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January 8, 2013

Ms. Vivianne Chaumont, Director  
Division of Medicaid & Long-Term Care  
Department of Health and Human Services  
State of Nebraska  
P.O. Box 95026  
Lincoln, NE 68509-5026

**RE: PATIENT PROTECTION AND AFFORDABLE CARE ACT MEDICAID FISCAL ANALYSIS - UPDATE**

Dear Vivianne:

Milliman, Inc. (Milliman) has been retained by the Nebraska Department of Health and Human Services, Division of Medicaid and Long-Term Care (DHHS) to provide consulting services related to the financial review of the Patient Protection and Affordable Care Act as amended by the Health Care and Education Reconciliation Act (Affordable Care Act) as they relate to the provisions impacting the State of Nebraska's Medicaid program and budget. This letter is an update to our report dated November 10, 2010.

**SUMMARY OF RESULTS**

Milliman has developed two estimates of the enrollment and fiscal impact associated with the Medicaid expansion and other related provisions of the Affordable Care Act. We developed (1) a mid-range participation scenario and (2) a full participation scenario. We prepared our fiscal analysis to reflect the state impact for state fiscal years (SFY) 2013 through 2020. We adjusted all data to reflect the three month offset between the federal fiscal year and the state fiscal year as appropriate.

Enclosures 1 and 2 provide the fiscal impact results of the Affordable Care Act under a mid-range participation scenario (Enclosure 1) and a full participation scenario (Enclosure 2). The enclosures provide separate projections for the required and the optional elements of the Affordable Care Act for the state. The total fiscal impact for implementation of all ACA elements to the Nebraska Medicaid budget during the next 8 years would be estimated to be in the range of approximately \$285.3 million to \$402.1 million based upon the assumptions outlined in this document. Table 1 illustrates the anticipated expenditure impacts to the Nebraska Medicaid budget for the period of SFY 2013 through SFY 2020 under each scenario.

**Table 1**

**Nebraska Department of Health and Human Services  
Division of Medicaid and Long-Term Care**

**Patient Protection and Affordable Care Act  
as Amended by the Health Care and Education Reconciliation Act**

**State Budget Fiscal Impact – SFY 2013 through SFY 2020  
(Values illustrated in Millions)<sup>1</sup>**

Component	Estimated Fiscal Impact – State Only	
	Mid-Range Scenario	Full Participation Scenario
Adults and Parents Expansion to 138% FPL	\$ 134.4	\$ 187.7
Children – Enrollment due to ACA	115.5	150.1
Administration	77.0	104.4
Additional Physician Fee Schedule Increase to Medicare Rates <sup>2</sup>	42.3	44.1
Former Foster Children Coverage to Age 26	16.2	16.2
Medically Needy Expansion to 138% FPL	5.6	5.6
ACA Health Insurer Fee	46.5	53.4
DSH Reduction	(12.3)	(12.3)
CHIP FMAP Increase	(79.4)	(86.6)
State Disability Shift to Medicaid and Expansion to 138% FPL	(60.5)	(60.5)
<b>Total</b>	<b>\$ 285.3</b>	<b>\$ 402.1</b>

Notes: 1. Values have been rounded.

2. Fee schedule increases outside the increase to Medicare reimbursement required by the Affordable Care Act.

The results presented in this report have been updated to reflect:

- The current Medicaid enrollment and budget forecasts prepared by the state Medicaid agency
- Program changes to the current Medicaid program
- The most current (2010) American Community Survey population estimates
- Current managed care initiatives
- Clarifications provided by publicly available regulations and other guidance materials
- The impact of the health insurer fee

**Estimated Medicaid Enrollment Impact**

We developed a range of expected enrollment due to the Affordable Care Act using a combination of the 2010 American Community Survey (2010 ACS) data from the U.S. Census Bureau collected in 2010 (representing 2010 insurance and income data) as well as Medicaid enrollment data provided by DHHS.

Table 2 illustrates the projected increase in Medicaid enrollment reflecting a 138% Federal Poverty Level (FPL) limit for SFY 2016. The 138% FPL limit reflects the 133% FPL indicated in the Affordable Care Act with the 5% income disregard allowance. We excluded college and graduate students from the ACS data because it was determined that they were not appropriately grouped with their parents, causing an inappropriate match between income level and insurance coverage. Children were defined as ages 0 through 18. The Adult and Parent populations were defined as ages 19 through 64.

We assumed that participation would be lower in the initial years of the Medicaid expansion resulting from the Affordable Care Act. SFY 2016 is illustrated below to reflect our estimate of ultimate participation in a mature year of the program.

**Table 2**  
**Nebraska Department of Health and Human Services**  
**Division of Medicaid and Long-Term Care**  
**Patient Protection and Affordable Care Act**  
**as Amended by the Health Care and Education Reconciliation Act**  
**State Budget Enrollment Impact – SFY 2016**

<b>Population</b>	<b>FPL Range</b>	<b>Enrollment Full Participation Scenario</b>	<b>Mid-Range Participation Assumption</b>	<b>Enrollment Mid-Range Participation Scenario</b>
Uninsured Adults	0% - 138%	44,353	80%	35,483
Uninsured Newly Eligible Parents	50% - 138%	17,079	85%	14,517
Woodwork Parents	0% - 50%	4,701	70%	3,291
Woodwork Children	0% - 200%	15,412	80%	12,330
Insured Switchers – Newly Eligible Adults	0% - 138%	28,754	50%	14,377
Insured Switchers – Newly Eligible Parents	51% - 138%	15,656	75%	11,742
Insured Switchers – Currently Eligible	0% - 50%	2,254	75%	1,690
Insured Switchers – Children	0% - 200%	28,142	75%	21,107
Former Foster Children (Age 19 – 26)	N/A	2,200	DHHS Assumption	2,200
State Disability <sup>(1)</sup>	0% - 138%	154	DHHS 133% FPL Assumption+ 5%	154
Medically Needy <sup>(2)</sup>	43% - 138%	229	DHHS 133% FPL Assumption +5%	229
<b>Sub-total</b>		<b>158,935</b>		<b>117,120</b>

Notes: (1) State Disability currently covered with state funds to 100% FPL. Enrollment reflects shift to Medicaid and FPL expansion estimated as of 2014.

(2) Enrollment reflects expansion of income level qualification standard resulting from the Affordable Care Act.

We developed a full participation scenario using estimates of expected participation rates of the populations which will be enrolling based on characteristics of each cohort. While we have provided a full participation scenario, we do not expect full enrollment to occur. Rather, we have provided the full enrollment scenario to indicate an endpoint for reference and discussion. Average monthly enrollment figures were calculated by applying participation assumptions to eligible population estimates developed from the 2010 ACS census information, illustrated in Table 2. Full participation rate assumptions were selected based on consideration of the following items and included a considerable amount of actuarial judgment.

- **Income level.** We assumed eligible individuals with income above 100% FPL will enroll in Medicaid at higher rates than those with lower incomes. This assumption is based on the concept that individuals with higher incomes will be more affected by the individual mandate tax penalty.
- **Parent status.** We assumed that parents would enroll in the Medicaid program at a higher rate than childless adults. This assumes that parents are more likely to be exposed to the program as they enroll their children in Medicaid or CHIP.
- **Source of current coverage.** We varied participation rate assumptions based on the current source of coverage. The current sources of coverage include: employer sponsored, individual, and uninsured.
  - Employer sponsored insurance includes the cohort of individuals who obtain their insurance from their employer (or their spouse's employer). While employers are incentivized to maintain creditable and affordable coverage for their employees and dependents, we assumed employer behavior will change over the first few years of health care reform shifting individuals to the Medicaid program. We assumed the employer sponsored source of coverage will have a lower take-up rate than the individual and uninsured cohorts, but will still contribute to new Medicaid enrollment. This cohort represents the majority of insured switchers.
  - Individual insurance includes the cohort of individuals who directly purchase their insurance from the commercial health insurance marketplace. By definition, these policies are fully self-paid by the insured individuals. We assumed this group would participate in the Medicaid program at the highest rate of all the coverage sources because they currently value insurance enough to purchase it on their own, and Medicaid would represent an almost free option to replace their current coverage. Additionally, these individuals will not be eligible for premium or cost-sharing subsidies in the health insurance exchange due to their qualification for Medicaid. This cohort is a small portion of the total population eligible for the Medicaid expansion.
  - The individuals within the uninsured population were assumed to participate in the Medicaid program at a high rate, though lower than the individual population listed above. The rationale for assuming a lower participation rate for the uninsured compared to the individual cohort is that these individuals are not currently paying out of pocket for insurance. As awareness of the availability of coverage increases, we expect enrollment in Medicaid to increase for the uninsured population.

We also developed assumptions for mid-range participation enrollment to establish a range. Table 2 illustrates these assumptions, which were reviewed for consistency with participation in the Medicare program (exceeds 95%) and the Medicaid/CHIP programs for children (exceeds 85%). Actual participation in the Medicaid program after the expansion may exceed the participation rates noted in these other programs, since there will be an individual mandate for health insurance coverage under federal health care reform legislation.

### **Percentage increase in Medicaid in relation to the total number of Nebraskans**

- Calendar Year 2010 Nebraska Census Estimate 1,788,000
- Currently, 13% of Nebraska residents are enrolled in Medicaid
- Additional 6% to 9% will enroll with expansion, increasing participation to 19% - 21%, or approximately 1 in 5 Nebraskans

The remainder of this letter discusses each of the Medicaid components of the Affordable Care Act as listed in Table 1.

#### **a. Adults/Parents/Children Expansion to 138% FPL**

The fiscal impact associated with the Adults, Parents, and Children expansion to 138% FPL includes both currently insured and uninsured individuals with income below 138% FPL and children not currently covered under Medicaid, who also have family income below 138% FPL. The 138% FPL limit reflects the 133% FPL indicated in the Affordable Care Act with the 5% income disregard allowance. Additionally, we included children in families with incomes between 138% and 200% FPL in the expansion estimate. These children will be eligible for the CHIP program and their families will not be eligible for subsidies in the exchange to cover the children. The analysis presented in this report reflects a full participation (full participation scenario) and an alternate participation assumption (mid-range participation scenario). The participation assumptions by population are presented in Table 2. The assumed SFY 2014 average annual cost per enrollee is provided by population in Table 3.

**Table 3**

**Nebraska Department of Health and Human Services  
 Division of Medicaid and Long-Term Care**

**Patient Protection and Affordable Care Act  
 as Amended by the Health Care and Education Reconciliation Act**

**Average Annual Cost per Enrollee as of SFY 2016**

<b>Population</b>	<b>Average Annual Cost</b>
Uninsured Adults	\$ 3,771
Newly Eligible Parents	4,255
Woodwork Parents	3,668
Woodwork Children	1,283
Insured Switchers – Adults	4,298
Insured Switchers – Parents	4,188
Insured Switchers – Children	1,404
Former Foster Children (Age 19 – 26) <sup>(1)</sup>	2,500
Breast and Cervical Cancer <sup>(1)</sup>	25,764
State Disability <sup>(1)</sup>	22,400
Medically Needy – Disabled <sup>(1)</sup>	93,966
Medically Needy – Long-Term <sup>(1)</sup>	\$ 121,011

Note: (1) Per member costs provided by DHHS for FFY 2014.

The cost estimates for the State Disability and Medically Needy populations were obtained from the health care reform projection provided by DHHS. All other annual cost estimates were developed from a combination of the July 1, 2012 through December 31, 2012 contracted managed care capitation rates, the *Nebraska Medicaid Reform Annual Report* dated December 1, 2011, the Medicaid Statistical Information System (MSIS) State Summary Datamart, and other Medicaid expansion programs. The values in Table 3 reflect the age/gender mix of each population based upon the 2010 ACS census data. For example, the insured switcher adult population does not have the same age distribution as the uninsured adult population, and this impacts expected average cost. Additionally, we used internally available data from other Medicaid expansion analyses to develop the cost relationship between adults and parents.

We assumed annual expenditure trends consistent with DHHS budget projections through SFY 2013, with growth in all other years of 2.5% for capitated expenditures and 3.5% for FFS expenditures. The expansion population is expected to enroll in the Medicaid managed care program, however dental, pharmacy, and behavioral health services for these individuals are assumed to continue being delivered through FFS.

The Affordable Care Act reflects the following Federal Medical Assistance Percentages (FMAP) for the expansion populations.

