



**Department Priority: R-4
Request Detail: Medicare Modernization Act**

| Summary of Funding Change for FY 2024-25 | | | |
|--|-----------------------------|-----------------------|-----------------------|
| | | Incremental Change | |
| | FY 2024-25 Appropriation | FY 2025-26 Request | FY 2026-27 Request |
| Total Funds | \$244,659,612 | \$24,231,765 | \$49,443,444 |
| FTE | 0.0 | 0.0 | 0.0 |
| General Fund | \$244,659,612 | \$24,231,765 | \$49,443,444 |
| Cash Funds | \$0 | \$0 | \$0 |
| Reappropriated Funds | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 |

Summary of Request

The Department requests a decrease of \$2,903,642 General Fund for FY 2024-25; an increase of \$24,231,765 General Fund for FY 2025-26; and an increase of \$49,443,444 General Fund for FY 2026-27 to true up funding related to the State’s share of the costs of the Medicare Part D outpatient prescription drug benefit for dual-eligible clients. This request does not require any additional FTE.

Current Program

On January 1, 2006, the federal Centers for Medicare and Medicaid Services (CMS) assumed responsibility for the Medicare Part D prescription-drug benefit that replaced the Medicaid prescription-drug coverage for dual-eligible clients, who are individuals eligible for both Medicare and Medicaid. States are required to make mandatory state payments to the federal government, known as the “clawback” payment, to help finance the Medicaid Part D benefit for the dual-eligible population for the states’ share of the costs of outpatient prescription drugs. The amount of each state’s clawback payment roughly reflects the expenditures of its own funds that the state would make if it continued to pay for outpatient prescription drugs through Medicaid on behalf of dual-eligible clients. These clawback payments, if left unpaid, are subject to automatic deduction - plus interest - from the federal funds the State receives for the Medicaid program.

Problem or Opportunity

The Department anticipates that the appropriation for Medicare Modernization Act in FY 2024-25, FY 2025-26, and FY 2026-27 are not accurate to make payments for the required clawback payments in those years.

Proposed Solution

The Department requests a decrease of \$2,903,642 General Fund for FY 2024-25; an increase of \$24,231,765 General Fund for FY 2025-26; and an increase of \$49,443,444 General Fund for FY 2026-27 for funding adjustment to the Medicare Modernization Act State Contribution Payment line item to cover the State’s share of the costs of the Medicare Part D outpatient prescription drug benefit for dual-eligible clients. The Medicare Modernization Act State Contribution Payment line item is entirely General Fund, as it is a reimbursement to the federal government and is not eligible to receive a federal match.

Anticipated Outcomes

One of the Department’s top priorities in its Performance Plan is cost control within the Medicaid program. The approval of this request would be a direct implementation of this goal by allowing the Department to meet its obligation to the federal government and ensuring that no amount of federal funds owed to the State for Medicaid would be subject to deduction plus interest.

Assumptions and Calculations

Detailed calculations for the request are included in the attached appendix.

A summary of the funding request for the Medicare Modernization Act State Contribution Payment line item by fund type is provided for FY 2024-25, FY 2025-26, and FY 2026-27 in tables 1.1, 1.2, and 1.3, respectively.

The State’s clawback payment is calculated according to three factors:

1. The projected number of Medicare and Medicaid dual-eligible clients enrolled in a Part D plan.
2. A per member per month (PMPM) estimate of the amount the State otherwise would have spent on Medicaid prescription drugs for dual-eligible clients.
3. A “phasedown” percentage of the State’s obligation for the PMPM rate was set forth by the MMA starting at 90% in 2006 and declined by 1.67% each year thereafter until 2015 when it reached 75%, where it will remain ongoing.

The Department’s current estimates of the clawback payment are \$241,755,970 for FY 2024-25; \$268,891,377 for FY 2025-26; and \$294,103,056 for FY 2026-27, based on the Department’s most recent caseload projections and actual and projected per member per month (PMPM) rates paid by the State as required by federal regulations. The total caseload and expenditure estimates for FY 2024-25, FY 2025-26, and 2026-27 are calculated in tables 2.1, 2.2, and 2.3, respectively.

