget Authority (All Funds)	911,625,836	999,330,249	1,110,185,620	N/A	
Actual Expenditures (All Funds)	770,695,453	949,937,902	1,110,143,029	N/A	
Unexpended (All Funds)	140,930,383	49,392,347	42,591	N/A	
Unexpended, by Fund:					
General Revenue	0	0	0	N/A	
Federal	94,185,318	35,392,347	0	N/A	
Other	46,745,065	14,000,000	42,591	N/A	
		(1)			



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for the Managed Care Organization Reimbursement Allowance fund appropriation.

(1) Agency reserve of $10,000,000 in FRA.

DEPARTMENT OF SOCIAL SERVICES
MANAGED CARE

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			PD	0.00	247,514,485	687,099,528	117,513,787	1,052,127,800	
			Total	**0.00**	**247,514,485**	**687,099,528**	**117,513,787**	**1,052,127,800**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reduction	979	1783	PD	0.00	(2,713,486)	0	0	(2,713,486)	FMAP adjustment.
Core Reduction	1075	0803	PD	0.00	0	0	(11,478,155)	(11,478,155)	Core cut Managed Care FRA as Missouri's tax is no longer allowable under federal law. Corresponding GR NDI for the profit from the tax used to fund core Managed Care payments.
Core Reallocation	1376	1783	PD	0.00	(8,071,109)	0	0	(8,071,109)	Transfer to Pharmacy section for 3 months of Managed Care pharmacy carve out
Core Reallocation	1376	1784	PD	0.00	0	(14,858,177)	0	(14,858,177)	Transfer to Pharmacy section for 3 months of Managed Care pharmacy carve out
NET DEPARTMENT CHANGES				**0.00**	**(10,784,595)**	**(14,858,177)**	**(11,478,155)**	**(37,120,927)**	
DEPARTMENT CORE REQUEST									
			PD	0.00	236,729,890	672,241,351	106,035,632	1,015,006,873	
			Total	**0.00**	**236,729,890**	**672,241,351**	**106,035,632**	**1,015,006,873**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS									
Core Reduction	979		PD	0.00	2,713,486	(9,689,619)	0	(6,976,133)	FMAP adjustment.
Core Reduction	2029		PD	0.00	(278,672)	(486,805)	0	(765,477)	Medicare eligibles
Core Reduction	2335		PD	0.00	(3,000,000)	(5,200,000)	0	(8,200,000)	Out-of-network payments to hospitals
NET GOVERNOR CHANGES				**0.00**	**(565,186)**	**(15,376,424)**	**0**	**(15,941,610)**	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
MANAGED CARE

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	236,164,704	656,864,927	106,035,632	999,065,263	
	Total	**0.00**	**236,164,704**	**656,864,927**	**106,035,632**	**999,065,263**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MANAGED CARE								
CORE								
PROGRAM DISTRIBUTIONS	1,110,143,030	0.00	1,052,127,800	0.00	1,015,006,873	0.00	999,065,263	0.00
TOTAL - PD	**1,110,143,030**	**0.00**	**1,052,127,800**	**0.00**	**1,015,006,873**	**0.00**	**999,065,263**	**0.00**
GRAND TOTAL	**$1,110,143,030**	**0.00**	**$1,052,127,800**	**0.00**	**$1,015,006,873**	**0.00**	**$999,065,263**	**0.00**
GENERAL REVENUE	**$237,315,554**	**0.00**	**$247,514,485**	**0.00**	**$236,729,890**	**0.00**	**$236,164,704**	**0.00**
FEDERAL FUNDS	**$701,690,242**	**0.00**	**$687,099,528**	**0.00**	**$672,241,351**	**0.00**	**$656,864,927**	**0.00**
OTHER FUNDS	**$171,137,234**	**0.00**	**$117,513,787**	**0.00**	**$106,035,632**	**0.00**	**$106,035,632**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Managed Care
Program is found in the following core budget(s): Managed Care

1. What does this program do?

PROGRAM SYNOPSIS: Provides funding for capitation payments to managed care plans on behalf of MO HealthNet participants enrolled in managed care.

The MO HealthNet Division operates an HMO-style managed care program, MO HealthNet Managed Care. MO HealthNet Managed Care health plans contract with the state and are paid a monthly capitation payment for providing services for each enrollee. Participation in MO HealthNet Managed Care is mandatory for certain MO HealthNet eligibility groups within the regions in operation. The mandatory groups are: MO HealthNet for Families-Adults and Children, MO HealthNet for Children, Refugees, MO HealthNet for Pregnant Women, Children in State Care and Custody, and Children's Health Insurance Program (CHIP). Those participants who receive Supplemental Security Income (SSI), meet the SSI medical disability definition, or get adoption subsidy benefits may stay in MO HealthNet Managed Care or may choose to receive services on a fee-for-service basis. The MO HealthNet Managed Care program has been operating in the Eastern Region since September 1, 1995, in the Central Region since March 1, 1996, and in the Western Region since January 1, 1997. Effective January 1, 2008 the state introduced the MO HealthNet Managed Care program in seventeen counties contiguous to the existing three MO HealthNet Managed Care regions.

The MO HealthNet Managed Care program is subject to an approved federal 1915(b) waiver and an approved CHIP State Plan Amendment. These include a cost projection and a budget neutrality projection. An independent evaluation of the MO HealthNet Managed Care program is required with respect to access to care and quality of services that must be submitted to the Centers for Medicare and Medicaid Services. At the end of the waiver period or at prescribed intervals within the waiver period, the state must demonstrate that their waiver cost projections and budget neutrality projections are reasonable and consistent with statute, regulation and guidance.

Objectives of the MO HealthNet Managed Care program include cost effectiveness, quality of care, contract compliance, and member satisfaction.

Services: In MO HealthNet Managed Care most enrollees receive all the services that the fee-for-service program offers. Examples of services included in the capitation payment paid to health plans are: hospital, physician, emergency medical services, EPSDT services, family planning services, dental, optical, audiology, personal care, adult day health care and mental health services. Certain services are provided on a fee-for-service basis outside of the capitation payment such as transplants, and physical, occupational and speech therapy for children if included in an Individual Education Plan or Individualized Family Service Plan. Department of Health and Senior Services testing services (tests on newborns), certain mental health services, including ICF/MR, community psychiatric rehabilitation services, CSTAR services, and mental health services for children in care and custody are also offered on a fee-for-service basis. Pharmacy services for MO HealthNet Managed Care enrollees are provided on a fee-for-service basis outside of the capitation payment.

Improvements Over Fee-For-Service: MO HealthNet Managed Care gives MO HealthNet participants a number of advantages over traditional fee-for-service MO HealthNet. Each MO HealthNet Managed Care participant chooses a MO HealthNet Managed Care health plan and a primary care provider from within the network of the health plan. Managed Care participants are guaranteed access to primary care and other services, as needed.

MO HealthNet Managed Care health plans must ensure that routine exams are scheduled within thirty days, urgent care within twenty-four hours, and emergency services must be available at all times. MO HealthNet Managed Care health plans must ensure that children receive all EPSDT exams (complete physicals on a regular schedule), are fully immunized, and receive any medically necessary services. MO HealthNet Managed Care health plans are required to provide case management to ensure that enrollee services, especially children's and pregnant women's are properly coordinated.

MO HealthNet Managed Care provides the means to control costs, but more importantly provides the means to ensure access, manage and coordinate benefits, and monitor quality of care and outcomes.

Quality Assessment: The purpose of quality assessment is to assess the quality of services in the MO HealthNet Managed Care program. Quality assessment utilizes a variety of methods and tools to measure outcomes of services provided. The goal is to monitor health care services provided to MO HealthNet Managed Care members by the MO HealthNet Managed Care health plans, and comply with federal, state and contract requirements. The MO HealthNet Managed Care health plans must meet program standards for quality improvement, systems, member services, provider services, record keeping, organizational structure, adequacy of personnel, access standards, and data reporting as outlined in the MO HealthNet Managed Care contracts. Quality assessment measures are taken from HEDIS (Health Plan Employer and Data Information Set) and other internally developed measurements. HEDIS is a strong public/private effort that includes a standardized set of measures to assess and encourage the continual improvement in the quality of health care. Specifically, Medicaid HEDIS includes additional quality and access measures which respond more directly to needs of women and children who make up the majority of MO HealthNet Managed Care participants. HEDIS is intended to be used collaboratively by the state agency and the MO HealthNet Managed Care health plans to:

- Provide the state agency with information on the performance of the contracted MO HealthNet Managed Care health plans;
- Assist health plans in quality improvement efforts;
- Support emerging efforts to inform MO HealthNet clients about managed care plan performance;
- Promote standardization of health plan reporting across the public and private sectors.

An annual report is provided with significant outcomes measured including the following:

- Member complaints and grievances including actions taken and reasons for members changing MO HealthNet Managed Care health plans;
- Utilization review including inpatient/outpatient visits for both physical and mental health;
- Outcome indicators such as diabetes, asthma, low birth weight and mortality;
- EPSDT activities (children's health services) such as the number of well child visits provided;
- Prenatal activities and services provided.

Contract Compliance: Along with quality assessment, monitoring MO HealthNet Managed Care health plan compliance to contractual requirements is a primary method to measure whether the goals of managed care are being met. Contractual compliance monitoring begins with the issuance of the Request for Proposal (RFP) and continues throughout the contract. Contract compliance is measured through a variety of methods. The MO HealthNet Division (MHD) has a relationship with the Missouri Department of Insurance, Financial Institutions and Professional Registration to analyze MO HealthNet Managed Care health plan provider networks in accordance with 20 CSR 400-7.095 to ensure that the network is adequate to meet the needs of enrollees.

Member Satisfaction: Member satisfaction with the MO HealthNet Managed Care health plans is another method for measuring success of the MO HealthNet Managed Care program. An initial measurement is how many members actually choose their MO HealthNet Managed Care health plan versus the MHD assigning them to MO HealthNet Managed Care health plans. MO HealthNet Managed Care has a high voluntary choice percentage. Since the inception of the MO HealthNet Managed Care program, approximately 10% of enrollees are randomly assigned. Reporting has been developed to continuously monitor how many participants initially choose their MO HealthNet Managed Care health plans as well as which health plans are chosen. Other reporting monitors participants' transfer requests among MO HealthNet Managed Care health plans to identify health plans that have particular problems keeping their participants. The MHD also

looks at the number of calls coming into our participant and provider hot lines to assess problem areas with health plans. MO HealthNet Managed Care health plans submit enrollee satisfaction data to the Department of Health and Senior Services in accordance with 19 CSR 10-5.010.

Managed Care Provider Tax: The 93rd Missouri General Assembly, 2005, passed legislation establishing a MO HealthNet managed care organization reimbursement allowance to be paid by all MO HealthNet managed care organizations for the privilege of engaging in the business of providing health benefit services in Missouri. The tax is based on MO HealthNet total revenues. The tax may be withheld from each managed care organization's capitation payment through an offset or the managed care organization may send a check or money order. The provider tax took effect on July 1, 2005, and will expire September 30, 2009.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.166; Federal law: Social Security Act Sections 1902(a)(4), 1903(m), 1915(b), 1932; Federal Regulations: 42 CFR 438 and 412.106.

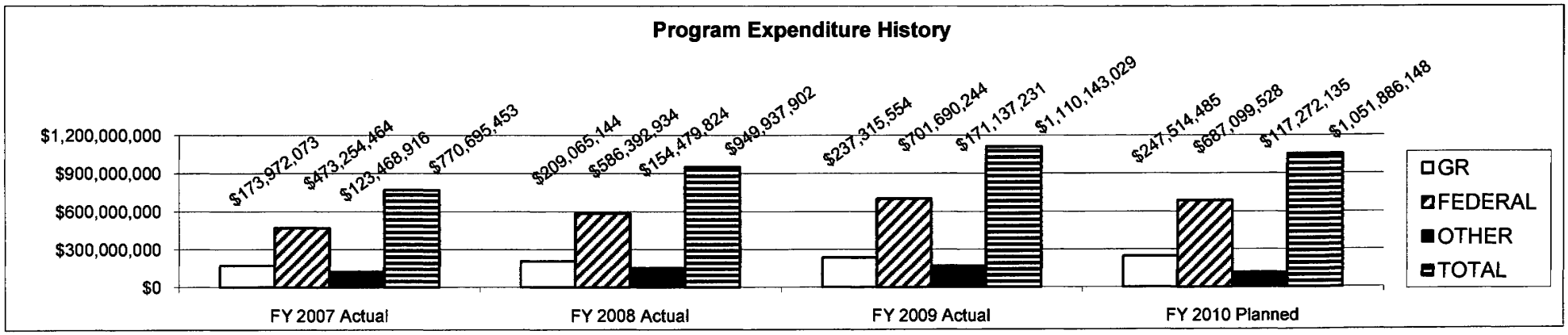
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

MO HealthNet Managed Care covers most services available to fee-for-service participants. As such, both mandatory and non-mandatory services are included. Services not included in MO HealthNet Managed Care are available on a fee-for-service basis.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reverted: $241,652 Other Funds

6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Medicaid Managed Care Organization Reimbursement Allowance Fund (0160) and Healthy Families Trust (0625).

7a. Provide an effectiveness measure.

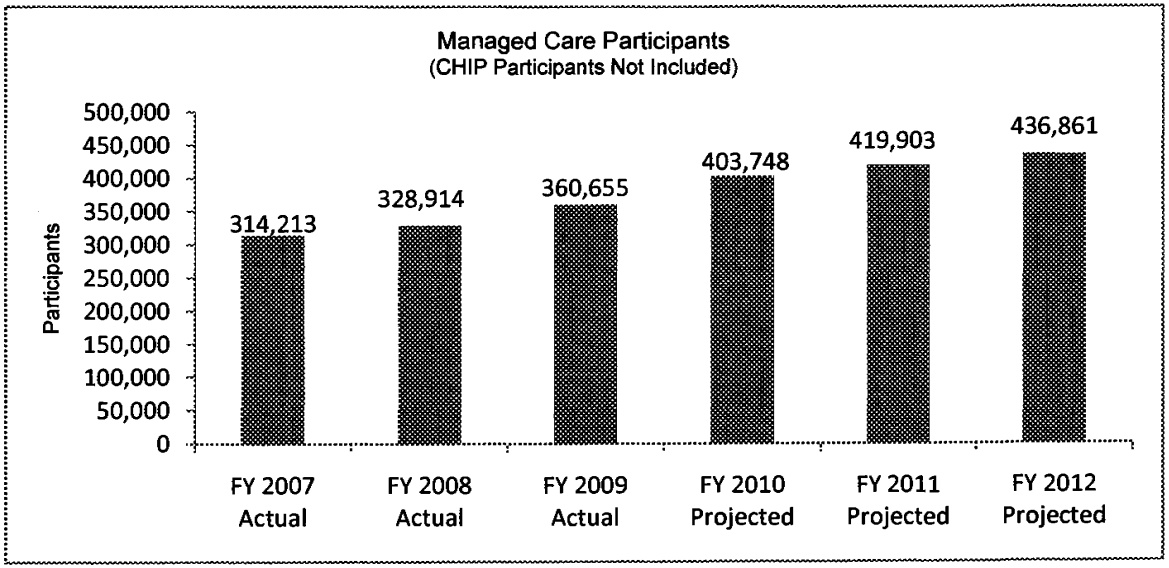
See Attachment A--"Since Managed Care Began"

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Participation in MO HealthNet Managed Care for those areas of the state where it is available is mandatory for these eligibility categories:

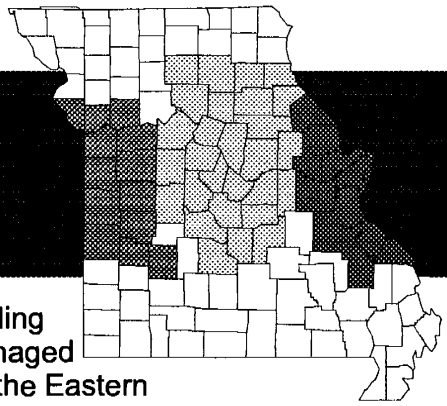
* MO HealthNet for Families;
* MO HealthNet for Kids;
* Refugees;
* MO HealthNet for Pregnant Women;
* Children in state care and custody;
* CHIP.



7d. Provide a customer satisfaction measure, if available.

See Attachment B--"2006 Consumer's Guide MC+ Managed Care in Missouri".

MO HealthNet Managed Care



- Western Region
- Central Region
- Eastern Region
- Fee for Service

In 1995 Missouri began providing MO HealthNet (Medicaid) managed health care. It was started in the Eastern Region and now stretches through a corridor encompassing counties in central and western Missouri. During the course of its 13-year existence, managed health care has bettered the lives of its young participants.

Since MO HeathNet Managed Care Began . . .

Babies are healthier

Inadequate Prenatal Care	8.4%
First Trimester Prenatal Care	6.8%
Teen Mothers	4.5%
Repeat Teen Births	3.3%
Smoking During Pregnancy	1.6%
Short Intervals Between Pregnancies	0.1%
Fetal Deaths	9.5%

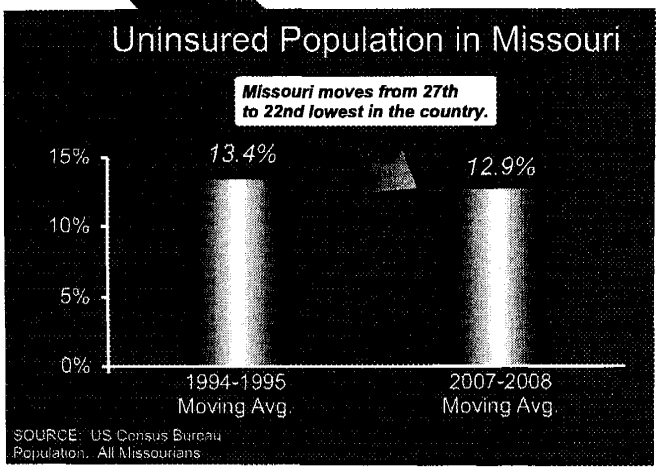
SOURCE: Department of Health & Senior Services*
Population: Managed Care

Children are healthier

Asthma Hospital Admissions	35.6%
Preventable Hospitalizations	31.6%
Asthma ER Visits	28.4%
ER Visits	11.1%

SOURCE: Department of Health & Senior Services*
Population: Medicaid Managed Care

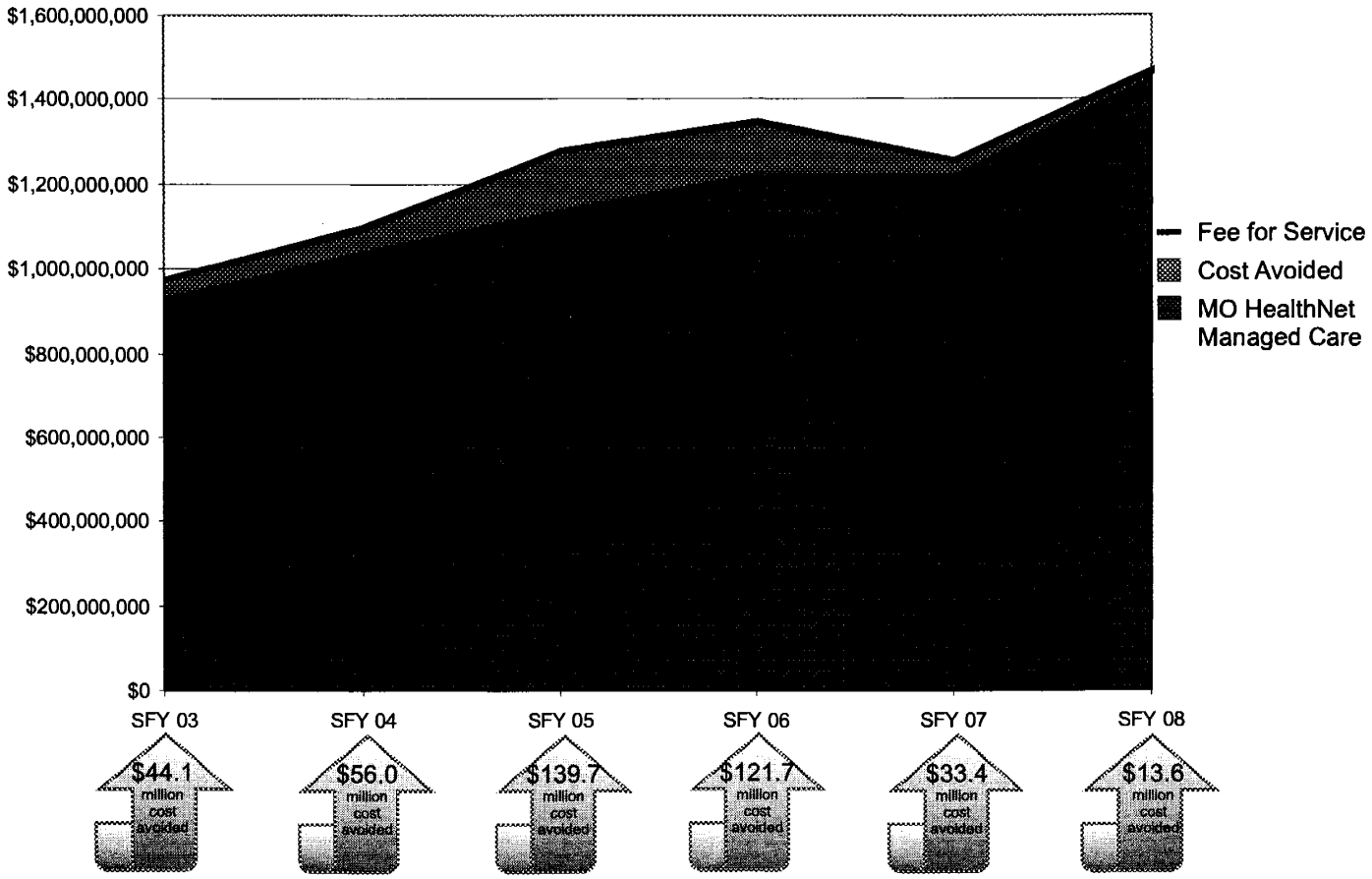
Number of uninsured decreased



*Comparison of calendar year 2006 rates to baseline data rates (1994 or 1995 depending on region)

Because health care for these participants was provided under managed care instead of fee for service, we estimate $13.6 million in costs were avoided in 2008.

Cost Avoidance Attributable to MO HealthNet Managed Care



MO HealthNet Managed Care Includes:
- Capitation Payments to MO HealthNet Health Plans
- Delivery Payments to MO HealthNet Health Plans
- Reinsurance Payments to MO HealthNet Health Plans
- Managed Care Carveouts paid Fee for Service
- Managed Care FQHC Interim Payments
- Managed Care RHC Interim Payments
- Cost Settlement Payments to Hospitals for Managed Care
- Direct Payments to Hospitals for Managed Care
- Outlier MO HealthNet claims
- Quarterly GME payments to Hospitals for Managed Care
- Enhanced GME payments to Hospitals for Managed Care

362

2006 Consumer's Guide Commercial Managed Care

MISSOURI DEPARTMENT OF HEALTH AND SENIOR SERVICES

dhss

ATTACHMENT B

3 of 3

Choosing a Managed Care Health Plan

Choosing a managed care plan can be complex and difficult. This 2006 Consumer's Guide helps you compare the quality of health care and member satisfaction among the commercial managed care plans in Missouri. Use this guide along with any coverage information your employer provides to help select the right plan for you or your family.

Follow these steps to assist you in choosing a health plan:

- Use the comparison indicators in this brochure only in combination. No one indicator is a sole direct measure of a health plan's performance.
- Talk to your doctor, family and friends about their experiences with different plans.
- Come up with your own questions and call your plan choices for answers using the phone numbers provided.
- Draw on all information to evaluate your managed care options. Make the choice that best suits your needs.

264

Table of Contents

What do Managed Care Plans Look Like . . . . . pg 3

Compares Statewide Market Share, National Accreditation, Administrative Expense Rating and Complaint Index Rating

Commercial Managed Care Plan Performance —

Compares Managed Care Plan's performances on specific topics

Topics —

Women's Health . . . . . **pg 4**

Children's Health . . . . . **pg 5**

Cardiovascular . . . . . **pg 6**

Diabetes and Depression . . . . . **pg 7**

Member Satisfaction . . . . . **pg 8**

Care Symbols Explained . . . . . **pg 9**

Telephone Numbers for Managed Care Plans . . . . pg 10

Websites for More Information . . . . . pg 11

What Do Managed Care Plans Look Like?

Plan Name	Statewide Market Share 2005	National Accreditation for 2005	Administrative Expense Rating† 2003-2005	Complaint Index Rating† 2003-2005
Aetna Health Inc	3.7%	NCQA/URAC	◒	●
Blue Advantage	6.2%	NCQA/URAC	◒	●
Blue Care Inc	9.2%	NCQA/URAC	●	●
BlueChoice	23.2%	NCQA	◒	◒
CIGNA HealthCare of St. Louis Inc	0.7%	NCQA	●	●
CIGNA of Kansas/Missouri	0.5%	NCQA	●	●
Community Health Plan	3.4%	none	◒	●
Coventry Health Care of Kansas Inc	12.6%	URAC	◒	○
Cox Health Plans Inc	1.1%	none	●	●
Group Health Plan	19.3%	URAC	●	○
HealthLink Inc	0.0%	URAC	●	●
Humana Health Plan Inc	3.7%	NCQA	◒	●
Mercy Health Plans of Missouri Inc-St. L	9.5%	none	●	○
UnitedHealthCare of the Midwest Inc	7.0%	JCAHO	◒	○

†This is a company-wide measure

● High ◒ Average ○ Low

Data Source: Missouri Department of Insurance

This shows the percentage of the State's managed care plan members who are enrolled with a specific plan. It provides an indication not only of plan size but also of the plan's ability to meet the varied health care needs of its members.

Missouri managed care plans may voluntarily seek and qualify for accreditation, indicating that they meet national quality standards from the following organizations: National Committee for Quality Assurance (NCQA), Utilization Review Accreditation Commission (URAC) and Joint Commission on Accreditation of Healthcare Organizations (JCAHO).

The measure which indicates efficiency is the percentage of total income used for administrative overhead. Plans with administrative expenses less than 10% are shown as high performance. Those at 15% or more are rated as low performers.

The complaint index looks at the number of consumer complaints the Department of Insurance received in the past three years relative to the amount of business that a company wrote in Missouri and compares this to the industry average. Plans at less than 50% of industry average are shown as ◒ or good performers; more than 100% of industry average is considered ○ or needing improvement.