- 100% FMAP in CY 2014, 2015, and 2016
- 95% FMAP in CY 2017
- 94% FMAP in CY 2018
- 93% FMAP in CY 2019
- 90% FMAP in CY 2020+

We assumed a weighted average of the FFY 2013 and FFY 2014 FMAP rates for SFY 2014, and projected that the FFY 2014 FMAP rate of 54.74% for Medicaid and 68.32% for CHIP would continue through 2020 for non-expansion populations.

**b. Administration**

In addition to the expenditures associated with providing medical services, Nebraska is expected to incur additional administrative expenditures related to implementation of the Affordable Care Act. On-going costs for the coverage of the additional 117,000 to 159,000 Medicaid enrollees were developed assuming approximately \$200 per recipient per year, or approximately 5.8% of total expected medical expenditures. The Federal Financial Participation (FFP) for these administrative services was assumed to be 50%. Based on our experience with Medicaid programs, state Medicaid administrative costs range from 3.5% to 6.0% of total medical costs. The administrative expenses were assumed for a full year in SFY2014, assuming advance staffing needs prior to the effective enrollment determination begin date of October 1, 2013.

Administrative services related to IT systems improvement were not included in this analysis.

**c. Physician Fee Schedule Increase to Medicare Rates**

In November 2010, we conducted an analysis of the Nebraska Medicaid program's physician fees in comparison to the Medicare fee schedule. The results of this analysis included the observation that the SFY 2011 Nebraska Medicaid fee schedule reimbursement was approximately 71.7% of the Medicare fee schedule for affected service categories. The Affordable Care Act requires an increase in the Medicaid physician fee schedule for all Evaluation and Management (E&M) preventive care services to 100% of the Medicare physician fee schedule. 100% federal funding is available for calendar years 2013 and 2014. No additional funding is available for other physician services.

Both the full participation scenario and the mid-range participation scenario assume that DHHS will increase the fee schedule for the required services for primary care providers only and will continue the increased fee schedule after calendar year 2014. In addition to increasing the expected cost of corresponding existing expenditures by approximately 39%, the analysis reflects an additional \$105 per year for the dual eligible population because Medicaid will be responsible for covering 20% of the fees for Part B services.

The increased cost is estimated to be approximately \$30 million (State and Federal) per year for the current Medicaid program and expansion populations under the full participation scenario, or \$26 million

under the mid-range participation scenario. During calendar years 2013 and 2014, the full non-administrative cost of the fee schedule increase would be funded by the Federal government (100% FMAP). In the years following 2014, the estimated average annual cost for the fee schedule expansion is \$8 million (State only) under both scenarios.

We have added a section to the report to separately illustrate the cost of the required fee increases compared to the additional expected but not required fee increases.

**d. Former Foster Children Coverage to Age 26**

The Affordable Care Act includes mandatory coverage for former Foster Children to age 26 beginning on January 1, 2014. We used DHHS assumptions to estimate an annual cost of \$5.5 million per year (State and Federal) or approximately \$2.4 million per year (State only).

**e. Medically Needy Expansion to 138% FPL**

The Medically Needy population is currently covered to 43% FPL. The population is limited to non-dual eligibles under age 65. Effective January 1, 2014, the population will be covered for incomes up to 138% FPL, including the 5% income disregard allowance. We utilized the DHHS expenditure estimate for the Medically Needy population for fiscal year 2014, assuming expansion to 133% FPL under the Medicaid enhanced FMAP rate. Our projection adjusts the DHHS estimate by a factor of 1.38/1.33 to reflect expansion to the 138% FPL level. We adjusted the estimate provided by DHHS from a federal fiscal year basis to a state fiscal year basis. Although these individuals would theoretically be included in the 2010 ACS data, we needed to also reflect the cost intensity difference.

**f. ACA Health Insurer Fee**

Effective January 1, 2014, the Affordable Care Act will require an excise tax, called the health insurer fee, based on health plan market share of premium. Milliman prepared a report for the Medicaid Health Plans of America which estimated the impact of this fee for Medicaid managed care plans by state. The impact includes both the impact of the expected fee that will be assessed to Medicaid MCOs as well as the additional impact to account for the fact that plans will be receiving additional taxable income. Managed care capitation rates will need to increase in order to fund these additional amounts. We assumed that Nebraska's capitation rates would increase by 2.4% to adequately fund the health insurer fee.

**g. DSH Reduction**

Based upon the aggregate Disproportionate Share Hospital (DSH) allotment reductions indicated in the Affordable Care Act, we developed average federal fiscal year DSH reduction percentages. We adjusted the federal fiscal year percentages to a state fiscal year basis. The FFY 2012 preliminary DSH ceiling of \$51.2 million published in the July issue of Federal Funds Information for States was ultimately reduced to two-thirds of the National reduction percentage in each year. The reduction was reduced to two-thirds of the National percentage to reflect that Nebraska is a low DSH state. The total DSH savings was estimated in each year to be the revised DSH allotment less the SFY 2011 DSH expenditure amount, as provided by DHHS. We assumed the SFY 2011 DSH expenditure level would continue at the same level in projection years. Table 4 shows the reduction schedule by federal fiscal year.

**Table 4**

**Nebraska Department of Health and Human Services  
 Division of Medicaid and Long-Term Care**

**Patient Protection and Affordable Care Act  
 as Amended by the Health Care and Education Reconciliation Act**

**DSH Percentage Reduction**

<b>Federal Fiscal Year</b>	<b>National Percentage</b>	<b>Nebraska Percentage</b>
2014	4.4%	2.9%
2015	5.3%	3.5%
2016	5.3%	3.5%
2017	15.9%	10.6%
2018	44.1%	29.4%
2019	49.4%	32.9%
2020	35.3%	23.5%

Note: Nebraska percentage reduction was estimated at 2/3 of National percentage reduction since Nebraska is a low DSH state.

The impact of the changes to the DSH expenditures reflects our understanding of the ACA; however, the analysis may require modification upon release of final rules and regulations.

**h. CHIP FMAP Increase**

Under the Affordable Care Act, the CHIP program is required to continue to 2019. However, the legislation provides an additional federal match rate of 23% beginning on October 1, 2015 and ending September 30, 2019. The additional 23% FMAP will increase the total FMAP for the CHIP program to approximately 92.03%. The enhanced FMAP will decrease expenditures for Nebraska and increase expenditures for the Federal share.

Certain children who are currently eligible for CHIP will become Medicaid eligible as of January 1, 2014, with the change of the Medicaid income standard for children. We assumed that the state would continue to receive the CHIP FMAP for these children, based on similar changes in other state programs.

**i. State Disability Shift to Medicaid and Expansion to 138% FPL**

The State of Nebraska currently covers the State Disability population to 100% FPL with 100% state funds. We utilized the DHHS expenditure estimate for the State Disability population for Federal fiscal year 2014 assuming expansion to 133% FPL under the Medicaid enhanced FMAP rate. Our projection adjusts the DHHS estimate by a factor of 1.38/1.33 to reflect expansion to the 138% FPL level. We adjusted the estimate provided by DHHS from a federal fiscal year basis to a state fiscal year basis. Although these individuals would theoretically be included in the 2010 ACS data, we needed to also reflect the cost intensity difference.

## **OTHER CHANGES TO CURRENT PROGRAMS**

We anticipate potential savings from the following populations even if the programs are not discontinued. However, savings estimates are not included in the total impact projection for either the full participation scenario or mid-range participation scenario.

### ***Pregnant Women above 138% FPL***

The State of Nebraska currently provides eligibility for pregnant women with family income up to 185% FPL. It would be anticipated that the pregnant women with family income levels between 138% FPL and 185% FPL will shift to Nebraska's stand-alone CHIP program, qualifying for a lower state share. We used the DHHS assumption that approximately 25% of the current expenditures for the pregnant women population will be shifted to the stand-alone CHIP program. We estimated that costs could shift up to \$0.6 million per year from State funds to Federal funds beginning on January 1, 2014, creating savings for the State.

### ***Breast and Cervical Cancer Program***

The State of Nebraska currently provides eligibility under the Breast and Cervical Cancer program for women with income up to 225% FPL. We estimated that women with annual income between 138% and 225% will shift to the commercial Exchange, creating annual Medicaid savings of approximately \$2 million (State and Federal) per year or \$0.6 million (State only) per year beginning on January 1, 2014. It is not anticipated that this program will be required to be continued with the expansion requirements below 138% FPL and insurance reforms for individuals above 138% FPL. Therefore, we assumed that this program could be terminated beginning on January 1, 2014; although, some of these individuals will remain eligible under the new Medicaid eligibility requirements.

## **REFORM ESTIMATE MODELING UPDATES**

We developed estimates through SFY 2020 in a report dated November 10, 2010. In developing this updated report, we used sources of data and information that have emerged since the last report. This information resulted in significant changes in the fiscal impact estimates. The following items can be identified as key sources underlying these changes.

- **Nebraska Medicaid managed care capitation rates.** The per member per month costs for children were developed using the July 1, 2012 through December 31, 2012 Medicaid managed care capitation rates. These rates represent the average costs of a population with characteristics similar to that of the individuals who will be enrolling in Medicaid with the Affordable Care Act expansion. We added components of cost to represent pharmacy, dental, and behavioral health services since these are not included in the capitation rates.
- **December 2011 Nebraska Medicaid Annual Report.** Emerging Medicaid experience in the State of Nebraska is lower in recent years than previous budget projections had estimated.

- **2010 American Community Census data.** We have worked to develop algorithms for ACS census information to help us better stratify segments of the population. We have applied a more refined calculation of income level than is available in sources used previously for this purpose. Having these more detailed data has allowed us to develop better estimates of the population which will be eligible for the Medicaid expansion, including the characteristics we used to estimate behavior in the reform environment. We developed average monthly eligible population estimates for each segment of interest and applied participation assumptions to determine average monthly enrolled population estimates.
  
- **Affordable Care Act clarifications and research reports.** CMS has released certain proposed and final rules for the Affordable Care Act which provide clarification and subsequently change how certain elements of the reform should be estimated. Additionally, research papers are continuously being published containing analysis for various elements of the Affordable Care Act. These analyses have allowed us to estimate fiscal impacts for Nebraska which were not previously accessible. We have updated the report to reflect these sources for the following items.
  - CMS issued a proposed rule for the Medicaid primary care rate increase to the Medicare physician fee schedule which expanded the scope of the increase to include all evaluation and management (E&M) codes for primary care providers. Our updated analysis has incorporated this change in scope and has resulted in a significant increase in the fiscal impact estimate.
  
  - Clarification has emerged regarding premium subsidy eligibility in the Exchange for blended families; i.e., those families with income between 138% and 200% FPL. Parents in these families will be eligible for subsidies to purchase health insurance in the Exchange, however the children will not be eligible for these subsidies. We have assumed for this updated report that these children are more likely to enroll in the CHIP program than we had previously estimated. In calculating the state share of expenditures, we assumed these individuals would qualify for the enhanced FMAP rate.
  
  - As information and analysis about the reform environment emerges, we are able to update our assumptions accordingly. We have participated in and observed research related to the behavior of populations which will be eligible to enroll in Medicaid upon expansion, and we believe it is reasonable to assume that enrollment in the initial years will be lower than when the program is mature. Additionally, we have assumed that individuals enrolling in the beginning will have greater health needs, resulting in higher than average costs.
  
  - Children age 6 to 18 with family income above 100% FPL are currently eligible for CHIP. As of January 1, 2014, the subset of these children with family income in the range of 100% to 138% FPL will become full Medicaid eligible. We have reviewed publications regarding similar program changes and have determined that while these children will technically move to Medicaid, they will still be eligible for the CHIP enhanced FMAP rate. We have updated our report to remove the previously estimated loss to the state for the program movement of these children.

- We have incorporated information from a recent analysis on the health insurer assessment defined in the Affordable Care Act. The research was conducted on a state-by-state basis, and the results for Nebraska indicated that the fee will cost approximately 2.4% of capitated expenditures on a State and Federal basis. We have updated our report to include this fiscal impact.

### **LIMITATIONS AND DATA RELIANCE**

The information contained in this correspondence, including any enclosures, has been prepared for the Nebraska Department of Health and Human Services, Division of Medicaid and Long-Term Care and their advisors. These results may not be distributed to any other party without the prior consent of Milliman. To the extent that the information contained in this correspondence is provided to any approved third parties, the correspondence should be distributed in its entirety. Any user of the data must possess a certain level of expertise in actuarial science and health care modeling that will allow appropriate use of the data presented. The services provided for this project were performed under the signed contract between Milliman and DHHS.