On September 21, 2023, CMS published updated rules for eligibility in the Medicare Savings Programs (MSPs)¹. Per this rule, beginning October 1, 2024, State Medicaid Agencies “must deem eligible for the Qualified Medicare Beneficiary group...if the individual receives SSI determined eligible for medical assistance.” The Department has estimated the number of individuals that would be enrolled due to this rule change and updated the forecast accordingly.

The changes in the PMPM rate are based on a prescribed methodology established by CMS. Table 3.1 shows the estimated CY 2024 PMPM for January through December 2024 at an enhanced FMAP. The estimated PMPM rates for CY 2025, CY 2026, and CY 2027 are calculated in tables 3.2, 3.3, and 3.4, respectively. The final percentage change in rate prior to applying the phasedown is calculated by adding the annual percentage increase (API) with the prior year revisions, found in table 3.2, rows A and B, respectively. The final percentage change in the PMPM rate is calculated in row C of tables 3.2, 3.3, and 3.4.

Table 4.1 provides actual caseload history from FY 2006-07 through FY 2023-24 and caseload projections based on current trends for FY 2024-25 through FY 2026-27. Table 4.2 provides actual and projected aggregate monthly caseload history by number of member months and average monthly caseload. Table 4.3 shows the PMPM rate history from CY 2014 to CY 2023 and projected PMPM rates for CY 2024 to CY 2027. Table 4.4 shows the actual PMPM rate history by each quarter of the calendar year from CY 2006 to CY 2023 and projected PMPM rates for CY 2024 to CY 2027.

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

The supplemental request is necessary as a result of changes in dual-eligible caseload, which impacts the amount paid in the clawback payment.

¹ <https://www.federalregister.gov/documents/2023/09/21/2023-20382/streamlining-medicaid-medicare-savings-program-eligibility-determination-and-enrollment>

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Table 1.1 FY 2024-25 Summary of Incremental Funding Request LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item | | | | |
|---|--|---------------|---------------|-------------------------------------|
| Row | Item | Total Funds | General Fund | Source |
| A | FY 2024-25 Spending Authority | \$244,659,612 | \$244,659,612 | Long Bill Appropriation (HB24-1430) |
| B | Projected FY 2024-25 Expenditures | \$241,755,970 | \$241,755,970 | Table 2.1, Row O |
| C | FY 2024-25 Estimated Change from Appropriation | (\$2,903,642) | (\$2,903,642) | Row B - Row A |

| Table 1.2 FY 2025-26 Summary of Incremental Funding Request LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item | | | | |
|---|--|---------------|---------------|-------------------------------------|
| Row | Item | Total Funds | General Fund | Source |
| A | FY 2025-26 Spending Authority | \$244,659,612 | \$244,659,612 | Long Bill Appropriation (HB24-1430) |
| B | Projected FY 2025-26 Expenditures | \$268,891,377 | \$268,891,377 | Table 2.1, Row O |
| C | FY 2025-26 Estimated Change from Appropriation | \$24,231,765 | \$24,231,765 | Row B - Row A |

