



March 2025

Quarterly Financial Review

Office of Medicaid Policy and Planning (OMPP)

Presented May 2, 2025



Quarterly Financial Review

Medicaid Assistance Outline

1. Medicaid Assistance
 - a. Overall Results
 - b. Medicaid Enrollment
 - c. Expenditures Compared to Forecast
 - d. Watch Areas
 - e. Funding Summary
 - f. Program PMPM
 - g. Managed Care Contracts

Medicaid Assistance Overview

March 2025 YTD Financial Results

Basis for Comparison

- Year to Date results for State Fiscal Year 2025 (July 1, 2024 – March 31, 2025) are being compared to the December 2024 Medicaid Forecast
- The next Financial Review Meeting will feature results through June 30, 2025 and will compare those results to the April 2025 Medicaid Forecast

Overall Results

- Overall average Year to Date enrollment was **32,531 (1.6%) less** than Forecast
- Year to Date Medicaid expenditures were **\$491.3M (3.2%) less** than Forecast



Medicaid Enrollment – Actual vs. Forecast (1/2)

March 2025 – SFY 25 YTD

Enrollment

Healthy Indiana Plan

HIP State Plan Benefit Package	122,249	125,069	2,819
HIP Expansion	346,628	348,983	2,355
HIP Medically Frail	184,577	184,867	290
HIP Pregnant Women	40,449	40,352	(97)
HIP Bridge	0	0	0
HIP Hospital Presumptive Eligibility	4,716	4,881	165

Total Healthy Indiana Plan

Hoosier Care Connect

Adult	39,427	39,395	(32)
Child	22,354	22,172	(182)
Foster	18,067	17,977	(90)

Total Hoosier Care Connect

Hoosier Healthwise

Adults	235	256	21
Children	611,550	614,132	2,581
Pregnant Females	13,245	13,200	(45)
CHIP	138,614	139,389	774

Total Hoosier Healthwise

PathWays for Aging

Nursing Home	22,170	22,612	442
HCBS	27,738	28,018	280
Acute	67,107	67,722	615

Total PathWays for Aging

Total Managed Care

	1,659,127	1,669,024	9,897
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MANAGED CARE

- Average YTD Managed Care enrollment is 9,897 (0.6%) lower than forecast
- Hoosier Care Connect is the only program with YTD enrollment slightly higher than forecast



Medicaid Enrollment – Actual vs. Forecast (2/2)

March 2025 – SFY 25 YTD

Enrollment

Fee For Service

Institutionalized	8,477	8,644	167
Waiver	46,552	46,381	(171)
1915(i) State Plan HCBS	1,179	1,233	54
No Level of Care*			
Hoosier Healthwise FFS	28,671	39,756	11,085
Dual	35,502	36,819	1,316
Non-Dual	27,105	29,474	2,369
Medicare Savings Program	75,576	75,884	308
HIP Emergency Only	70,574	73,481	2,906
Limited Benefit Populations	54,272	58,871	4,598
Total Fee for Service	347,907	370,541	22,634

Overall Total Enrollment

SFY 2025 Average Monthly Enrollment YTD - Actual	SFY 2025 Average Monthly Enrollment YTD - Dec 2024 Forecast	Variance Average Monthly Enrollment YTD
8,477	8,644	167
46,552	46,381	(171)
1,179	1,233	54
28,671	39,756	11,085
35,502	36,819	1,316
27,105	29,474	2,369
75,576	75,884	308
70,574	73,481	2,906
54,272	58,871	4,598
347,907	370,541	22,634
2,007,035	2,039,565	32,531

FEE FOR SERVICE

- Fee for Service average YTD enrollment is 22,634 (6.1%) lower than forecast
- Areas with greatest variances are HHW FFS (due to retroactivity) and Limited Benefit Populations