Milliman makes no representations or warranties regarding the contents of this correspondence to third parties. Likewise, third parties are instructed that they are to place no reliance upon this correspondence prepared for DHHS by Milliman that would result in the creation of any duty or liability under any theory of law by Milliman or its employees to third parties.

Milliman has relied upon certain data and information provided by DHHS as well as enrollment and expenditure data obtained from the Medicaid Statistical Information System (MSIS) State Summary Datamart and the *Nebraska Medicaid Reform Annual Report* dated December 1, 2011 as retrieved from the DHHS website. The values presented in this correspondence are dependent upon this reliance. To the extent that the data was not complete or was inaccurate, the values presented will need to be reviewed for consistency and revised to meet any revised data. The data and information included in the report has been developed to assist in the analysis of the financial impact of Nebraska Medicaid Assistance expenditures. The data and information presented may not be appropriate for any other purpose. It should be emphasized that the results presented in this correspondence are a projection of future costs based on a set of assumptions. Results will differ if actual experience is different from the assumptions contained in this letter.

The projections included in this report are based on our understanding of the ACA and its associated regulations issued to date. Forthcoming ACA-related regulations and additional legislation may materially change the impact of ACA, necessitating an update to the projections included in this report. For this reason, this report should be considered time-sensitive material which may change as new information becomes available.

This report was created by Robert M. Damler, FSA, MAAA. Mr. Damler is a Principal and Consulting Actuary in the Indianapolis office of Milliman. He is a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and meets the qualification standards for performing the analyses contained in this report.



Ms. Vivianne Chaumont  
January 8, 2013  
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If you have any questions or comments regarding the enclosed information, please do not hesitate to contact me at (317) 524-3512.

Sincerely,

A handwritten signature in black ink that reads "Robert M. Damler". The signature is written over a faint, light blue watermark that says "ELECTRONIC SIGNATURE".

Robert M. Damler, FSA, MAAA  
Principal and Consulting Actuary

RMD/lrb  
Enclosures



**ENCLOSURE 1**

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Mid-Range Participation Scenario**

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<b>EXPENDITURES</b>	<b><u>SFY 2013</u></b>	<b><u>SFY 2014</u></b>	<b><u>SFY 2015</u></b>	<b><u>SFY 2016</u></b>	<b><u>SFY 2017</u></b>	<b><u>SFY 2018</u></b>	<b><u>SFY 2019</u></b>	<b><u>SFY 2020</u></b>	<b>SFY 2013 - <u>SFY 2020</u></b>
<b>Required ACA Provisions</b>									
<b>Non-Expansion New Enrollees</b>									
<b>Woodwork Parents - Currently Eligible for Medicaid 0-50% FPL</b>									
Population Estimate		2,765	3,025	3,291	3,324	3,357	3,390	3,424	22,576
Annual Per-Person Cost Estimate		\$ 3,736.00	\$ 3,703.00	\$ 3,668.00	\$ 4,034.00	\$ 4,104.00	\$ 4,175.00	\$ 4,247.00	\$ 3,963.68
Total Funds Estimate (State and Federal)		\$ 5,200,000	\$ 11,200,000	\$ 12,100,000	\$ 13,400,000	\$ 13,800,000	\$ 14,200,000	\$ 14,500,000	\$ 84,400,000
Federal Funds Estimate		\$ 2,900,000	\$ 6,100,000	\$ 6,600,000	\$ 7,300,000	\$ 7,600,000	\$ 7,800,000	\$ 7,900,000	\$ 46,200,000
State Funds Estimate		\$ 2,300,000	\$ 5,100,000	\$ 5,500,000	\$ 6,100,000	\$ 6,200,000	\$ 6,400,000	\$ 6,600,000	\$ 38,200,000
<b>Woodwork Children - Currently Eligible for Medicaid 0-138% FPL</b>									
Population Estimate		8,368	9,056	9,758	9,855	9,954	10,054	10,154	67,199
Annual Per-Person Cost Estimate		\$ 1,305.00	\$ 1,294.00	\$ 1,283.00	\$ 1,411.00	\$ 1,437.00	\$ 1,462.00	\$ 1,488.00	\$ 1,386.56
Total Funds Estimate (State and Federal)		\$ 5,500,000	\$ 11,700,000	\$ 12,500,000	\$ 13,900,000	\$ 14,300,000	\$ 14,700,000	\$ 15,100,000	\$ 87,700,000
Federal Funds Estimate		\$ 3,000,000	\$ 6,400,000	\$ 6,800,000	\$ 7,600,000	\$ 7,800,000	\$ 8,000,000	\$ 8,300,000	\$ 47,900,000
State Funds Estimate		\$ 2,500,000	\$ 5,300,000	\$ 5,700,000	\$ 6,300,000	\$ 6,500,000	\$ 6,700,000	\$ 6,800,000	\$ 39,800,000
<b>Woodwork Children - Currently eligible for CHIP 138-200% FPL</b>									
Population Estimate		2,206	2,388	2,572	2,598	2,624	2,650	2,677	17,715
Annual Per-Person Cost Estimate		\$ 1,305.00	\$ 1,294.00	\$ 1,283.00	\$ 1,411.00	\$ 1,437.00	\$ 1,462.00	\$ 1,488.00	\$ 1,386.56
Total Funds Estimate (State and Federal)		\$ 1,400,000	\$ 3,100,000	\$ 3,300,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 4,000,000	\$ 23,200,000
Federal Funds Estimate		\$ 1,000,000	\$ 2,100,000	\$ 2,300,000	\$ 2,500,000	\$ 2,600,000	\$ 2,700,000	\$ 2,700,000	\$ 15,900,000
State Funds Estimate		\$ 400,000	\$ 1,000,000	\$ 1,000,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,300,000	\$ 7,300,000
<b>Insured Switchers Parents - Currently Eligible for Medicaid 0-50% FPL</b>									
Population Estimate		1,123	1,404	1,690	1,707	1,724	1,742	1,759	11,149
Annual Per-Person Cost Estimate		\$ 4,621.00	\$ 4,589.00	\$ 4,600.00	\$ 4,633.00	\$ 4,713.00	\$ 4,794.00	\$ 4,877.00	\$ 4,697.27
Total Funds Estimate (State and Federal)		\$ 2,600,000	\$ 6,400,000	\$ 7,800,000	\$ 7,900,000	\$ 8,100,000	\$ 8,400,000	\$ 8,600,000	\$ 49,800,000
Federal Funds Estimate		\$ 1,400,000	\$ 3,500,000	\$ 4,300,000	\$ 4,300,000	\$ 4,400,000	\$ 4,600,000	\$ 4,700,000	\$ 27,200,000
State Funds Estimate		\$ 1,200,000	\$ 2,900,000	\$ 3,500,000	\$ 3,600,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 22,600,000
<b>Insured Switchers Children - Currently Eligible for Medicaid 0-138% FPL</b>									
Population Estimate		4,402	5,839	6,873	6,941	7,010	7,080	7,152	45,297
Annual Per-Person Cost Estimate		\$ 1,409.00	\$ 1,400.00	\$ 1,404.00	\$ 1,415.00	\$ 1,440.00	\$ 1,466.00	\$ 1,492.00	\$ 1,434.81
Total Funds Estimate (State and Federal)		\$ 3,100,000	\$ 8,200,000	\$ 9,600,000	\$ 9,800,000	\$ 10,100,000	\$ 10,400,000	\$ 10,700,000	\$ 61,900,000
Federal Funds Estimate		\$ 1,700,000	\$ 4,500,000	\$ 5,300,000	\$ 5,400,000	\$ 5,500,000	\$ 5,700,000	\$ 5,900,000	\$ 34,000,000
State Funds Estimate		\$ 1,400,000	\$ 3,700,000	\$ 4,300,000	\$ 4,400,000	\$ 4,600,000	\$ 4,700,000	\$ 4,800,000	\$ 27,900,000
<b>Insured Switchers Children - Currently Eligible for CHIP 138-200% FPL</b>									
Population Estimate		9,118	12,096	14,234	14,377	14,521	14,666	14,812	93,824
Annual Per-Person Cost Estimate		\$ 1,409.00	\$ 1,400.00	\$ 1,404.00	\$ 1,415.00	\$ 1,440.00	\$ 1,466.00	\$ 1,492.00	\$ 1,434.81
Total Funds Estimate (State and Federal)		\$ 6,400,000	\$ 16,900,000	\$ 20,000,000	\$ 20,300,000	\$ 20,900,000	\$ 21,500,000	\$ 22,100,000	\$ 128,100,000
Federal Funds Estimate		\$ 4,400,000	\$ 11,500,000	\$ 13,700,000	\$ 13,900,000	\$ 14,300,000	\$ 14,700,000	\$ 15,100,000	\$ 87,600,000
State Funds Estimate		\$ 2,000,000	\$ 5,400,000	\$ 6,300,000	\$ 6,400,000	\$ 6,600,000	\$ 6,800,000	\$ 7,000,000	\$ 40,500,000
<b>Former Foster Children Coverage to Age 26</b>									
Population Estimate		2,200	2,200	2,200	2,200	2,200	2,200	2,200	15,400
Annual Per-Person Cost Estimate		\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Total Funds Estimate (State and Federal)		\$ 2,800,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 35,800,000
Federal Funds Estimate		\$ 1,500,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 19,500,000
State Funds Estimate		\$ 1,200,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 16,200,000

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Mid-Range Participation Scenario**

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<b>EXPENDITURES</b>	<b><u>SFY 2013</u></b>	<b><u>SFY 2014</u></b>	<b><u>SFY 2015</u></b>	<b><u>SFY 2016</u></b>	<b><u>SFY 2017</u></b>	<b><u>SFY 2018</u></b>	<b><u>SFY 2019</u></b>	<b><u>SFY 2020</u></b>	<b>SFY 2013 - <u>SFY 2020</u></b>
<b>Required ACA Provisions</b>									
<b>Other Changes</b>									
<b>Administration - based on currently-eligible populations above</b>									
Population Estimate		30,182	36,008	40,618	41,002	41,390	41,782	42,178	273,160
Annual Per-Person Cost Estimate		\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
Total Funds Estimate (State and Federal)		\$ 6,000,000	\$ 7,200,000	\$ 8,100,000	\$ 8,200,000	\$ 8,300,000	\$ 8,400,000	\$ 8,400,000	\$ 54,600,000
Federal Funds Estimate		\$ 3,000,000	\$ 3,600,000	\$ 4,100,000	\$ 4,100,000	\$ 4,200,000	\$ 4,200,000	\$ 4,200,000	\$ 27,400,000
State Funds Estimate		\$ 3,000,000	\$ 3,600,000	\$ 4,000,000	\$ 4,100,000	\$ 4,100,000	\$ 4,200,000	\$ 4,200,000	\$ 27,200,000
<b>DSH Reduction - based on currently-eligible populations above</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ (9,500,000)	\$ (11,300,000)	\$ (6,500,000)	\$ (27,300,000)
Federal Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ (5,200,000)	\$ (6,200,000)	\$ (3,600,000)	\$ (15,000,000)
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,300,000)	\$ (5,100,000)	\$ (2,900,000)	\$ (12,300,000)
<b>CHIP Match Rate Impact - based on current CMS guidance</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds Estimate		\$ 0	\$ 0	\$ 14,100,000	\$ 19,400,000	\$ 20,000,000	\$ 20,600,000	\$ 5,300,000	\$ 79,400,000
State Funds Estimate		\$ 0	\$ 0	\$ (14,100,000)	\$ (19,400,000)	\$ (20,000,000)	\$ (20,600,000)	\$ (5,300,000)	\$ (79,400,000)
<b>Required Physician Fee Schedule Increase to 100% of Medicare Fees</b>									
Total Funds Estimate (State and Federal)	\$ 13,100,000	\$ 14,200,000	\$ 7,800,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,100,000
Federal Funds Estimate	\$ 13,100,000	\$ 14,200,000	\$ 7,800,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,100,000
State Funds Estimate	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Additional Physician Fee Schedule Increase to 100% of Medicare Fees</b>									
Total Funds Estimate (State and Federal)	\$ 0	\$ 0	\$ 7,800,000	\$ 16,200,000	\$ 16,800,000	\$ 17,400,000	\$ 18,000,000	\$ 18,600,000	\$ 94,800,000
Federal Funds Estimate	\$ 0	\$ 0	\$ 4,300,000	\$ 9,300,000	\$ 9,800,000	\$ 10,100,000	\$ 10,400,000	\$ 10,500,000	\$ 54,400,000
State Funds Estimate	\$ 0	\$ 0	\$ 3,400,000	\$ 6,900,000	\$ 7,000,000	\$ 7,300,000	\$ 7,500,000	\$ 8,100,000	\$ 40,200,000
<b>ACA Health Insurer Fee</b>									
Total Funds Estimate (State and Federal)		\$ 5,200,000	\$ 10,700,000	\$ 10,900,000	\$ 11,200,000	\$ 11,500,000	\$ 11,800,000	\$ 12,100,000	\$ 73,400,000
Federal Funds Estimate		\$ 3,100,000	\$ 6,400,000	\$ 6,600,000	\$ 6,700,000	\$ 6,900,000	\$ 7,100,000	\$ 7,300,000	\$ 44,100,000
State Funds Estimate		\$ 2,100,000	\$ 4,300,000	\$ 4,400,000	\$ 4,500,000	\$ 4,600,000	\$ 4,700,000	\$ 4,800,000	\$ 29,400,000
<b>Subtotal - Required ACA Provisions</b>									
Population Estimate	-	30,182	36,008	40,618	41,002	41,390	41,782	42,178	273,160
Total (State and Federal)	\$ 13,100,000	\$ 52,400,000	\$ 96,500,000	\$ 106,000,000	\$ 110,700,000	\$ 104,200,000	\$ 105,500,000	\$ 113,100,000	\$ 701,500,000
Federal Funds	\$ 13,100,000	\$ 36,200,000	\$ 59,200,000	\$ 76,100,000	\$ 84,000,000	\$ 81,200,000	\$ 82,600,000	\$ 71,300,000	\$ 503,700,000
State Funds	\$ 0	\$ 16,100,000	\$ 37,200,000	\$ 30,000,000	\$ 26,700,000	\$ 23,000,000	\$ 22,800,000	\$ 41,800,000	\$ 197,600,000