| Table 1.3 FY 2026-27 Summary of Incremental Funding Request LBG (6) Other Medical Services, Medicare Modernization Act State Contribution Payment Line Item | | | | |
|---|--|---------------|---------------|-------------------------------------|
| Row | Item | Total Funds | General Fund | Source |
| A | FY 2026-27 Spending Authority | \$244,659,612 | \$244,659,612 | Long Bill Appropriation (HB24-1430) |
| B | Projected FY 2026-27 Expenditures | \$294,103,056 | \$294,103,056 | Table 2.1, Row O |
| C | FY 2026-27 Estimated Change from Appropriation | \$49,443,444 | \$49,443,444 | Row B - Row A |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Row | Month | CY 2021 | CY 2022 | CY 2023 | CY 2024 | CY 2025 | FY 2024-25 TOTAL |
|-----|-----------------|-----------|------------|-----------|---------------|--------------|------------------|
| A | May 2024 | (38) | (47) | 661 | 88,401 | 0 | 88,977 |
| B | June 2024 | 24 | 62 | 1,835 | 88,503 | 0 | 90,424 |
| C | July 2024 | 20 | 60 | 1,559 | 88,785 | 0 | 90,424 |
| D | August 2024 | (12) | (29) | 87 | 88,436 | 0 | 88,482 |
| E | September 2024 | (9) | (31) | 59 | 88,705 | 0 | 88,724 |
| F | October 2024 | (6) | (36) | 36 | 91,240 | 0 | 91,234 |
| G | November 2024 | (3) | (34) | 20 | 91,535 | 0 | 91,518 |
| H | December 2024 | 0 | (35) | 5 | 91,813 | 0 | 91,783 |
| I | January 2025 | 0 | (33) | (5) | 2,252 | 89,836 | 92,050 |
| J | February 2025 | 0 | (31) | (11) | 1,252 | 91,098 | 92,308 |
| K | March 2025 | 0 | (26) | (18) | 730 | 91,887 | 92,573 |
| L | April 2025 | 0 | (24) | (20) | 418 | 92,459 | 92,833 |
| M | CY Client Total | (24) | (204) | 4,208 | 722,069 | 365,280 | 1,091,330 |
| N | CY PMPM Rate | \$155.49 | \$166.86 | Varies | \$215.82 | \$233.11 | |
| O | Expenditures | (\$3,732) | (\$34,039) | \$806,248 | \$155,837,001 | \$85,150,492 | \$241,755,970 |

| Row | Rate Period | Caseload Forecast | Rates | Total | Source |
|-----|----------------|-------------------|----------|-----------|---------------------------------|
| A | Jan - Mar 2023 | 7 | \$175.03 | \$1,225 | Caseload Forecast * Actual Rate |
| B | Apr - Jun 2023 | 192 | \$179.83 | \$34,527 | Caseload Forecast * Actual Rate |
| C | Jul - Sep 2023 | 1,632 | \$189.82 | \$309,786 | Caseload Forecast * Actual Rate |
| D | Oct - Dec 2023 | 2,377 | \$193.82 | \$460,710 | Caseload Forecast * Actual Rate |
| E | CY 2023 Total | 4,208 | \$184.63 | \$806,248 | Row A + Row B + Row C + Row D |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Row | Month | CY 2022 | CY 2023 | CY 2024 | CY 2025 | CY 2026 | FY 2025-26 TOTAL |
|-----|-----------------|------------|------------|-----------|---------------|--------------|------------------|
| A | May 2025 | (22) | (25) | 261 | 92,879 | 0 | 93,093 |
| B | June 2025 | (20) | (28) | 171 | 93,073 | 0 | 93,196 |
| C | July 2025 | (15) | (29) | 114 | 93,227 | 0 | 93,297 |
| D | August 2025 | (14) | (31) | 75 | 93,363 | 0 | 93,393 |
| E | September 2025 | (9) | (33) | 50 | 93,487 | 0 | 93,495 |
| F | October 2025 | (6) | (36) | 33 | 93,601 | 0 | 93,592 |
| G | November 2025 | (3) | (38) | 18 | 93,712 | 0 | 93,689 |
| H | December 2025 | 0 | (35) | 7 | 93,820 | 0 | 93,792 |
| I | January 2026 | 0 | (33) | (6) | 2,312 | 91,612 | 93,885 |
| J | February 2026 | 0 | (32) | (9) | 1,288 | 92,736 | 93,983 |
| K | March 2026 | 0 | (28) | (12) | 750 | 93,377 | 94,087 |
| L | April 2026 | 0 | (24) | (18) | 434 | 93,794 | 94,186 |
| M | CY Client Total | (89) | (372) | 684 | 751,946 | 371,519 | 1,123,688 |
| N | CY PMPM Rate | \$166.86 | Varies | \$215.82 | \$233.11 | \$251.78 | |
| O | Expenditures | (\$14,851) | (\$68,508) | \$147,621 | \$175,286,061 | \$93,541,054 | \$268,891,377 |