TOTAL

Overall average YTD Medicaid enrollment is 32,531 (1.6%) lower than forecast



Medicaid Spending Compared to Forecast

Total Expenditures

March 2025 – SFY 25 YTD

Expenditures

Managed Care

Fee-for-service Total

Other Expenditures and Collections

Manual Expenditures

Total - Expenditures

Other Financial Expenditures and Adjustments

Medicaid Expenditures Sub-total

SFY 2025 Year to Date		Variance
Actual Spent	Dec 2024 Forecast	Dec 2024 Forecast
\$ 10,884,679,556	\$ 11,065,034,628	\$ 180,355,072
4,128,470,074	4,187,152,227	58,682,153
(816,882,107)	(694,243,421)	122,638,686
1,281,149,183	1,351,008,625	69,859,442
15,477,416,705	15,908,952,058	431,535,353
(408,661,421)	(348,859,785)	59,801,635
15,068,755,284	15,560,092,272	491,336,988

- Medicaid Year to Date expenditures for State Fiscal Year 2025 (July 2024 – March 2025) were \$491.3M (3.2%) less than forecast
- Year to Date Expenditures were lower than forecast for every major category of expenditures

Medicaid Spending Compared to Forecast Managed Care

March 2025 – SFY 25 YTD

Expenditures

Managed Care

Healthy Indiana Plan

Hoosier Care Connect

Hoosier Healthwise

PathWays for Aging

SFY 2025 Year to Date		Variance
Actual Spent	Dec 2024 Forecast	Dec 2024 Forecast
\$ 10,884,679,556	\$ 11,065,034,628	\$ 180,355,072
4,476,491,284	4,537,534,740	61,043,456
1,149,634,939	1,156,445,206	6,810,266
2,241,990,665	2,270,630,841	28,640,177
3,016,562,668	3,100,423,840	83,861,173

- Managed Care Year to Date expenditures for State Fiscal Year 2025 (July 2024 – March 2025) were \$180.3M (1.6%) less than forecast
- Year to Date Expenditures were lower than forecast for each Managed Care Program

Medicaid Spending Compared to Forecast Fee for Service

March 2025 – SFY 25 YTD

	SFY 2025 Year to Date		Variance Dec 2024 Forecast
	Actual Spent	Dec 2024 Forecast	
<u>Expenditures</u>			
Fee-for-service Total	\$4,128,470,074	\$4,187,152,227	\$58,682,153
Long-Term Institutional Care	739,879,217	747,333,136	7,453,919
1915(c) HCBS Waiver Services	1,689,659,394	1,704,545,517	14,886,124
Aged and Disabled Waiver	153,951,115	148,289,078	(5,662,037)
MFP Demonstration Grant	15,972,261	15,135,371	(836,889)
Traumatic Brain Injury Waiver	9,718,594	10,121,882	403,288
Family Supports Waiver	241,863,505	246,771,749	4,908,244
CIH Waiver	758,177,982	746,684,074	(11,493,908)
Health and Wellness Waiver	509,975,937	537,543,362	27,567,425
1915(i) Case Management/State Plan HCBS	15,867,882	15,379,796	(488,085)
PACE Capitation Payments	43,546,197	41,643,845	(1,902,353)
NEMT Program	11,432,672	11,814,395	381,723
State Plan Services FFS	1,628,084,712	1,666,435,538	38,350,826

- Fee for Service Year to Date expenditures for State Fiscal Year 2025 (July 2024 – March 2025) were \$58.7M (1.4%) less than forecast
- Services with the largest positive YTD variance from forecast include State Plan Fee for Service, Health and Wellness Waiver and Long-Term Institutional Care t
- Services with YTD expenditures exceeding forecast include the Community Integration and Habilitation (CIH) waiver, Program of All-Inclusive Care for the Elderly (PACE), and the Aged and Disabled Waiver