Commercial Managed Care Plan Performance

Plan	Women's Health			
	Women's Cancer			
	Mammograms	Case Management Breast (B) Cervical (C)	At-Risk Educational Materials Breast (B) Cervical (C)	Chlamydia Screening for Women Ages 16-25
Aetna Health Inc	○	none	BC	◒
Blue-Advantage	●	BC	BC	◒
Blue-Care Inc	●	BC	BC	○
BlueChoice	◒	BC	BC	◒
CIGNA HealthCare of St. Louis Inc	◒	BC	BC	◒
CIGNA of Kansas/Missouri	○	BC	BC	◒
Community Health Plan	◒	BC	BC	●
Coventry Health Care of Kansas Inc	○	BC	BC	○
Cox Health Plans Inc	◒	BC	BC	◒
Group Health Plan	◒	BC	B	◒
HealthLink Inc	NA	BC	BC	NA
Humana Health Plan Inc	◒	BC	BC	●
Mercy Health Plans of Missouri Inc-St. L	◒	none	none	◒
Premier Health Plans-Springfield	●	BC	none	◒
UnitedHealthcare of the Midwest*	●	BC	BC	○
Statewide Averages	**71%**			**29%**

*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

This table compares health plans' performance on Women's Health Care to the statewide average, using the rating symbols below. The table also reports on which plans offer selected benefits and coverages.

Women (ages 52-69) in plan who had a mammogram in the past 2 years.

Women (ages 21-64) in plan who had one or more pap test within the past three years.

Plan offers case management for breast and/or cervical cancer. Note: Letter indicates the type of cancer for which services are offered.

Female plan members (ages 16-25) who are sexually active and had at least one test for chlamydia (an STD) during the past year.

Quality of Care Ratings

● – High

◒ – Average

○ – Low/Needs Improvement

NA – Numbers too small

NR – Not reported by plan

*Plan performance measures are compared to statewide averages

Case Management helps patients, providers and physicians coordinate the medical care needed for complex or chronic illnesses.

Commercial Managed Care Plan Performance

Plan	Children's Health			
	Childhood Immunization	Adolescent Immunizations	Immunization Reminder Letters	Asthma
Aetna Health Inc	◒	◒	yes	NA
Blue-Advantage	◒	NR	yes	◒
Blue-Care Inc	●	○	yes	◒
BlueChoice	◒	◒	yes	◒
CIGNA HealthCare of St. Louis Inc	●	●	yes	NA
CIGNA of Kansas/Missouri	◒	○	yes	◒
Community Health Plan	◒	◒	yes	NA
Coventry Health Care of Kansas Inc	◒	○	yes	◒
Cox Health Plans Inc	◒	◒	no	NA
Group Health Plan	◒	●	yes	◒
HealthLink Inc	NA	NA	no	NA
Humana Health Plan Inc	○	○	no	◒
Mercy Health Plans of Missouri Inc-St. L	○	○	yes	●
Premier Health Plans-Springfield	◒	●	yes	●
UnitedHealthcare of the Midwest*	◒	◒	yes	◒
Statewide Averages	**75%**	**36%**		**97%**

*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

This table compares health plans' performance on Children's Health to the statewide average, using the rating symbols below. The table also reports on which plans offer selected benefits and coverages.

Children in plan who turned 2 in the past year and received required vaccinations.

Adolescents in plan who turned 13 in the past year and recieved required vaccinations.

Plan sends members reminder letters for immunizations.

Child members (ages 5-9) who have persistent asthma and are being given appropriate medications for long term control of asthma.

Quality of Care Ratings

● – High

◒ – Average

○ – Low/Needs Improvement

NA – Numbers too small

NR – Not reported by plan

*Plan performance measures are compared to statewide averages.

367

Commercial Managed Care Plan Performance

Plan	Cardiovascular			
	Controlling High Blood Pressure	Stroke (S), Congestive Heart Failure (H), High Blood Pressure (B) Case Management	Cholesterol Management after Acute Cardiovascular Event Screening	Cholesterol Management after Acute Cardiovascular Event Control
Aetna Health Inc	◒	SH	◒	●
Blue-Advantage	◒	SH	○	○
Blue-Care Inc	◒	SH	◒	◒
BlueChoice	◒	SHB	◒	◒
CIGNA HealthCare of St. Louis Inc	◒	SH	◒	◒
CIGNA of Kansas/Missouri	◒	SH	◒	◒
Community Health Plan	◒	SHB	◒	●
Coventry Health Care of Kansas Inc	○	SHB	◒	◒
Cox Health Plans Inc	◒	SHB	NA	NA
Group Health Plan	●	SH	◒	◒
HealthLink Inc	NA	SHB	NA	NA
Humana Health Plan Inc	◒	SHB	○	○
Mercy Health Plans of Missouri Inc-St.L	◒	H	◒	◒
Premier Health Plans-Springfield	◒	SHB	●	◒
UnitedHealthcare of the Midwest*	◒	SHB	◒	◒
Statewide Averages	**66%**		**77%**	**63%**

*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

This table compares health plans' performance on Cardiovascular Health to the statewide average, using the rating symbols below. The table also reports on which plans offer selected benefits and coverages.

Quality of Care Ratings

- ● – High
- ◒ – Average
- ○ – Low/Needs Improvement
- NA – Numbers too small
- NR – Not reported by plan

*Plan performance measures are compared to statewide averages

Plan members (ages 45-85) who were considered hypertensive during the first six months of the measurement year and who achieved blood pressure control.

Plan offers case management services for stroke, congestive heart failure and high blood pressure.

Note: Letter indicates the conditions for which services are offered.

Plan members who received cholesterol management following an acute cardiovascular event such as heart attack or CABG.

Plan members who received cholesterol management following an acute cardiovascular event such as heart attack and whose LDL-C level was 100 mg/dl.

Screenings help to determine if a patient is at risk for a certain disease or health problem. Case Management helps patients, providers and physicians coordinate the medical care needed for complex or chronic illnesses.

Commercial Managed Care Plan Performance

Plan	Diabetes: Diabetic Retinal Eye Exam	Diabetes: Diabetic Blood Testing	Diabetes: Diabetic Kidney Screening	Depression: Antidepressant Medication Management
Aetna Health Inc	◒	◒	◒	◒
Blue Advantage	●	◒	◒	◒
Blue Care Inc	●	◒	◒	◒
BlueChoice	◒	◒	◒	◒
CIGNA HealthCare of St. Louis Inc	○	◒	○	◒
CIGNA of Kansas/Missouri	◒	◒	◒	◒
Community Health Plan	◒	◒	○	◒
Coventry Health Care of Kansas Inc	◒	◒	◒	◒
Cox Health Plans Inc	◒	◒	◒	NA
Group Health Plan	◒	◒	◒	◒
HealthLink Inc	NA	NA	NA	NA
Humana Health Plan Inc	○	◒	●	◒
Mercy Health Plans of Missouri Inc St. L	○	◒	○	◒
Premier Health Plans Springfield	◒	◒	◒	◒
UnitedHealthcare of the Midwest*	◒	◒	◒	◒
Statewide Averages	**50%**	**88%**	**51%**	**58%**

*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

This table compares health plans' performance on Diabetes and Depression management to the statewide average, using the rating symbols below. The table also reports on which plans offer selected benefits and coverages.

Quality of Care Ratings

- ● – High
- ◒ – Average
- ○ – Low/Needs Improvement

NA – Numbers too small

NR – Not reported by plan

*Plan performance measures are compared to statewide averages.

Diabetes

Plan members (ages 18-75) who received a retinal eye exam during the past year.

Plan members (ages 18-75) who received a blood glucose test during the past year.

Plan members (ages 18-75) who are screened for or have evidence of nephropathy.

Depression

Plan members who receive medication for recovery from depression is adequately managed.

Screenings help to determine if a patient is at risk for a certain disease or health problem. Case Management helps patients, providers and physicians coordinate the medical care needed for complex or chronic illnesses.

Commercial Managed Care Plan Performance

Plan	Member Satisfaction					
	Customer Service (1)	Claims Processing (2)	Getting Needed Care (3)	Rating of Doctor Seen Most Often (4)	Rating of Specialist Seen Most Often (5)	Overall Rating of Plan (6)
Aetna Health Inc	◒	◒	◒	◒	◒	○
Blue-Advantage	◒	◒	◒	◒	◒	◒
Blue-Care Inc	◒	●	◒	◒	◒	◒
BlueChoice	◒	●	◒	◒	◒	◒
CIGNA HealthCare of St. Louis Inc	◒	◒	○	◒	◒	◒
CIGNA of Kansas/Missouri	◒	◒	○	◒	◒	◒
Community Health Plan	●	◒	◒	◒	◒	◒
Coventry Health Care of Kansas Inc	◒	◒	◒	◒	◒	○
Cox Health Plans Inc	◒	◒	◒	◒	◒	◒
Group Health Plan	◒	●	◒	◒	◒	◒
HealthLink Inc	NA	NA	NA	NA	NA	NA
Humana Health Plan Inc	◒	◒	◒	◒	◒	◒
Mercy Health Plans of Missouri Inc-St. L	●	◒	●	◒	◒	◒
Premier Health Plans-Springfield	◒	◒	●	◒	◒	●
UnitedHealthcare of the Midwest*	○	◒	●	◒	◒	◒
Statewide Averages	71%	92%	83%	76%	80%	68%

*Combined St. Louis and Kansas City and may not fairly or adequately represent the performance of the plan and its provider network services in that part of the state.

Response Descriptions for Satisfaction Categories Above

(1) No problem with paperwork, written materials or help from customer service.
(2) Claims were correctly processed in a reasonable time.
(3) No problem getting good doctors and nurses, referrals, and necessary care.
(4) Overall rating of personal doctor seen most often.
(5) Overall rating of specialist seen most often.
(6) Overall rating of health plan.

All Plans Averages and Quality of Care Symbols Explained on following page.

Quality of Care Ratings

● – High
◒ – Average
○ – Low/Needs Improvement
NA – Numbers too small
NR – Not reported by plan
*Plan performance measures are compared to statewide averages

Statewide Averages and Quality of Care Symbols Explained

The percent on the "Statewide Averages" line indicate the average percent of all plans for each indicator shown in the header of the column.
The Quality of Care Ratings reflect a statistical comparison of the plan's percentage on the indicator (measure) and the statewide average percentage for all plans. An Average (◒) rating for a specific plan means the plan scored close to the Statewide Average for that indicator. A High (●) or Low (○) rating means the plan scored much higher or much lower than the Statewide Average.

Member Services Telephone Numbers

Managed Care Plan / Website	Customer Service	Nurse Helpline
Aetna Health Inc. http://www.aetna.com	(800) 323-9930	(800) 556-1555
Blue-Advantage http://www.bcbskc.com	(816) 395-9558	
Blue-Care http://www.bcbskc.com	(816) 395-3558	
BlueChoice http://www.bcbsmo.com	(800) 624-2356	
CIGNA HealthCare of St. Louis http://www.cigna.com	(800) 832-3211	(800) 832-3211
CIGNA HealthCare of KS/MO http://www.cigna.com	(800) 832-3211	(800) 832-3211
Community Health Plan http://www.heartland-health.com	(800) 990-9247	(800) 832-2476
Coventry Health Care of Kansas Inc. http://www.chckansas.com	(800) 969-3343	(800) 622-9528
Cox Health Plans http://www.coxhealthplans.com	(800) 205-7665	
Group Health Plan http://www.ghp.com	(800) 755-3901	
HealthLink http://www.healthlink.com	(800) 624-2356	
Humana Health Plan http://www.humana.com	(866) 427-7478	(800) 622-9529
Mercy Health Plans of Missouri - St. L. http://www.mercyhealthplans.com	(800) 327-0763	(800) 811-1187
Premier Health Plans-Springfield http://www.premierhealthplansmo.com	(800) 481-4466	(800) 909-8326
UnitedHealthcare of the Midwest http://www.unitedhealthcare.com	(800) 627-0687	(877) 365-7950

For further information about this Consumer's Guide, contact:
Missouri Dept. of Health and Senior Services
P.O. Box 570, Jefferson City, MO 65102-0570
(573) 751-6272

372

Websites

The following websites may be useful:

Agency for Healthcare Research & Quality:	http://www.ahrq.gov
American Association of Health Plans:	http://www.aahp.org
American Accreditation Healthcare Commission/URAC:	http://www.urac.org
American Medical Association:	http://www.ama-assn.org
American Osteopathic Association:	http://www.aoa-net.org
Families USA:	http://www.familiesusa.org
Health and Human Services-U.S.Government:	http://www.healthfinder.gov
Joint Commission on Accreditation of Healthcare Organizations/JCAHO:	http://www.jcaho.org
Missouri Department of Insurance	http://www.insurance.state.mo.us
National Committee for Quality Assurance/NCQA:	http://www.ncqa.org
National Health Information Center	http://www.health.gov/nhic

372

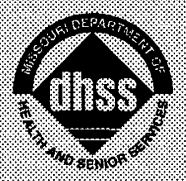
Need More Information?

Visit our website at: http://www.dhss.state.mo.us/ManagedCare

Concerns or Complaints?

Call your managed care plan if you have concerns on your treatment or feel you have been denied health services. They will explain your grievance rights and how to file a complaint. If you disagree with a plan's position or decision call the Consumer Hotline of the Missouri Department of Insurance at: 1-800-726-7390

For further information about this Consumer's Guide, contact:
Missouri Dept. of Health and Senior Services
P.O. Box 570, Jefferson City, MO 65102-0570
(573) 751-6272



The Missouri Department of Health and Senior Services has attempted to publish accurate information based upon common definitions. The data reported in this brochure are based on plan performance during 2005. Managed care plans were given an opportunity to review and correct the data presented. Other corrections or suggestions should be forwarded to the Missouri Department of Health and Senior Services, PO Box 570, Jefferson City, MO 65102. Our telephone number is(573) 751-6272. The Missouri Department of Health and Senior Services is an equal opportunity/affirmative action employer. Services are provided on a nondiscriminatory basis. This information is available in alternate formats to citizens with disabilities.

Publication number 21.22
Designed by Janet Cuthbertson

HOSPITAL CARE

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOSPITAL CARE								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	260,155	0.00	0	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	231,433	0.00	475,155	0.00	215,000	0.00	215,000	0.00
THIRD PARTY LIABILITY COLLECT	17,046	0.00	0	0.00	0	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	214,386	0.00	215,000	0.00	215,000	0.00	215,000	0.00
TOTAL - EE	462,865	0.00	950,310	0.00	430,000	0.00	430,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	21,635,999	0.00	35,665,267	0.00	31,066,711	0.00	15,742,862	0.00
TITLE XIX-FEDERAL AND OTHER	405,220,556	0.00	503,852,851	0.00	504,113,006	0.00	456,535,683	0.00
DEPT OF SOC SERV FEDERAL & OTH	200,000	0.00	0	0.00	0	0.00	0	0.00
UNCOMPENSATED CARE FUND	32,483,522	0.00	32,483,522	0.00	32,483,522	0.00	32,483,522	0.00
THIRD PARTY LIABILITY COLLECT	1,014,465	0.00	1,062,735	0.00	1,062,735	0.00	1,062,735	0.00
FEDERAL REIMBURSMENT ALLOWANCE	133,167,390	0.00	168,698,958	0.00	168,698,958	0.00	168,698,958	0.00
HEALTH CARE TECHNOLOGY FUND	200,000	0.00	0	0.00	0	0.00	0	0.00
HEALTH INITIATIVES	2,797,179	0.00	2,797,179	0.00	2,797,179	0.00	2,797,179	0.00
HEALTHY FAMILIES TRUST	42,731,431	0.00	42,731,431	0.00	42,731,431	0.00	42,731,431	0.00
TOTAL - PD	639,450,542	0.00	787,291,943	0.00	782,953,542	0.00	720,052,370	0.00
TOTAL	**639,913,407**	**0.00**	**788,242,253**	**0.00**	**783,383,542**	**0.00**	**720,482,370**	**0.00**
MHD Caseload Growth - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	16,986,891	0.00	17,568,403	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	31,271,323	0.00	30,689,811	0.00
TOTAL - PD	0	0.00	0	0.00	48,258,214	0.00	48,258,214	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**48,258,214**	**0.00**	**48,258,214**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	3,984,976	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOSPITAL CARE								
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	4,858,711	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,858,711	0.00	3,984,976	0.00
TOTAL	0	0.00	0	0.00	4,858,711	0.00	3,984,976	0.00
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	20,608,747	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	36,000,912	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	56,609,659	0.00
TOTAL	0	0.00	0	0.00	0	0.00	56,609,659	0.00
GRAND TOTAL	$639,913,407	0.00	$788,242,253	0.00	$836,500,467	0.00	$829,335,219	0.00

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Hospital Care

Budget Unit: 90552C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE		215,000	215,000	430,000	
PSD	31,066,711	504,113,006	247,773,825	782,953,542	E
TRF					
Total	**31,066,711**	**504,328,006**	**247,988,825**	**783,383,542**	**E**
FTE				**0.00**	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Federal Reimbursement Allowance Fund (FRA) (0142)
Health Initiatives Fund (HIF) (0275)
Third Party Liability Collections Fund (TPL) (0120)
Healthy Families Trust Fund (0625)

Note: An "E" is requested for the appropriation to support trauma center payments if federal match is available, $30 million Federal Funds and $20 million FRA Funds.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE		215,000	215,000	430,000	
PSD	15,742,862	456,535,683	247,773,825	720,052,370	E
TRF					
Total	**15,742,862**	**456,750,683**	**247,988,825**	**720,482,370**	**E**
FTE				**0.00**	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Federal Reimbursement Allowance Fund (FRA) (0142)
Health Initiatives Fund (HIF) (0275)
Third Party Liability Collections Fund (TPL) (0120)
Healthy Families Trust Fund (0625)

Note: An "E" is requested for the appropriation to support trauma center payments if federal match is available, $30 million Federal Funds and $20 million FRA Funds.

2. CORE DESCRIPTION

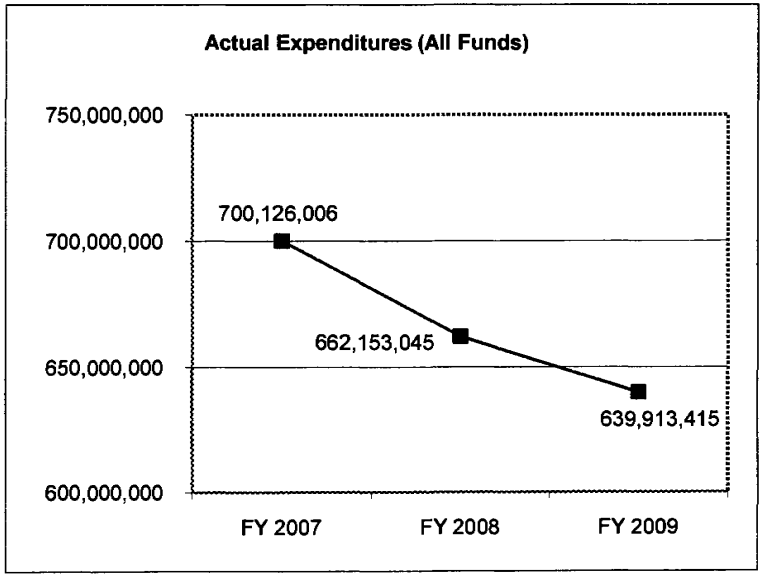
This core request is for ongoing funding to reimburse hospitals for services provided to fee-for-service MO HealthNet participants. Funding for this core is used to maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation.

3. PROGRAM LISTING (list programs included in this core funding)

Inpatient and Outpatient hospital services.

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.	
Appropriation (All Funds)	703,179,818	692,156,205	697,793,493	788,242,253	E
Less Reverted (All Funds)	(2,986,677)	0	(83,914)	N/A	
Budget Authority (All Funds)	700,193,141	692,156,205	697,709,579	N/A	
Actual Expenditures (All Funds)	700,126,006	662,153,045	639,913,415	N/A	
Unexpended (All Funds)	67,135	30,003,160	57,796,164	N/A	
Unexpended, by Fund:					
General Revenue	0	0	7,763,695	N/A	
Federal	33,580	30,001,580	30,000,638	N/A	
Other	33,555	1,580	20,031,831	N/A	
	(1)	(2)	(3)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for Federal Fund.

(1) Expenditures of $27,848,015 were paid from the Supplemental Pool and expenditures totaling $9,597,543 were paid from the Managed Care appropriation.

(2) Expenditures of $29,831,044 were paid from the Supplemental Pool and expenditures totaling $20,928,251 were paid from the Managed Care appropriation. FY 2008 federal lapse is for the federal share of trauma payments that DSS could not make (no earnings to support).

(3) Expenditures of $6,130,109 were paid from the Supplemental Pool, expenditures totaling $62,200,877 were paid from the Managed Care appropriation, expenditures totaling $39,027,031 were paid from the FRA appropriation, and expenditures totaling $39,424,181 were paid from the Pharmacy appropriation. FY 2009 lapse is for the FRA and federal share of trauma payments that DSS could not make (no earnings to support).

DEPARTMENT OF SOCIAL SERVICES
HOSPITAL CARE

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			EE	0.00	260,155	475,155	215,000	950,310	
			PD	0.00	35,665,267	503,852,851	247,773,825	787,291,943	
			Total	**0.00**	**35,925,422**	**504,328,006**	**247,988,825**	**788,242,253**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reduction	980	1432	PD	0.00	(4,858,711)	0	0	(4,858,711)	FMAP adjustment.
Core Reallocation	673	1432	EE	0.00	(260,155)	0	0	(260,155)	
Core Reallocation	673	6471	EE	0.00	0	(260,155)	0	(260,155)	
Core Reallocation	673	1432	PD	0.00	260,155	0	0	260,155	
Core Reallocation	673	6471	PD	0.00	0	260,155	0	260,155	
NET DEPARTMENT CHANGES				**0.00**	**(4,858,711)**	**0**	**0**	**(4,858,711)**	
DEPARTMENT CORE REQUEST									
			EE	0.00	0	215,000	215,000	430,000	
			PD	0.00	31,066,711	504,113,006	247,773,825	782,953,542	
			Total	**0.00**	**31,066,711**	**504,328,006**	**247,988,825**	**783,383,542**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS									
Core Reduction	980		PD	0.00	4,858,711	(3,984,976)	0	873,735	FMAP adjustment.
Core Reduction	2031		PD	0.00	(310,491)	(542,389)	0	(852,880)	Medicare eligibles
Core Reduction	2045		PD	0.00	(372,069)	(649,958)	0	(1,022,027)	Ensure Medicaid is the payer of last resort
Core Reduction	2055		PD	0.00	(8,000,000)	(13,900,000)	0	(21,900,000)	Medicare Part B outpatient repricing
Core Reduction	2290		PD	0.00	(3,900,000)	(9,500,000)	0	(13,400,000)	Contract with an image benefits manager to require pre-certification on imaging services.

DEPARTMENT OF SOCIAL SERVICES
HOSPITAL CARE

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	2291	PD	0.00	(7,600,000)	(19,000,000)	0	(26,600,000)	Restructure of outpatient payment methodology
NET GOVERNOR CHANGES			**0.00**	**(15,323,849)**	**(47,577,323)**	**0**	**(62,901,172)**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	0	215,000	215,000	430,000	
		PD	0.00	15,742,862	456,535,683	247,773,825	720,052,370	
		Total	**0.00**	**15,742,862**	**456,750,683**	**247,988,825**	**720,482,370**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
HOSPITAL CARE								
CORE								
PROFESSIONAL SERVICES	462,865	0.00	950,310	0.00	430,000	0.00	430,000	0.00
TOTAL - EE	462,865	0.00	950,310	0.00	430,000	0.00	430,000	0.00
PROGRAM DISTRIBUTIONS	639,450,542	0.00	787,291,943	0.00	782,953,542	0.00	720,052,370	0.00
TOTAL - PD	639,450,542	0.00	787,291,943	0.00	782,953,542	0.00	720,052,370	0.00
GRAND TOTAL	$639,913,407	0.00	$788,242,253	0.00	$783,383,542	0.00	$720,482,370	0.00
GENERAL REVENUE	$21,635,999	0.00	$35,925,422	0.00	$31,066,711	0.00	$15,742,862	0.00
FEDERAL FUNDS	$405,651,989	0.00	$504,328,006	0.00	$504,328,006	0.00	$456,750,683	0.00
OTHER FUNDS	$212,625,419	0.00	$247,988,825	0.00	$247,988,825	0.00	$247,988,825	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Hospital Care
Program is found in the following core budget(s): Hospital Care

1. What does this program do?

PROGRAM SYNOPSIS: This program provides payment for inpatient and outpatient hospital services for MO HealthNet fee-for-service and Managed Care participants.

Hospital services, both inpatient and outpatient, are an essential part of a health care delivery system. These services are mandatory Medicaid covered services and are provided statewide. Hospital services have been part of the MO HealthNet program since November 1967. MO HealthNet inpatient hospital services are medical services provided in a hospital acute care setting for the care and treatment of MO HealthNet participants.

MO HealthNet outpatient hospital services include preventive, diagnostic, emergency, therapeutic, rehabilitative or palliative services provided in an outpatient setting. Examples of outpatient services are emergency room services, physical therapy, ambulatory surgery, or any service or procedure performed prior to admission.

Providers - To participate in the MO HealthNet fee-for-service program, hospitals must first meet certain requirements. Hospitals must be licensed and certified by the Missouri Department of Health and Senior Services for participation in the Title XVIII Medicare program. If the hospital is located out of state, the hospital must be licensed by that state's Department of Health or similar agency. If a state does not have a licensing agency, the hospital must be accredited by the Joint Commission on Accreditation of Healthcare Organization (JCAHO). In addition, the hospital must complete a Title XIX Medicaid Participation Agreement/Questionnaire, and a MO HealthNet enrollment application. The application of enrollment must be approved by the Department of Social Services, MO HealthNet Division.

MO HealthNet Reimbursement - Reimbursement for inpatient hospital stays is determined by a prospective reimbursement plan implemented in FY82. The plan provides for an inpatient hospital reimbursement rate based on the 1995 cost report to reimburse for inpatient stays in accordance with a specified admission diagnosis. The method of reimbursement for hospitals is different depending on if they are a safety net hospital or a disproportionate share hospital (DSH). The DSH hospitals are classified as either first tier or other DSH depending on the result of an analysis of annual hospital cost reports.