| Row | Rate Period | Caseload Forecast | Rates | Total | Source |
|-----|----------------|-------------------|----------|------------|---------------------------------|
| A | Jan - Mar 2023 | (87) | \$175.03 | (\$15,228) | Caseload Forecast * Actual Rate |
| B | Apr - Jun 2023 | (112) | \$179.83 | (\$20,141) | Caseload Forecast * Actual Rate |
| C | Jul - Sep 2023 | (98) | \$189.82 | (\$18,602) | Caseload Forecast * Actual Rate |
| D | Oct - Dec 2023 | (75) | \$193.82 | (\$14,537) | Caseload Forecast * Actual Rate |
| E | CY 2023 Total | (372) | \$184.63 | (\$68,508) | Row A + Row B + Row C + Row D |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Row | Month | CY 2023 | CY 2024 | CY 2025 | CY 2026 | CY 2027 | FY 2026-27 TOTAL |
|-----|-----------------|------------|------------|-----------|---------------|---------------|------------------|
| A | May 2026 | (22) | (17) | 268 | 94,056 | 0 | 94,285 |
| B | June 2026 | (17) | (23) | 175 | 94,248 | 0 | 94,383 |
| C | July 2026 | (15) | (25) | 118 | 94,402 | 0 | 94,480 |
| D | August 2026 | (12) | (23) | 78 | 94,540 | 0 | 94,583 |
| E | September 2026 | (9) | (27) | 52 | 94,663 | 0 | 94,679 |
| F | October 2026 | (5) | (28) | 33 | 94,778 | 0 | 94,778 |
| G | November 2026 | (2) | (27) | 18 | 94,893 | 0 | 94,882 |
| H | December 2026 | 0 | (32) | 8 | 95,000 | 0 | 94,976 |
| I | January 2027 | 0 | (27) | (5) | 2,341 | 92,766 | 95,075 |
| J | February 2027 | 0 | (24) | (6) | 1,305 | 93,904 | 95,179 |
| K | March 2027 | 0 | (22) | (16) | 760 | 94,553 | 95,275 |
| L | April 2027 | 0 | (20) | (18) | 438 | 94,974 | 95,374 |
| M | CY Client Total | (82) | (295) | 705 | 761,424 | 376,197 | 1,137,949 |
| N | CY PMPM Rate | Varies | \$215.82 | \$233.11 | \$251.78 | \$271.95 | |
| O | Expenditures | (\$15,729) | (\$63,667) | \$164,343 | \$191,711,335 | \$102,306,774 | \$294,103,056 |

| Row | Rate Period | Caseload Forecast | Rates | Total | Source |
|-----|----------------|-------------------|----------|------------|---------------------------------|
| A | Jan - Mar 2023 | 0 | \$175.03 | \$0 | Caseload Forecast * Actual Rate |
| B | Apr - Jun 2023 | (4) | \$179.83 | (\$719) | Caseload Forecast * Actual Rate |
| C | Jul - Sep 2023 | (27) | \$189.82 | (\$5,125) | Caseload Forecast * Actual Rate |
| D | Oct - Dec 2023 | (51) | \$193.82 | (\$9,885) | Caseload Forecast * Actual Rate |
| E | CY 2023 Total | (82) | \$184.63 | (\$15,729) | Row A + Row B + Row C + Row D |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Table 3.1 Estimated CY 2024 PMPM Rate Calculation | | | |
|--|---|-----------------|---|
| Row | Item | Rate | Source |
| A | Projected Annual percentage trend for CY 2023 | 5.80% | CMS Announcement |
| B | Projected Prior Year Revisions of the Annual Percentage Trend | 2.21% | CMS Announcement |
| C | FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2024 | 8.01% | Row A + Row B |
| D | CY 2023 PMPM Rate Prior to FMAP and Phasedown | \$532.84 | Actual |
| E | Projected CY 2024 PMPM Rate Prior to FMAP and Phasedown | \$575.52 | Row C * (1 + Row D) |
| F | Projected FFY 24 FMAP State Share | 50.00% | Estimated FFY 24 FMAP is 50.00% |
| G | Projected CY 2024 PMPM Rate Prior to Phasedown | \$287.76 | Row E * Row F |
| H | Ongoing Phasedown Percentage Rate | 75.00% | Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5] |
| I | Estimated CY 2024 PMPM Rate (January through December 2024 with 50.00% FMAP) | \$215.82 | Row G * Row H |