Medicaid Spending Compared to Forecast

Other Expenditures and Collections

March 2025 – SFY 25 YTD

	SFY 2025 Year to Date		Variance
	Actual Spent	Dec 2024 Forecast	Dec 2024 Forecast
<u>Expenditures</u>			
Other Expenditures and Collections	(\$816,882,107)	(\$694,243,421)	\$122,638,686
Medicare Buy-in Payments	383,384,567	384,262,586	878,020
Part D Clawback Payments	229,767,947	235,572,959	5,805,012
Pharmacy Rebates	(1,385,016,354)	(1,269,675,266)	115,341,088
TPL	(39,075,289)	(38,587,156)	488,133
CHIP II Premiums	(5,098,264)	(4,924,099)	174,165
MedWorks Premiums	(844,713)	(892,444)	(47,731)

- Other Expenditures and Collections Year to Date results for State Fiscal Year 2025 (July 2024 – March 2025) are showing collections that are \$122.6M (17.7%) more than forecast
- Pharmacy rebates are the primary driver of the collections being higher forecast

Medicaid Spending Compared to Forecast

Manual Expenditures

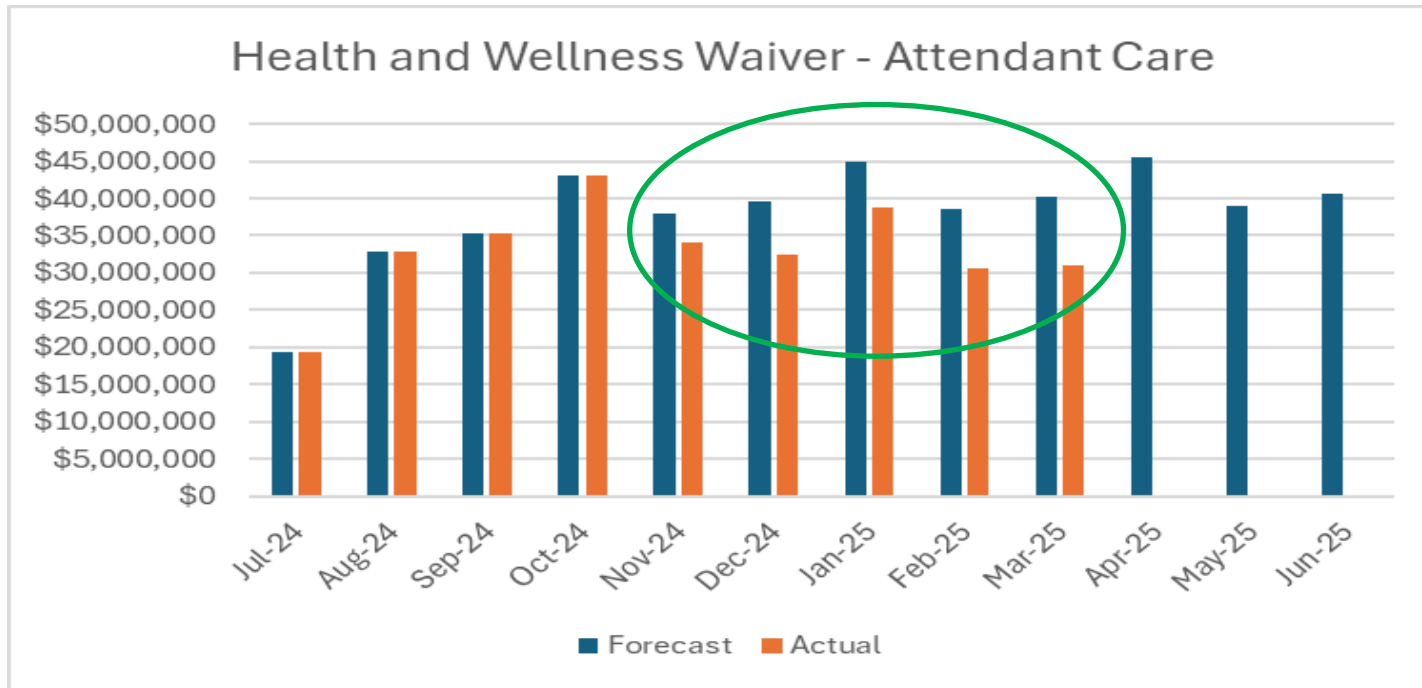
March 2025 – SFY 25 YTD

	SFY 2025 Year to Date		Variance
	Actual Spent	Dec 2024 Forecast	Dec 2024 Forecast
<u>Expenditures</u>			
Manual Expenditures	\$1,281,149,183	\$1,351,008,625	\$69,859,442
DSH Payments	208,722,024	325,679,198	116,957,174
Nursing Facility UPL Payments	731,306,032	710,547,047	(20,758,985)
FQHC/RHC Supplemental Payments	288,070,498	267,716,371	(20,354,128)
FQHC/RHC HIP Supplemental Payments	15,373,244	4,227,853	(11,145,391)
Graduate Medical Education Payments	32,832,405	31,924,256	(908,149)
Ambulance Supplemental Payments	7,795,426	8,502,525	707,099
Physician Faculty Access to Care Payment	23,644,523	23,644,523	0
CHIP-Refunds	4,197	28,353	24,156
Stabilization Grant Funding to Providers	(9,363,620)	0	9,363,620
Other Miscellaneous Payments	(17,235,548)	(21,261,503)	(4,025,955)

- Manual Expenditures Year to Date results for State Fiscal Year 2025 (July 2024 – March 2025) are \$69.9M (5.2%) less than forecast
- Timing delays for DSH payments are driving the positive variance to forecast
- Areas with YTD expenditures higher than forecast include the Nursing Facility Supplemental Payment program and FQHC Supplemental Payments

Medicaid Assistance – Medicaid “Watch Areas”