DSH Criteria:

1. If the facility offered nonemergency obstetric services as of December 21,1987, there must be at least 2 obstetricians with staff privileges who have agreed to provide obstetric services to MO HealthNet participants. This section does not apply to hospitals either with inpatients predominantly under 18 years of age or which did not offer nonemergency obstetric servcies as of December 21,1987; and
2. The hospital meets one of the following:
    a. The MO HealthNet inpatient utilization rate is at least one standard deviation above the state's mean MO HealthNet inpatient utilization rate for all Missouri hospitals; or
    b. The utilization of services by low-income clients is greater than 25% of their total utilization.
3. The hospital meets one of the following:
    a. The unsponsored care ratio is at least 10%; or
    b. The hospital is ranked in the top 15 hospitals based on MO HealthNet patient days and their MO HealthNet nursery and neonatal utilization is greater than 35% of the hospital's total nursery and neonatal utilization; or
    c. At least 9% of the hospital's MO HealthNet days are provided in the hospital's neonatal unit.

4. If the hospital annually provides more than 5,000 Title XIX days of care and whose Title XIX nursery days represent more than 50% of the hospital's total nursery days.
5. If a hospital does not meet the requirements set forth in paragraphs 1. - 4. above, but has a Medicaid inpatient utilization percentage of at least 1% for Medicaid eligible participants, it may be deemed a DSH hospital.

A hospital's DSH designation depends on which of the above criteria it meets:

1. 1st Tier DSH -- It meets the criteria in paragraphs 1. and 3.
2. 2nd Tier DSH -- It only meets the criteria in paragraphs 1. and 2. or paragraphs 1. and 4.
3. Other DSH -- It only meets the criteria in paragraph 5.

A hospital can qualify as a safety net hospital if:

1. It meets the criteria set forth above in paragraphs 1. and 2. above; and,
2. It meets one of the following criteria:
   a. The unsponsored care (charity care) ratio is at least 65% and is licensed for less than 50 inpatient beds; or
   b. The unsponsored care ratio is at least 65% and is licensed for 50 inpatient beds or more and has an occupancy rate of more than 40%; or
   c. It is operated by the Board of Curators as defined in chapter 172 RSMo; or
   d. It is operated by the Department of Mental Health.

When a per diem reimbursement rate is established for each hospital, MO HealthNet pays the lesser of: 1) the number of days assigned by the utilization review agent; 2) the number of days billed as covered services; or 3) the Professional Activity Study (PAS) limitation for any diagnosis not subject to review by the utilization review agent.

A hospital is eligible for a special per diem rate increase if it meets prescribed requirements concerning new health services or new construction.

Outpatient services, excluding certain diagnostic laboratory procedures, are paid on a prospective outpatient reimbursement methodology. The prospective outpatient payment percentage is calculated using the MO HealthNet overall outpatient cost-to-charge ratio from the fourth, fifth and sixth prior base year cost reports regressed to the current state fiscal year. The prospective outpatient payment percentage cannot exceed 100% and cannot be less than 20%. New MO HealthNet providers that do not have fourth, fifth and sixth prior year cost reports will be set at 75% for the first three fiscal years in which the hospital operates and will have a cost settlement calculated for these years. A prospective outpatient rate will then be calculated and used for the fourth and subsequent years of operation. The weighted average prospective outpatient rate is 32%.

Other Reimbursement to Hospitals - Hospitals may also receive funding from the Federal Reimbursement Allowance (FRA) program. The FRA program is a funding source for inpatient and outpatient services. It is also a funding source for MO HealthNet Managed Care, the Women's Health Services, and CHIP programs. These programs provide payments for the cost of providing care to MO HealthNet participants and the uninsured.

Under the FRA program, hospitals pay a federal reimbursement allowance for doing business in the state. The assessment is a percentage levied against both net hospital inpatient revenue and net hospital outpatient revenue. For SFY 2010, the assessment rate is 5.40%. The net inpatient and net outpatient revenues are determined from the hospitals' Medicare/ Medicaid cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds. The funds are distributed to the hospitals through a combination of payments.

The payments include funding for: inpatient per diem payments, outpatient payments, and add-on payments such as direct Medicaid payments, uninsured (DSH), and utilization add-on payments (only applies to Safety Net hospitals and Children's Hospitals). For a more detailed description of the FRA program see the FRA narrative.

Trends - Elderly persons and persons with disabilities are the highest users of health care services and costliest population per capita. These two populations represent 25% of all Medicaid eligibles and represent 64% of all expenditures. Persons with disabilities are the primary users of hospital services. This group accounts for 48% of fee-for-service hospital users and 59% of fee-for-service hospital expenditures. The elderly are 12% of fee-for-service hospital users and 5% of fee-for-service hospital expenditures are for this group.

Pre-certification of inpatient hospital stays for patients under the age of 21 admitted to psychiatric units or facilities and the certificate of need process are measures used to control costs. The pre-certification reviews are done by a utilization review agent. Admission and continued stay reviews are performed on a pre-approved basis for all fee-for-service MO HealthNet participants admitted to acute care hospitals except for certain pregnancy, delivery and newborn diagnoses, and for participants who are eligible for both Medicare and MO HealthNet. The reviews are done to ensure that hospital admission and each day of inpatient care are medically necessary. The review may be performed prior to admission, post admission or retrospectively. An initial length of stay (LOS) is assigned by a nurse or physician reviewer.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);
Federal Regulations: 42 CFR 440.10 and 440.20

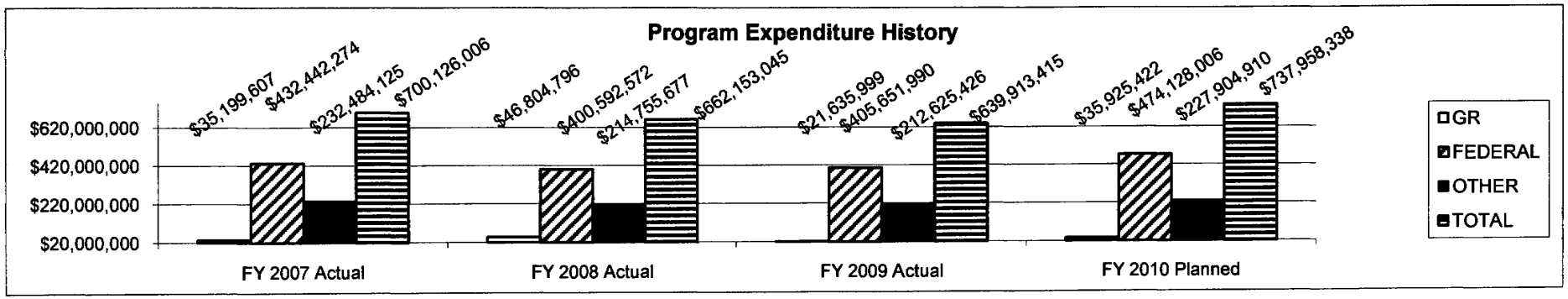
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reverted: $83,915 Other Funds
Reserve: $50,200,000 Federal and Other Funds

6. What are the sources of the "Other " funds?

Uncompensated Care Fund (0108), Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Third Party Liability Collections Fund (0120), and Healthy Families Trust Fund (0625).

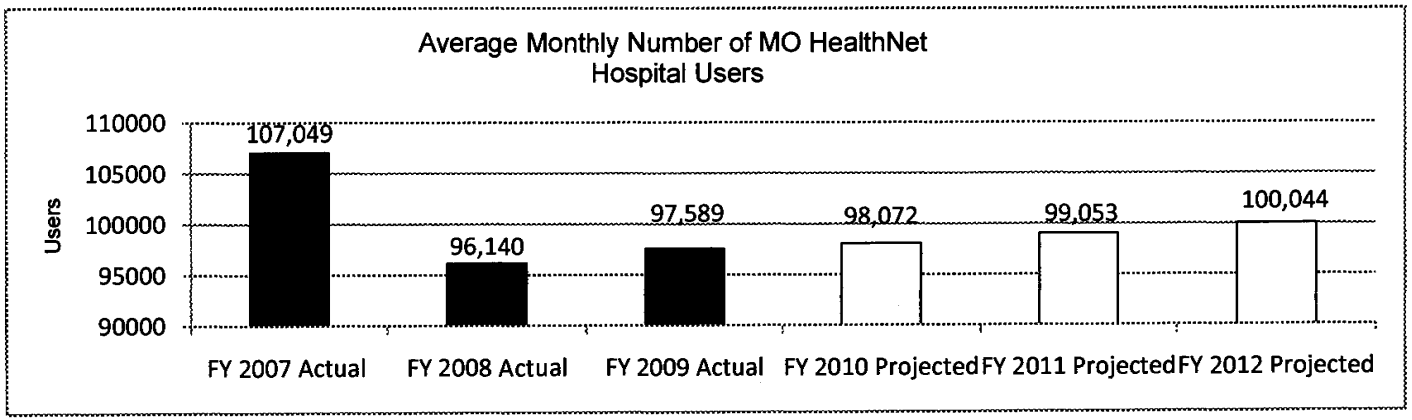
7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

Efficiency Measures: Inpatient and outpatient services are available to all fee-for-service MO HealthNet participants. In those regions of the state where Managed Care has been implemented participants have hospital services available through the Managed Care health plans. In SFY 2009, there were 571,200 inpatient days and 8,842,000 outpatient services provided through the hospital program.

Number of Outpatient Services (Thousands)		
SFY	Actual	Projected
2007	9,754.7	
2008	9,224.7	
2009	8,842.0	
2010		9,410.2
2011		9,504.3
2012		9,599.0

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

TIER 1 SAFETY NET
HOSPITALS

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
TIER 1 SAFETY NET HOSPITALS								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	3,452,457	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
TOTAL - PD	3,452,457	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
TOTAL	3,452,457	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
GRAND TOTAL	$3,452,457	0.00	$8,000,000	0.00	$8,000,000	0.00	$8,000,000	0.00

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Tier 1 Safety Net Hospitals

Budget Unit: 90558C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD		8,000,000		8,000,000	E
TRF					
Total		8,000,000		8,000,000	E
FTE				0.00	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: An "E" is requested for the $8,000,000 in Federal Fund authority.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD		8,000,000		8,000,000	E
TRF					
Total		8,000,000		8,000,000	E
FTE				0.00	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: An "E" is requested for the $8,000,000 in Federal Fund authority.

2. CORE DESCRIPTION

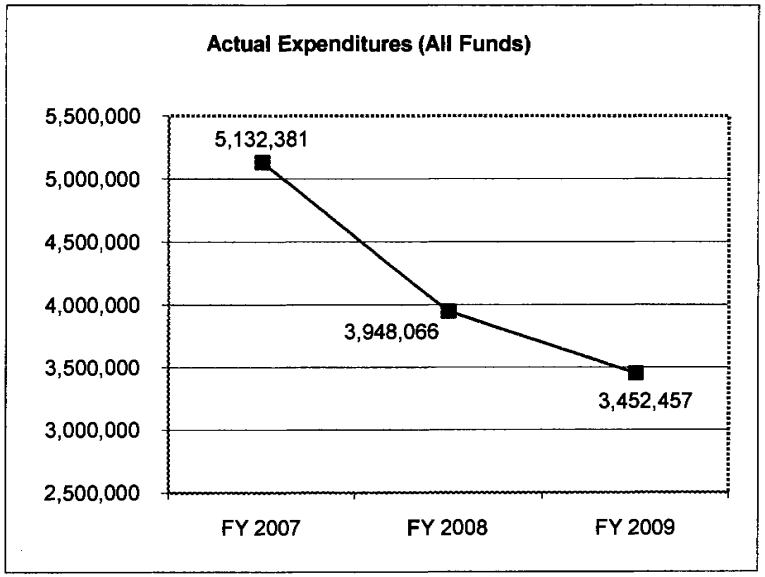
This core request is for ongoing funding to reimburse for physician services provided to MO HealthNet participants and the uninsured through Tier 1 Safety Net Hospitals. The payments maximize eligible costs by utilizing current state and local funding sources as match for services that are not currently matched with federal Medicaid payments.

3. PROGRAM LISTING (list programs included in this core funding)

Tier 1 Safety Net Hospitals

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	23,000,000	23,000,000	8,000,000	8,000,000 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	23,000,000	23,000,000	8,000,000	N/A
Actual Expenditures (All Funds)	5,132,381	3,948,066	3,452,457	N/A
Unexpended (All Funds)	17,867,619	19,051,934	4,547,543	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	17,867,619	19,051,934	4,547,543	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for Federal fund authority.

(1) Lapse of $17,876,619 in excess federal authority.

(2) Lapse of $19,051,934 in excess federal authority.

(3) Lapse of $4,547,543 in excess federal authority.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
TIER 1 SAFETY NET HOSPITALS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	**0.00**	**0**	**8,000,000**	**0**	**8,000,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	**0.00**	**0**	**8,000,000**	**0**	**8,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	**0.00**	**0**	**8,000,000**	**0**	**8,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
TIER 1 SAFETY NET HOSPITALS								
CORE								
PROGRAM DISTRIBUTIONS	3,452,457	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
TOTAL - PD	3,452,457	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
GRAND TOTAL	$3,452,457	0.00	$8,000,000	0.00	$8,000,000	0.00	$8,000,000	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$3,452,457	0.00	$8,000,000	0.00	$8,000,000	0.00	$8,000,000	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Tier 1 Safety Net Hospitals
Program is found in the following core budget(s): Tier 1 Safety Net Hospitals

1. What does this program do?

PROGRAM SYNOPSIS: Provides payments for MO HealthNet participants and the uninsured through Tier 1 safety net hospitals. Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients. This program was established to provide a funding mechanism to enhance payments to these hospitals.

Enhanced payments have been made to Truman Medical Center Physicians and University of Missouri-Kansas City Physicians. Appropriated funding is based on the following projections:

Enhanced Payment for Truman Medical Center Physicians	$3,000,000
Enhanced Payment for University of Missouri-Kansas City Physicians	$5,000,000

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);
Federal Regulations: 42 CFR 440.10 and 440.20

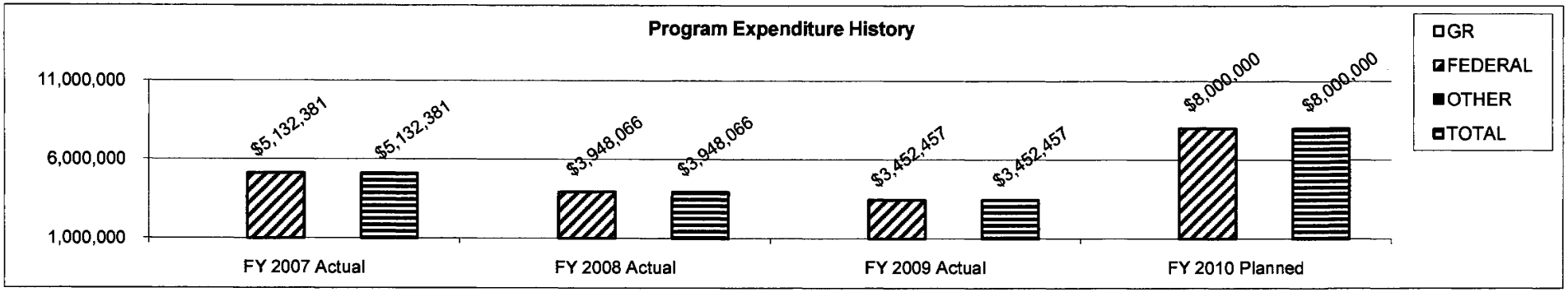
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.

FQHC DISTRIBUTION

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
FQHC DISTRIBUTION								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	9,069,000	0.00	9,250,000	0.00	9,250,000	0.00	9,250,000	0.00
HEALTH CARE TECHNOLOGY FUND	3,049,227	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	12,118,227	0.00	9,250,000	0.00	9,250,000	0.00	9,250,000	0.00
TOTAL	**12,118,227**	**0.00**	**9,250,000**	**0.00**	**9,250,000**	**0.00**	**9,250,000**	**0.00**
GRAND TOTAL	**$12,118,227**	**0.00**	**$9,250,000**	**0.00**	**$9,250,000**	**0.00**	**$9,250,000**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Federally Qualified Health Centers (FQHC)

Budget Unit: 90559C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	9,250,000			9,250,000
TRF				
Total	**9,250,000**			**9,250,000**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	9,250,000			9,250,000
TRF				
Total	**9,250,000**			**9,250,000**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

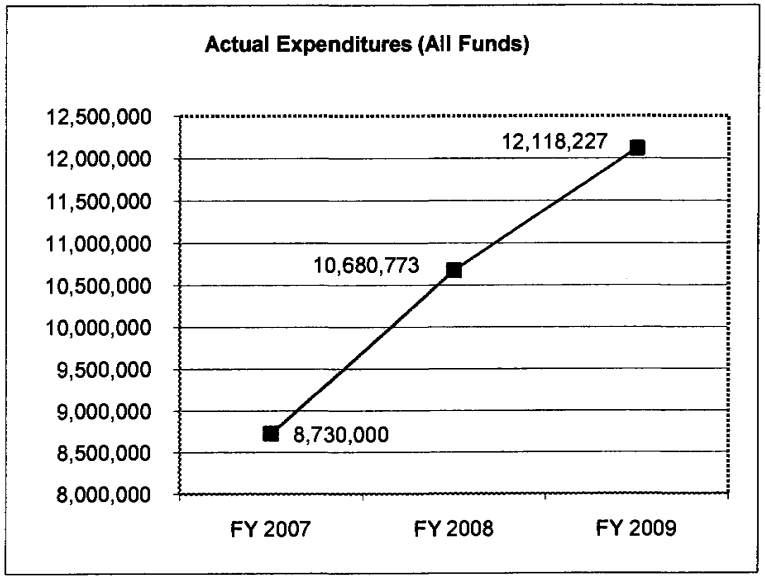
This core request is to allow Federally Qualified Health Centers (FQHCs) to provide more services in their facilities and improve access to health care for the uninsured and under-insured. Funding for this core is for equipment and infrastructure in the FQHC and to cover the expense of providing health care services in the FQHC setting.

3. PROGRAM LISTING (list programs included in this core funding)

Federally Qualified Health Centers (FQHC)

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	9,000,000	14,000,000	14,350,000	9,250,000
Less Reverted (All Funds)	(270,000)	(270,000)	(2,231,273)	N/A
Budget Authority (All Funds)	8,730,000	13,730,000	12,118,727	N/A
Actual Expenditures (All Funds)	8,730,000	10,680,773	12,118,227	N/A
Unexpended (All Funds)	0	3,049,227	500	N/A
Unexpended, by Fund:				
General Revenue	0	0	500	N/A
Federal	0	0	0	N/A
Other	0	3,049,227	0	N/A
		(1)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Other fund lapse is one-time Health Care Technology funds that were spent in FY 2009.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
FQHC DISTRIBUTION

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	9,250,000	0	0	9,250,000	
	Total	**0.00**	**9,250,000**	**0**	**0**	**9,250,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	9,250,000	0	0	9,250,000	
	Total	**0.00**	**9,250,000**	**0**	**0**	**9,250,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	9,250,000	0	0	9,250,000	
	Total	**0.00**	**9,250,000**	**0**	**0**	**9,250,000**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
FQHC DISTRIBUTION								
CORE								
PROGRAM DISTRIBUTIONS	12,118,227	0.00	9,250,000	0.00	9,250,000	0.00	9,250,000	0.00
TOTAL - PD	**12,118,227**	**0.00**	**9,250,000**	**0.00**	**9,250,000**	**0.00**	**9,250,000**	**0.00**
GRAND TOTAL	**$12,118,227**	**0.00**	**$9,250,000**	**0.00**	**$9,250,000**	**0.00**	**$9,250,000**	**0.00**
GENERAL REVENUE	**$9,069,000**	**0.00**	**$9,250,000**	**0.00**	**$9,250,000**	**0.00**	**$9,250,000**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$3,049,227**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Federally Qualified Health Centers (FQHC) Distribution
Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

1. What does this program do?

PROGRAM SYNOPSIS: Allows Federally Qualified Health Centers to provide more services in their facilities and improve access to health care for the uninsured and under-insured. Grant funds are used for capital expansion, infrastructure redesigning, and primary health care for the uninsured.

FQHCs are community health centers that provide comprehensive primary care to low-income and medically under-served urban and rural communities. Because of an inadequate number of providers, Missourians have found it difficult to find health care providers and are subject to lengthy postponements in receiving health care services. In rural areas, these issues are more pronounced as people must frequently travel to larger cities in order to receive necessary care. By equipping the FQHCs with infrastructure and personnel, the under-served population will have increased access to health care, especially in medically under-served areas.

Examples of how these grants help expand access to health care services for the low-income and uninsured include: 1) Supporting nontraditional hours of operation (weekend and special evening hours). FQHCs recognize that many Missourians do not have the luxury of accessing care during normal business hours. 2) Defraying the costs of caring for the uninsured. FQHCs are required to accept uninsured patients as they do insured patients. 3) Funding staff and infrastructure to provide services not usually accessible to FQHC patients such as dental services.

The Department of Social Services contracts with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the FQHC grants, assuring accurate and timely payments to the subcontractors; and, as a central data collection point for evaluating program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the Federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, reducing disparities in health status between majority and minority populations.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.201, 660.026; Federal law: Social Security Act Section 1905(a)(2); Federal regulation: 42 CFR 440.210

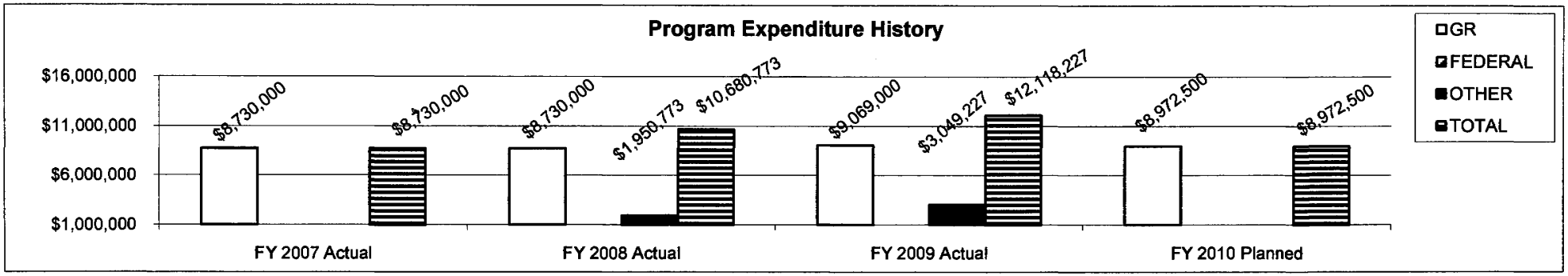
3. Are there federal matching requirements? If yes, please explain.

This is a state-only program using 100% General Revenue funding.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reverted: $277,500 GR

6. What are the sources of the "Other " funds?

Health Care Technology Fund (0170).

7a. Provide an effectiveness measure.

Effectiveness Measure: State grants funded with this appropriation assist in leveraging funds from the Federal Bureau of Primary Health Care. The total amount of funds leveraged in calendar year 2007 was $38,947,659.

Total Funds Leveraged for Missouri FQHCs	
Calendar Year	Total Economic Impact
2006	$37,669,073
2007	$38,947,659

Source: Bureau of Primary Health Care, bphc.hrsa.gov

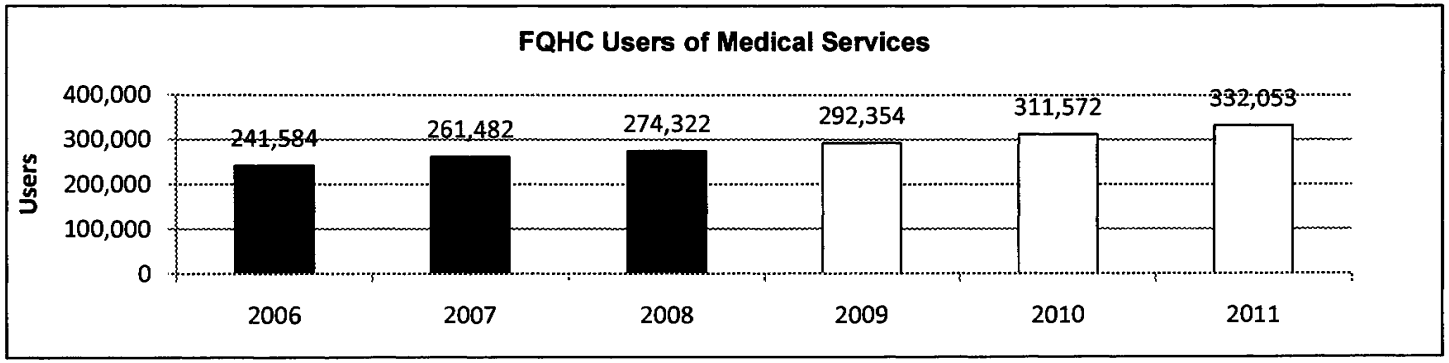
7b. Provide an efficiency measure.

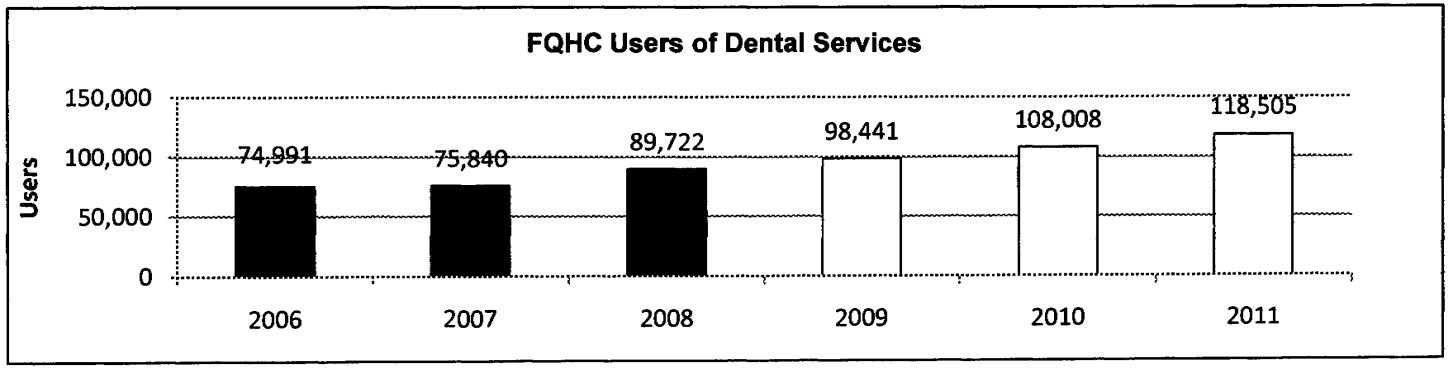
Efficiency Measure: FQHCs provide primary health care for the uninsured in their local communities. Missouri FQHCs provided primary health care to uninsured individuals in their local communities at a cost of $535 per user in calendar year 2007.