| Table 3.2 Estimated CY 2025 PMPM Rate Calculation | | | |
|--|---|-----------------|---|
| Row | Item | Rate | Source |
| A | Projected Annual percentage trend for CY 2024 | 5.80% | Average from CY 2014 to CY 2021 |
| B | Projected Prior Year Revisions of the Annual Percentage Trend | 2.21% | Average from CY 2014 to CY 2021 |
| C | FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2025 | 8.01% | Row A + Row B |
| D | CY 2024 PMPM Rate Prior to FMAP and Phasedown | \$575.52 | Table 3.3 Row E |
| E | Projected CY 2025 PMPM Rate Prior to FMAP and Phasedown | \$621.62 | Row C * (1 + Row D) |
| F | Projected FFY 25 FMAP State Share | 50.00% | Estimated FFY 24 FMAP is 50.00% |
| G | Projected CY 2025 PMPM Rate Prior to Phasedown | \$310.81 | Row E * Row F |
| H | Ongoing Phasedown Percentage Rate | 75.00% | Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5] |
| I | Estimated CY 2025 PMPM Rate (January through December 2025 with 50.00% FMAP) | \$233.11 | Row G * Row H |

| Table 3.3 Estimated CY 2026 PMPM Rate Calculation | | | |
|--|---|-----------------|---|
| Row | Item | Rate | Source |
| A | Projected Annual percentage trend for CY 2025 | 5.80% | Average from CY 2014 to CY 2021 |
| B | Projected Prior Year Revisions of the Annual Percentage Trend | 2.21% | Average from CY 2014 to CY 2021 |
| C | FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2026 | 8.01% | Row A + Row B |
| D | CY 2025 PMPM Rate Prior to FMAP and Phasedown | \$621.62 | Table 3.3 Row E |
| E | Projected CY 2026 PMPM Rate Prior to FMAP and Phasedown | \$671.41 | Row C * (1 + Row D) |
| F | Projected FFY 26 FMAP State Share | 50.00% | Estimated FFY 24 FMAP is 50.00% |
| G | Projected CY 2026 PMPM Rate Prior to Phasedown | \$335.71 | Row E * Row F |
| H | Ongoing Phasedown Percentage Rate | 75.00% | Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5] |
| I | Estimated CY 2026 PMPM Rate (January through December 2026 with 50.00% FMAP) | \$251.78 | Row G * Row H |