Health & Wellness Waiver – Attendant Care

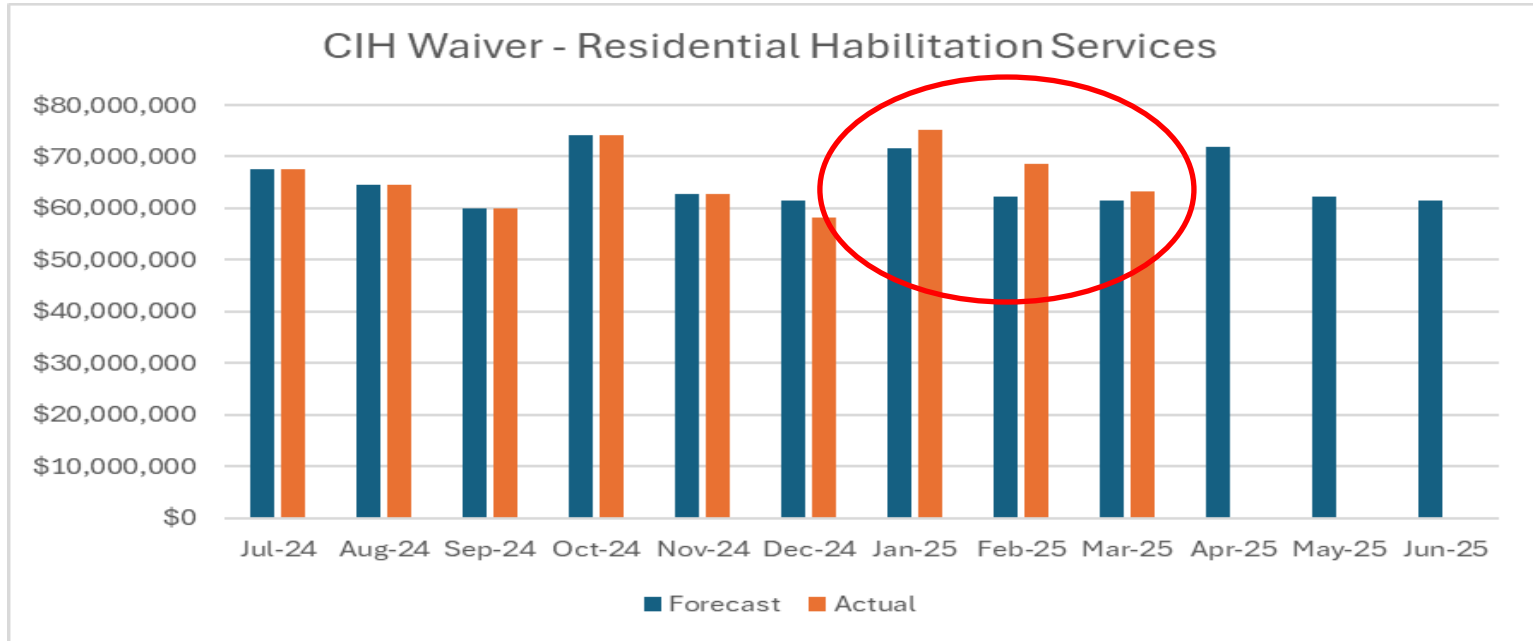


- March 2025 is the fifth month that Attendant Care expenditures have been materially below forecast for the Health and Wellness Waiver
- Attendant Care savings may be partially offset by increases in expenditures for State Plan Home Health Services and/or Home and Community Assistance Services



Medicaid Assistance – Medicaid “Watch Areas”

Community Integration and Habilitation (CIH) Waiver – Residential Habilitation Services