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Mid-Range Participation Scenario**

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<b>EXPENDITURES</b>	<b><u>SFY 2013</u></b>	<b><u>SFY 2014</u></b>	<b><u>SFY 2015</u></b>	<b><u>SFY 2016</u></b>	<b><u>SFY 2017</u></b>	<b><u>SFY 2018</u></b>	<b><u>SFY 2019</u></b>	<b><u>SFY 2020</u></b>	<b><u>SFY 2013 - SFY 2020</u></b>
<b>Optional ACA Provisions</b>									
<b>Expansion New Enrollees</b>									
<b>Uninsured Newly Eligible Adults 0-138% FPL</b>									
Population Estimate		20,425	25,463	35,483	35,837	36,196	36,558	36,923	226,885
Annual Per-Person Cost Estimate		\$ 3,991.00	\$ 3,884.00	\$ 3,771.00	\$ 3,653.00	\$ 3,716.00	\$ 3,781.00	\$ 3,846.00	\$ 3,789.89
Total Funds Estimate (State and Federal)		\$ 40,800,000	\$ 98,900,000	\$ 133,800,000	\$ 130,900,000	\$ 134,500,000	\$ 138,200,000	\$ 142,000,000	\$ 819,100,000
Federal Funds Estimate		\$ 40,800,000	\$ 98,900,000	\$ 133,800,000	\$ 127,600,000	\$ 127,100,000	\$ 129,200,000	\$ 129,900,000	\$ 787,300,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 3,300,000	\$ 7,400,000	\$ 9,000,000	\$ 12,100,000	\$ 31,800,000
<b>Uninsured Newly Eligible Parents 50-138% FPL</b>									
Population Estimate		12,310	13,403	14,517	14,663	14,809	14,957	15,107	99,766
Annual Per-Person Cost Estimate		\$ 4,504.00	\$ 4,382.00	\$ 4,255.00	\$ 4,123.00	\$ 4,194.00	\$ 4,267.00	\$ 4,341.00	\$ 4,289.15
Total Funds Estimate (State and Federal)		\$ 27,700,000	\$ 58,700,000	\$ 61,800,000	\$ 60,500,000	\$ 62,100,000	\$ 63,800,000	\$ 65,600,000	\$ 400,200,000
Federal Funds Estimate		\$ 27,700,000	\$ 58,700,000	\$ 61,800,000	\$ 59,000,000	\$ 58,700,000	\$ 59,700,000	\$ 60,000,000	\$ 385,600,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 1,500,000	\$ 3,400,000	\$ 4,100,000	\$ 5,600,000	\$ 14,600,000
<b>Insured Switchers Newly Eligible Adults 0-138% FPL</b>									
Population Estimate		9,346	11,837	14,377	14,521	14,666	14,813	14,961	94,521
Annual Per-Person Cost Estimate		\$ 4,318.00	\$ 4,288.00	\$ 4,298.00	\$ 4,329.00	\$ 4,404.00	\$ 4,480.00	\$ 4,557.00	\$ 4,389.45
Total Funds Estimate (State and Federal)		\$ 20,200,000	\$ 50,800,000	\$ 61,800,000	\$ 62,900,000	\$ 64,600,000	\$ 66,400,000	\$ 68,200,000	\$ 394,900,000
Federal Funds Estimate		\$ 20,200,000	\$ 50,800,000	\$ 61,800,000	\$ 61,300,000	\$ 61,000,000	\$ 62,100,000	\$ 62,400,000	\$ 379,600,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 1,600,000	\$ 3,600,000	\$ 4,300,000	\$ 5,800,000	\$ 15,300,000
<b>Insured Switchers Newly Eligible Parents 50-138% FPL</b>									
Population Estimate		6,743	9,218	11,742	11,860	11,978	12,098	12,219	75,858
Annual Per-Person Cost Estimate		\$ 4,148.00	\$ 4,119.00	\$ 4,129.00	\$ 4,159.00	\$ 4,231.00	\$ 4,304.00	\$ 4,378.00	\$ 4,218.29
Total Funds Estimate (State and Federal)		\$ 14,000,000	\$ 38,000,000	\$ 48,500,000	\$ 49,300,000	\$ 50,700,000	\$ 52,100,000	\$ 53,500,000	\$ 306,100,000
Federal Funds Estimate		\$ 14,000,000	\$ 38,000,000	\$ 48,500,000	\$ 48,100,000	\$ 47,900,000	\$ 48,700,000	\$ 49,000,000	\$ 294,200,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 1,200,000	\$ 2,800,000	\$ 3,400,000	\$ 4,500,000	\$ 11,900,000
<b>Medically Needy - Disabled 43-138% FPL</b>									
Population Estimate		203	203	203	203	203	203	203	1,421
Annual Per-Person Cost Estimate		\$ 88,600.00	\$ 91,258.00	\$ 93,996.00	\$ 96,816.00	\$ 99,720.00	\$ 102,712.00	\$ 105,793.00	\$ 96,985.00
Total Funds Estimate (State and Federal)		\$ 9,000,000	\$ 18,500,000	\$ 19,100,000	\$ 19,700,000	\$ 20,200,000	\$ 20,900,000	\$ 21,500,000	\$ 128,900,000
Federal Funds Estimate		\$ 9,000,000	\$ 18,500,000	\$ 19,100,000	\$ 19,200,000	\$ 19,100,000	\$ 19,500,000	\$ 19,700,000	\$ 124,100,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 1,100,000	\$ 1,400,000	\$ 1,800,000	\$ 4,800,000
<b>Medically Needy - Long-Term 43-138% FPL</b>									
Population Estimate		26	26	26	26	26	26	26	182
Annual Per-Person Cost Estimate		\$ 114,065.00	\$ 117,487.00	\$ 121,011.00	\$ 124,642.00	\$ 128,381.00	\$ 132,232.00	\$ 136,199.00	\$ 124,859.57
Total Funds Estimate (State and Federal)		\$ 1,500,000	\$ 3,100,000	\$ 3,100,000	\$ 3,200,000	\$ 3,300,000	\$ 3,400,000	\$ 3,500,000	\$ 21,100,000
Federal Funds Estimate		\$ 1,500,000	\$ 3,100,000	\$ 3,100,000	\$ 3,100,000	\$ 3,100,000	\$ 3,200,000	\$ 3,200,000	\$ 20,300,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 100,000	\$ 200,000	\$ 200,000	\$ 300,000	\$ 800,000
<b>State Disability Shift and Expansion to 138% FPL</b>									
Population Estimate		154	154	154	154	154	154	154	1,078
Annual Per-Person Cost Estimate		\$ 21,114.00	\$ 21,748.00	\$ 22,400.00	\$ 23,072.00	\$ 23,765.00	\$ 24,477.00	\$ 25,212.00	\$ 23,112.57
Total Funds Estimate (State and Federal)		\$ 1,600,000	\$ 3,300,000	\$ 3,400,000	\$ 3,600,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 23,300,000
Federal Funds Estimate		\$ 6,100,000	\$ 12,500,000	\$ 12,900,000	\$ 12,900,000	\$ 12,900,000	\$ 13,200,000	\$ 13,300,000	\$ 83,800,000
State Funds Estimate		\$ (4,400,000)	\$ (9,200,000)	\$ (9,400,000)	\$ (9,400,000)	\$ (9,300,000)	\$ (9,400,000)	\$ (9,400,000)	\$ (60,500,000)

NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 Division of Medicaid and Long-Term Care  
 Health Care Reform Projection - Mid-Range Participation Scenario

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EXPENDITURES	<u>SFY 2013</u>	<u>SFY 2014</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	<u>SFY 2018</u>	<u>SFY 2019</u>	<u>SFY 2020</u>	<u>SFY 2013 - SFY 2020</u>
<b>Optional ACA Provisions</b>									
<b>Other Changes</b>									
<b>Administration - based on expansion populations above</b>									
Population Estimate		49,207	60,304	76,502	77,264	78,032	78,809	79,593	499,711
Annual Per-Person Cost Estimate		\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
Total Funds Estimate (State and Federal)		\$ 9,800,000	\$ 12,100,000	\$ 15,300,000	\$ 15,500,000	\$ 15,600,000	\$ 15,800,000	\$ 15,900,000	\$ 100,000,000
Federal Funds Estimate		\$ 4,900,000	\$ 6,100,000	\$ 7,700,000	\$ 7,800,000	\$ 7,800,000	\$ 7,900,000	\$ 8,000,000	\$ 50,200,000
State Funds Estimate		\$ 4,900,000	\$ 6,000,000	\$ 7,600,000	\$ 7,700,000	\$ 7,800,000	\$ 7,900,000	\$ 7,900,000	\$ 49,800,000
<b>Additional DSH Reduction - based on expansion populations above</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Required Physician Fee Schedule Increase to Medicare Rates</b>									
Total Funds Estimate (State and Federal)	\$ 0	\$ 2,600,000	\$ 3,100,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,700,000
Federal Funds Estimate	\$ 0	\$ 2,600,000	\$ 3,100,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,700,000
State Funds Estimate	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Additional Physician Fee Schedule Increase to Medicare Rates</b>									
Total Funds Estimate (State and Federal)	\$ 0	\$ 0	\$ 3,100,000	\$ 7,800,000	\$ 8,100,000	\$ 8,400,000	\$ 8,700,000	\$ 9,000,000	\$ 45,100,000
Federal Funds Estimate	\$ 0	\$ 0	\$ 3,100,000	\$ 7,800,000	\$ 7,900,000	\$ 7,900,000	\$ 8,100,000	\$ 8,200,000	\$ 43,000,000
State Funds Estimate	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,000	\$ 500,000	\$ 600,000	\$ 800,000	\$ 2,100,000
<b>ACA Health Insurer Fee</b>									
Total Funds Estimate (State and Federal)		\$ 2,300,000	\$ 5,600,000	\$ 6,800,000	\$ 6,800,000	\$ 7,000,000	\$ 7,200,000	\$ 7,400,000	\$ 43,100,000
Federal Funds Estimate		\$ 1,400,000	\$ 3,400,000	\$ 4,100,000	\$ 4,100,000	\$ 4,200,000	\$ 4,300,000	\$ 4,400,000	\$ 25,900,000
State Funds Estimate		\$ 900,000	\$ 2,200,000	\$ 2,700,000	\$ 2,700,000	\$ 2,800,000	\$ 2,900,000	\$ 2,900,000	\$ 17,100,000
<b>Subtotal - Optional ACA Provisions</b>									
Population Estimate	-	49,207	60,304	76,502	77,264	78,032	78,809	79,593	499,711
Total (State and Federal)	\$ 0	\$ 129,500,000	\$ 295,200,000	\$ 361,400,000	\$ 360,500,000	\$ 370,100,000	\$ 380,300,000	\$ 390,500,000	\$ 2,287,500,000
Federal Funds	\$ 0	\$ 128,200,000	\$ 296,200,000	\$ 360,600,000	\$ 351,000,000	\$ 349,700,000	\$ 355,900,000	\$ 358,100,000	\$ 2,199,700,000
State Funds	\$ 0	\$ 1,400,000	\$ (1,000,000)	\$ 900,000	\$ 9,400,000	\$ 20,300,000	\$ 24,400,000	\$ 32,300,000	\$ 87,700,000

