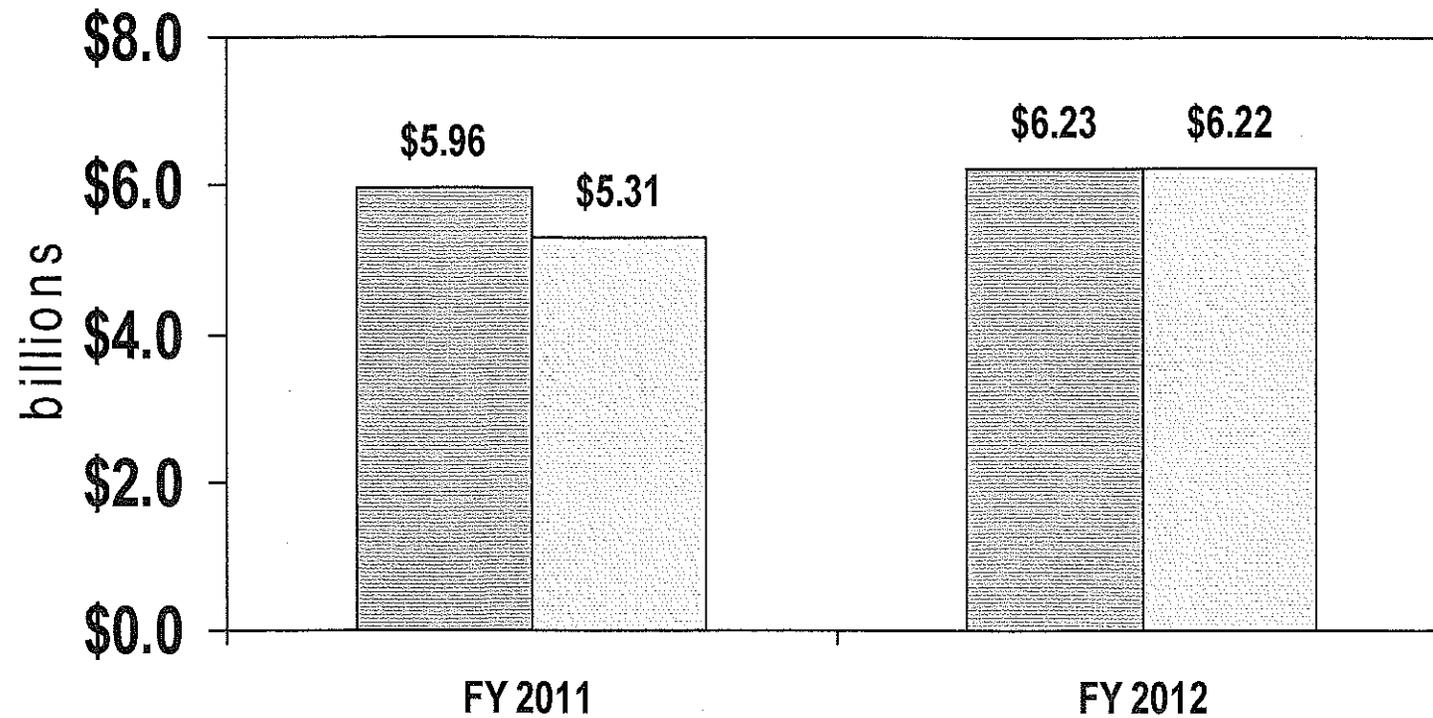


Medicaid Budget Gap is in FY 11 (FY 12 is balanced)



■ Projected Expenditures ■ Available State and Federal Funds

Medicaid Biennial Budget Gap

State Funds

	<u>millions</u>		Biennial
	<u>FY 2011</u>	<u>FY 2012</u>	<u>Total</u>
Budgeted Cost Containment Measures	\$ (125.5)	\$ (83.6)	
Lower Enhanced FMAP			
Budgeted Enhanced FMAP	\$ (238.0)		
Enhanced FMAP Approved by Congress	<u>\$ 138.0</u>		
Remaining Gap Due to Lower Enhanced Match Rate	<u>\$ (100.0)</u>	<u>\$ -</u>	
Total Medicaid Reductions Needed to Balance	\$ (225.5)	\$ (83.6)	
Management and Cost Containment Measures Taken and Planned to Date	\$ 86.5	\$ 80.2	
Remaining State Funds Gap	<u>\$ (139.0)</u>	<u>\$ (3.4)</u>	<u>\$ (142.4)</u>

Medicaid Rebalancing Plan

- No requests for additional General Funds
- Balance over the biennium to mitigate impact to the program
- Initiate innovative cost containment strategies employed by other states to achieve savings and improve health:
 - Performance-based managed care – medical and dental
 - Physician incentive plans
 - Performance-based pharmacy program
 - Long-term care coordination for institutional and community-based care
 - Radiology and imaging management
- Increase anti-fraud initiatives