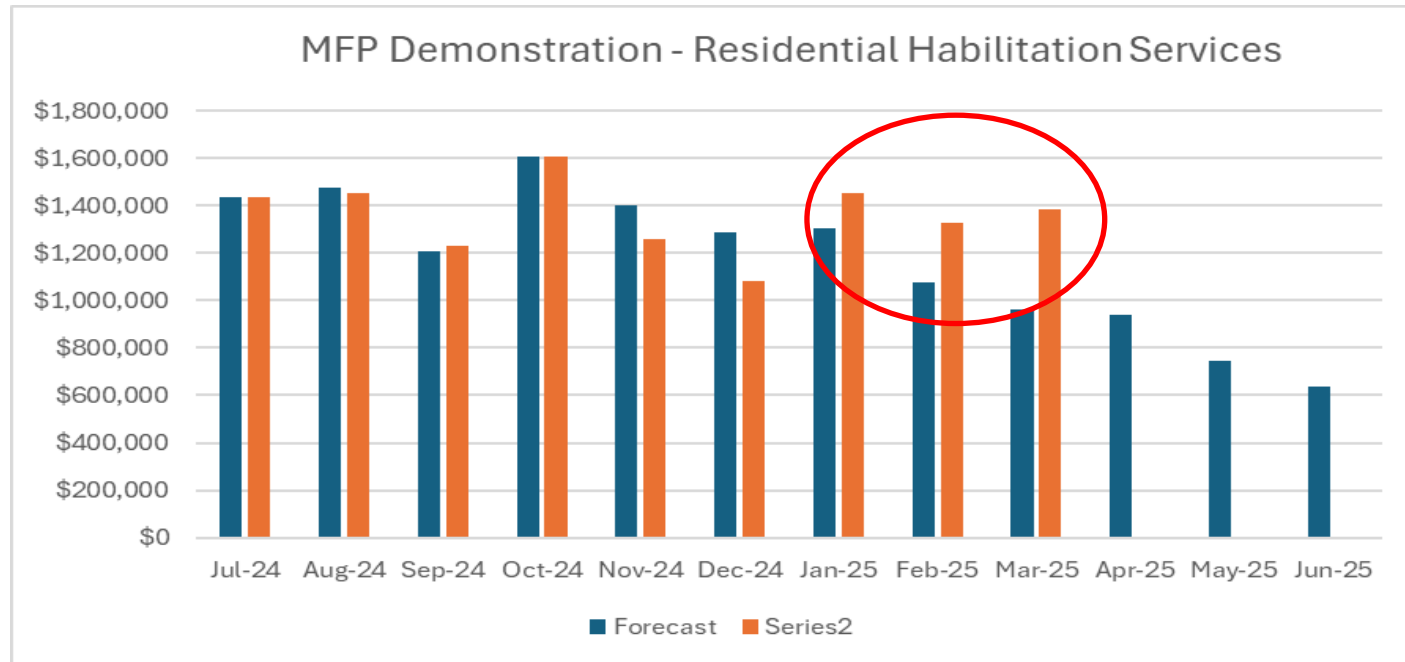


Medicaid Expenditures for Residential Habilitation Services have exceeded forecast for the first three months of CY 2025



Medicaid Assistance – Medicaid “Watch Areas”

Money Follows the Person MFP Demonstration – Residential Habilitation Services

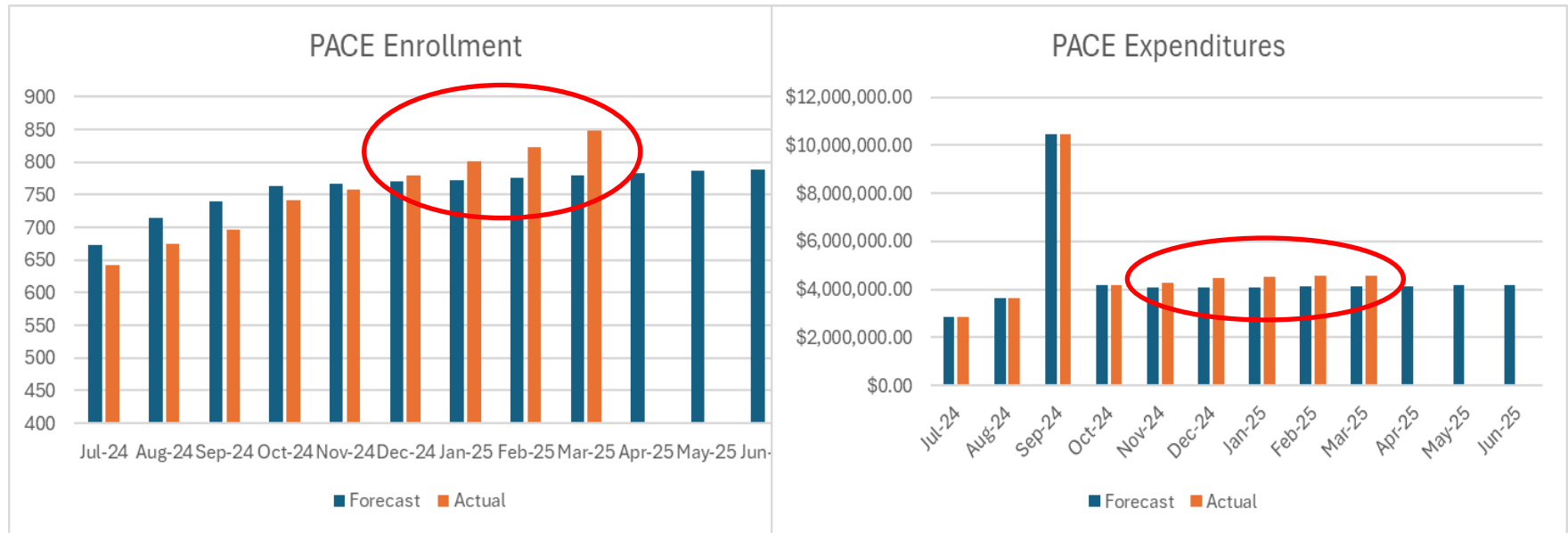


Medicaid Expenditures for Residential Habilitation Services have exceeded forecast for the first three months of CY 2025



Medicaid Assistance – Medicaid “Watch Areas”