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
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<b>EXPENDITURES</b>	<b>SFY 2013</b>	<b>SFY 2014</b>	<b>SFY 2015</b>	<b>SFY 2016</b>	<b>SFY 2017</b>	<b>SFY 2018</b>	<b>SFY 2019</b>	<b>SFY 2020</b>	<b>SFY 2013 - SFY 2020</b>
<b>All ACA Provisions</b>									
<b>New Enrollees</b>									
<b>Adults and Parents - Newly Eligible</b>									
Population Estimate		32,735	38,866	50,000	50,500	51,005	51,515	52,030	326,651
Annual Per-Person Cost Estimate		\$ 4,185.00	\$ 4,055.00	\$ 3,912.00	\$ 3,790.00	\$ 3,855.00	\$ 3,921.00	\$ 3,990.00	\$ 3,942.46
Total Funds Estimate (State and Federal)		\$ 68,500,000	\$ 157,600,000	\$ 195,600,000	\$ 191,400,000	\$ 196,600,000	\$ 202,000,000	\$ 207,600,000	\$ 1,219,300,000
Federal Funds Estimate		\$ 68,500,000	\$ 157,600,000	\$ 195,600,000	\$ 186,600,000	\$ 185,800,000	\$ 188,900,000	\$ 189,900,000	\$ 1,172,900,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 4,800,000	\$ 10,800,000	\$ 13,100,000	\$ 17,700,000	\$ 46,400,000
<b>Adults and Parents - Woodwork</b>									
Population Estimate		2,765	3,025	3,291	3,324	3,357	3,390	3,424	22,576
Annual Per-Person Cost Estimate		\$ 3,761.00	\$ 3,702.00	\$ 3,677.00	\$ 4,031.00	\$ 4,111.00	\$ 4,189.00	\$ 4,235.00	\$ 3,968.81
Total Funds Estimate (State and Federal)		\$ 5,200,000	\$ 11,200,000	\$ 12,100,000	\$ 13,400,000	\$ 13,800,000	\$ 14,200,000	\$ 14,500,000	\$ 84,400,000
Federal Funds Estimate		\$ 2,900,000	\$ 6,100,000	\$ 6,600,000	\$ 7,300,000	\$ 7,600,000	\$ 7,800,000	\$ 7,900,000	\$ 46,200,000
State Funds Estimate		\$ 2,300,000	\$ 5,100,000	\$ 5,500,000	\$ 6,100,000	\$ 6,200,000	\$ 6,400,000	\$ 6,600,000	\$ 38,200,000
<b>Adults and Parents - Insured Switchers</b>									
Population Estimate		17,212	22,459	27,809	28,088	28,368	28,653	28,939	181,528
Annual Per-Person Cost Estimate		\$ 4,276.00	\$ 4,239.00	\$ 4,247.00	\$ 4,276.00	\$ 4,350.00	\$ 4,429.00	\$ 4,503.00	\$ 4,338.88
Total Funds Estimate (State and Federal)		\$ 36,800,000	\$ 95,200,000	\$ 118,100,000	\$ 120,100,000	\$ 123,400,000	\$ 126,900,000	\$ 130,300,000	\$ 750,800,000
Federal Funds Estimate		\$ 35,600,000	\$ 92,300,000	\$ 114,600,000	\$ 113,700,000	\$ 113,300,000	\$ 115,400,000	\$ 116,100,000	\$ 701,000,000
State Funds Estimate		\$ 1,200,000	\$ 2,900,000	\$ 3,500,000	\$ 6,400,000	\$ 10,100,000	\$ 11,500,000	\$ 14,200,000	\$ 49,800,000
<b>Medicaid and CHIP Children - Woodwork</b>									
Population Estimate		10,574	11,444	12,330	12,453	12,578	12,704	12,831	84,914
Annual Per-Person Cost Estimate		\$ 1,305.00	\$ 1,293.00	\$ 1,281.00	\$ 1,413.00	\$ 1,439.00	\$ 1,464.00	\$ 1,489.00	\$ 1,387.18
Total Funds Estimate (State and Federal)		\$ 6,900,000	\$ 14,800,000	\$ 15,800,000	\$ 17,600,000	\$ 18,100,000	\$ 18,600,000	\$ 19,100,000	\$ 110,900,000
Federal Funds Estimate		\$ 4,000,000	\$ 8,500,000	\$ 9,100,000	\$ 10,100,000	\$ 10,400,000	\$ 10,700,000	\$ 11,000,000	\$ 63,800,000
State Funds Estimate		\$ 2,900,000	\$ 6,300,000	\$ 6,700,000	\$ 7,500,000	\$ 7,700,000	\$ 7,900,000	\$ 8,100,000	\$ 47,100,000
<b>Medicaid and CHIP Children - Insured Switchers</b>									
Population Estimate		13,520	17,935	21,107	21,318	21,531	21,746	21,964	139,121
Annual Per-Person Cost Estimate		\$ 1,405.00	\$ 1,399.00	\$ 1,402.00	\$ 1,412.00	\$ 1,440.00	\$ 1,467.00	\$ 1,493.00	\$ 1,433.85
Total Funds Estimate (State and Federal)		\$ 9,500,000	\$ 25,100,000	\$ 29,600,000	\$ 30,100,000	\$ 31,000,000	\$ 31,900,000	\$ 32,800,000	\$ 190,000,000
Federal Funds Estimate		\$ 6,100,000	\$ 16,000,000	\$ 19,000,000	\$ 19,300,000	\$ 19,800,000	\$ 20,400,000	\$ 21,000,000	\$ 121,600,000
State Funds Estimate		\$ 3,400,000	\$ 9,100,000	\$ 10,600,000	\$ 10,800,000	\$ 11,200,000	\$ 11,500,000	\$ 11,800,000	\$ 68,400,000
<b>Former Foster Children Coverage to Age 26</b>									
Population Estimate		2,200	2,200	2,200	2,200	2,200	2,200	2,200	15,400
Annual Per-Person Cost Estimate		\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Total Funds Estimate (State and Federal)		\$ 2,800,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 35,800,000
Federal Funds Estimate		\$ 1,500,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 19,500,000
State Funds Estimate		\$ 1,200,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 16,200,000
<b>Medically Needy - Expansion to 138% FPL</b>									
Population Estimate		229	229	229	229	229	229	229	1,603
Annual Per-Person Cost Estimate		\$ 91,703.00	\$ 94,323.00	\$ 96,943.00	\$ 100,000.00	\$ 102,620.00	\$ 106,114.00	\$ 109,170.00	\$ 100,124.71
Total Funds Estimate (State and Federal)		\$ 10,500,000	\$ 21,600,000	\$ 22,200,000	\$ 22,900,000	\$ 23,500,000	\$ 24,300,000	\$ 25,000,000	\$ 150,000,000
Federal Funds Estimate		\$ 10,500,000	\$ 21,600,000	\$ 22,200,000	\$ 22,300,000	\$ 22,200,000	\$ 22,700,000	\$ 22,900,000	\$ 144,400,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 600,000	\$ 1,300,000	\$ 1,600,000	\$ 2,100,000	\$ 5,600,000

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Mid-Range Participation Scenario**

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<b>EXPENDITURES</b>	<b>SFY 2013</b>	<b>SFY 2014</b>	<b>SFY 2015</b>	<b>SFY 2016</b>	<b>SFY 2017</b>	<b>SFY 2018</b>	<b>SFY 2019</b>	<b>SFY 2020</b>	<b>SFY 2013 - SFY 2020</b>
<b>All ACA Provisions</b>									
<b>State Disability Shift and Expansion to 138% FPL</b>									
Population Estimate		154	154	154	154	154	154	154	1,078
Annual Per-Person Cost Estimate		\$ 20,779.00	\$ 21,429.00	\$ 22,078.00	\$ 23,377.00	\$ 24,026.00	\$ 24,675.00	\$ 25,325.00	\$ 23,098.43
Total Funds Estimate (State and Federal)		\$ 1,600,000	\$ 3,300,000	\$ 3,400,000	\$ 3,600,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 23,300,000
Federal Funds Estimate		\$ 6,100,000	\$ 12,500,000	\$ 12,900,000	\$ 12,900,000	\$ 12,900,000	\$ 13,200,000	\$ 13,300,000	\$ 83,800,000
State Funds Estimate		\$ (4,400,000)	\$ (9,200,000)	\$ (9,400,000)	\$ (9,400,000)	\$ (9,300,000)	\$ (9,400,000)	\$ (9,400,000)	\$ (60,500,000)
<b>Other Changes</b>									
<b>Administration - for all new enrollment</b>									
Population Estimate		79,389	96,312	117,120	118,266	119,422	120,591	121,771	772,871
Annual Per-Person Cost Estimate		\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
Total Funds Estimate (State and Federal)		\$ 15,800,000	\$ 19,300,000	\$ 23,400,000	\$ 23,700,000	\$ 23,900,000	\$ 24,200,000	\$ 24,300,000	\$ 154,600,000
Federal Funds Estimate		\$ 7,900,000	\$ 9,700,000	\$ 11,800,000	\$ 11,900,000	\$ 12,000,000	\$ 12,100,000	\$ 12,200,000	\$ 77,600,000
State Funds Estimate		\$ 7,900,000	\$ 9,600,000	\$ 11,600,000	\$ 11,800,000	\$ 11,900,000	\$ 12,100,000	\$ 12,100,000	\$ 77,000,000
<b>DSH Reduction</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ (9,500,000)	\$ (11,300,000)	\$ (6,500,000)	\$ (27,300,000)
Federal Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ (5,200,000)	\$ (6,200,000)	\$ (3,600,000)	\$ (15,000,000)
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,300,000)	\$ (5,100,000)	\$ (2,900,000)	\$ (12,300,000)
<b>CHIP Match Rate Impact - based on current CMS guidance</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds Estimate		\$ 0	\$ 0	\$ 14,100,000	\$ 19,400,000	\$ 20,000,000	\$ 20,600,000	\$ 5,300,000	\$ 79,400,000
State Funds Estimate		\$ 0	\$ 0	\$ (14,100,000)	\$ (19,400,000)	\$ (20,000,000)	\$ (20,600,000)	\$ (5,300,000)	\$ (79,400,000)
<b>Required Physician Fee Schedule Increase to 100% of Medicare Fees</b>									
Total Funds Estimate (State and Federal)		\$ 13,100,000	\$ 16,800,000	\$ 10,900,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,800,000
Federal Funds Estimate		\$ 13,100,000	\$ 16,800,000	\$ 10,900,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,800,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Additional Physician Fee Schedule Increase to Medicare Rates</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 10,900,000	\$ 24,000,000	\$ 24,900,000	\$ 25,800,000	\$ 26,700,000	\$ 139,900,000
Federal Funds Estimate		\$ 0	\$ 0	\$ 7,400,000	\$ 17,100,000	\$ 17,700,000	\$ 18,000,000	\$ 18,500,000	\$ 97,400,000
State Funds Estimate		\$ 0	\$ 0	\$ 3,400,000	\$ 6,900,000	\$ 7,200,000	\$ 7,800,000	\$ 8,100,000	\$ 42,300,000
<b>ACA Health Insurer Fee</b>									
Total Funds Estimate (State and Federal)		\$ 7,500,000	\$ 16,300,000	\$ 17,700,000	\$ 18,000,000	\$ 18,500,000	\$ 19,000,000	\$ 19,500,000	\$ 116,500,000
Federal Funds Estimate		\$ 4,500,000	\$ 9,800,000	\$ 10,700,000	\$ 10,800,000	\$ 11,100,000	\$ 11,400,000	\$ 11,700,000	\$ 70,000,000
State Funds Estimate		\$ 3,000,000	\$ 6,500,000	\$ 7,100,000	\$ 7,200,000	\$ 7,400,000	\$ 7,600,000	\$ 7,700,000	\$ 46,500,000
<b>Total - All ACA Provisions</b>									
Population Estimate		-	79,389	96,312	117,120	118,266	119,422	120,591	772,871
Total (State and Federal)		\$ 13,100,000	\$ 181,900,000	\$ 391,700,000	\$ 467,400,000	\$ 471,200,000	\$ 474,300,000	\$ 485,800,000	\$ 2,989,000,000
Federal Funds		\$ 13,100,000	\$ 164,400,000	\$ 355,400,000	\$ 436,700,000	\$ 435,000,000	\$ 430,900,000	\$ 438,500,000	\$ 2,703,400,000
State Funds		\$ 0	\$ 17,500,000	\$ 36,200,000	\$ 30,900,000	\$ 36,100,000	\$ 43,300,000	\$ 47,100,000	\$ 285,300,000