| Table 3.4 Estimated CY 2027 PMPM Rate Calculation | | | |
|--|--|--------------|---------------------------------|
| Row | Item | Rate | Source |
| A | Projected Annual percentage trend for CY 2025 | 5.80% | Average from CY 2014 to CY 2021 |
| B | Projected Prior Year Revisions of the Annual Percentage Trend | 2.21% | Average from CY 2014 to CY 2021 |
| C | FINAL Percentage Change in Rate Prior to Applying Phasedown for CY 2026 | 8.01% | Row A + Row B |
| D | CY 2025 PMPM Rate Prior to FMAP and Phasedown | \$671.41 | Table 3.3 Row E |
| E | Projected CY 2026 PMPM Rate Prior to FMAP and Phasedown | \$725.19 | Row C * (1 + Row D) |
| F | Projected FFY 26 FMAP State Share | 50.00% | Estimated FFY 24 FMAP is 50.00% |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| | | | |
|---|--|----------|---|
| G | Projected CY 2026 PMPM Rate Prior to Phasedown | \$362.60 | Row E * Row F |
| H | Ongoing Phasedown Percentage Rate | 75.00% | Statutory rate : Sec. 1935. (C) (5) [42 U.S.C. 1396u-5] |
| I | Estimated CY 2026 PMPM Rate (January through December 2026 with 50.00% FMAP) | \$271.95 | Row G * Row H |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Table 4.1 Invoice Caseload History | | |
|---------------------------------------|---------------------------------|-----------------------------|
| Item | Total Member Months Caseload | Average Monthly Caseload |
| FY 2006-07 | 611,212 | 50,934 |
| FY 2007-08 | 642,840 | 53,570 |
| % Change from FY 2006-07 | 5.17% | 5.18% |
| FY 2008-09 | 651,968 | 54,331 |
| % Change from FY 2007-08 | 1.42% | 1.42% |
| FY 2009-10 | 664,292 | 55,358 |
| % Change from FY 2008-09 | 1.89% | 1.89% |
| FY 2010-11 | 697,817 | 58,151 |
| % Change from FY 2009-10 | 5.05% | 5.05% |
| FY 2011-12 | 725,075 | 60,423 |
| % Change from FY 2010-11 | 3.91% | 3.91% |
| FY 2012-13 | 750,509 | 62,542 |
| % Change from FY 2011-12 | 3.51% | 3.51% |
| FY 2013-14 | 812,812 | 62,542 |
| % Change from FY 2012-13 | 8.30% | 0.00% |
| FY 2014-15 | 865,253 | 72,104 |
| % Change from FY 2013-14 | 6.45% | 15.29% |
| FY 2015-16 | 877,707 | 73,405 |
| % Change from FY 2014-15 | 1.44% | 1.80% |
| FY 2016-17 | 882,749 | 73,911 |
| % Change from FY 2015-16 | 0.57% | 0.69% |
| FY 2017-18 | 897,632 | 74,689 |
| % Change from FY 2016-17 | 1.69% | 1.05% |
| FY 2018-19 | 919,107 | 76,592 |
| % Change from FY 2017-18 | 2.39% | 1.05% |
| FY 2019-20 | 960,045 | 80,004 |
| % Change from FY 2018-19 | 4.45% | 2.55% |
| FY 2020-21 | 1,045,023 | 87,085 |
| % Change from FY 2019-20 | 8.85% | 8.85% |
| FY 2021-22 | 1,340,909 | 111,742 |
| % Change from FY 2020-21 | 28.31% | 28.31% |
| FY 2022-23 | 1,268,087 | 105,674 |
| % Change from FY 2021-22 | -5.43% | -5.43% |
| FY 2023-24 | 1,242,491 | 103,541 |
| % Change from FY 2022-23 | -2.02% | -2.02% |
| FY 2024-25 Projection | 1,091,330 | 90,944 |
| % Change from FY 2023-24 Projection | -12.17% | -12.17% |
| FY 2025-26 Projection | 1,123,688 | 93,641 |
| % Change from FY 2024-25 Projection | 2.97% | 2.97% |
| FY 2026-27 Projection | 1,137,949 | 94,829 |
| % Change from FY 2025-26 Projection | 1.27% | 1.27% |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Table 4.2 Aggregate Monthly Caseload History | | |
|---|---------------------------------|-----------------------------|