Program of All-Inclusive Care for the Elderly (PACE) Enrollment / Expenditures

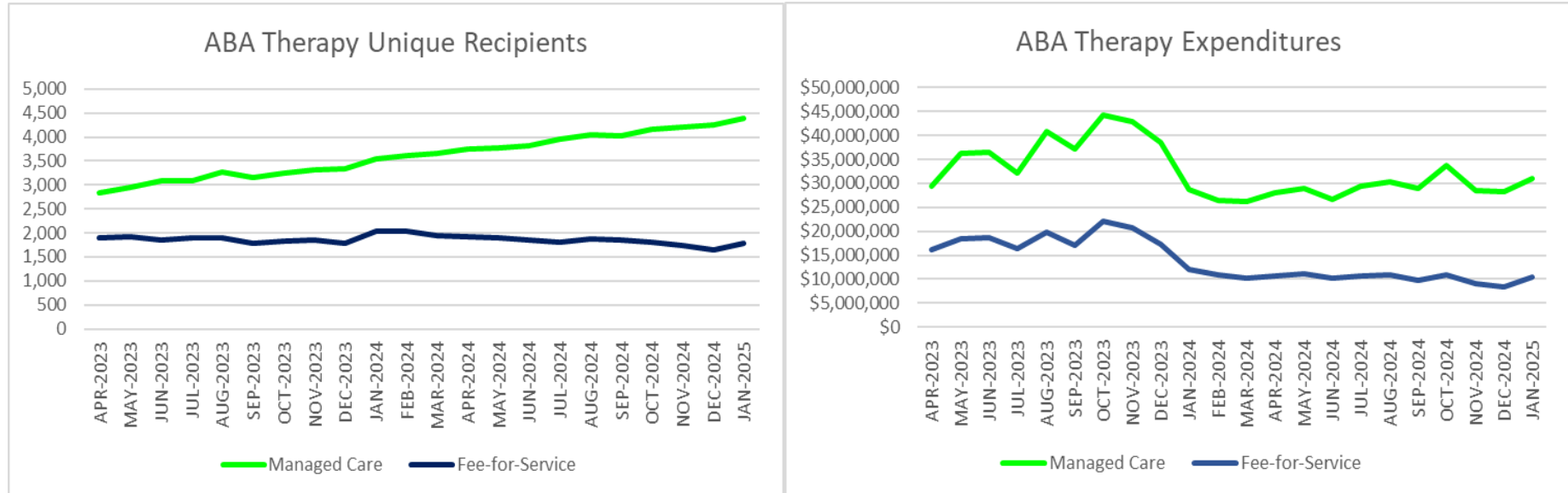


- PACE enrollment has continued to grow at a rate higher than projected in the Dec 2024 forecast
- Growth rate may be related to the wait list for the PathWays waiver program.

- PACE expenditures also grow at a rate higher than projected in the Dec 2024 forecast
- Expenditures for September 2024 include retroactive adjustments made following MS rate approval

Medicaid Assistance – Medicaid “Watch Areas”

Applied Behavior Analysis (ABA) Therapy



- The Managed Care Programs are seeing continued 20% growth in the number of ABA Therapy recipients
- The State FFS program is seeing a small decrease in the number of ABA Therapy recipients

- Managed Care Expenditures are showing an increase in ABA expenditures, but at a lower rate than the recipient growth
- FFS expenditures are showing a slight downward trend