**ENCLOSURE 2**

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Full Participation Scenario**

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<b>EXPENDITURES</b>	<b><u>SFY 2013</u></b>	<b><u>SFY 2014</u></b>	<b><u>SFY 2015</u></b>	<b><u>SFY 2016</u></b>	<b><u>SFY 2017</u></b>	<b><u>SFY 2018</u></b>	<b><u>SFY 2019</u></b>	<b><u>SFY 2020</u></b>	<b>SFY 2013 - <u>SFY 2020</u></b>
<b>Required ACA Provisions</b>									
<b>Non-Expansion New Enrollees</b>									
<b>Woodwork Parents - Currently Eligible for Medicaid 0-50% FPL</b>									
Population Estimate		3,950	4,322	4,701	4,748	4,795	4,843	4,892	32,251
Annual Per-Person Cost Estimate		\$ 3,736.00	\$ 3,703.00	\$ 3,668.00	\$ 4,034.00	\$ 4,104.00	\$ 4,175.00	\$ 4,247.00	\$ 3,963.68
Total Funds Estimate (State and Federal)		\$ 7,400,000	\$ 16,000,000	\$ 17,200,000	\$ 19,200,000	\$ 19,700,000	\$ 20,200,000	\$ 20,800,000	\$ 120,500,000
Federal Funds Estimate		\$ 4,100,000	\$ 8,800,000	\$ 9,400,000	\$ 10,500,000	\$ 10,800,000	\$ 11,100,000	\$ 11,400,000	\$ 66,100,000
State Funds Estimate		\$ 3,300,000	\$ 7,200,000	\$ 7,800,000	\$ 8,700,000	\$ 8,900,000	\$ 9,100,000	\$ 9,400,000	\$ 54,400,000
<b>Woodwork Children - Currently Eligible for Medicaid 0-138% FPL</b>									
Population Estimate		10,460	11,320	12,196	12,318	12,442	12,566	12,692	83,994
Annual Per-Person Cost Estimate		\$ 1,305.00	\$ 1,294.00	\$ 1,283.00	\$ 1,411.00	\$ 1,437.00	\$ 1,462.00	\$ 1,488.00	\$ 1,386.56
Total Funds Estimate (State and Federal)		\$ 6,800,000	\$ 14,600,000	\$ 15,600,000	\$ 17,400,000	\$ 17,900,000	\$ 18,400,000	\$ 18,900,000	\$ 109,600,000
Federal Funds Estimate		\$ 3,700,000	\$ 8,000,000	\$ 8,500,000	\$ 9,500,000	\$ 9,800,000	\$ 10,100,000	\$ 10,300,000	\$ 59,900,000
State Funds Estimate		\$ 3,100,000	\$ 6,600,000	\$ 7,100,000	\$ 7,900,000	\$ 8,100,000	\$ 8,300,000	\$ 8,600,000	\$ 49,700,000
<b>Woodwork Children - Currently eligible for CHIP 138-200% FPL</b>									
Population Estimate		2,758	2,985	3,216	3,248	3,280	3,313	3,346	22,146
Annual Per-Person Cost Estimate		\$ 1,305.00	\$ 1,294.00	\$ 1,283.00	\$ 1,411.00	\$ 1,437.00	\$ 1,462.00	\$ 1,488.00	\$ 1,386.56
Total Funds Estimate (State and Federal)		\$ 1,800,000	\$ 3,900,000	\$ 4,100,000	\$ 4,600,000	\$ 4,700,000	\$ 4,800,000	\$ 5,000,000	\$ 28,900,000
Federal Funds Estimate		\$ 1,200,000	\$ 2,700,000	\$ 2,800,000	\$ 3,100,000	\$ 3,200,000	\$ 3,300,000	\$ 3,400,000	\$ 19,700,000
State Funds Estimate		\$ 600,000	\$ 1,200,000	\$ 1,300,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,600,000	\$ 9,200,000
<b>Insured Switchers Parents - Currently Eligible for Medicaid 0-50% FPL</b>									
Population Estimate		1,498	1,872	2,254	2,276	2,299	2,322	2,345	14,866
Annual Per-Person Cost Estimate		\$ 4,621.00	\$ 4,589.00	\$ 4,600.00	\$ 4,633.00	\$ 4,713.00	\$ 4,794.00	\$ 4,877.00	\$ 4,697.26
Total Funds Estimate (State and Federal)		\$ 3,500,000	\$ 8,600,000	\$ 10,400,000	\$ 10,500,000	\$ 10,800,000	\$ 11,100,000	\$ 11,400,000	\$ 66,300,000
Federal Funds Estimate		\$ 1,900,000	\$ 4,700,000	\$ 5,700,000	\$ 5,700,000	\$ 5,900,000	\$ 6,100,000	\$ 6,200,000	\$ 36,200,000
State Funds Estimate		\$ 1,600,000	\$ 3,900,000	\$ 4,700,000	\$ 4,800,000	\$ 4,900,000	\$ 5,000,000	\$ 5,200,000	\$ 30,100,000
<b>Insured Switchers Children - Currently Eligible for Medicaid 0-138% FPL</b>									
Population Estimate		5,870	7,786	9,163	9,255	9,347	9,441	9,535	60,397
Annual Per-Person Cost Estimate		\$ 1,409.00	\$ 1,400.00	\$ 1,404.00	\$ 1,415.00	\$ 1,440.00	\$ 1,466.00	\$ 1,492.00	\$ 1,434.81
Total Funds Estimate (State and Federal)		\$ 4,100,000	\$ 10,900,000	\$ 12,900,000	\$ 13,100,000	\$ 13,500,000	\$ 13,800,000	\$ 14,200,000	\$ 82,500,000
Federal Funds Estimate		\$ 2,300,000	\$ 6,000,000	\$ 7,100,000	\$ 7,200,000	\$ 7,400,000	\$ 7,600,000	\$ 7,800,000	\$ 45,400,000
State Funds Estimate		\$ 1,800,000	\$ 4,900,000	\$ 5,800,000	\$ 5,900,000	\$ 6,100,000	\$ 6,200,000	\$ 6,400,000	\$ 37,100,000
<b>Insured Switchers Children - Currently Eligible for CHIP 138-200% FPL</b>									
Population Estimate		12,157	16,127	18,979	19,169	19,361	19,554	19,750	125,097
Annual Per-Person Cost Estimate		\$ 1,409.00	\$ 1,400.00	\$ 1,404.00	\$ 1,415.00	\$ 1,440.00	\$ 1,466.00	\$ 1,492.00	\$ 1,434.81
Total Funds Estimate (State and Federal)		\$ 8,600,000	\$ 22,600,000	\$ 26,600,000	\$ 27,100,000	\$ 27,900,000	\$ 28,700,000	\$ 29,500,000	\$ 171,000,000
Federal Funds Estimate		\$ 5,900,000	\$ 15,400,000	\$ 18,200,000	\$ 18,500,000	\$ 19,100,000	\$ 19,600,000	\$ 20,200,000	\$ 116,900,000
State Funds Estimate		\$ 2,700,000	\$ 7,200,000	\$ 8,400,000	\$ 8,600,000	\$ 8,800,000	\$ 9,100,000	\$ 9,300,000	\$ 54,100,000
<b>Former Foster Children Coverage to Age 26</b>									
Population Estimate		2,200	2,200	2,200	2,200	2,200	2,200	2,200	15,400
Annual Per-Person Cost Estimate		\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Total Funds Estimate (State and Federal)		\$ 2,800,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 35,800,000
Federal Funds Estimate		\$ 1,500,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 19,500,000
State Funds Estimate		\$ 1,200,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 16,200,000

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Full Participation Scenario**

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<b>EXPENDITURES</b>	<b><u>SFY 2013</u></b>	<b><u>SFY 2014</u></b>	<b><u>SFY 2015</u></b>	<b><u>SFY 2016</u></b>	<b><u>SFY 2017</u></b>	<b><u>SFY 2018</u></b>	<b><u>SFY 2019</u></b>	<b><u>SFY 2020</u></b>	<b>SFY 2013 - <u>SFY 2020</u></b>
<b>Required ACA Provisions</b>									
<b>Other Changes</b>									
<b>Administration - based on currently-eligible populations above</b>									
Population Estimate		38,893	46,612	52,709	53,214	53,724	54,239	54,760	354,151
Annual Per-Person Cost Estimate		\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
Total Funds Estimate (State and Federal)		\$ 7,800,000	\$ 9,300,000	\$ 10,500,000	\$ 10,600,000	\$ 10,700,000	\$ 10,800,000	\$ 11,000,000	\$ 70,700,000
Federal Funds Estimate		\$ 3,900,000	\$ 4,700,000	\$ 5,300,000	\$ 5,300,000	\$ 5,400,000	\$ 5,400,000	\$ 5,500,000	\$ 35,500,000
State Funds Estimate		\$ 3,900,000	\$ 4,600,000	\$ 5,200,000	\$ 5,300,000	\$ 5,300,000	\$ 5,400,000	\$ 5,500,000	\$ 35,200,000
<b>DSH Reduction - based on currently-eligible populations above</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ (9,500,000)	\$ (11,300,000)	\$ (6,500,000)	\$ (27,300,000)
Federal Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ (5,200,000)	\$ (6,200,000)	\$ (3,600,000)	\$ (15,000,000)
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,300,000)	\$ (5,100,000)	\$ (2,900,000)	\$ (12,300,000)
<b>CHIP Match Rate Impact - based on current CMS guidance</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds Estimate		\$ 0	\$ 0	\$ 15,400,000	\$ 21,200,000	\$ 21,800,000	\$ 22,400,000	\$ 5,800,000	\$ 86,600,000
State Funds Estimate		\$ 0	\$ 0	\$ (15,400,000)	\$ (21,200,000)	\$ (21,800,000)	\$ (22,400,000)	\$ (5,800,000)	\$ (86,600,000)
<b>Required Physician Fee Schedule Increase to 100% of Medicare Fees</b>									
Total Funds Estimate (State and Federal)	\$ 13,100,000	\$ 14,400,000	\$ 8,000,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,500,000
Federal Funds Estimate	\$ 13,100,000	\$ 14,400,000	\$ 8,000,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,500,000
State Funds Estimate	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Additional Physician Fee Schedule Increase to 100% of Medicare Fees</b>									
Total Funds Estimate (State and Federal)	\$ 0	\$ 0	\$ 8,000,000	\$ 16,800,000	\$ 17,400,000	\$ 18,000,000	\$ 18,600,000	\$ 19,300,000	\$ 98,100,000
Federal Funds Estimate	\$ 0	\$ 0	\$ 4,500,000	\$ 9,700,000	\$ 10,100,000	\$ 10,500,000	\$ 10,900,000	\$ 10,900,000	\$ 56,600,000
State Funds Estimate	\$ 0	\$ 0	\$ 3,500,000	\$ 7,100,000	\$ 7,200,000	\$ 7,500,000	\$ 7,700,000	\$ 8,300,000	\$ 41,300,000
<b>ACA Health Insurer Fee</b>									
Total Funds Estimate (State and Federal)		\$ 5,200,000	\$ 10,700,000	\$ 10,900,000	\$ 11,200,000	\$ 11,500,000	\$ 11,800,000	\$ 12,100,000	\$ 73,400,000
Federal Funds Estimate		\$ 3,100,000	\$ 6,400,000	\$ 6,600,000	\$ 6,700,000	\$ 6,900,000	\$ 7,100,000	\$ 7,300,000	\$ 44,100,000
State Funds Estimate		\$ 2,100,000	\$ 4,300,000	\$ 4,400,000	\$ 4,500,000	\$ 4,600,000	\$ 4,700,000	\$ 4,800,000	\$ 29,400,000
<b>Subtotal - Required ACA Provisions</b>									
Population Estimate	-	38,893	46,612	52,709	53,214	53,724	54,239	54,760	354,151
<b>Total (State and Federal)</b>	\$ 13,100,000	\$ 62,400,000	\$ 118,100,000	\$ 130,500,000	\$ 136,600,000	\$ 130,700,000	\$ 132,400,000	\$ 141,200,000	\$ 865,000,000
<b>Federal Funds</b>	\$ 13,100,000	\$ 42,000,000	\$ 72,200,000	\$ 91,700,000	\$ 100,800,000	\$ 98,600,000	\$ 100,400,000	\$ 88,200,000	\$ 607,000,000
<b>State Funds</b>	\$ 0	\$ 20,300,000	\$ 45,900,000	\$ 38,900,000	\$ 35,700,000	\$ 32,100,000	\$ 32,000,000	\$ 52,900,000	\$ 257,800,000