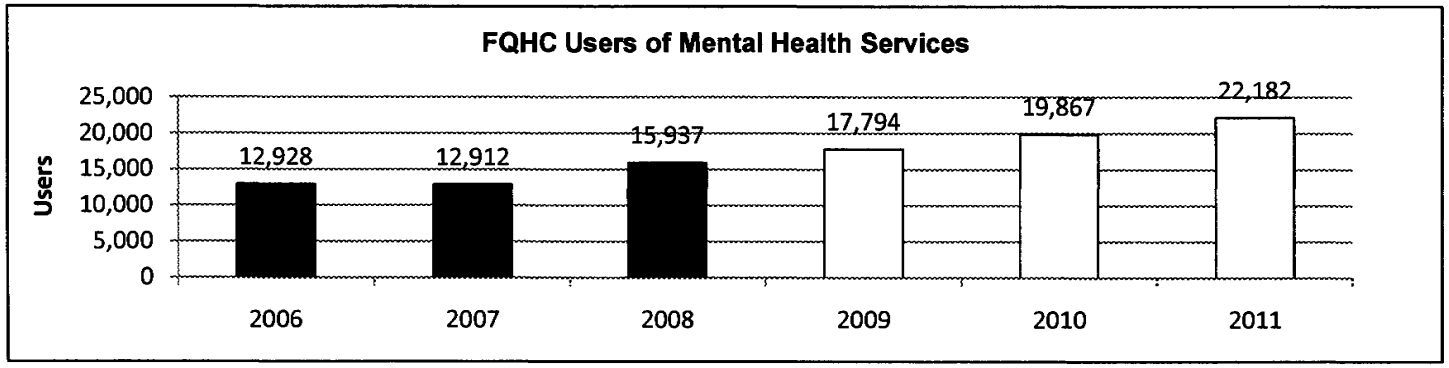
Cost per User	
Calendar Year	Cost
2006	$521
2007	$535

Source: Bureau of Primary Health Care, bphc.hrsa.gov

7c. Provide the number of clients/individuals served, if applicable.







7d. Provide a customer satisfaction measure, if available.

RURAL HEALTH CLINIC

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
RURAL HEALTH CLINICS								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	67,998	0.00	265,000	0.00	0	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	67,998	0.00	436,430	0.00	0	0.00	0	0.00
TOTAL - EE	135,996	0.00	701,430	0.00	0	0.00	0	0.00
TOTAL	135,996	0.00	701,430	0.00	0	0.00	0	0.00
GRAND TOTAL	$135,996	0.00	$701,430	0.00	$0	0.00	$0	0.00

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Rural Health Clinics

Budget Unit: 90560C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

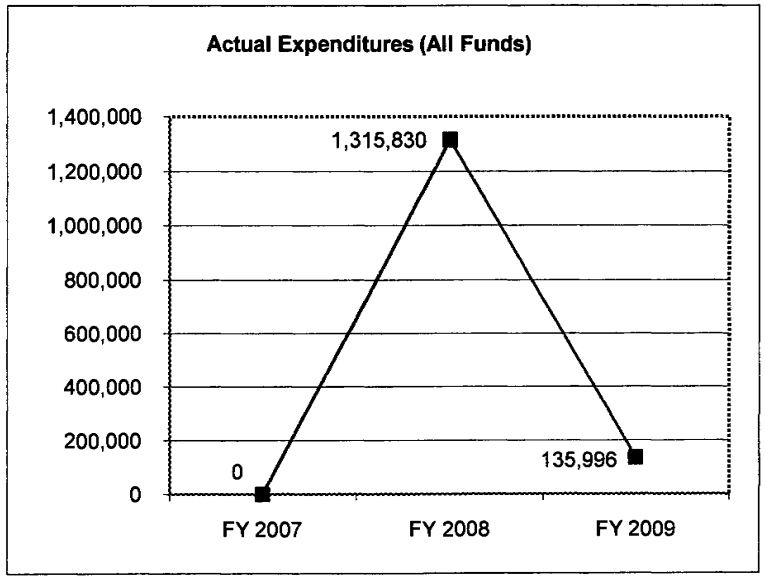
This core funded a pilot project for rural health clinics using telehealth services.

3. PROGRAM LISTING (list programs included in this core funding)

Rural Health Clinics Pilot Project

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	0	1,402,859	1,402,859	701,430
Less Reverted (All Funds)	0	(15,900)	(460,900)	N/A
Budget Authority (All Funds)	0	1,386,959	941,959	N/A
Actual Expenditures (All Funds)	0	1,315,830	135,996	N/A
Unexpended (All Funds)	0	71,129	805,963	N/A
Unexpended, by Fund:				
General Revenue	0	0	1,102	N/A
Federal	0	71,129	804,861	N/A
Other	0	0	0	N/A
		(1)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Pilot project began in FY 2008.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
RURAL HEALTH CLINICS

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		EE	0.00	265,000	436,430	0	701,430	
		Total	**0.00**	**265,000**	**436,430**	**0**	**701,430**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	843 4376	EE	0.00	0	(436,430)	0	(436,430)	Core Reduction. Funding was for pilot project. Project is complete.
Core Reduction	843 4374	EE	0.00	(265,000)	0	0	(265,000)	Core Reduction. Funding was for pilot project. Project is complete.
NET DEPARTMENT CHANGES			**0.00**	**(265,000)**	**(436,430)**	**0**	**(701,430)**	
DEPARTMENT CORE REQUEST								
		EE	0.00	0	0	0	0	
		Total	**0.00**	**0**	**0**	**0**	**0**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	0	0	0	0	
		Total	**0.00**	**0**	**0**	**0**	**0**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
RURAL HEALTH CLINICS								
CORE								
PROFESSIONAL SERVICES	135,996	0.00	701,430	0.00	0	0.00	0	0.00
TOTAL - EE	135,996	0.00	701,430	0.00	0	0.00	0	0.00
GRAND TOTAL	$135,996	0.00	$701,430	0.00	$0	0.00	$0	0.00
GENERAL REVENUE	$67,998	0.00	$265,000	0.00	$0	0.00		0.00
FEDERAL FUNDS	$67,998	0.00	$436,430	0.00	$0	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Rural Health Clinics
Program is found in the following core budget(s): Rural Health Clinics

1. What does this program do?

PROGRAM SYNOPSIS: Enables connectivity between Rural Health Clinics and the Missouri Telehealth Network through the use of telehealth.

Telehealth is the use of medical information exchanged from one site to another via electronic communications to improve the health status of a patient.

The purpose of this item is to enable connectivity between Rural Health Clinics (RHC) and the Missouri Telehealth Network. Rural Health Clinics interested in telehealth are connected on a pilot project basis, to enable participants receiving services as the RHC to access specialist services via the telehealth network.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 208.670, RSMo.

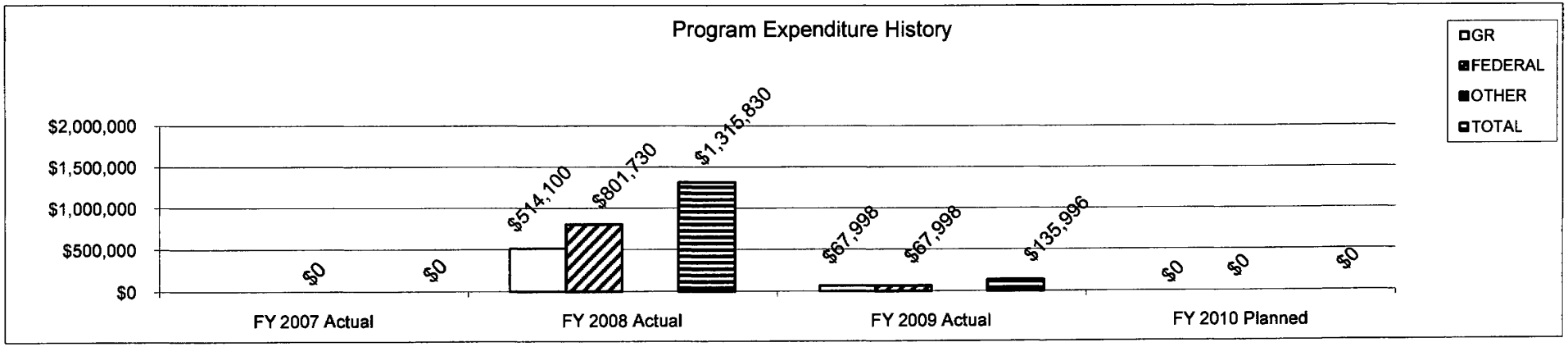
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 was a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Program started in FY 08.

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.

FEDERAL REIMBURSEMENT ALLOWANCE

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
FED REIMB ALLOWANCE								
CORE								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	883,956,658	0.00	799,784,207	0.00	852,400,000	0.00	852,400,000	0.00
TOTAL - PD	883,956,658	0.00	799,784,207	0.00	852,400,000	0.00	852,400,000	0.00
TOTAL	**883,956,658**	**0.00**	**799,784,207**	**0.00**	**852,400,000**	**0.00**	**852,400,000**	**0.00**
Increase Authority FRA - 1886012								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	63,329,394	0.00	63,329,394	0.00
TOTAL - PD	0	0.00	0	0.00	63,329,394	0.00	63,329,394	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**63,329,394**	**0.00**	**63,329,394**	**0.00**
GRAND TOTAL	**$883,956,658**	**0.00**	**$799,784,207**	**0.00**	**$915,729,394**	**0.00**	**$915,729,394**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Federal Reimbursement Allowance (FRA)

Budget Unit: 90553C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD			852,400,000	852,400,000	E
TRF					
Total			852,400,000	852,400,000	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Note: An "E" is requested for the $852,400,000 Federal Reimbursement Allowance Fund.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD			852,400,000	852,400,000	E
TRF					
Total			852,400,000	852,400,000	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Note: An "E" is requested for the $852,400,000 Federal Reimbursement Allowance Fund.

2. CORE DESCRIPTION

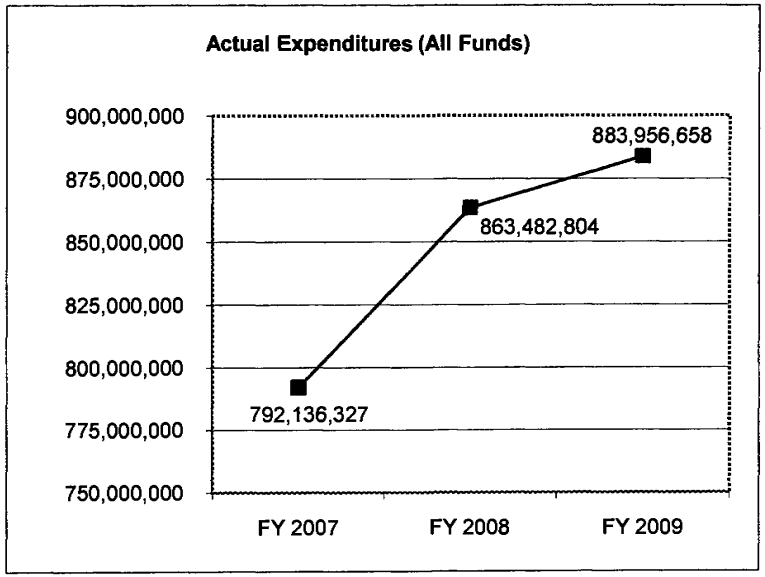
This core request is for ongoing funding to reimburse for hospital services and managed care premiums provided to MO HealthNet participants and the uninsured. Funding for this core is used to maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this FRA program appropriation. In FY2010, FRA was transferred to the MAF Adult section for Show-Me Health Coverage Plan. The enabling legislation did not pass to authorize the program so the FRA funds are being transferred back into this section.

3. PROGRAM LISTING (list programs included in this core funding)

Hospital - Federal Reimbursement Allowance

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	792,136,351	863,482,804	883,999,999	799,784,207 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	792,136,351	863,482,804	883,999,999	N/A
Actual Expenditures (All Funds)	792,136,327	863,482,804	883,956,658	N/A
Unexpended (All Funds)	24	0	43,341	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	24	0	43,341	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for FRA.

DEPARTMENT OF SOCIAL SERVICES
FED REIMB ALLOWANCE

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	799,784,207	799,784,207	
	Total	**0.00**	**0**	**0**	**799,784,207**	**799,784,207**	
DEPARTMENT CORE ADJUSTMENTS							
Core Reallocation 1389 1605	PD	0.00	0	0	52,615,793	52,615,793	Transfer in funding from MAF adults. No enabling legislation for MAF adults.
NET DEPARTMENT CHANGES		**0.00**	**0**	**0**	**52,615,793**	**52,615,793**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	852,400,000	852,400,000	
	Total	**0.00**	**0**	**0**	**852,400,000**	**852,400,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	852,400,000	852,400,000	
	Total	**0.00**	**0**	**0**	**852,400,000**	**852,400,000**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
FED REIMB ALLOWANCE								
CORE								
PROGRAM DISTRIBUTIONS	883,956,658	0.00	799,784,207	0.00	852,400,000	0.00	852,400,000	0.00
TOTAL - PD	883,956,658	0.00	799,784,207	0.00	852,400,000	0.00	852,400,000	0.00
GRAND TOTAL	$883,956,658	0.00	$799,784,207	0.00	$852,400,000	0.00	$852,400,000	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$883,956,658	0.00	$799,784,207	0.00	$852,400,000	0.00	$852,400,000	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Federal Reimbursement Allowance (FRA)
Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

1. What does this program do?

PROGRAM SYNOPSIS: Provides ongoing reimbursement for hospital services and managed care premiums provided to MO HealthNet participants and the uninsured.

The Federal Reimbursement Allowance (FRA) program provides payments for hospital inpatient services, outpatient services, managed care capitated payments, CHIP and Women's Health services (using the FRA assessment as general revenue equivalent). The FRA program supplements payments for the cost of providing care to Medicaid participants under Title XIX of the Social Security Act and to the uninsured. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earns federal dollars. These earnings fund the FRA program.

Currently 140 hospitals participate in the FRA program. The FRA assessment is a percent of each hospital's inpatient adjusted net revenues and outpatient adjusted net revenues. For FY 10, the assessment rate is 5.40%. The net inpatient and net outpatient revenue are determined from the hospital's cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds. The funds are distributed to the hospitals through a combination of payments.

The FRA program reimburses hospitals for certain costs as outlined below:

•Higher Inpatient Per Diems - Higher per diems were granted in October 1992 when the FRA program started. At that time, rates for the general plan hospitals were rebased to the 1990 cost reports. In April 1998, hospitals were rebased to the 1995 cost reports.
•Increased Outpatient Payment - 30% of outpatient costs are made through FRA funding. An outpatient prospective reimbursement methodology was implemented on July 1, 2002.
•Direct Medicaid Payments - The hospital receives additional lump sum payments to cover their unreimbursed costs for providing services to MO HealthNet patients. These payments, along with per diem payments, provide 100% of the cost for MO HealthNet participants.
•Uninsured Add-On - Payments for the cost of providing services to patients that do not have insurance (charity care and bad debts).
•Upper Payment Limit - An annual payment to hospitals to recognize costs up to what Medicare payment principles allow.
•Enhanced GME - An annual payment to hospitals for Graduate Medical Education (GME) cost inflation not reimbursed in either the per diem or the Direct Medicaid payments.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.453; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B.

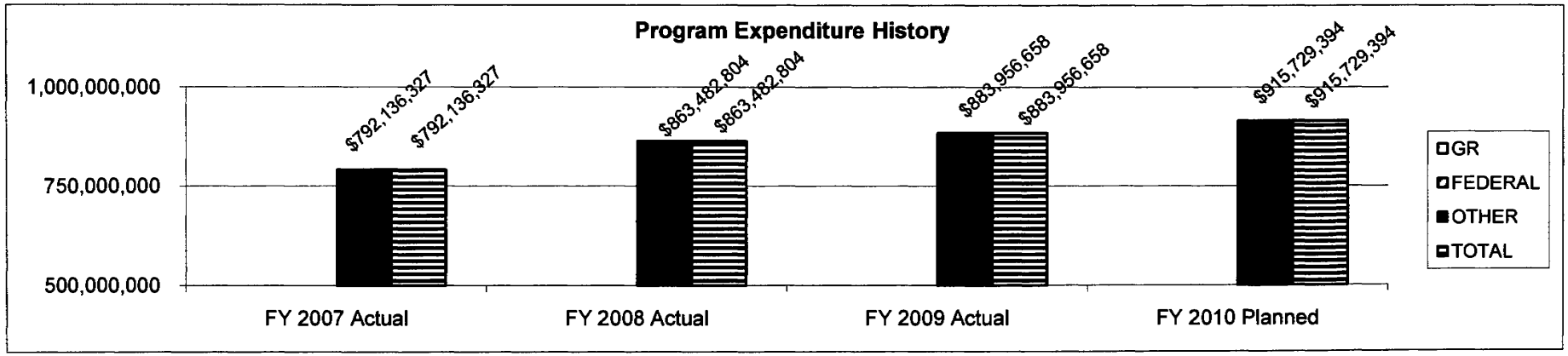
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%. The hospital assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142)

7a. Provide an effectiveness measure.

Effectiveness Measure: The Federal Reimbursement Allowance (FRA) is used as state match for administration costs and Medicaid services minimizing the need for General Revenue. In FY 2009, the FRA program provided over $250 million in state match to fund various appropriations.

FRA as a Funding Source in the Various Appropriations	SFY			
	2007	2008	2009	2010
Revenue Max Admin	$94,850	$97,453	$100,133	$100,133
Managed Care	$109,065,009	$109,065,009	$109,065,009	$93,533,441
Hospital	$130,057,328	$115,682,390	$133,382,390	$148,913,958
Women's Health Services	$167,756	$167,756	$167,756	$167,756
Show-Me Health (SB 306)*				$52,615,793
CHIP	$7,719,204	$7,719,204	$7,719,204	$7,719,204
Total	$247,104,147	$232,731,812	$250,434,492	$303,050,285

*Appropriation contingent on passage of enabling legislation (SB 306). Enabling legislation did not pass.

7b. Provide an efficiency measure.

Effeciency Measure: The FRA tax assessment is a general revenue equivalent and when used to make Medicaid payments earns a federal match. In FY 2009, hospitals were assessed $847.2 million in tax.

FRA Tax Assessments Revenues Obtained	
SFY	Assessments
2007	$825.1 mil
2008	$864.6 mil
2009	$847.2 mil
2010	$880.4 mil estimated
2011	$880.4 mil estimated
2012	$880.4 mil estimated

7c. Provide the number of clients/individuals served, if applicable.

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital services.

7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 18

Department: Social Services | **Budget Unit: 90553C**
Division: MO HealthNet
DI Name: Federal Reimbursement Allowance Increase Authority | **DI#: 1886012**

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD			63,329,394	63,329,394
TRF				
Total			63,329,394	63,329,394
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (0142)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD			63,329,394	63,329,394
TRF				
Total			63,329,394	63,329,394
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Increase Budget Authority		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI synopsis: This funding is requested to increase budget authority to align the Federal Reimbursement Allowance (FRA) budget section with estimated expenditures.

Providing health care services in the most efficient manner helps maintain quality of services and access to those services. In addition, the cost of health care continues to increase dramatically due to inflation, utilization of health care services and in the number of individuals accessing these services. Continued federal scrutiny of Medicaid funding increases the state's need to control costs while ensuring access to quality health care. To ensure that recipients receive quality care and to control the use of state funds, the Federal Reimbursement Allowance (FRA) program provides payments (as a general revenue equivalent) for hospital services under Title XIX of the Social Security Act.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

It is estimated that almost $915.7 million will be paid from the FRA appropriation. The FRA Core is $852.4 million with an "E". This decision item is necessary to align the estimated appropriations with planned expenditures. The increase is needed to:

- Provide appropriation authority to pay Truman Medical Center the state share of their Medicaid Add On payments. During FY 09, Truman Medical Center Hospital Hill and Truman Medical Center Lakewood became FRA funded hospitals for Direct Medicaid payments ($26 million);
- Pay Medicaid Add-on payments to the level approved in the the Medicaid State plan. Final costs as reported in hospital cost reports exceeded the amount budgeted. The final trend increase was 3.9% ($24 million);
- Pay additional DSH payments resulting from an increase in the federal DSH allotment ($12.9 million).

FY 11 Payment	$915,729,394
FY 11 Core	$852,400,000
Request	$63,329,394

	Total	Other	Federal
Total request	$63,329,394	$63,329,394	$0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions					63,329,394		63,329,394		
Total PSD	0		0		63,329,394		63,329,394		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	63,329,394	0.0	63,329,394	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions					63,329,394		63,329,394		
Total PSD	0		0		63,329,394		63,329,394		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	63,329,394	0.0	63,329,394	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

FRA as a Funding Source in the Various Appropriations	SFY			
	2007	2008	2009	2010
Revenue Max Admin	$94,850	$97,453	$100,133	$100,133
Managed Care	$109,065,009	$109,065,009	$109,065,009	$93,533,441
Hospital	$130,057,328	$115,682,390	$133,382,390	$148,913,958
Women's Health Services	$167,756	$167,756	$167,756	$167,756
Show-Me Health (SB 306)*				$52,615,793
CHIP	$7,719,204	$7,719,204	$7,719,204	$7,719,204
Total	$247,104,147	$232,731,812	$250,434,492	$303,050,285

*Appropriation contingent on passage of enabling legislation (SB 306). Enabling legislation did not pass.

6b. Provide an efficiency measure.

FRA Tax Assessments Revenues Obtained	
SFY	Assessments
2007	$825.1 mil
2008	$864.6 mil
2009	$847.2 mil
2010	$880.4 mil estimated
2011	$880.4 mil estimated
2012	$880.4 mil estimated

6c. Provide the number of clients/individuals served, if applicable.

Participants:
FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital services.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
FED REIMB ALLOWANCE								
Increase Authority FRA - 1886012								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	63,329,394	0.00	63,329,394	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**63,329,394**	**0.00**	**63,329,394**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$63,329,394**	**0.00**	**$63,329,394**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$63,329,394**	**0.00**	**$63,329,394**	**0.00**

IGT SAFETY NET HOSPITALS

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
IGT SAFETY NET HOSPITALS								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	118,030,817	0.00	112,900,000	0.00	112,900,000	0.00	112,900,000	0.00
INTERGOVERNMENTAL TRANSFER	69,329,227	0.00	66,300,000	0.00	66,300,000	0.00	66,300,000	0.00
TOTAL - PD	187,360,044	0.00	179,200,000	0.00	179,200,000	0.00	179,200,000	0.00
TOTAL	**187,360,044**	**0.00**	**179,200,000**	**0.00**	**179,200,000**	**0.00**	**179,200,000**	**0.00**
IGT Safety Net Increase Author - 1886014								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	16,605,748	0.00	16,605,748	0.00
INTERGOVERNMENTAL TRANSFER	0	0.00	0	0.00	4,048,801	0.00	4,048,801	0.00
TOTAL - PD	0	0.00	0	0.00	20,654,549	0.00	20,654,549	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**20,654,549**	**0.00**	**20,654,549**	**0.00**
GRAND TOTAL	**$187,360,044**	**0.00**	**$179,200,000**	**0.00**	**$199,854,549**	**0.00**	**$199,854,549**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: IGT Safety Net Hospitals

Budget Unit: 90571C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD		112,900,000	66,300,000	179,200,000	E
TRF					
Total		112,900,000	66,300,000	179,200,000	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

Note: An "E" is requested for $66,300,000 Intergovernmental Transfers and $112,900,000 Federal Funds.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD		112,900,000	66,300,000	179,200,000	E
TRF					
Total		112,900,000	66,300,000	179,200,000	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

Note: An "E" is requested for $66,300,000 Intergovernmental Transfers and $112,900,000 Federal Funds.

2. CORE DESCRIPTION

This core request is for funding payments for MO HealthNet participants and the uninsured through intergovernmental transfers for safety net hospitals. Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients.

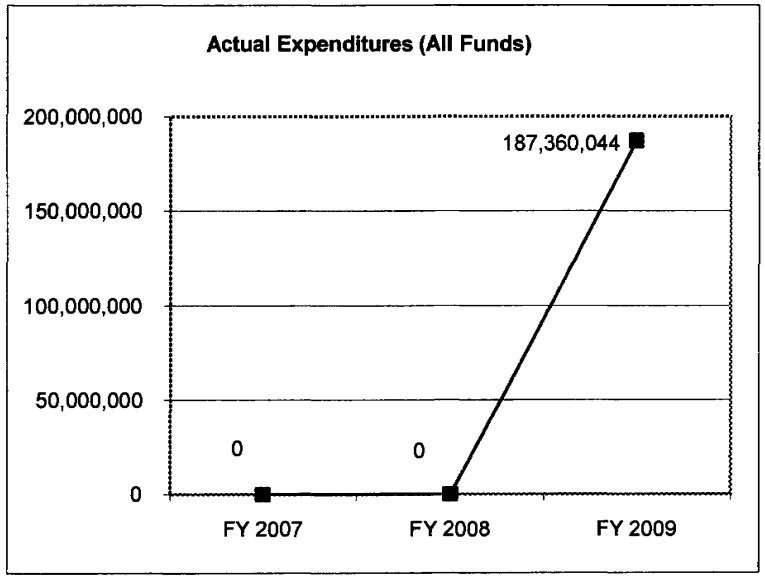
Payments from this program are made to the University of Missouri Hospitals and Clinics; Columbia Regional Medical Center; Missouri Rehabilitation Center; Truman Medical Center Hospital-Hill; Truman Medical Center-Lakewood and the Department of Mental Health hospitals.

3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for safety net hospitals.

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	0	0	187,360,100	179,200,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	187,360,100	N/A
Actual Expenditures (All Funds)	0	0	187,360,044	N/A
Unexpended (All Funds)	0	0	56	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	33	N/A
Other	0	0	23	N/A
			(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for Federal fund and Intergovernmental Transfers.