| Item | Total Member Months Caseload | Average Monthly Caseload |
| FY 2006-07 | 618,862 | 51,572 |
| FY 2007-08 | 630,715 | 52,560 |
| % Change from FY 2006-07 | 1.92% | 1.92% |
| FY 2008-09 | 649,533 | 54,128 |
| % Change from FY 2007-08 | 2.98% | 2.98% |
| FY 2009-10 | 665,732 | 55,478 |
| % Change from FY 2008-09 | 2.49% | 2.49% |
| FY 2010-11 | 693,267 | 57,772 |
| % Change from FY 2009-10 | 4.14% | 4.13% |
| FY 2011-12 | 728,875 | 60,740 |
| % Change from FY 2010-11 | 5.14% | 5.14% |
| FY 2012-13 | 757,424 | 63,119 |
| % Change from FY 2011-12 | 3.92% | 3.92% |
| FY 2013-14 | 803,259 | 66,938 |
| % Change from FY 2012-13 | 6.05% | 6.05% |
| FY 2014-15 | 863,207 | 71,934 |
| % Change from FY 2013-14 | 7.46% | 7.46% |
| FY 2015-16 | 866,920 | 72,243 |
| % Change from FY 2014-15 | 0.43% | 0.43% |
| FY 2016-17 | 896,690 | 74,724 |
| % Change from FY 2015-16 | 3.43% | 3.43% |
| FY 2017-18 | 918,742 | 76,562 |
| % Change from FY 2016-17 | 2.46% | 2.46% |
| FY 2018-19 | 977,400 | 81,450 |
| % Change from FY 2017-18 | 6.38% | 6.38% |
| FY 2019-20 | 1,000,241 | 83,353 |
| % Change from FY 2018-19 | 2.34% | 2.34% |
| FY 2020-21 | 1,083,540 | 90,295 |
| % Change from FY 2019-20 | 8.33% | 8.33% |
| FY 2021-22 | 1,201,604 | 100,134 |
| % Change from FY 2020-21 | 10.90% | 10.90% |
| FY 2022-23 | 1,337,255 | 111,438 |
| % Change from FY 2021-22 | 11.29% | 11.29% |
| FY 2023-24 | 1,191,146 | 99,262 |
| % Change from FY 2022-23 | -10.93% | -10.93% |
| FY 2024-25 Projection | 1,096,326 | 91,361 |
| % Change from FY 2023-24 Projection | -7.96% | -7.96% |
| FY 2025-26 Projection | 1,126,212 | 93,851 |
| % Change from FY 2024-25 Projection | 2.73% | 2.73% |
| FY 2026-27 Projection | 1,140,388 | 95,032 |
| % Change from FY 2025-26 Projection | 1.26% | 1.26% |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Row | Year | Rate | FMAP | Source |
|-----|------------------------|----------|--------|-----------------|
| A | Jan-Sept 2014 | \$125.50 | 50.00% | Actual CMS |
| B | Oct-Dec 2014 | \$122.97 | 51.01% | Actual CMS |
| C | Jan-Sept 2015 | \$124.68 | 51.01% | Actual CMS |
| D | Oct-Dec 2015 | \$125.42 | 50.72% | Actual CMS |
| E | Jan-Sept 2016 | \$139.98 | 50.72% | Actual CMS |
| F | Oct-Dec 2016 | \$141.97 | 50.02% | Actual CMS |
| G | Jan-Sept 2017 | \$158.91 | 50.02% | Actual CMS |
| H | Oct-Dec 2017 | \$158.97 | 50.00% | Actual CMS |
| I | Jan-Dec 2018 | \$160.92 | 50.00% | Actual CMS |
| J | Oct-Dec 2018 | \$160.92 | 50.00% | Actual CMS |
| K | Jan-Dec 2019 | \$164.04 | 50.00% | Actual CMS |
| L | Jan-Dec 2020 | \$151.18 | 56.20% | Actual CMS |
| M | Jan-Dec 2021 | \$155.49 | 56.20% | Actual CMS |
| N | Jan-Sept 2022 | \$166.86 | 56.20% | Actual CMS |
| O | Oct-Dec 2022 | \$166.86 | 56.20% | Actual CMS |
| P | Jan-Mar 2023 | \$175.03 | 56.20% | Actual CMS |
| Q | Apr-Jun 2023 | \$179.83 | 55.00% | Actual CMS |
| R | Jul-Sep 2023 | \$189.82 | 52.50% | Actual CMS |
| S | Oct-Dec 2023 | \$193.82 | 51.50% | Actual CMS |
| T | Estimated Jan-Dec 2024 | \$215.82 | 50.00% | Table 3.1 Row I |
| U | Estimated Jan-Dec 2025 | \$233.11 | 50.00% | Table 3.2 Row I |
| V | Estimated Jan-Dec 2026 | \$251.78 | 50.00% | Table 3.3 Row I |
| W | Estimated Jan-Dec 2027 | \$271.95 | 50.00% | Table 3.4 Row I |