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Full Participation Scenario**

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<b>EXPENDITURES</b>	<b><u>SFY 2013</u></b>	<b><u>SFY 2014</u></b>	<b><u>SFY 2015</u></b>	<b><u>SFY 2016</u></b>	<b><u>SFY 2017</u></b>	<b><u>SFY 2018</u></b>	<b><u>SFY 2019</u></b>	<b><u>SFY 2020</u></b>	<b><u>SFY 2013 - SFY 2020</u></b>
<b>Optional ACA Provisions</b>									
<b>Expansion New Enrollees</b>									
<b>Uninsured Newly Eligible Adults 0-138% FPL</b>									
Population Estimate		25,531	31,829	44,353	44,797	45,245	45,697	46,154	283,606
Annual Per-Person Cost Estimate		\$ 3,991.00	\$ 3,884.00	\$ 3,771.00	\$ 3,653.00	\$ 3,716.00	\$ 3,781.00	\$ 3,846.00	\$ 3,789.89
Total Funds Estimate (State and Federal)		\$ 50,900,000	\$ 123,600,000	\$ 167,300,000	\$ 163,600,000	\$ 168,100,000	\$ 172,800,000	\$ 177,500,000	\$ 1,023,800,000
Federal Funds Estimate		\$ 50,900,000	\$ 123,600,000	\$ 167,300,000	\$ 159,500,000	\$ 158,900,000	\$ 161,600,000	\$ 162,400,000	\$ 984,200,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 4,100,000	\$ 9,200,000	\$ 11,200,000	\$ 15,100,000	\$ 39,600,000
<b>Uninsured Newly Eligible Parents 50-138% FPL</b>									
Population Estimate		14,482	15,769	17,079	17,250	17,423	17,597	17,773	117,373
Annual Per-Person Cost Estimate		\$ 4,504.00	\$ 4,382.00	\$ 4,255.00	\$ 4,123.00	\$ 4,194.00	\$ 4,267.00	\$ 4,341.00	\$ 4,289.15
Total Funds Estimate (State and Federal)		\$ 32,600,000	\$ 69,100,000	\$ 72,700,000	\$ 71,100,000	\$ 73,100,000	\$ 75,100,000	\$ 77,200,000	\$ 470,900,000
Federal Funds Estimate		\$ 32,600,000	\$ 69,100,000	\$ 72,700,000	\$ 69,300,000	\$ 69,100,000	\$ 70,200,000	\$ 70,600,000	\$ 453,600,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 1,800,000	\$ 4,000,000	\$ 4,900,000	\$ 6,600,000	\$ 17,300,000
<b>Insured Switchers Newly Eligible Adults 0-138% FPL</b>									
Population Estimate		18,691	23,674	28,754	29,042	29,332	29,625	29,922	189,040
Annual Per-Person Cost Estimate		\$ 4,318.00	\$ 4,288.00	\$ 4,298.00	\$ 4,329.00	\$ 4,404.00	\$ 4,480.00	\$ 4,557.00	\$ 4,389.45
Total Funds Estimate (State and Federal)		\$ 40,400,000	\$ 101,500,000	\$ 123,600,000	\$ 125,700,000	\$ 129,200,000	\$ 132,700,000	\$ 136,400,000	\$ 789,500,000
Federal Funds Estimate		\$ 40,400,000	\$ 101,500,000	\$ 123,600,000	\$ 122,600,000	\$ 122,100,000	\$ 124,100,000	\$ 124,800,000	\$ 759,100,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 3,100,000	\$ 7,100,000	\$ 8,600,000	\$ 11,600,000	\$ 30,400,000
<b>Insured Switchers Newly Eligible Parents 50-138% FPL</b>									
Population Estimate		8,991	12,291	15,656	15,813	15,971	16,131	16,292	101,145
Annual Per-Person Cost Estimate		\$ 4,148.00	\$ 4,119.00	\$ 4,129.00	\$ 4,159.00	\$ 4,231.00	\$ 4,304.00	\$ 4,378.00	\$ 4,218.29
Total Funds Estimate (State and Federal)		\$ 18,600,000	\$ 50,600,000	\$ 64,600,000	\$ 65,800,000	\$ 67,600,000	\$ 69,400,000	\$ 71,300,000	\$ 407,900,000
Federal Funds Estimate		\$ 18,600,000	\$ 50,600,000	\$ 64,600,000	\$ 64,200,000	\$ 63,900,000	\$ 64,900,000	\$ 65,200,000	\$ 392,000,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 1,600,000	\$ 3,700,000	\$ 4,500,000	\$ 6,100,000	\$ 15,900,000
<b>Medically Needy - Disabled 43-138% FPL</b>									
Population Estimate		203	203	203	203	203	203	203	1,421
Annual Per-Person Cost Estimate		\$ 88,600.00	\$ 91,258.00	\$ 93,996.00	\$ 96,816.00	\$ 99,720.00	\$ 102,712.00	\$ 105,793.00	\$ 96,985.00
Total Funds Estimate (State and Federal)		\$ 9,000,000	\$ 18,500,000	\$ 19,100,000	\$ 19,700,000	\$ 20,200,000	\$ 20,900,000	\$ 21,500,000	\$ 128,900,000
Federal Funds Estimate		\$ 9,000,000	\$ 18,500,000	\$ 19,100,000	\$ 19,200,000	\$ 19,100,000	\$ 19,500,000	\$ 19,700,000	\$ 124,100,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 1,100,000	\$ 1,400,000	\$ 1,800,000	\$ 4,800,000
<b>Medically Needy - Long-Term 43-138% FPL</b>									
Population Estimate		26	26	26	26	26	26	26	182
Annual Per-Person Cost Estimate		\$ 114,065.00	\$ 117,487.00	\$ 121,011.00	\$ 124,642.00	\$ 128,381.00	\$ 132,232.00	\$ 136,199.00	\$ 124,859.57
Total Funds Estimate (State and Federal)		\$ 1,500,000	\$ 3,100,000	\$ 3,100,000	\$ 3,200,000	\$ 3,300,000	\$ 3,400,000	\$ 3,500,000	\$ 21,100,000
Federal Funds Estimate		\$ 1,500,000	\$ 3,100,000	\$ 3,100,000	\$ 3,100,000	\$ 3,100,000	\$ 3,200,000	\$ 3,200,000	\$ 20,300,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 100,000	\$ 200,000	\$ 200,000	\$ 300,000	\$ 800,000
<b>State Disability Shift and Expansion to 138% FPL</b>									
Population Estimate		154	154	154	154	154	154	154	1,078
Annual Per-Person Cost Estimate		\$ 21,114.00	\$ 21,748.00	\$ 22,400.00	\$ 23,072.00	\$ 23,765.00	\$ 24,477.00	\$ 25,212.00	\$ 23,112.57
Total Funds Estimate (State and Federal)		\$ 1,600,000	\$ 3,300,000	\$ 3,400,000	\$ 3,600,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 23,300,000
Federal Funds Estimate		\$ 6,100,000	\$ 12,500,000	\$ 12,900,000	\$ 12,900,000	\$ 12,900,000	\$ 13,200,000	\$ 13,300,000	\$ 83,800,000
State Funds Estimate		\$ (4,400,000)	\$ (9,200,000)	\$ (9,400,000)	\$ (9,400,000)	\$ (9,300,000)	\$ (9,400,000)	\$ (9,400,000)	\$ (60,500,000)

NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES  
 Division of Medicaid and Long-Term Care  
 Health Care Reform Projection - Full Participation Scenario

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EXPENDITURES	<u>SFY 2013</u>	<u>SFY 2014</u>	<u>SFY 2015</u>	<u>SFY 2016</u>	<u>SFY 2017</u>	<u>SFY 2018</u>	<u>SFY 2019</u>	<u>SFY 2020</u>	<u>SFY 2013 - SFY 2020</u>
<b>Optional ACA Provisions</b>									
<b>Other Changes</b>									
<b>Administration - based on expansion populations above</b>									
Population Estimate		68,078	83,946	106,225	107,285	108,354	109,433	110,524	693,845
Annual Per-Person Cost Estimate		\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
Total Funds Estimate (State and Federal)		\$ 13,600,000	\$ 16,800,000	\$ 21,200,000	\$ 21,500,000	\$ 21,700,000	\$ 21,900,000	\$ 22,100,000	\$ 138,800,000
Federal Funds Estimate		\$ 6,800,000	\$ 8,400,000	\$ 10,600,000	\$ 10,800,000	\$ 10,900,000	\$ 11,000,000	\$ 11,100,000	\$ 69,600,000
State Funds Estimate		\$ 6,800,000	\$ 8,400,000	\$ 10,600,000	\$ 10,700,000	\$ 10,800,000	\$ 10,900,000	\$ 11,000,000	\$ 69,200,000
<b>Additional DSH Reduction - based on expansion populations above</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Required Physician Fee Schedule Increase to Medicare Rates</b>									
Total Funds Estimate (State and Federal)	\$ 0	\$ 3,600,000	\$ 4,400,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,000,000
Federal Funds Estimate	\$ 0	\$ 3,600,000	\$ 4,400,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,000,000
State Funds Estimate	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Additional Physician Fee Schedule Increase to Medicare Rates</b>									
Total Funds Estimate (State and Federal)	\$ 0	\$ 0	\$ 4,400,000	\$ 10,900,000	\$ 11,300,000	\$ 11,700,000	\$ 12,100,000	\$ 12,600,000	\$ 63,000,000
Federal Funds Estimate	\$ 0	\$ 0	\$ 4,400,000	\$ 10,900,000	\$ 11,100,000	\$ 11,100,000	\$ 11,400,000	\$ 11,500,000	\$ 60,400,000
State Funds Estimate	\$ 0	\$ 0	\$ 0	\$ 0	\$ 300,000	\$ 600,000	\$ 800,000	\$ 1,100,000	\$ 2,800,000
<b>ACA Health Insurer Fee</b>									
Total Funds Estimate (State and Federal)		\$ 3,200,000	\$ 7,800,000	\$ 9,500,000	\$ 9,500,000	\$ 9,800,000	\$ 10,000,000	\$ 10,300,000	\$ 60,100,000
Federal Funds Estimate		\$ 1,900,000	\$ 4,700,000	\$ 5,700,000	\$ 5,700,000	\$ 5,900,000	\$ 6,000,000	\$ 6,200,000	\$ 36,100,000
State Funds Estimate		\$ 1,300,000	\$ 3,100,000	\$ 3,800,000	\$ 3,800,000	\$ 3,900,000	\$ 4,000,000	\$ 4,100,000	\$ 24,000,000
<b>Subtotal - Optional ACA Provisions</b>									
Population Estimate	-	68,078	83,946	106,225	107,285	108,354	109,433	110,524	693,845
Total (State and Federal)	\$ 0	\$ 175,000,000	\$ 403,100,000	\$ 495,400,000	\$ 495,000,000	\$ 508,400,000	\$ 522,100,000	\$ 536,300,000	\$ 3,135,300,000
Federal Funds	\$ 0	\$ 171,400,000	\$ 400,800,000	\$ 490,500,000	\$ 478,400,000	\$ 477,000,000	\$ 485,100,000	\$ 488,000,000	\$ 2,991,200,000
State Funds	\$ 0	\$ 3,700,000	\$ 2,300,000	\$ 5,000,000	\$ 16,600,000	\$ 31,300,000	\$ 37,100,000	\$ 48,300,000	\$ 144,300,000

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Full Participation Scenario**