(1) The IGT Safety Net Hospitals program started in FY 2009.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
IGT SAFETY NET HOSPITALS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	112,900,000	66,300,000	179,200,000	
	Total	**0.00**	**0**	**112,900,000**	**66,300,000**	**179,200,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	112,900,000	66,300,000	179,200,000	
	Total	**0.00**	**0**	**112,900,000**	**66,300,000**	**179,200,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	112,900,000	66,300,000	179,200,000	
	Total	**0.00**	**0**	**112,900,000**	**66,300,000**	**179,200,000**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
IGT SAFETY NET HOSPITALS								
CORE								
PROGRAM DISTRIBUTIONS	187,360,044	0.00	179,200,000	0.00	179,200,000	0.00	179,200,000	0.00
TOTAL - PD	**187,360,044**	**0.00**	**179,200,000**	**0.00**	**179,200,000**	**0.00**	**179,200,000**	**0.00**
GRAND TOTAL	**$187,360,044**	**0.00**	**$179,200,000**	**0.00**	**$179,200,000**	**0.00**	**$179,200,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$118,030,817**	**0.00**	**$112,900,000**	**0.00**	**$112,900,000**	**0.00**	**$112,900,000**	**0.00**
OTHER FUNDS	**$69,329,227**	**0.00**	**$66,300,000**	**0.00**	**$66,300,000**	**0.00**	**$66,300,000**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: IGT Safety Net Hospitals
Program is found in the following core budget(s): IGT Safety Net Hospitals

1. What does this program do?

PROGRAM SYNOPSIS: This program provides payments for MO HealthNet participants and the uninsured through intergovernmental transfers for safety net hospitals. Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients.

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer funds to the state as the non-federal share of Medicaid payments. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Beginning in FY 2009, MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of hospital payments. The following state owned/operated hospitals and public hospitals are paid from this appropriation: (1) Mid-Missouri Mental Health Center; (2) Metropolitan St. Louis Psychiatric Center; (3) Western Missouri Mental Health Center; (4) Hawthorne Children's Psychiatric Hospital; (5) Northwest Missouri Psychiatric Rehabilitation Center; (6) Fulton State Hospital; (7) Southeast Missouri Mental Health Center; (8) St. Louis Psychiatric Rehabilitation Center; (9) Missouri Rehabilitation Center; (10) Columbia Regional Hospital; (11) University Hospital and Clinics; (12) Truman Medical Center – Hospital Hill; and (13) Truman Medical Center – Lakewood.

Under the IGT process, hospitals transfer the non-federal share of payments to the State prior to payments being made. The state pays out the total claimable amount including both federal and non-federal share. The state demonstrates that the non-federal share of the payments is transferred to, and under the administrative control of, the Medicaid agency (Department of Social Services (DSS)) prior to the total computable payments being made to the hospitals.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

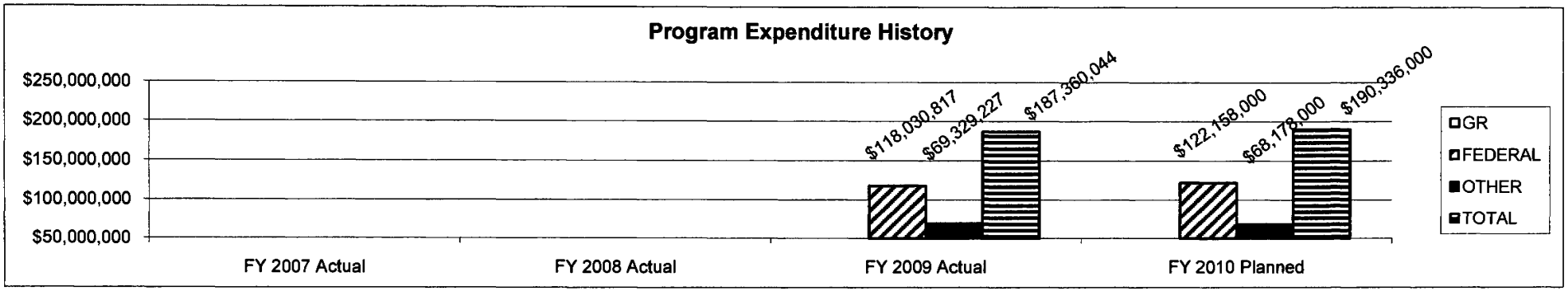
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Program started in FY 2009.

6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.

NEW DECISION ITEM
RANK: 19

Department: Social Services | **Budget Unit: 90571C**
Division: MO HealthNet
DI Name: IGT Safety Net Increase Authority | **DI#: 1886014**

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD		16,605,748	4,048,801	20,654,549
TRF				
Total		16,605,748	4,048,801	20,654,549
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD		16,605,748	4,048,801	20,654,549
TRF				
Total		16,605,748	4,048,801	20,654,549
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Increase budget authority		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

PROGRAM SYNOPSIS: This program provides payments for MO HealthNet participants and the uninsured through intergovernmental transfers for safety net hospitals. Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer funds to the state as the non-federal share of Medicaid payments. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Payments will be made from this program to the University of Missouri Hospitals and Clinics; Columbia Regional Medical Center; Missouri Rehabilitation Center; Truman Medical Center Hospital-Hill; and Truman Medical Center-Lakewood. FY11 projected payments are shown below. This request includes adjustment for current year

UMC Direct Medicaid	92,776,258
UMC DSH	14,003,888
TMC DSH	88,349,403
Mo Rehab Center	4,725,000
FY 11 Total Projected Payments	199,854,549
FY 10 IGT Appropriation	179,200,000
FY 11 Need	20,654,549

	Total	Federal	Other
Total	$20,654,549	$16,605,748	$4,048,801

New Decision Item Fund split adjusted to correct core fund split.

Governor's Recommendation:

UMC Direct Medicaid	92,776,258
UMC DSH	14,003,888
TMC DSH	88,349,403
Mo Rehab Center	4,725,000
FY 11 Total Projected Payments	199,854,549
FY 10 IGT Appropriation	179,200,000
FY 11 Need	20,654,549

	Total	Federal	Other
Total	$20,654,549	$16,605,748	$4,048,801

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
							0	0.0	
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
							0		
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		16,605,748		4,048,801		20,654,549		
Total PSD	**0**		**16,605,748**		**4,048,801**		**20,654,549**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**16,605,748**	**0.0**	**4,048,801**	**0.0**	**20,654,549**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
							0	0.0	
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
							0		
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions			16,605,748		4,048,801		20,654,549		
Total PSD	**0**		**16,605,748**		**4,048,801**		**20,654,549**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**16,605,748**	**0.0**	**4,048,801**	**0.0**	**20,654,549**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
IGT SAFETY NET HOSPITALS								
IGT Safety Net Increase Author - 1886014								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	20,654,549	0.00	20,654,549	0.00
TOTAL - PD	0	0.00	0	0.00	20,654,549	0.00	20,654,549	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$20,654,549	0.00	$20,654,549	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$16,605,748	0.00	$16,605,748	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$4,048,801	0.00	$4,048,801	0.00

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MoHealthNet
DI Name: IGT DMH Medicaid Program

Budget Unit: 90572C

DI#: 1886034

1. AMOUNT OF REQUEST

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD		112,898,554	65,731,662	178,630,216	E
TRF					
Total		**112,898,554**	**65,731,662**	**178,630,216**	**E**
FTE				**0.00**	
Est. Fringe	*0*	*0*	*0*	*0*	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: DSS Intergovernmental Transfer Fund

Note: An "E" is requested for Federal Fund (0163) and IGT (0139).

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Change in Payment Methodology		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

PROGRAM SYNOPSIS: The Department of Mental Health (DMH) is changing from its current payment methodology for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR) to a cost-based reimbursement methodology. The state match will be provided using an Intergovernmental Transfer process.

This funding is needed to allow MO HealthNet to pay DMH for CPR and CSTAR services. The new methodology allows DMH to be reimbursed 100% of CPR and CSTAR costs. MO HealthNet will pay DMH a reasonable rate for the total costs of providing CPR and CSTAR services.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Currently, the state share for CSTAR and CPR services is provided by DMH using a certifed public expenditure (CPE) process. Under a CPE process, DMH certifies that funds are eligible for federal financial participation. The new process uses an Intergovernmental Transfer (IGT) from DMH to the administering state agency (MHD) to provide the non-federal share (state match). This transfer proves to CMS that the state match is available for the CPR and CSTAR programs. The appropriated transfer from General Revenue is in the DMH budget. Under the new payment methodology, reimbursement rates will be established for CSTAR and CPR services and the MHD will reimburse DMH both the state and the federal share for these services. This appropriation is needed to pay DMH the costs of the services provided rather than just the federal share.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0								
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions			112,898,554		65,731,662		178,630,216		
Total PSD	**0**		**112,898,554**		**65,731,662**		**178,630,216**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**112,898,554**	**0.0**	**65,731,662**	**0.0**	**178,630,216**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

6b. Provide an efficiency measure.

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

DMH will make transfer payments in order to make the MO HealthNet match payments.

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
IGT DMH MEDICAID PROGRAM								
IGT DMH - 1886034								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	112,898,554	0.00
INTERGOVERNMENTAL TRANSFER	0	0.00	0	0.00	0	0.00	65,731,662	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	178,630,216	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**178,630,216**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$178,630,216**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
IGT DMH MEDICAID PROGRAM								
IGT DMH - 1886034								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	178,630,216	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**178,630,216**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$178,630,216**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$112,898,554**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$65,731,662**	**0.00**

WOMEN'S HEALTH SERVICES

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
WOMEN'S HEALTH SRVC								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	465,788	0.00	1,245,779	0.00	1,245,779	0.00	1,245,779	0.00
TITLE XIX-FEDERAL AND OTHER	2,885,866	0.00	11,833,517	0.00	11,833,517	0.00	11,833,517	0.00
FEDERAL REIMBURSMENT ALLOWANCE	167,756	0.00	167,756	0.00	167,756	0.00	167,756	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	49,034	0.00	49,034	0.00	49,034	0.00
TOTAL - PD	3,519,410	0.00	13,296,086	0.00	13,296,086	0.00	13,296,086	0.00
TOTAL	**3,519,410**	**0.00**	**13,296,086**	**0.00**	**13,296,086**	**0.00**	**13,296,086**	**0.00**
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	123,405	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	998,455	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,121,860	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,121,860**	**0.00**	**0**	**0.00**
Pharmacy PMPM - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	11,542	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	93,383	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	104,925	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**104,925**	**0.00**
GRAND TOTAL	**$3,519,410**	**0.00**	**$13,296,086**	**0.00**	**$14,417,946**	**0.00**	**$13,401,011**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Women's Health Services

Budget Unit: 90554C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD	1,245,779	11,833,517	216,790	13,296,086	E
TRF					
Total	1,245,779	11,833,517	216,790	13,296,086	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Pharmacy Reimbursement Allowance Fund (0144)

Note: An "E" is requested for Federal Fund authority for $1 for local initiatives.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD	1,245,779	11,833,517	216,790	13,296,086	E
TRF					
Total	1,245,779	11,833,517	216,790	13,296,086	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Pharmacy Reimbursement Allowance Fund (0144)

Note: An "E" is requested for Federal Fund authority for $1 for local initiatives.

2. CORE DESCRIPTION

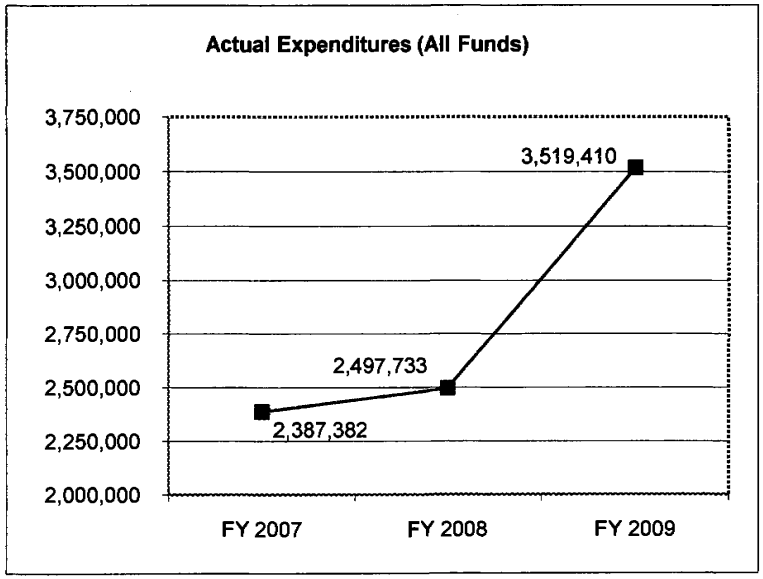
This core request is for ongoing funding for health care services provided to MO HealthNet participants covered through the 1115 Waiver. Funding for this core is used to provide coverage for women's health services.

3. PROGRAM LISTING (list programs included in this core funding)

Women's Health Services - 1115 Waiver

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	2,594,128	2,977,449	13,126,786	13,296,086 E
Less Reverted (All Funds)	0	0	(950,605)	N/A
Budget Authority (All Funds)	2,594,128	2,977,449	12,176,181	N/A
Actual Expenditures (All Funds)	2,387,382	2,497,733	3,519,410	N/A
Unexpended (All Funds)	206,746	479,716	8,656,771	N/A
Unexpended, by Fund:				
General Revenue	4,190	281,548	48	N/A
Federal	4,389	1	8,626,312	N/A
Other	198,167	198,167	30,411	N/A
		(1)	(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriation for Federal fund authority for $1 for local initiatives.

(1) Lapse of $30,411 in Other is agency reserve. Expenditures of $577,544 were paid from the Supplemental Pool.

(2) Lapse of $30,411 in Other is agency reserve.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
WOMEN'S HEALTH SRVC

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	1,245,779	11,833,517	216,790	13,296,086	
	Total	**0.00**	**1,245,779**	**11,833,517**	**216,790**	**13,296,086**	
DEPARTMENT CORE REQUEST							
	PD	0.00	1,245,779	11,833,517	216,790	13,296,086	
	Total	**0.00**	**1,245,779**	**11,833,517**	**216,790**	**13,296,086**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	1,245,779	11,833,517	216,790	13,296,086	
	Total	**0.00**	**1,245,779**	**11,833,517**	**216,790**	**13,296,086**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
WOMEN'S HEALTH SRVC								
CORE								
PROGRAM DISTRIBUTIONS	3,519,410	0.00	13,296,086	0.00	13,296,086	0.00	13,296,086	0.00
TOTAL - PD	3,519,410	0.00	13,296,086	0.00	13,296,086	0.00	13,296,086	0.00
GRAND TOTAL	$3,519,410	0.00	$13,296,086	0.00	$13,296,086	0.00	$13,296,086	0.00
GENERAL REVENUE	$465,788	0.00	$1,245,779	0.00	$1,245,779	0.00	$1,245,779	0.00
FEDERAL FUNDS	$2,885,866	0.00	$11,833,517	0.00	$11,833,517	0.00	$11,833,517	0.00
OTHER FUNDS	$167,756	0.00	$216,790	0.00	$216,790	0.00	$216,790	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Women's Health Services
Program is found in the following core budget(s): Women's Health Services

1. What does this program do?

PROGRAM SYNOPSIS: Provides funding for health care services to MO HealthNet clients covered by an approved Centers for Medicare and Medicaid (CMS) 1115 waiver. Clients that are covered through the 1115 waiver receive Women's Health Services.

Under the 1115 Waiver, uninsured women losing their MO HealthNet eligibility 60 days after the birth of their child are eligible for women's health services for one year (12 months). Legislation passed in FY 07 (SB 577) and an approved amendment to the CMS 1115 waiver allows for the expansion of these services to uninsured women who are 18 to 55 years of age, have a net family income of at or below 185% FPL, with assets totaling less than $250,000 and have no access to employer-sponsored health insurance covering family planning services. Services began January 1, 2009. Women's health services are defined as:

- Department of Health and Human Services approved methods of contraception;
- Sexually transmitted disease testing and treatment, including pap tests and pelvic exams;
- Family planning counseling/education on various methods of birth control; and
- Drugs, supplies or devices related to the women's health services described above when they are prescribed by a physician or advanced practice nurse (subject to the national drug rebate program requirements).

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.040, 208.151 and 208.659; Federal law: Social Security Act Sections 1115 and 1923(a)-(f); Federal Regulations: 42 CFR 433 Subpart B and 412.106.

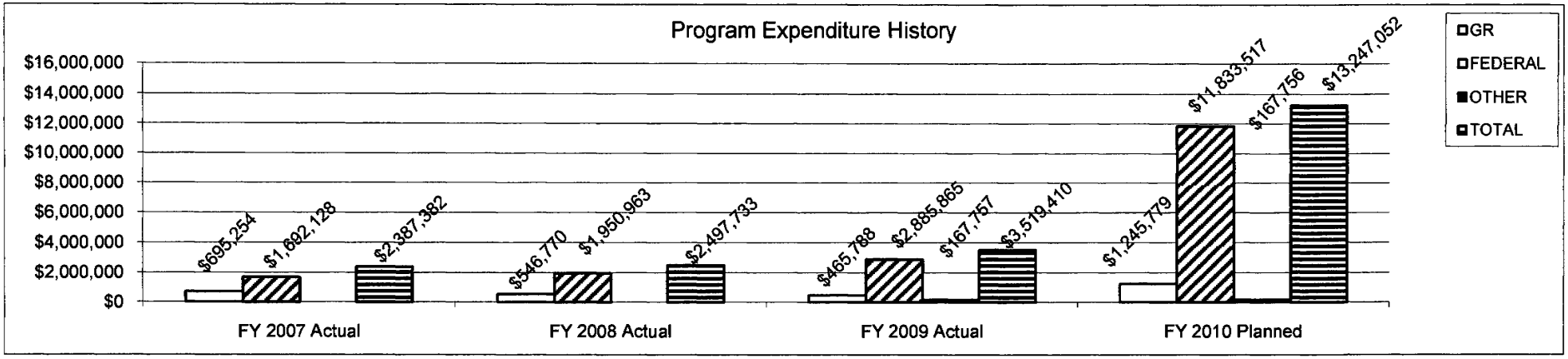
3. Are there federal matching requirements? If yes, please explain.

Most of the Women's Health Services are eligible for an enhanced 90% federal match, requiring a state match of only 10%. The remaining services are matched at the federal medical assistance percentage (FMAP) calculated for MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's FMAP for FY10 for these remaining services is a blended 64.18% federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

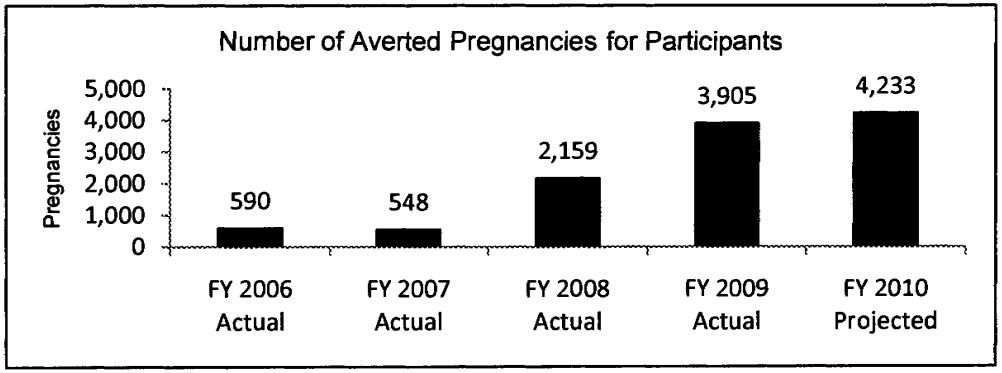


6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144).

7a. Provide an effectiveness measure.

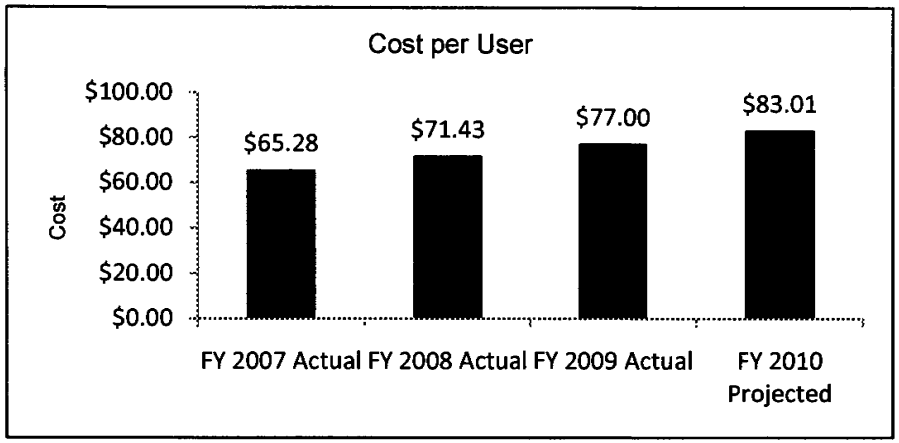
Effectiveness Measure: Increase the number of averted pregnancies for participants. The Women's Health Services program provides family planning services to women assisting them in avoiding unintended pregnancies. There were 3,905 averted pregnancies for participants in SFY 2009 compared to 2,159 averted pregnancies in SFY 2008.



The waiver that allows for these services expires in FY 2010; therefore, projections were not made beyond that year.

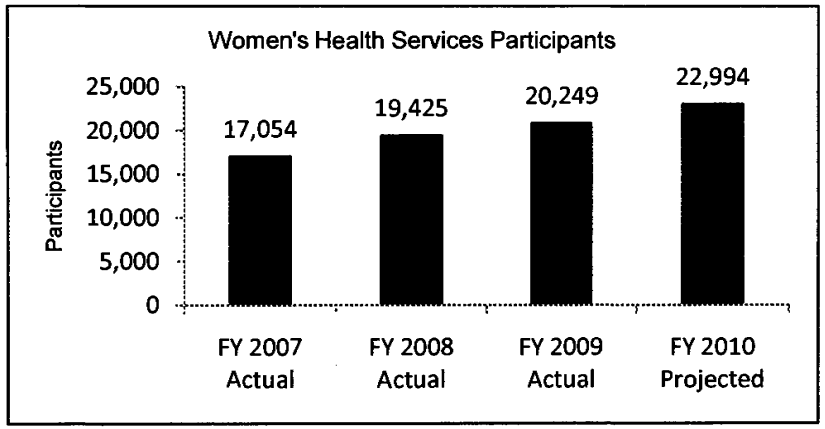
7b. Provide an efficiency measure.

Efficiency Measure: Provide education and outreach to encourage women to access family planning services. Over 46,000 users accessed family planning services in SFY 2009 at a cost of $3.5 million. The cost per user is $77.00.



7c. Provide the number of clients/individuals served, if applicable.

SB 577 (FY07) and an approved amendment to the CMS 1115 waiver provided for an expansion of Women's Health Services to women 18 to 55 years of age with a net family income of 185% FPS or below, with assets less than $250,000 and no access to employer sponsored insurance covering family planning services. Expanded services began January 1, 2009.



7d. Provide a customer satisfaction measure, if available.

MAF ADULTS

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MAF-ADULTS								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	94,273,635	0.00	0	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	52,615,793	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	146,889,428	0.00	0	0.00	0	0.00
TOTAL	**0**	**0.00**	**146,889,428**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$146,889,428**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MAF-Adults

Budget Unit: 90580C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

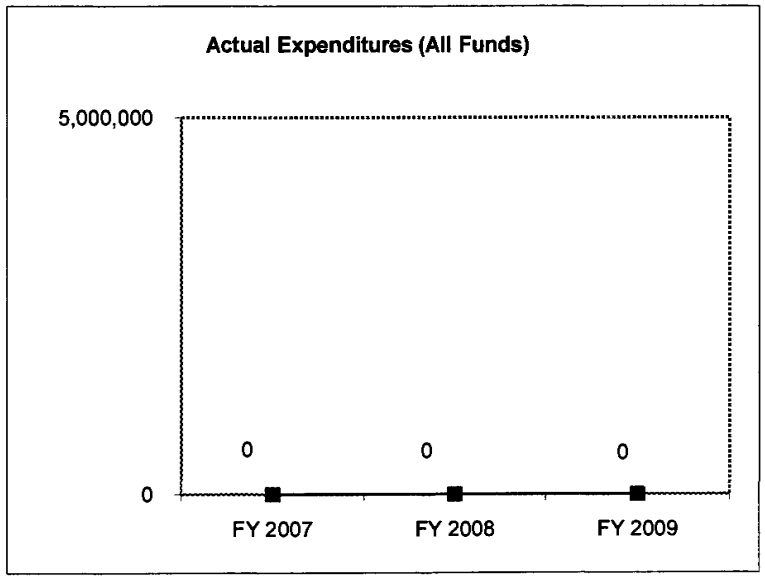
2. CORE DESCRIPTION

This core request is for funding the implementation and administration of the Show-Me Health Coverage Plan (established by SB 306). The enabling legislation did not pass to authorize this program so the federal funds are being core cut and the FRA funds are being transferred back to the FRA section for FY11.

3. PROGRAM LISTING (list programs included in this core funding)

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	0	0	0	146,889,428
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(1)	(1)	(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) New core in FY10.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
MAF-ADULTS

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			PD	0.00	0	94,273,635	52,615,793	146,889,428	
			Total	**0.00**	**0**	**94,273,635**	**52,615,793**	**146,889,428**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reduction	851	5885	PD	0.00	0	(94,273,635)	0	(94,273,635)	Core reduction of empty federal authority. Enabling legislation did not pass.
Core Reallocation	1388	5901	PD	0.00	0	0	(52,615,793)	(52,615,793)	Move funding from MAF adults to FRA. No enabling legislation for MAF adults.
NET DEPARTMENT CHANGES				**0.00**	**0**	**(94,273,635)**	**(52,615,793)**	**(146,889,428)**	
DEPARTMENT CORE REQUEST									
			PD	0.00	0	0	0	0	
			Total	**0.00**	**0**	**0**	**0**	**0**	
GOVERNOR'S RECOMMENDED CORE									
			PD	0.00	0	0	0	0	
			Total	**0.00**	**0**	**0**	**0**	**0**	

PROGRAM DESCRIPTION

Department: Social Services
Program Name: MAF Adults
Program is found in the following core budget(s): MAF Adults

1. What does this program do?

This program was intended to provide health care for adults with incomes up to 50% of the federal poverty level (FPL). MO HealthNet for parents is known as Medical Assistance for Families - Adults. Core appropriations fund MAF-Adult coverage up to the TANF limits (about 19% FPL to 20% FPL). The core appropriation authority would have expanded coverge for parents with incomes above the TANF limits to 50% FPL. Under the poverty guidelines published January 2009, income for a family of 3 at the TANF limit is $292 per month; income for a family of 3 at 50% is $763 per month.