FY 2025-26 R-4 Medicare Modernization Act State Contribution Payment
Appendix A: Calculations and Assumptions

| Item | Q1 | Q2 | Q3 | Q4 | Average PMPM Rate |
|----------------------------------|----------|----------|----------|----------|----------------------|
| CY 2006 | \$114.71 | \$114.71 | \$114.71 | \$114.71 | \$114.71 |
| CY 2007 | \$120.30 | \$120.30 | \$120.30 | \$120.30 | \$120.30 |
| % Change from CY 2006 | | | | | 4.87% |
| CY 2008 | \$120.03 | \$120.03 | \$120.03 | \$98.95 | \$114.76 |
| % Change from CY 2007 | | | | | -4.61% |
| CY 2009 | \$106.03 | \$98.81 | \$98.81 | \$98.81 | \$100.62 |
| % Change from CY 2008 | | | | | -12.33% |
| CY 2010 | \$101.49 | \$101.49 | \$101.49 | \$101.49 | \$101.49 |
| % Change from CY 2009 | | | | | 0.87% |
| CY 2011 | \$107.07 | \$111.97 | \$129.84 | \$129.84 | \$119.68 |
| % Change from CY 2010 | | | | | 17.92% |
| CY 2012 | \$132.41 | \$132.41 | \$132.41 | \$132.41 | \$132.41 |
| % Change from CY 2011 | | | | | 10.64% |
| CY 2013 | \$133.62 | \$133.62 | \$133.62 | \$133.62 | \$133.62 |
| % Change from CY 2012 | | | | | 0.91% |
| CY 2014 | \$125.50 | \$125.50 | \$125.50 | \$122.97 | \$124.87 |
| % Change from CY 2013 | | | | | -6.55% |
| CY 2015 | \$124.68 | \$124.68 | \$124.68 | \$125.42 | \$124.87 |
| % Change from CY 2014 | | | | | 0.00% |
| CY 2016 | \$139.98 | \$139.98 | \$139.98 | \$141.97 | \$140.48 |
| % Change from CY 2015 | | | | | 12.50% |
| CY 2017 | \$158.91 | \$158.91 | \$158.91 | \$158.97 | \$158.93 |
| % Change from CY 2016 | | | | | 13.13% |
| CY 2018 | \$160.92 | \$160.92 | \$160.92 | \$160.92 | \$160.92 |
| % Change from CY 2017 | | | | | 1.26% |
| CY 2019 | \$164.04 | \$164.04 | \$164.04 | \$164.04 | \$164.04 |
| % Change from CY 2018 | | | | | 1.94% |
| CY 2020 | \$151.18 | \$151.18 | \$151.18 | \$151.18 | \$151.18 |
| % Change from CY 2019 | | | | | -7.84% |
| CY 2021 | \$155.49 | \$155.49 | \$155.49 | \$155.49 | \$155.49 |
| % Change from CY 2020 | | | | | 2.85% |
| CY 2022 | \$166.86 | \$166.86 | \$166.86 | \$166.86 | \$166.86 |
| % Change from CY 2021 | | | | | 7.31% |
| CY 2023 | \$175.03 | \$179.83 | \$189.82 | \$193.82 | \$184.63 |
| % Change from CY 2022 | | | | | 10.65% |
| CY 2024 Projection | \$215.82 | \$215.82 | \$215.82 | \$215.82 | \$215.82 |
| % Change from CY 2023 | | | | | 16.90% |
| CY 2025 Projection | \$233.11 | \$233.11 | \$233.11 | \$233.11 | \$233.11 |
| % Change from CY 2024 Projection | | | | | 8.01% |
| CY 2026 Projection | \$251.78 | \$251.78 | \$251.78 | \$251.78 | \$251.78 |
| % Change from CY 2025 Projection | | | | | 8.01% |
| CY 2027 Projection | \$271.95 | \$271.95 | \$271.95 | \$271.95 | \$271.95 |
| % Change from CY 2026 Projection | | | | | 8.01% |