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<b>EXPENDITURES</b>	<b><u>SFY 2013</u></b>	<b><u>SFY 2014</u></b>	<b><u>SFY 2015</u></b>	<b><u>SFY 2016</u></b>	<b><u>SFY 2017</u></b>	<b><u>SFY 2018</u></b>	<b><u>SFY 2019</u></b>	<b><u>SFY 2020</u></b>	<b><u>SFY 2013 - SFY 2020</u></b>
<b>All ACA Provisions</b>									
<b>New Enrollees</b>									
<b>Adults and Parents - Newly Eligible</b>									
Population Estimate		40,013	47,598	61,432	62,047	62,668	63,294	63,927	400,979
Annual Per-Person Cost Estimate		\$ 4,174.00	\$ 4,048.00	\$ 3,907.00	\$ 3,783.00	\$ 3,849.00	\$ 3,917.00	\$ 3,984.00	\$ 3,935.98
Total Funds Estimate (State and Federal)		\$ 83,500,000	\$ 192,700,000	\$ 240,000,000	\$ 234,700,000	\$ 241,200,000	\$ 247,900,000	\$ 254,700,000	\$ 1,494,700,000
Federal Funds Estimate		\$ 83,500,000	\$ 192,700,000	\$ 240,000,000	\$ 228,800,000	\$ 228,000,000	\$ 231,800,000	\$ 233,000,000	\$ 1,437,800,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 5,900,000	\$ 13,200,000	\$ 16,100,000	\$ 21,700,000	\$ 56,900,000
<b>Adults and Parents - Woodwork</b>									
Population Estimate		3,950	4,322	4,701	4,748	4,795	4,843	4,892	32,251
Annual Per-Person Cost Estimate		\$ 3,747.00	\$ 3,702.00	\$ 3,659.00	\$ 4,044.00	\$ 4,108.00	\$ 4,171.00	\$ 4,252.00	\$ 3,965.81
Total Funds Estimate (State and Federal)		\$ 7,400,000	\$ 16,000,000	\$ 17,200,000	\$ 19,200,000	\$ 19,700,000	\$ 20,200,000	\$ 20,800,000	\$ 120,500,000
Federal Funds Estimate		\$ 4,100,000	\$ 8,800,000	\$ 9,400,000	\$ 10,500,000	\$ 10,800,000	\$ 11,100,000	\$ 11,400,000	\$ 66,100,000
State Funds Estimate		\$ 3,300,000	\$ 7,200,000	\$ 7,800,000	\$ 8,700,000	\$ 8,900,000	\$ 9,100,000	\$ 9,400,000	\$ 54,400,000
<b>Adults and Parents - Insured Switchers</b>									
Population Estimate		29,180	37,837	46,664	47,131	47,602	48,078	48,559	305,051
Annual Per-Person Cost Estimate		\$ 4,284.00	\$ 4,247.00	\$ 4,256.00	\$ 4,286.00	\$ 4,361.00	\$ 4,434.00	\$ 4,512.00	\$ 4,347.39
Total Funds Estimate (State and Federal)		\$ 62,500,000	\$ 160,700,000	\$ 198,600,000	\$ 202,000,000	\$ 207,600,000	\$ 213,200,000	\$ 219,100,000	\$ 1,263,700,000
Federal Funds Estimate		\$ 60,900,000	\$ 156,800,000	\$ 193,900,000	\$ 192,500,000	\$ 191,900,000	\$ 195,100,000	\$ 196,200,000	\$ 1,187,300,000
State Funds Estimate		\$ 1,600,000	\$ 3,900,000	\$ 4,700,000	\$ 9,500,000	\$ 15,700,000	\$ 18,100,000	\$ 22,900,000	\$ 76,400,000
<b>Medicaid and CHIP Children - Woodwork</b>									
Population Estimate		13,218	14,305	15,412	15,566	15,722	15,879	16,038	106,140
Annual Per-Person Cost Estimate		\$ 1,301.00	\$ 1,293.00	\$ 1,278.00	\$ 1,413.00	\$ 1,437.00	\$ 1,461.00	\$ 1,490.00	\$ 1,385.65
Total Funds Estimate (State and Federal)		\$ 8,600,000	\$ 18,500,000	\$ 19,700,000	\$ 22,000,000	\$ 22,600,000	\$ 23,200,000	\$ 23,900,000	\$ 138,500,000
Federal Funds Estimate		\$ 4,900,000	\$ 10,700,000	\$ 11,300,000	\$ 12,600,000	\$ 13,000,000	\$ 13,400,000	\$ 13,700,000	\$ 79,600,000
State Funds Estimate		\$ 3,700,000	\$ 7,800,000	\$ 8,400,000	\$ 9,400,000	\$ 9,600,000	\$ 9,800,000	\$ 10,200,000	\$ 58,900,000
<b>Medicaid and CHIP Children - Insured Switchers</b>									
Population Estimate		18,027	23,913	28,142	28,424	28,708	28,995	29,285	185,494
Annual Per-Person Cost Estimate		\$ 1,409.00	\$ 1,401.00	\$ 1,404.00	\$ 1,414.00	\$ 1,442.00	\$ 1,466.00	\$ 1,492.00	\$ 1,435.10
Total Funds Estimate (State and Federal)		\$ 12,700,000	\$ 33,500,000	\$ 39,500,000	\$ 40,200,000	\$ 41,400,000	\$ 42,500,000	\$ 43,700,000	\$ 253,500,000
Federal Funds Estimate		\$ 8,200,000	\$ 21,400,000	\$ 25,300,000	\$ 25,700,000	\$ 26,500,000	\$ 27,200,000	\$ 28,000,000	\$ 162,300,000
State Funds Estimate		\$ 4,500,000	\$ 12,100,000	\$ 14,200,000	\$ 14,500,000	\$ 14,900,000	\$ 15,300,000	\$ 15,700,000	\$ 91,200,000
<b>Former Foster Children Coverage to Age 26</b>									
Population Estimate		2,200	2,200	2,200	2,200	2,200	2,200	2,200	15,400
Annual Per-Person Cost Estimate		\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Total Funds Estimate (State and Federal)		\$ 2,800,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 35,800,000
Federal Funds Estimate		\$ 1,500,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 19,500,000
State Funds Estimate		\$ 1,200,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 16,200,000
<b>Medically Needy - Expansion to 138% FPL</b>									
Population Estimate		229	229	229	229	229	229	229	1,603
Annual Per-Person Cost Estimate		\$ 91,703.00	\$ 94,323.00	\$ 96,943.00	\$ 100,000.00	\$ 102,620.00	\$ 106,114.00	\$ 109,170.00	\$ 100,124.71
Total Funds Estimate (State and Federal)		\$ 10,500,000	\$ 21,600,000	\$ 22,200,000	\$ 22,900,000	\$ 23,500,000	\$ 24,300,000	\$ 25,000,000	\$ 150,000,000
Federal Funds Estimate		\$ 10,500,000	\$ 21,600,000	\$ 22,200,000	\$ 22,300,000	\$ 22,200,000	\$ 22,700,000	\$ 22,900,000	\$ 144,400,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 600,000	\$ 1,300,000	\$ 1,600,000	\$ 2,100,000	\$ 5,600,000

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Division of Medicaid and Long-Term Care**  
**Health Care Reform Projection - Full Participation Scenario**

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<b>EXPENDITURES</b>	<b><u>SFY 2013</u></b>	<b><u>SFY 2014</u></b>	<b><u>SFY 2015</u></b>	<b><u>SFY 2016</u></b>	<b><u>SFY 2017</u></b>	<b><u>SFY 2018</u></b>	<b><u>SFY 2019</u></b>	<b><u>SFY 2020</u></b>	<b><u>SFY 2013 - SFY 2020</u></b>
<b>All ACA Provisions</b>									
<b>State Disability Shift and Expansion to 138% FPL</b>									
Population Estimate		154	154	154	154	154	154	154	1,078
Annual Per-Person Cost Estimate		\$ 20,779.00	\$ 21,429.00	\$ 22,078.00	\$ 23,377.00	\$ 24,026.00	\$ 24,675.00	\$ 25,325.00	\$ 23,098.43
Total Funds Estimate (State and Federal)		\$ 1,600,000	\$ 3,300,000	\$ 3,400,000	\$ 3,600,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 23,300,000
Federal Funds Estimate		\$ 6,100,000	\$ 12,500,000	\$ 12,900,000	\$ 12,900,000	\$ 12,900,000	\$ 13,200,000	\$ 13,300,000	\$ 83,800,000
State Funds Estimate		\$ (4,400,000)	\$ (9,200,000)	\$ (9,400,000)	\$ (9,400,000)	\$ (9,300,000)	\$ (9,400,000)	\$ (9,400,000)	\$ (60,500,000)
<b>Other Changes</b>									
<b>Administration - for all new enrollment</b>									
Population Estimate		106,971	130,558	158,934	160,499	162,078	163,672	165,284	1,047,996
Annual Per-Person Cost Estimate		\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
Total Funds Estimate (State and Federal)		\$ 21,400,000	\$ 26,100,000	\$ 31,700,000	\$ 32,100,000	\$ 32,400,000	\$ 32,700,000	\$ 33,100,000	\$ 209,500,000
Federal Funds Estimate		\$ 10,700,000	\$ 13,100,000	\$ 15,900,000	\$ 16,100,000	\$ 16,300,000	\$ 16,400,000	\$ 16,600,000	\$ 105,100,000
State Funds Estimate		\$ 10,700,000	\$ 13,000,000	\$ 15,800,000	\$ 16,000,000	\$ 16,100,000	\$ 16,300,000	\$ 16,500,000	\$ 104,400,000
<b>DSH Reduction</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ (9,500,000)	\$ (11,300,000)	\$ (6,500,000)	\$ (27,300,000)
Federal Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ (5,200,000)	\$ (6,200,000)	\$ (3,600,000)	\$ (15,000,000)
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,300,000)	\$ (5,100,000)	\$ (2,900,000)	\$ (12,300,000)
<b>CHIP Match Rate Impact - based on current CMS guidance</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds Estimate		\$ 0	\$ 0	\$ 15,400,000	\$ 21,200,000	\$ 21,800,000	\$ 22,400,000	\$ 5,800,000	\$ 86,600,000
State Funds Estimate		\$ 0	\$ 0	\$ (15,400,000)	\$ (21,200,000)	\$ (21,800,000)	\$ (22,400,000)	\$ (5,800,000)	\$ (86,600,000)
<b>Required Physician Fee Schedule Increase to 100% of Medicare Fees</b>									
Total Funds Estimate (State and Federal)		\$ 13,100,000	\$ 18,000,000	\$ 12,400,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 43,500,000
Federal Funds Estimate		\$ 13,100,000	\$ 18,000,000	\$ 12,400,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 43,500,000
State Funds Estimate		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Additional Physician Fee Schedule Increase to Medicare Rates</b>									
Total Funds Estimate (State and Federal)		\$ 0	\$ 0	\$ 12,400,000	\$ 27,700,000	\$ 28,700,000	\$ 29,700,000	\$ 30,700,000	\$ 161,100,000
Federal Funds Estimate		\$ 0	\$ 0	\$ 8,900,000	\$ 20,600,000	\$ 21,200,000	\$ 21,600,000	\$ 22,300,000	\$ 117,000,000
State Funds Estimate		\$ 0	\$ 0	\$ 3,500,000	\$ 7,100,000	\$ 7,500,000	\$ 8,100,000	\$ 8,400,000	\$ 44,100,000
<b>ACA Health Insurer Fee</b>									
Total Funds Estimate (State and Federal)		\$ 8,400,000	\$ 18,500,000	\$ 20,400,000	\$ 20,700,000	\$ 21,300,000	\$ 21,800,000	\$ 22,400,000	\$ 133,500,000
Federal Funds Estimate		\$ 5,000,000	\$ 11,100,000	\$ 12,300,000	\$ 12,400,000	\$ 12,800,000	\$ 13,100,000	\$ 13,500,000	\$ 80,200,000
State Funds Estimate		\$ 3,400,000	\$ 7,400,000	\$ 8,200,000	\$ 8,300,000	\$ 8,500,000	\$ 8,700,000	\$ 8,900,000	\$ 53,400,000
<b>Total - All ACA Provisions</b>									
Population Estimate		-	106,971	130,558	158,934	160,499	162,078	163,672	1,047,996
Total (State and Federal)		\$ 13,100,000	\$ 237,400,000	\$ 521,200,000	\$ 625,900,000	\$ 631,600,000	\$ 639,100,000	\$ 654,500,000	\$ 4,000,300,000
Federal Funds		\$ 13,100,000	\$ 213,400,000	\$ 473,000,000	\$ 582,200,000	\$ 579,200,000	\$ 575,600,000	\$ 585,500,000	\$ 3,598,200,000
State Funds		\$ 0	\$ 24,000,000	\$ 48,200,000	\$ 43,900,000	\$ 52,300,000	\$ 63,400,000	\$ 69,100,000	\$ 402,100,000