Funding for MAF adults was appropriated contingent on passage of SB 306. Since SB 306 didn't pass the General Assembly, this core funding was unavailable to the agency.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

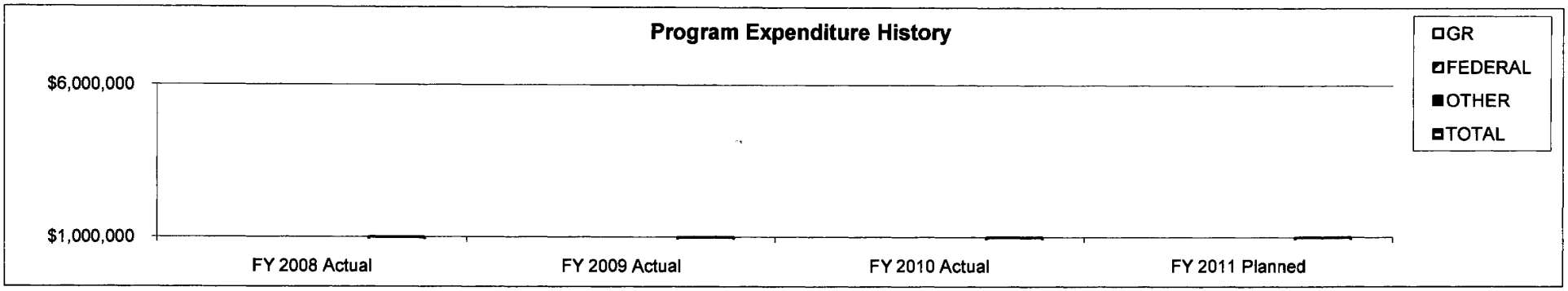
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 10 is a blended 64.18 % federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

7d. Provide a customer satisfaction measure, if available.

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MAF-ADULTS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	146,889,428	0.00	0	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**146,889,428**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$146,889,428**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$94,273,635**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$52,615,793**	**0.00**	**$0**	**0.00**		**0.00**

CHIP

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	25,662,414	0.00	30,795,887	0.00	30,437,546	0.00	30,795,887	0.00
TITLE XIX-FEDERAL AND OTHER	96,276,425	0.00	142,965,658	0.00	142,965,658	0.00	141,726,377	0.00
PHARMACY REBATES	144,290	0.00	225,430	0.00	225,430	0.00	225,430	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	7,719,204	0.00	7,719,204	0.00	7,719,204	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	907,611	0.00	907,611	0.00	907,611	0.00
MO HEALTHNET MANAGED CARE ORG	1,071,200	0.00	267,800	0.00	1	0.00	1	0.00
HEALTH INITIATIVES	4,650,842	0.00	5,375,576	0.00	5,375,576	0.00	5,375,576	0.00
PREMIUM	1,700,000	0.00	2,592,452	0.00	2,592,452	0.00	2,592,452	0.00
TOTAL - PD	129,505,171	0.00	190,849,618	0.00	190,223,478	0.00	189,342,538	0.00
TOTAL	**129,505,171**	**0.00**	**190,849,618**	**0.00**	**190,223,478**	**0.00**	**189,342,538**	**0.00**
Replace Mg Care Prov Tax GR Re - 1886004								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	171,206	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	0	0.00	0	0.00	0	0.00	171,206	0.00
TOTAL - PD	0	0.00	0	0.00	171,206	0.00	171,206	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**171,206**	**0.00**	**171,206**	**0.00**
FMAP Adjustment - 1886009								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,239,281	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	358,341	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	358,341	0.00	1,239,281	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**358,341**	**0.00**	**1,239,281**	**0.00**
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	123,079	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	376,430	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	499,509	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**499,509**	**0.00**	**0**	**0.00**
Aud Rate Inc SB 577 (2007) Req - 1886016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	3,435	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	10,507	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	13,942	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**13,942**	**0.00**	**0**	**0.00**
Dental Rate Inc SB 577 (2007) - 1886017								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	339,774	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,039,177	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,378,951	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,378,951**	**0.00**	**0**	**0.00**
DME Rate Inc SB 577 (2007) Req - 1886018								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	25,540	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	78,114	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	103,654	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**103,654**	**0.00**	**0**	**0.00**
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	42,825	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	130,979	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	173,804	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**173,804**	**0.00**	**0**	**0.00**
Therapies Rate Inc SB 577 2007 - 1886020								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	12,236	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	37,425	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	49,661	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**49,661**	**0.00**	**0**	**0.00**
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	750,635	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,295,775	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	3,046,410	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**3,046,410**	**0.00**	**0**	**0.00**
Pharmacy PMPM - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	323,428	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	945,665	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,269,093	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,269,093**	**0.00**
GRAND TOTAL	**$129,505,171**	**0.00**	**$190,849,618**	**0.00**	**$196,018,956**	**0.00**	**$192,022,118**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD	30,437,546	142,965,658	16,820,274	190,223,478	E
TRF					
Total	30,437,546	142,965,658	16,820,274	190,223,478	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Medicaid Managed Care Org Reimb Allowance Fund (0160)
Health Initiatives Fund (HIF) (0275)
Pharmacy Rebates Fund (0114)
Pharmacy Reimbursement Allowance Fund (0144)
Premium Fund (0885)

Note: An "E" is requested for $1 Managed Care Organization Reimbursement Allowance.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD	30,795,887	141,726,377	16,820,274	189,342,538	E
TRF					
Total	30,795,887	141,726,377	16,820,274	189,342,538	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Medicaid Managed Care Org Reimb Allowance Fund (0160)
Health Initiatives Fund (HIF) (0275)
Pharmacy Rebates Fund (0114)
Pharmacy Reimbursement Allowance Fund (0144)
Premium Fund (0885)

Note: An "E" is requested for $1 Managed Care Organization Reimbursement Allowance.

2. CORE DESCRIPTION

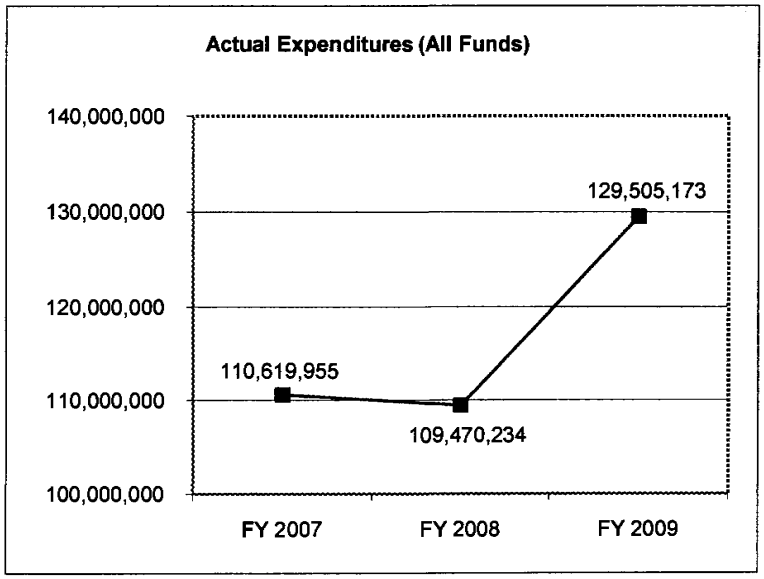
This core request is for ongoing funding for health care services provided to MO HealthNet clients. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population. Funding for this core is used to provide coverage for uninsured children.

3. PROGRAM LISTING (list programs included in this core funding)

Children's Health Insurance Program (CHIP)

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	146,574,262	163,842,163	187,544,853	190,849,618
Less Reverted (All Funds)	(161,267)	0	(161,267)	N/A
Budget Authority (All Funds)	146,412,995	163,842,163	187,383,586	N/A
Actual Expenditures (All Funds)	110,619,955	109,470,234	129,505,173	N/A
Unexpended (All Funds)	35,793,040	54,371,929	57,878,413	N/A
Unexpended, by Fund:				
General Revenue	0	6,662,085	4,250,806	N/A
Federal	21,688,675	35,425,487	40,601,135	N/A
Other	14,104,365	12,284,357	13,026,472	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Agency reserve of $4,185,455 is excess Premium Fund authority.

(2) Agency reserve of $4,549,005: $201,394 in Pharmacy Reimbursement Allowance, $95,475 in MC-Reimbursement Allowance and $4,252,136 in Premium Fund.

(3) Agency reserve of $50,170,598: $201,394 in Pharmacy Reimbursement Allowance, $4,300,000 in Premium Fund (empty authority); $7,719,204 in Federal Reimbursement Allowance (not included in the FY2009 FRA assessment); $33,700,000 in Federal Fund (empty authority); and $4,250,000 in General Revenue Fund authority.

DEPARTMENT OF SOCIAL SERVICES
CHILDREN'S HEALTH INS PROGRAM

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	30,795,887	142,965,658	17,088,073	190,849,618	
		Total	**0.00**	**30,795,887**	**142,965,658**	**17,088,073**	**190,849,618**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	981 2866	PD	0.00	(358,341)	0	0	(358,341)	FMAP adjustment.
Core Reduction	1076 1036	PD	0.00	0	0	(267,799)	(267,799)	Core cut managed care FRA as Missouri's tax is no longer allowable under federal law. Corresponding GR NDI to replace tax profit that funds core CHIP managed care expenditures.
NET DEPARTMENT CHANGES			**0.00**	**(358,341)**	**0**	**(267,799)**	**(626,140)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	30,437,546	142,965,658	16,820,274	190,223,478	
		Total	**0.00**	**30,437,546**	**142,965,658**	**16,820,274**	**190,223,478**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	981	PD	0.00	358,341	(1,239,281)	0	(880,940)	FMAP adjustment.
NET GOVERNOR CHANGES			**0.00**	**358,341**	**(1,239,281)**	**0**	**(880,940)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	30,795,887	141,726,377	16,820,274	189,342,538	
		Total	**0.00**	**30,795,887**	**141,726,377**	**16,820,274**	**189,342,538**	

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Children's Health Insurance Program (CHIP)
Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

1. What does this program do?

PROGRAM SYNOPSIS: Provides for eligibility for health care services to MO HealthNet clients covered through a combination of a Medicaid State Plan for children whose families have income of 150% of the federal poverty level (FPL) or below and a Children's Health Insurance Program (CHIP) State Plan for children whose families have income over 150% of the FPL. CHIP provides coverage to uninsured children above existing MO HealthNet eligibility limits up to 300% of the FPL.

The Children's Health Insurance Program is integrated into Missouri's MO HealthNet coverage. This integration was made possible through the passage of Senate Bill 632 of the second regular session of the 89th General Assembly (1998). Senate Bill 632 expanded the MO HealthNet program for children with family incomes from 200% to 300% of the federal poverty level.

Using CHIP, Missouri continues its commitment to improve medical care for its low income children by increasing their access to comprehensive medical services.

Eligible children must be under age 19, have a family income below 300% of the federal poverty level, be uninsured for six months or more, and have no access to other health insurance coverage for less than $69 to $172 per month during SFY10 based on family size and income. Any child identified as having special health care needs (defined as a condition which left untreated would result in the death or serious physical injury of a child) who does not have access to affordable employer-subsidized health care insurance will not be required to be without health care coverage for six months in order to be eligible for services. They are also not subject to the waiting period as long as the child meets all other qualifications for eligibility.

Uninsured children with family income of 150% FPL or below receive a package of benefits equal to MO HealthNet coverage. Uninsured children with family income above 150% FPL receive a package of benefits equal to MO HealthNet coverage, without non-emergency medical transportation. Parents of children eligible for coverage above 150% and below 300% of the federal poverty level must show parental responsibility through the following:

- participation in immunization and wellness programs;
- furnishing the uninsured child's social security number;
- cooperation with third party insurance carriers;
- cooperation in child support cases; and
- sharing in their children's health care costs through premiums.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.631 through 208.657; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.

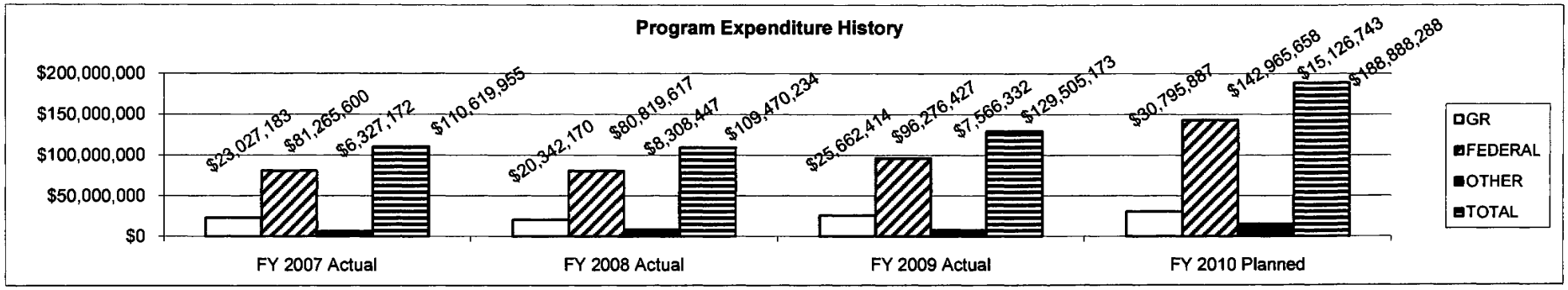
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's enhanced CHIP FMAP for FY10 is a blended 74.10% federal match. The state matching requirement for the SCHIP program is 25.90%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reserve: $161,267 Other Funds
Reverted: $1,800,063 Other Funds

6. What are the sources of the "Other" funds?

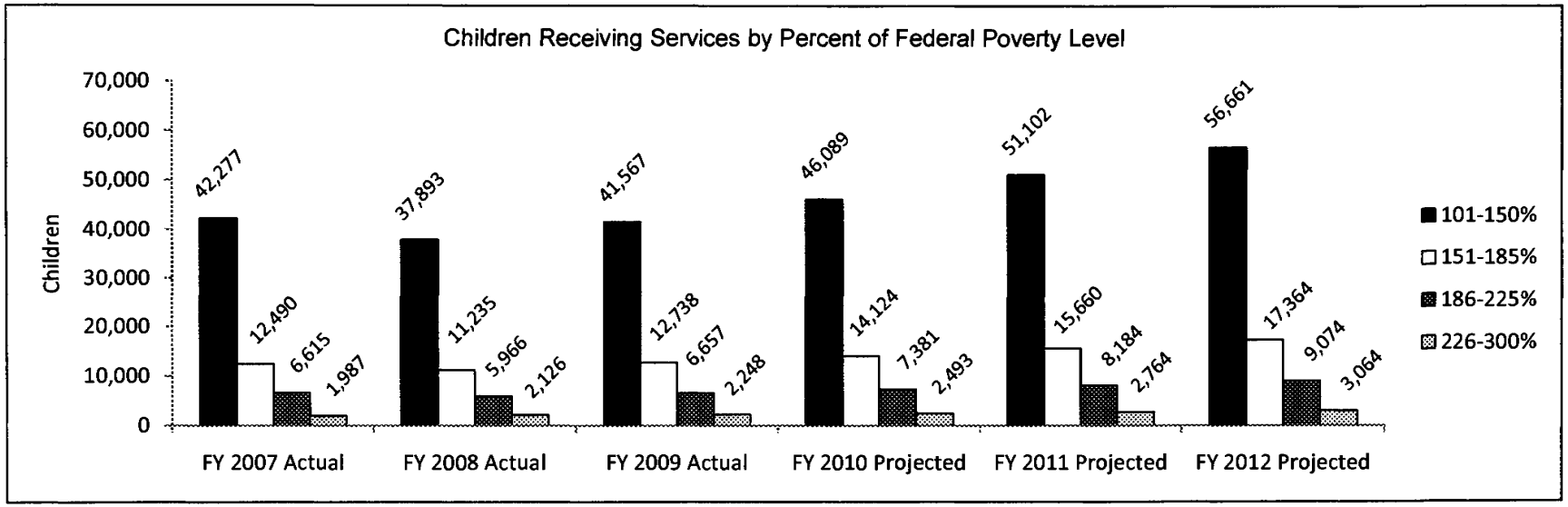
Pharmacy Rebates Fund (0114), Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144), Health Initiatives Fund (0275), Premium Fund (0885), Medicaid Managed Care Organization Reimbursement Allowance Fund (0160).

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Participants are children above the existing Title XIX Medicaid eligibility up to 300% of the federal poverty level (FPL). As of September 2005, children in the categories from 151-300% of the federal poverty level (FPL) are required to pay premiums.



7d. Provide a customer satisfaction measure, if available.

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
CORE								
PROGRAM DISTRIBUTIONS	129,505,171	0.00	190,849,618	0.00	190,223,478	0.00	189,342,538	0.00
TOTAL - PD	**129,505,171**	**0.00**	**190,849,618**	**0.00**	**190,223,478**	**0.00**	**189,342,538**	**0.00**
GRAND TOTAL	**$129,505,171**	**0.00**	**$190,849,618**	**0.00**	**$190,223,478**	**0.00**	**$189,342,538**	**0.00**
GENERAL REVENUE	**$25,662,414**	**0.00**	**$30,795,887**	**0.00**	**$30,437,546**	**0.00**	**$30,795,887**	**0.00**
FEDERAL FUNDS	**$96,276,425**	**0.00**	**$142,965,658**	**0.00**	**$142,965,658**	**0.00**	**$141,726,377**	**0.00**
OTHER FUNDS	**$7,566,332**	**0.00**	**$17,088,073**	**0.00**	**$16,820,274**	**0.00**	**$16,820,274**	**0.00**

NURSING FACILITY FRA

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NURSING FACILITY FED REIMB AL								
CORE								
PROGRAM-SPECIFIC								
NURSING FACILITY FED REIM ALLW	187,195,492	0.00	235,091,756	0.00	235,091,756	0.00	235,091,756	0.00
TOTAL - PD	187,195,492	0.00	235,091,756	0.00	235,091,756	0.00	235,091,756	0.00
TOTAL	**187,195,492**	**0.00**	**235,091,756**	**0.00**	**235,091,756**	**0.00**	**235,091,756**	**0.00**
GRAND TOTAL	**$187,195,492**	**0.00**	**$235,091,756**	**0.00**	**$235,091,756**	**0.00**	**$235,091,756**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Budget Unit: 90567C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD			235,091,756	235,091,756	E
TRF					
Total			235,091,756	235,091,756	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFFRA) (0196)

Note: An "E" is requested for the Nursing Facility Federal Reimbursement Allowance Fund.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD			235,091,756	235,091,756	E
TRF					
Total			235,091,756	235,091,756	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFFRA) (0196)

Note: An "E" is requested for the Nursing Facility Federal Reimbursement Allowance Fund.

2. CORE DESCRIPTION

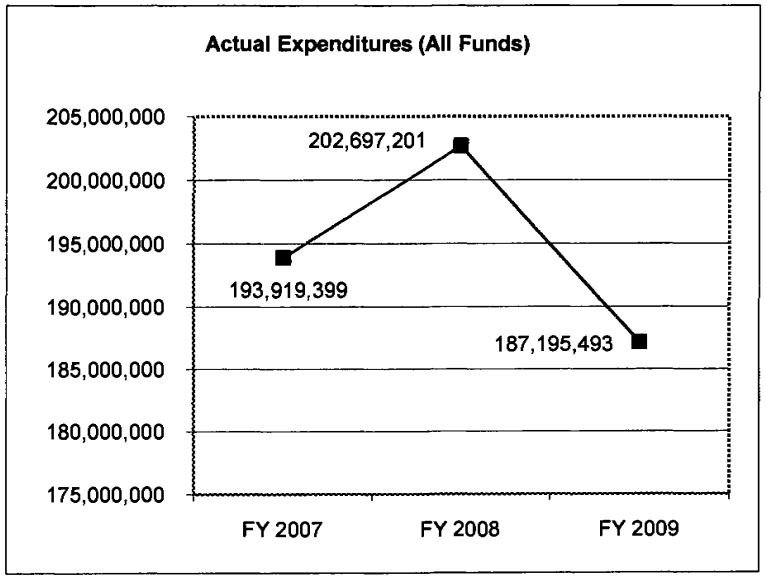
This core request is for ongoing funding for payments for long term care for Title XIX participants. Funds from this core are used to provide enhanced payment rates for improving the quality of patient care using the Nursing Facility Federal Reimbursement Allowance under the Title XIX of the Social Security Act as General Revenue equivalent. Nursing facilities are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this NFFRA program appropriation.

3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities Federal Reimbursement Allowance (NFFRA) Program

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	217,000,000	213,840,231	213,840,231	235,091,756 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	217,000,000	213,840,231	213,840,231	N/A
Actual Expenditures (All Funds)	193,919,399	202,697,201	187,195,493	N/A
Unexpended (All Funds)	23,080,601	11,143,030	26,644,738	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	23,080,601	11,143,030	26,644,738	N/A
	(1)	(2)	(3)	



NOTES:

Estimated "E" appropriation authority for NFFRA fund for FY 2010.

(1) Lapse of $23,080,601 is excess authority.

(2) Agency reserve of $1,773,065 in NFFRA fund. Lapse of $9,369,965 is excess authority.

(3) Lapse of $26,644,738 is excess authority.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITY FED REIMB AL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	235,091,756	235,091,756	
	Total	**0.00**	**0**	**0**	**235,091,756**	**235,091,756**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	235,091,756	235,091,756	
	Total	**0.00**	**0**	**0**	**235,091,756**	**235,091,756**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	235,091,756	235,091,756	
	Total	**0.00**	**0**	**0**	**235,091,756**	**235,091,756**	

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments
Program is found in the following core budget(s): Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

1. What does this program do?

PROGRAM SYNOPSIS: Provides enhanced payments for long-term care for MO HealthNet participants.

The Nursing Facilities Federal Reimbursement Assessment (NFFRA) program assesses nursing facilities in the state a fee for the privilege of doing business in the state. The funds collected by the state are used to fund the MO HealthNet Nursing Facility program and are used as state match for federal funding. In FY09, approximately 520 nursing facilities were assessed, and an average of 500 nursing facilities participated in the MO HealthNet program and received enhanced reimbursement. In FY 2010, the NFFRA will increase from $8.42 to $9.07 per patient occupancy day and will fund an increase in the nursing facility per diem reimbursement rate.

In FY 1995, the Nursing Facilities Federal Reimbursement Allowance program was implemented as part of a total restructuring of reimbursement for nursing homes. Reimbursement methodologies were changed to develop a cost component system. The components are patient care, ancillary, administration, and capital. A working capital allowance, incentives and the Nursing Facility Reimbursement Allowance (NFFRA) are also elements of the total reimbursement rate. Patient care includes nursing, medical supplies, activities, social services, and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry, and housekeeping. Administration includes plant operation costs and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes five types of costs: rental value, return, computed interest, borrowing costs and pass - through expenses. Property insurance and real estate and personal property taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. Incentives are paid to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem are between 60 - 80% of total per diem and an additional amount is allowed for facilities with high MO HealthNet utilization.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 198.401; Federal law: Social Security Action Section 1903(w); Federal Regulation: 42 CFR 443, Subpart B

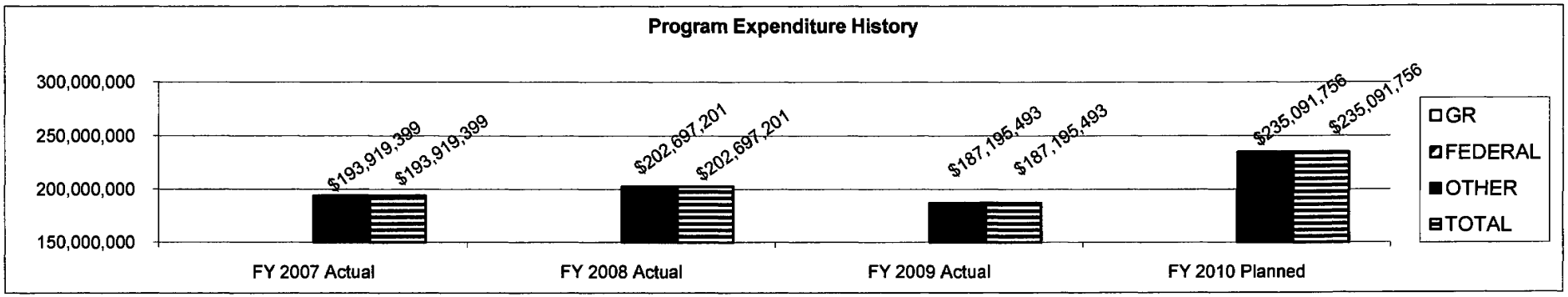
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY10 is a blended 64.18% federal match. The state matching requirement is 35.82%. The nursing facility assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

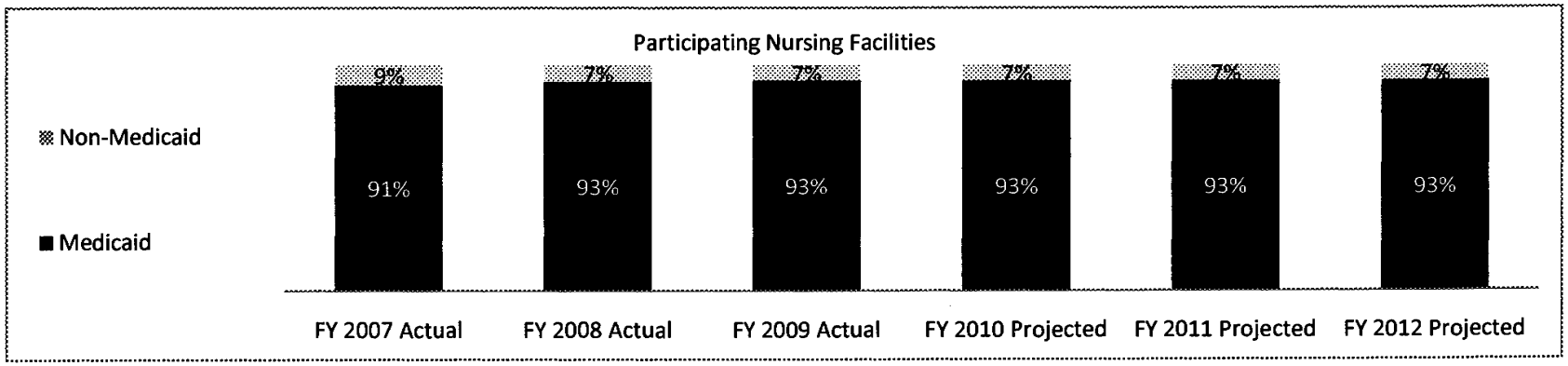


6. What are the sources of the "Other " funds?

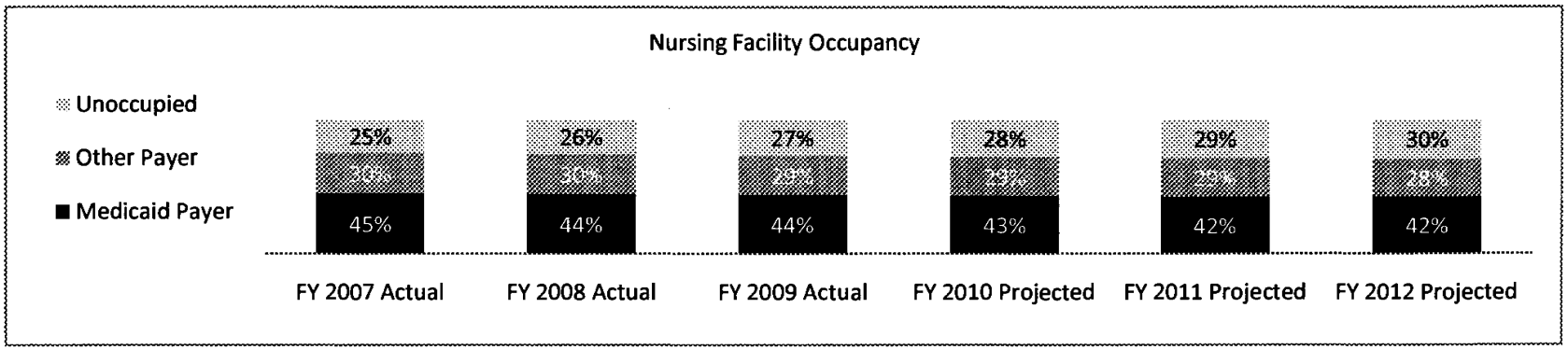
Nursing Facility Federal Reimbursement Allowance Fund (0196)

7a. Provide an effectiveness measure.

Effectiveness Measure 1: Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.

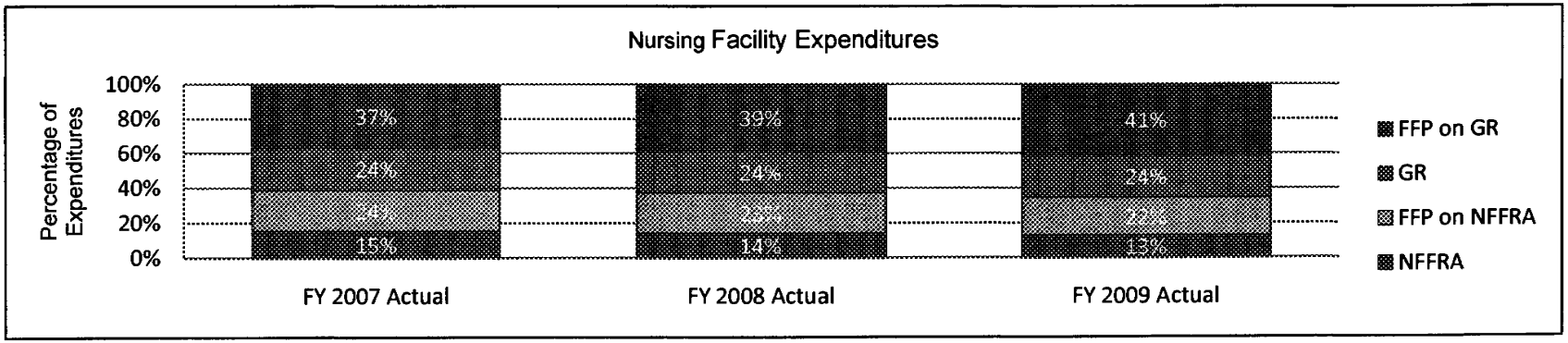


Effectiveness Measure 2: Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 27% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.



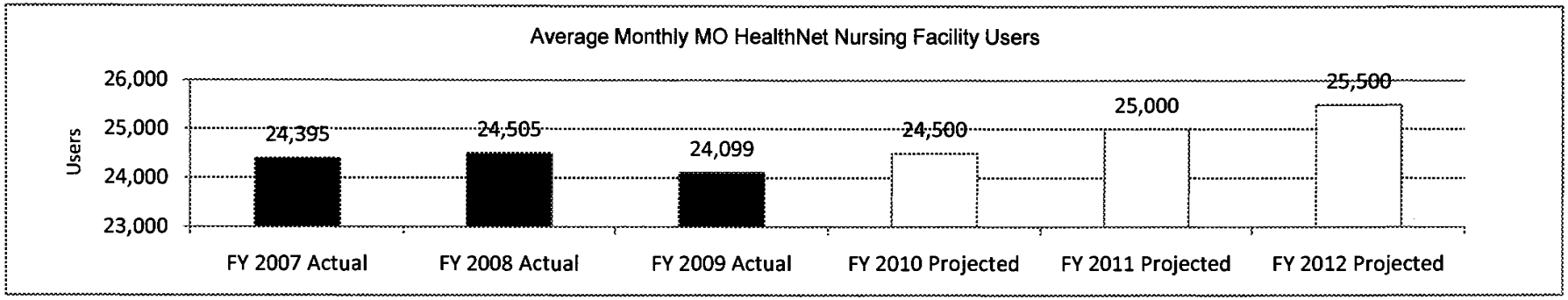
7b. Provide an efficiency measure.

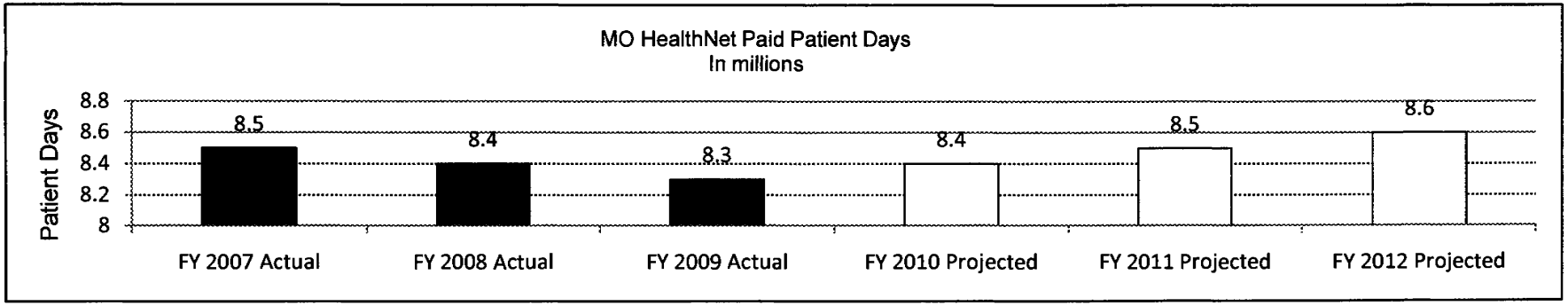
Efficiency Measure 1: Provide funding for the nursing facility program. During the past three state fiscal years, the nursing facility provider tax and the federal matching funds on the assessment provided at least 35% of nursing facility expenditures. NFFRA allows the state to provide enhanced reimbursements to nursing facilities minimizing the need for general revenue.



7c. Provide the number of clients/individuals served, if applicable.

Nursing Facility Federal Reimbursement Allowance (NFFRA) payments are made on behalf of MO HealthNet eligibles for long-term care services.





7d. Provide a customer satisfaction, if applicable.

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
NURSING FACILITY FED REIMB AL								
CORE								
PROGRAM DISTRIBUTIONS	187,195,492	0.00	235,091,756	0.00	235,091,756	0.00	235,091,756	0.00
TOTAL - PD	187,195,492	0.00	235,091,756	0.00	235,091,756	0.00	235,091,756	0.00
GRAND TOTAL	$187,195,492	0.00	$235,091,756	0.00	$235,091,756	0.00	$235,091,756	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$187,195,492	0.00	$235,091,756	0.00	$235,091,756	0.00	$235,091,756	0.00

SCHOOL DISTRICT MEDICAID
CLAIMING

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
SCHOOL DISTRICT CLAIMING								
CORE								
EXPENSE & EQUIPMENT								
TITLE XIX-FEDERAL AND OTHER	1,013,577	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	1,013,577	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	69,954	0.00	69,954	0.00	69,954	0.00	69,954	0.00
TITLE XIX-FEDERAL AND OTHER	21,115,100	0.00	33,299,954	0.00	33,299,954	0.00	33,299,954	0.00
TOTAL - PD	21,185,054	0.00	33,369,908	0.00	33,369,908	0.00	33,369,908	0.00
TOTAL	**22,198,631**	**0.00**	**33,369,908**	**0.00**	**33,369,908**	**0.00**	**33,369,908**	**0.00**
GRAND TOTAL	**$22,198,631**	**0.00**	**$33,369,908**	**0.00**	**$33,369,908**	**0.00**	**$33,369,908**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: School District Medicaid Claiming

Budget Unit: 90569C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD	69,954	33,299,954		33,369,908	E
TRF					
Total	69,954	33,299,954		33,369,908	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: An "E" is requested for the $33,299,954 Federal Fund authority.

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total	
PS					
EE					
PSD	69,954	33,299,954		33,369,908	E
TRF					
Total	69,954	33,299,954		33,369,908	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: An "E" is requested for the $33,299,954 Federal Fund authority.

2. CORE DESCRIPTION

This core request is for the ongoing funding for payments for school-based administrative and school-based EPSDT services.

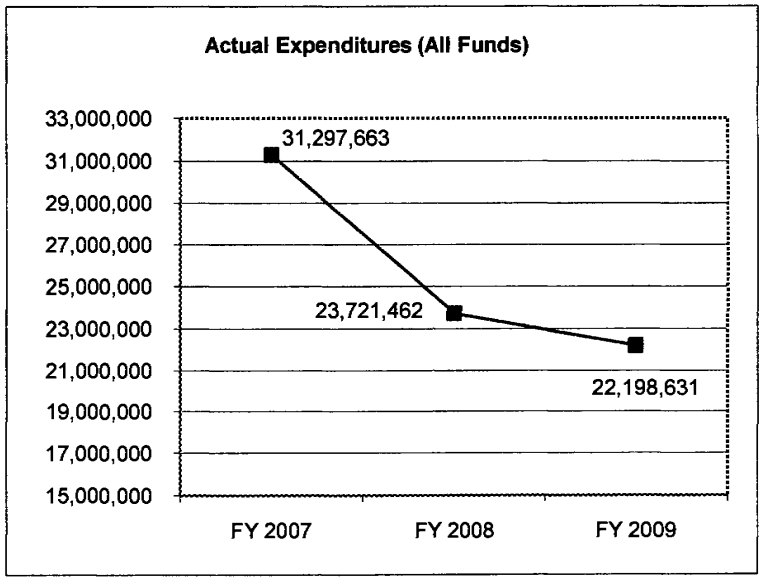
A goal of the MO HealthNet program is for each child to be healthy. The purpose of the services provided by the school is to ensure a comprehensive, preventative health care program for MO HealthNet eligible children. The program provides early and periodic (EPSDT) medical/dental screenings, diagnosis and treatment to correct or improve defects and chronic conditions found during the screenings.

3. PROGRAM LISTING (list programs included in this core funding)

School-based administrative and school-based EPSDT services.

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.	
Appropriation (All Funds)	33,369,908	33,369,908	33,369,908	33,369,908	E
Less Reverted (All Funds)	0	0	0	N/A	
Budget Authority (All Funds)	33,369,908	33,369,908	33,369,908	N/A	
Actual Expenditures (All Funds)	31,297,663	23,721,462	22,198,631	N/A	
Unexpended (All Funds)	2,072,245	9,648,446	11,171,277	N/A	
Unexpended, by Fund:					
General Revenue	0	0	0	N/A	
Federal	2,072,245	9,648,446	11,171,277	N/A	
Other	0	0	0	N/A	
	(1)		(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

Estimated "E" appropriations for Federal Fund for FY 2007 through FY 2010.

(1) Expenditures of $37,099 were paid from the Supplemental Pool.

(2) Expenditures of $20,803 were paid from the Supplemental Pool.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
SCHOOL DISTRICT CLAIMING

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	69,954	33,299,954	0	33,369,908	
	Total	**0.00**	**69,954**	**33,299,954**	**0**	**33,369,908**	
DEPARTMENT CORE REQUEST							
	PD	0.00	69,954	33,299,954	0	33,369,908	
	Total	**0.00**	**69,954**	**33,299,954**	**0**	**33,369,908**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	69,954	33,299,954	0	33,369,908	
	Total	**0.00**	**69,954**	**33,299,954**	**0**	**33,369,908**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
SCHOOL DISTRICT CLAIMING								
CORE								
PROFESSIONAL SERVICES	1,013,577	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	**1,013,577**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	21,185,054	0.00	33,369,908	0.00	33,369,908	0.00	33,369,908	0.00
TOTAL - PD	**21,185,054**	**0.00**	**33,369,908**	**0.00**	**33,369,908**	**0.00**	**33,369,908**	**0.00**
GRAND TOTAL	**$22,198,631**	**0.00**	**$33,369,908**	**0.00**	**$33,369,908**	**0.00**	**$33,369,908**	**0.00**
GENERAL REVENUE	**$69,954**	**0.00**	**$69,954**	**0.00**	**$69,954**	**0.00**	**$69,954**	**0.00**
FEDERAL FUNDS	**$22,128,677**	**0.00**	**$33,299,954**	**0.00**	**$33,299,954**	**0.00**	**$33,299,954**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: School Districts Medicaid Claiming
Program is found in the following core budget(s): School Districts Medicaid Claiming

1. What does this program do?

PROGRAM SYNOPSIS: Provides funding for payments for school-based administrative claiming and school-based EPSDT services.

This core appropriation provides funding for payment for school district administration claiming and school-based EPSDT services consisting of physical, occupational, and speech therapy services and psychology counseling for school age children. An interagency agreement is in place between the MO HealthNet Division and participating school districts for administrative claiming. For physical, occupational, and speech therapy services, each school district enrolls with MO HealthNet to provide the most efficient administration of the school-based EPSDT services for children within the school system. The provision of school-based EPSDT services by DESE school districts expands MO HealthNet EPSDT services and has been determined to be an effective method of coordinating services and improving care associated with providing identified services which are medically necessary and covered MO HealthNet services. The federal share of expenditures for these services provided by DESE school districts are being paid through this appropration.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

The authority for this appropriation is the authority associated with the services reflected above.

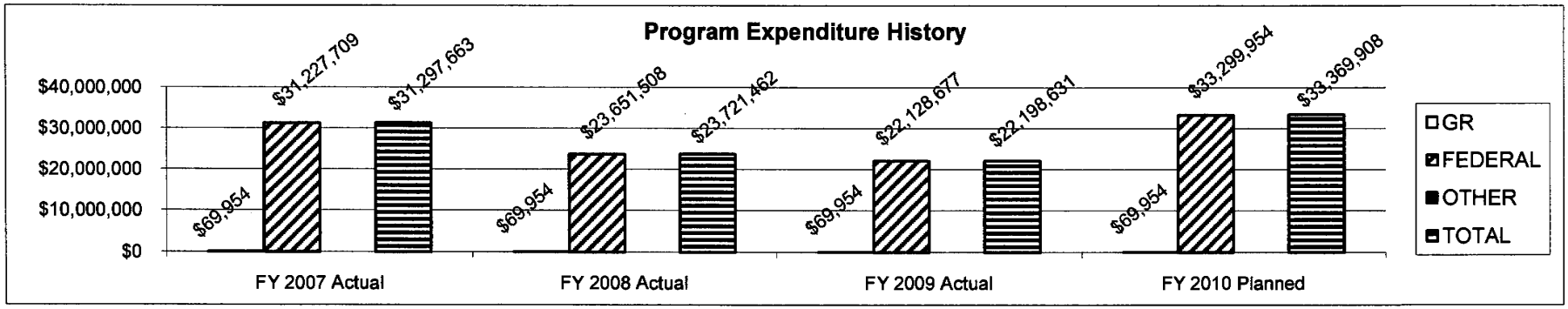
3. Are there federal matching requirements? If yes, please explain.

MO HealthNet administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn $0.50 in federal funding. States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 10 is a blended 64.18 % federal match. The state matching requirement is 35.82%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

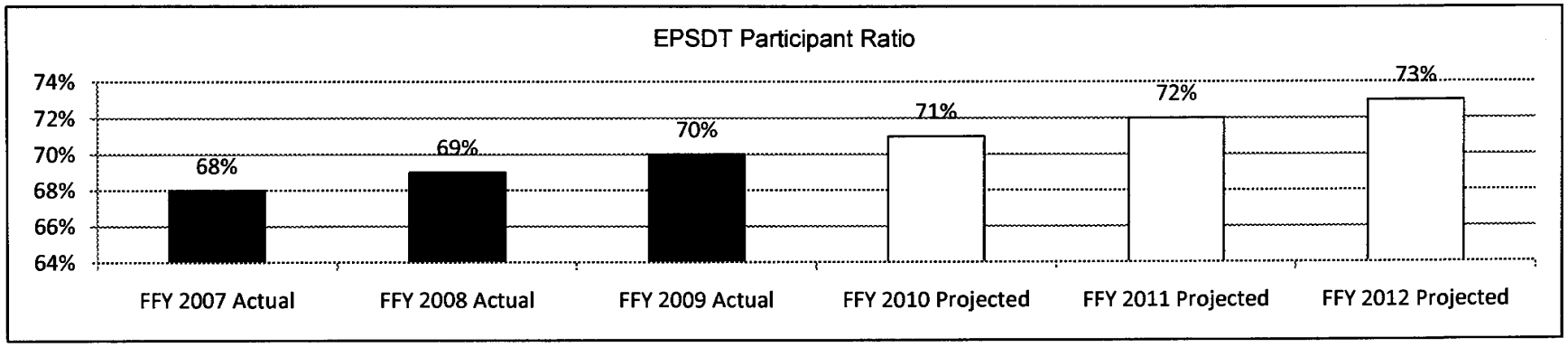


6. What are the sources of the "Other " funds?

N/A

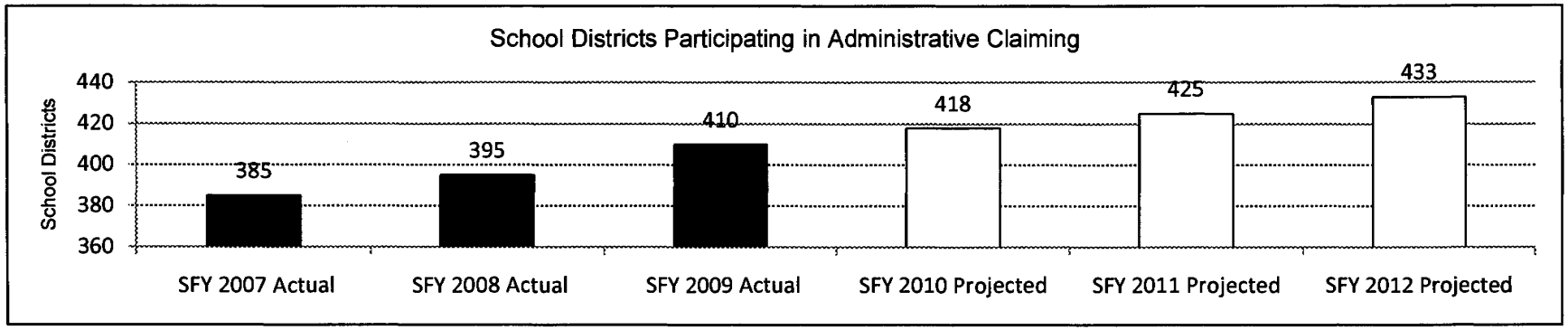
7a. Provide an effectiveness measure.

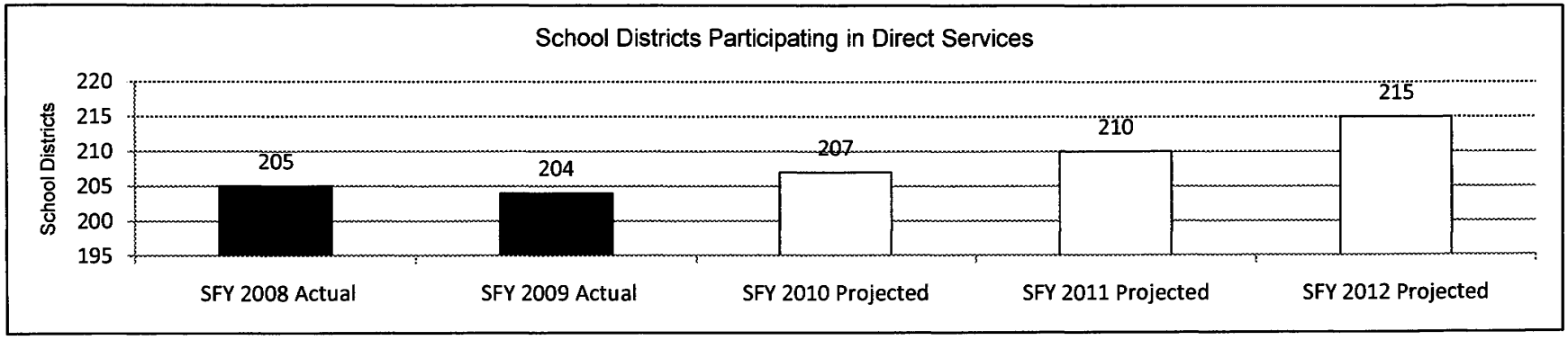
Effectiveness Measure 1: Increase the provision of medically necessary services to MO HealthNet eligible children as provided through EPSDT by 42 CFR 441 Subpart B. For the past three federal fiscal years, the EPSDT participant ratio has increased by 1%.



Based on prior federal fiscal year as reported to CMS.

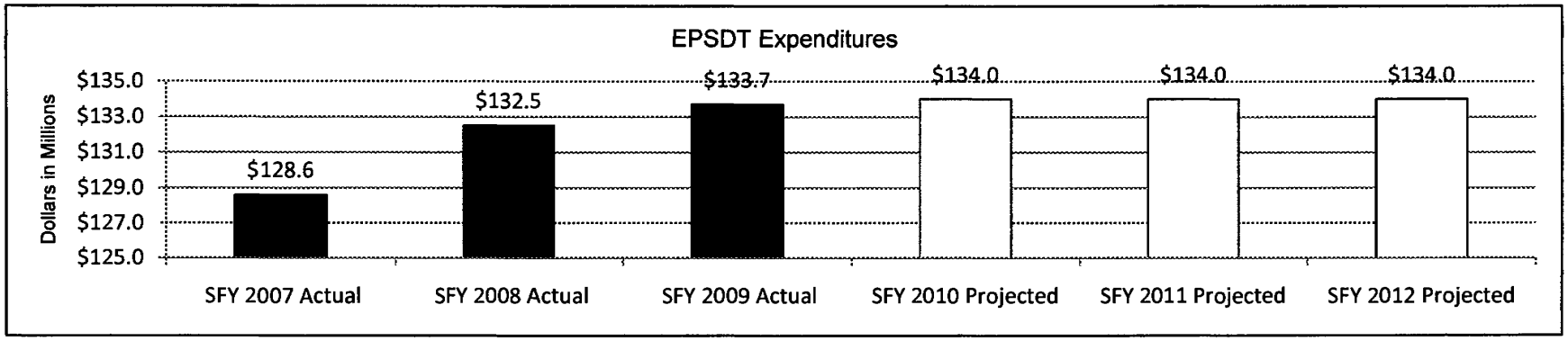
Effectiveness Measure 2: Increase the number of schools participating in administrative claiming and direct services. In SFY 2009, there were 410 schools participating in administrative claiming which is an increase of 15 schools. In SFY 2009, there were 204 school districts participating in direct services. Any school district in the state may participate.



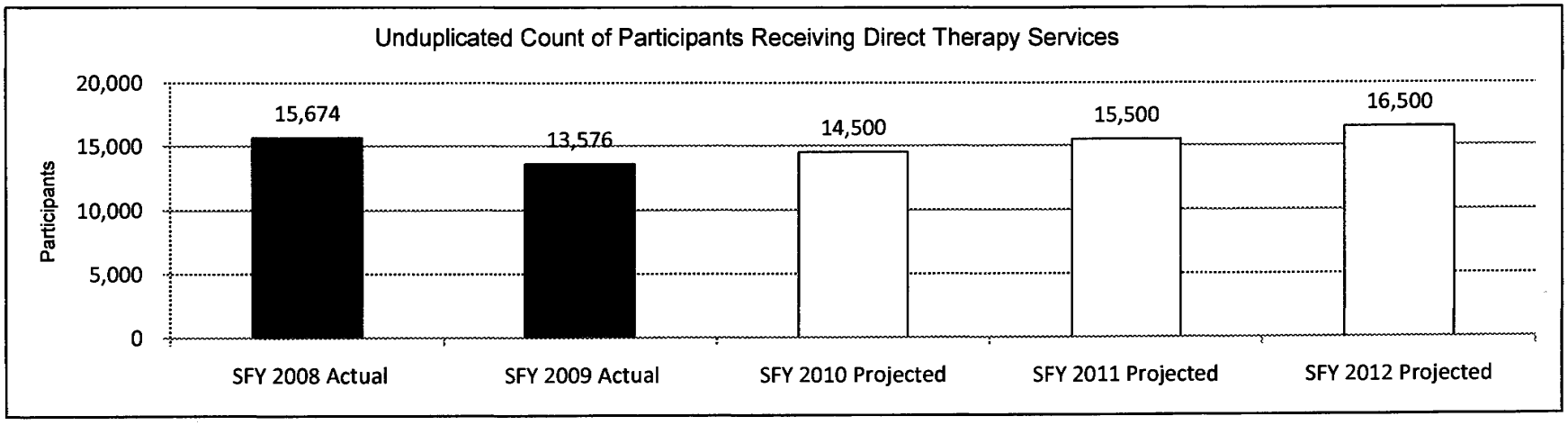


7b. Provide an efficiency measure.

Efficiency Measure: Increase the EPSDT participant ratio while maximizing federal claiming opportunities to benefit local school districts. In SFY 2009, EPSDT expenditures increased approximately 1% from SFY 2008 which corresponds with the EPSDT participant ratio increase of 1% for each of those years.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

STATE MEDICAL

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	192,200	0.00	150,000	0.00	150,000	0.00	150,000	0.00
TOTAL - EE	192,200	0.00	150,000	0.00	150,000	0.00	150,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	29,142,608	0.00	29,233,661	0.00	29,233,661	0.00	29,233,661	0.00
PHARMACY REIMBURSEMENT ALLOWAN	535,223	0.00	1,460,328	0.00	1,460,328	0.00	1,460,328	0.00
HEALTH INITIATIVES	353,437	0.00	353,437	0.00	353,437	0.00	353,437	0.00
TOTAL - PD	30,031,268	0.00	31,047,426	0.00	31,047,426	0.00	31,047,426	0.00
TOTAL	**30,223,468**	**0.00**	**31,197,426**	**0.00**	**31,197,426**	**0.00**	**31,197,426**	**0.00**
Amb Rate Inc SB 577 (2007) Req - 1886015								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	348,044	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	348,044	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**348,044**	**0.00**	**0**	**0.00**
Aud Rate Inc SB 577 (2007) Req - 1886016								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,199	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,199	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**2,199**	**0.00**	**0**	**0.00**
Dental Rate Inc SB 577 (2007) - 1886017								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	109,800	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	109,800	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**109,800**	**0.00**	**0**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
DME Rate Inc SB 577 (2007) Req - 1886018								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	13,143	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	13,143	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**13,143**	**0.00**	**0**	**0.00**
Opt Rate Inc SB 577 (2007) Req - 1886019								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	101,100	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	101,100	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**101,100**	**0.00**	**0**	**0.00**
Therapies Rate Inc SB 577 2007 - 1886020								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	918	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	918	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**918**	**0.00**	**0**	**0.00**
Phy Rate Inc SB 577 (2007) Req - 1886021								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,731,014	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,731,014	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,731,014**	**0.00**	**0**	**0.00**
Pharmacy PMPM - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	654,532	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	654,532	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**654,532**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
Cost-To-Continue Medicaid Prog - 1886035								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,838,108	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,838,108	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,838,108**	**0.00**
GRAND TOTAL	**$30,223,468**	**0.00**	**$31,197,426**	**0.00**	**$33,503,644**	**0.00**	**$33,690,066**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: State Medical Services

Budget Unit: 90585C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE	150,000			150,000
PSD	29,233,661		1,813,765	31,047,426
TRF				
Total	**29,383,661**		**1,813,765**	**31,197,426**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiative Fund (HIF) (0275)
Pharmacy Reimbursement Allowance Fund (0144)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	150,000			150,000
PSD	29,233,661		1,813,765	31,047,426
TRF				
Total	**29,383,661**		**1,813,765**	**31,197,426**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiative Fund (HIF) (0275)
Pharmacy Reimbursement Allowance Fund (0144)

2. CORE DESCRIPTION

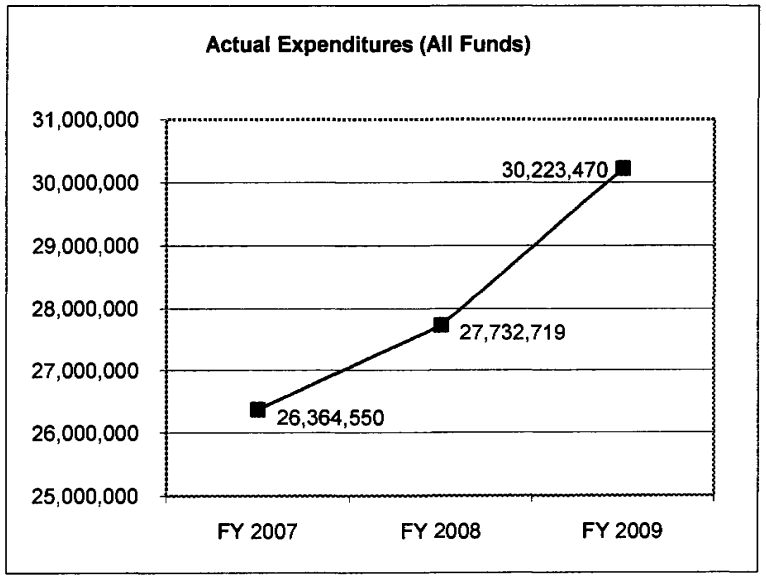
This core request is for the continued funding of the fee-for-service programs for the State Medical participants. Funding is necessary to provide health care services to this population.

3. PROGRAM LISTING (list programs included in this core funding)

State Medical Services

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	26,375,153	27,732,719	30,234,821	31,197,426
Less Reverted (All Funds)	(10,603)	0	(10,603)	N/A
Budget Authority (All Funds)	26,364,550	27,732,719	30,224,218	N/A
Actual Expenditures (All Funds)	26,364,550	27,732,719	30,223,470	N/A
Unexpended (All Funds)	0	0	748	N/A
Unexpended, by Fund:				
General Revenue	0	0	748	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Expenditures of $43,447 were paid from the Supplemental Pool.

(2) Expenditures of $302,027 were paid from the Supplemental Pool.

(3) Expenditures of $358,091 were paid from the Supplemental Pool.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
STATE MEDICAL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	150,000	0	0	150,000	
	PD	0.00	29,233,661	0	1,813,765	31,047,426	
	Total	**0.00**	**29,383,661**	**0**	**1,813,765**	**31,197,426**	
DEPARTMENT CORE REQUEST							
	EE	0.00	150,000	0	0	150,000	
	PD	0.00	29,233,661	0	1,813,765	31,047,426	
	Total	**0.00**	**29,383,661**	**0**	**1,813,765**	**31,197,426**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	150,000	0	0	150,000	
	PD	0.00	29,233,661	0	1,813,765	31,047,426	
	Total	**0.00**	**29,383,661**	**0**	**1,813,765**	**31,197,426**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
STATE MEDICAL								
CORE								
PROFESSIONAL SERVICES	192,200	0.00	150,000	0.00	150,000	0.00	150,000	0.00
TOTAL - EE	**192,200**	**0.00**	**150,000**	**0.00**	**150,000**	**0.00**	**150,000**	**0.00**
PROGRAM DISTRIBUTIONS	30,031,268	0.00	31,047,426	0.00	31,047,426	0.00	31,047,426	0.00
TOTAL - PD	**30,031,268**	**0.00**	**31,047,426**	**0.00**	**31,047,426**	**0.00**	**31,047,426**	**0.00**
GRAND TOTAL	**$30,223,468**	**0.00**	**$31,197,426**	**0.00**	**$31,197,426**	**0.00**	**$31,197,426**	**0.00**
GENERAL REVENUE	**$29,334,808**	**0.00**	**$29,383,661**	**0.00**	**$29,383,661**	**0.00**	**$29,383,661**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$888,660**	**0.00**	**$1,813,765**	**0.00**	**$1,813,765**	**0.00**	**$1,813,765**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: State Medical
Program is found in the following core budget(s): State Medical

1. What does this program do?

PROGRAM SYNOPSIS: Provides payment for services for State Medical participants. State Medical participants are individuals who do not meet categorical criteria for Title XIX.

The State Medical program, funded solely by state funds, provides health care services for individuals who do not meet categorical eligibility criteria for Title XIX. State Medical participants are in one of four categories of eligibility: Child Welfare Services (CWS); Blind Pension (BP); Presumptive Eligibility for Pregnant Women; or medical care for youth in the custody of the Division of Youth Services (DYS-GR). The unique aspect of the State Medical appropriation is that payments are made for certain eligibility groups only, but for nearly all the same services which are reimbursed for Title XIX eligibles.

All Medical Assistance programs which are available through the Title XIX program are also available through the State Medical program with the exception of the following: Buy-In, HIPP, transplant and NEMT.

Child Welfare Services (CWS) - These eligibles are children who are in the legal care and custody of the Children's Division and have been placed in foster care, but are not eligible for MAF - Foster Care MO HealthNet payments (not eligible for federal Title IV-E through the Children's Division). These children are identified as Homeless, Dependent, and Neglected (HDN), but due to income standards are not eligible for federal Title XIX medical assistance.

Blind Pension (BP) - The Blind Pension program was established in 1921 and is financed entirely by state funds. This program provides assistance for blind persons who do not qualify under the supplemental aid to the blind law and who are not eligible for Supplemental Security Income (SSI) benefits. Each participant receives a monthly cash grant (Family Support Division appropriation) and State Medical assistance. In order to qualify for the BP program, a person must meet all of the following eligibility requirements: 18 years of age or older; living in the state; has not given away, sold or transferred real or personal property worth more than $20,000; is of good moral character; has no sighted spouse living in Missouri who can provide support; does not publicly solicit alms; is determined blind as defined by RSMo. 290.040; is found to be ineligible for Supplemental Aid to the Blind; is willing to have medical treatment or an operation to cure blindness (unless he/she is 75 years of age or older); is not a resident of a public, private, or endowed institution except a public medical institution; and is found ineligible to receive federal Supplemental Security Income (SSI) benefits.

Presumptive Eligibility for Pregnant Women - This is a temporary eligibility program that covers services provided to pregnant women while they wait for formal determination of MO HealthNet eligibility. The participant is State Medical eligible from the time of eligibility rejection to the end of the temporary eligibility period. These participants may receive ambulatory prenatal care to include the following services: physician/clinic, nurse midwife, diagnostic lab and x-ray, pharmacy, and outpatient hospital services.

Division of Youth Services - General Revenue (DYS-GR) - This program covers youth in the legal custody of the Division of Youth Services (DYS) who reside in facilities of 25 beds or more (and thus cannot qualify for MO HealthNet coverage since they reside in an institutional setting). Every youth that is committed to DYS is originally set up in this category for medical coverage. When the residential setting is determined, if the commitment is to a facility of 25 beds or more, then the child remains eligible for DYS-GR. Otherwise, eligibility is established for Title XIX Medicaid for those children committed to facilities with less than 25 beds. Children placed in a not-for-profit residential group facility (RGF) by a juvenile court are MO HealthNet eligible during their term of placement. Children who are placed in such homes by their parent(s), and who are already eligible for MO HealthNet coverage, will continue to receive MO HealthNet benefits while in the group.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.151, 208.152, 191.831

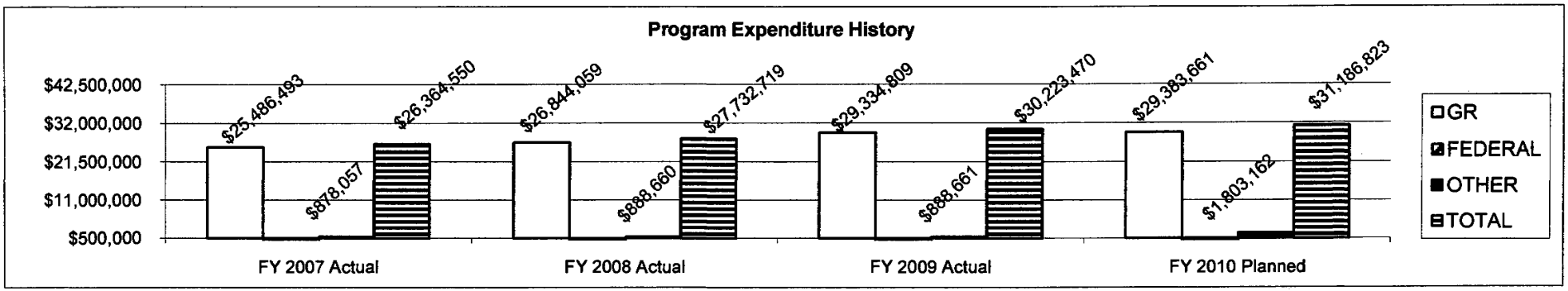
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Reverted: $10,603 Other Funds

6. What are the sources of the "Other " funds?

Health Initiatives Fund (0275) and Pharmacy Federal Reimbursement Allowance Fund (0144).

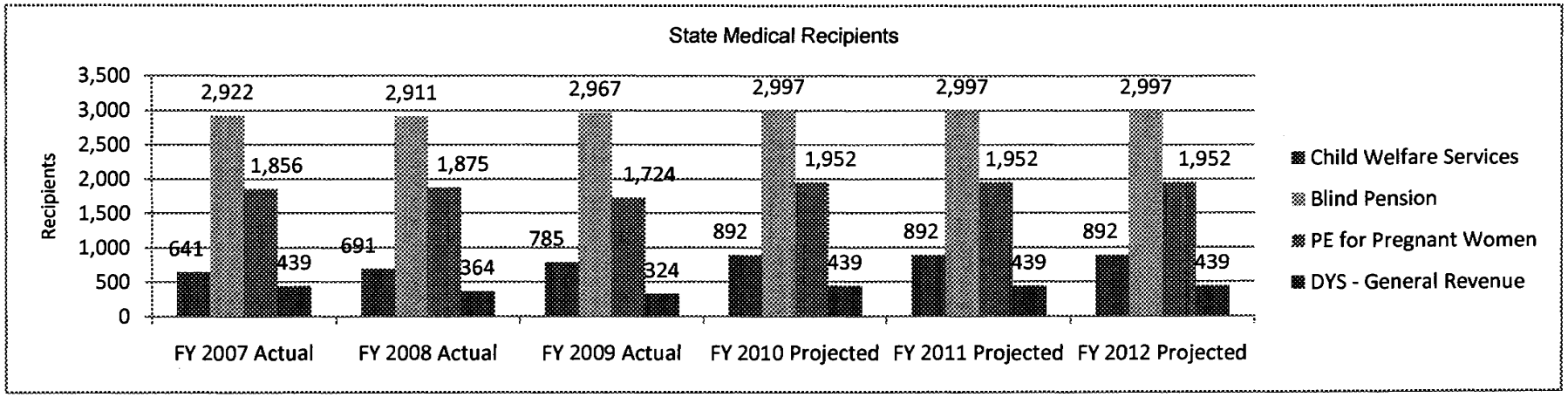
7a. Provide an effectiveness measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures for the State Medical appropriation are incorporated into fee-for-service program sections.

7b. Provide an efficiency measure.

This appropriation represents a group of eligibles and not just one program. Efficiency measures for the State Medical appropriation are incorporated into fee-for-service program sections.

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

MO HEALTHNET
SUPPLEMENTAL POOL

FY11 Department of Social Services Report #9 — DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HLTHNET SUPP POOL								
CORE								
EXPENSE & EQUIPMENT								
TITLE XIX-FEDERAL AND OTHER	235,224	0.00	150,000	0.00	150,000	0.00	150,000	0.00
UNCOMPENSATED CARE FUND	219,413	0.00	0	0.00	0	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	150,000	0.00	150,000	0.00	150,000	0.00
TOTAL - EE	454,637	0.00	300,000	0.00	300,000	0.00	300,000	0.00
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	32,610,741	0.00	23,957,486	0.00	23,957,486	0.00	23,957,486	0.00
UNCOMPENSATED CARE FUND	5,356,038	0.00	1	0.00	1	0.00	1	0.00
THIRD PARTY LIABILITY COLLECT	6,371,156	0.00	7,421,156	0.00	7,421,156	0.00	7,421,156	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	1	0.00	1	0.00	1	0.00
NURSING FACILITY FED REIM ALLW	0	0.00	181,500	0.00	181,500	0.00	181,500	0.00
PREMIUM	3,484,443	0.00	3,837,940	0.00	3,837,940	0.00	3,837,940	0.00
TOTAL - PD	47,822,378	0.00	35,398,084	0.00	35,398,084	0.00	35,398,084	0.00
TOTAL	**48,277,015**	**0.00**	**35,698,084**	**0.00**	**35,698,084**	**0.00**	**35,698,084**	**0.00**
GRAND TOTAL	**$48,277,015**	**0.00**	**$35,698,084**	**0.00**	**$35,698,084**	**0.00**	**$35,698,084**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MO HealthNet Supplemental Pool

Budget Unit: 90582C

1. CORE FINANCIAL SUMMARY

FY 2011 Budget Request

	GR	Federal	Other	Total
PS				
EE		150,000	150,000	300,000
PSD		23,957,486	11,440,598	35,398,084
TRF				
Total		24,107,486	11,590,598	35,698,084
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Premium Fund (0885)
Third Party Liability Collections (TPL) (0120)
Uncompensated Care Fund (UCF) (0108)
Federal Reimbursement Allowance (FRA) Fund (0142)
Nursing Facility Federal Reimbursement Allowance (NFRA) (0196)

FY 2011 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE		150,000	150,000	300,000
PSD		23,957,486	11,440,598	35,398,084
TRF				
Total		24,107,486	11,590,598	35,698,084
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Premium Fund (0885)
Third Party Liability Collections (TPL) (0120)
Uncompensated Care Fund (UCF) (0108)
Federal Reimbursement Allowance (FRA) Fund (0142)
Nursing Facility Federal Reimbursement Allowance (NFRA) (0196)

2. CORE DESCRIPTION

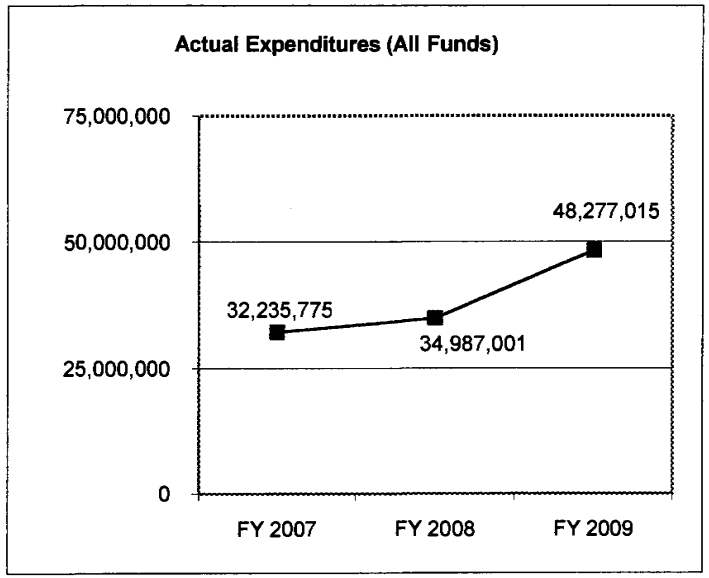
This core request is for the continued funding of the Mo HealthNet Supplemental Pool. The Supplemental Pool is needed to enable the division to respond to unanticipated changes in the cost of providing health care to MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Supports MO HealthNet Program

4. FINANCIAL HISTORY

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Current Yr.
Appropriation (All Funds)	35,698,085	37,121,857	55,684,691	35,698,084
Less Reverted (All Funds)	0	0	(1)	N/A
Budget Authority (All Funds)	35,698,085	37,121,857	55,684,690	N/A
Actual Expenditures (All Funds)	32,235,775	34,987,001	48,277,015	N/A
Unexpended (All Funds)	3,462,310	2,134,856	7,407,675	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	711,247	1,302,885	2,930,228	N/A
Other	2,751,063	831,971	4,477,447	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) Excess Premium Fund authority of $2,125,238.

(2) Agency reserve of $324,718 in UCF and $1,099,054 in Federal Funds.

(3) Supplemental appropriation authority increase: Federal $11,668,707 and Uncompensated Care Fund $8,317,899.
(Lapsed $2,930,352 in Federal and $2,742,563 in Uncompensated Care.)

4. FINANCIAL HISTORY

Supplemental Pool Payments By Services

	FY 2007	FY 2008	FY 2009
Physician	$116,599	$0	$22,501,730
Medicals	$23,038	$0	$454,433
Dental	$1,149,629	$3,700,340	$1,902,556
Premium Payments	$0	$0	$3,578,354
Rehab & Specialty Services	$3,017,949	$0	$3,283,111
Hospital Care	$27,848,015	$29,831,043	$6,130,134
1115 Waiver - Adults	$0	$577,544	$0
DESE Services	$37,099	$0	$20,803
State Medical	$43,447	$302,027	$358,091
In-Home Care (DHSS)	$0	$569,147	$5,384,946
Other Misc	$0	$6,900	$205
Rx Help Desk	$78,356	$0	$0
RTS	$0	$0	$4,662,652
Total	$32,314,132	$34,987,001	$48,277,015

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
MO HLTHNET SUPP POOL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	150,000	150,000	300,000	
	PD	0.00	0	23,957,486	11,440,598	35,398,084	
	Total	**0.00**	**0**	**24,107,486**	**11,590,598**	**35,698,084**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	150,000	150,000	300,000	
	PD	0.00	0	23,957,486	11,440,598	35,398,084	
	Total	**0.00**	**0**	**24,107,486**	**11,590,598**	**35,698,084**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	150,000	150,000	300,000	
	PD	0.00	0	23,957,486	11,440,598	35,398,084	
	Total	**0.00**	**0**	**24,107,486**	**11,590,598**	**35,698,084**	

Budget Unit Decision Item Budget Object Class	FY 2009 ACTUAL DOLLAR	FY 2009 ACTUAL FTE	FY 2010 BUDGET DOLLAR	FY 2010 BUDGET FTE	FY 2011 DEPT REQ DOLLAR	FY 2011 DEPT REQ FTE	FY 2011 GOV REC DOLLAR	FY 2011 GOV REC FTE
MO HLTHNET SUPP POOL								
CORE								
PROFESSIONAL SERVICES	454,637	0.00	300,000	0.00	300,000	0.00	300,000	0.00
TOTAL - EE	**454,637**	**0.00**	**300,000**	**0.00**	**300,000**	**0.00**	**300,000**	**0.00**
PROGRAM DISTRIBUTIONS	47,822,378	0.00	35,398,084	0.00	35,398,084	0.00	35,398,084	0.00
TOTAL - PD	**47,822,378**	**0.00**	**35,398,084**	**0.00**	**35,398,084**	**0.00**	**35,398,084**	**0.00**
GRAND TOTAL	**$48,277,015**	**0.00**	**$35,698,084**	**0.00**	**$35,698,084**	**0.00**	**$35,698,084**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$32,845,965**	**0.00**	**$24,107,486**	**0.00**	**$24,107,486**	**0.00**	**$24,107,486**	**0.00**
OTHER FUNDS	**$15,431,050**	**0.00**	**$11,590,598**	**0.00**	**$11,590,598**	**0.00**	**$11,590,598**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: MO HealthNet Supplemental Pool
Program is found in the following core budget(s): MO HealthNet Supplemental Pool

1. What does this program do?

PROGRAM SYNOPSIS: Provides funding for the division to respond to unanticipated changes in the cost of providing health care to MO HealthNet participants.

The MO HealthNet Supplemental Pool Section was the result of rapidly expanding MO HealthNet participants and unpredictability of resulting costs. Substantial supplemental budget requests in successive years prompted the Missouri state legislature to appropriate funding for unanticipated MO HealthNet expenditures. Typically, the supplemental pool has been utilized by the legislature to appropriate funding under certain unique circumstances. These include funding for major one-time program expenditures, such as residual claims, and funding to be made available for unanticipated fee-for-service and/or managed care expenditures.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

The legal authority for the Supplemental Pool is the authority associated with each MO HealthNet program. See each program description for the specific federal and state authority.

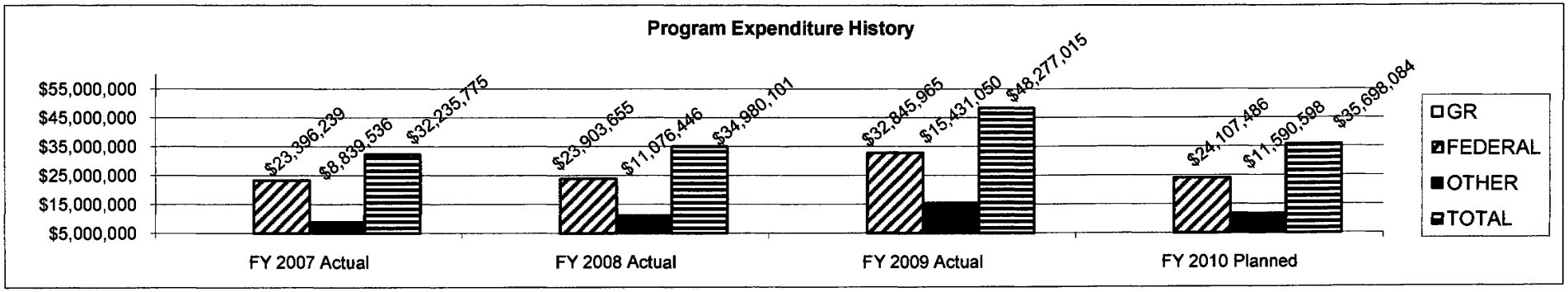
3. Are there federal matching requirements? If yes, please explain.

The federal matching requirements for the MO HealthNet Supplemental Pool are the requirements associated with any of the HealthNet programs paid from the supplemental pool. See each program description for specific federal matching requirements.

4. Is this a federally mandated program? If yes, please explain.

The MO HealthNet Supplemental Pool supports both mandated and non-mandated programs. See each program description for specifics.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Third Party Liability Collections Fund (0120), Premium Fund (0885), Nursing Facility Federal Reimbursement Allowance Fund (0196), Uncompensated Care Fund (0108) and Federal Reimbursement Allowance Fund (0142).

7a. Provide an effectiveness measure.

This appropriation represents a group of eligibles and not one program. Effectiveness measures affecting the MO HealthNet Supplemental Pool appropriation are incorporated into fee-for-service program sections.

7b. Provide an efficiency measure.

This appropriation represents a group of eligibles and not one program. Efficiency measures affecting the MO HealthNet Supplemental Pool appropriation are incorporated into fee-for-service program sections.

7c. Provide the number of clients/individuals served, if applicable.

Supplemental Pool Expenditures		
SFY	Actual	Projected
2007	$32.3 mil	$35.7 mil
2008	$35.0 mil	$35.7 mil
2009	$48.3 mil	$35.7 mil
2010		$35.7 mil
2011		$35.7 mil
2012		$35.7 mil

7d. Provide a customer satisfaction measure, if available.