Medicaid Assistance – Funding Summary

March 2025

Funding	SFY 2025 YTD	Total SFY 2025
	Actual Funding YTD	Dec 2024 Forecast
Federal Funds	\$10,198,381,070	\$14,078,209,743
Intergovernmental Transfers	415,702,339	569,443,029
Provider Tax Receipts	115,096,667	163,958,412
HAF Funding	500,817,030	1,282,245,511
HIP Funding	361,548,774	477,039,799
Other	29,575	2,393,790
QAF Transfer - IC 16-28-15-8(a)(2)	(29,989,951)	(42,492,686)
HAF Transfer - IC 16-21-10-14(1)	-	(323,664,185)
Medicaid Assistance Expenditures	15,068,755,284	20,642,395,152
Federal Funds and IGTs	11,561,585,505	16,207,133,414
Medicaid GF Assistance	3,147,450,000	4,196,600,000
Dedicated ARPA HCBS Funding	-	5,936,400
Total (Shortfall)/Surplus	(359,719,780)	(232,725,338)
CHIP Funding		
Federal	271,229,462	304,789,051
CHIP GF	72,269,536	74,273,466
CHIP HAF	15,584,112	24,332,384



Medicaid Per Member Per Month Cost - Quarterly

Delivery Program - Managed Care

	Q1	Q2	Q3	FMAP	SMAP
Healthy Indiana Plan	\$627	\$423	\$1,110	90% Expansion 64.90% Non Expansion	10% Expansion 34.1% Non Expansion
Hoosier Care Connect	1,356	1,788	1,648	64.90%	34.10%
Hoosier Healthwise	265	456	259	75.43% CHIP 64.9% Medicaid	24.57% CHIP 34.1% Medicaid
PathWays for Aging	2,849	2,888	2,869	64.90%	34.10%

Delivery Program - Fee for Services

	Q1	Q2	Q3	FMAP	SMAP
Institutionalized					
Nursing Home	18,832	9,186	8,586	64.90%	34.10%
Hospice	9,559	7,789	7,259	64.90%	34.10%
ICF/ID	9,717	11,600	10,298	64.90%	34.10%
PRTF	35,477	28,290	39,583	64.90%	34.10%
Waiver					
Money Follows the Person Grant	5,071	2,171	5,400	82.45%	17.55%
Traumatic Brain Injury Waiver	6,516	6,348	5,776	64.90%	34.10%
Community Integration and Habilitation Waiver	3,511	3,541	3,674	64.90%	34.10%
Family Supports Waiver	3,016	3,009	3,002	64.90%	34.10%
Health and Wellness Waiver	3,641	5,081	4,845	64.90%	34.10%
PACE Program	8,414	5,676	5,525	64.90%	34.10%
1915(i) State Plan HCBS					
Adult Mental Health and Habilitation	3,746	3,146	4,619	64.90%	34.10%
Child Mental Health Wraparound	1,693	1,268	1,840	64.90%	34.10%
Behavioral and Primary Healthcare Coordination	44	36	40	64.90%	34.10%

Medicaid Assistance Major Contracts

Managed Care Contracts	Contract Period		Total Contract Value	Program
Anthem Insurance Companies, Inc.	7/1/2024	6/30/2028	\$10,381,985,362	Pathways
Humana Health Plan	7/1/2024	6/30/2028	9,641,601,469	Pathways
United Healthcare Insurance	7/1/2024	6/30/2028	9,309,176,750	Pathways
Anthem Insurance Companies	1/1/2023	12/31/2026	10,788,857,7501	Healthy Indiana Plan
CareSource Indiana, Inc.	1/1/2023	12/31/2026	2,149,825,163	Healthy Indiana Plan
Managed Health System (MHS)	1/1/2023	12/31/2026	3,929,170,019	Healthy Indiana Plan
MDWise, Inc.	1/1/2023	12/31/2026	4,672,794,9739	Healthy Indiana Plan
Anthem Insurance Companies	4/1/2021	3/31/2026	4,716,537,914	Hoosier Care Connect
Managed Health System (MHS)	4/1/2021	3/31/2026	2,444,067,0879	Hoosier Care Connect
United Health Care	1/1/2021	3/31/2026	403,826,532	Hoosier Care Connect
Anthem Insurance Companies	1/1/2023	12/31/2026	4,307,812,5869	Hoosier Healthwise
Managed Health Services (MHS)	1/1/2023	12/31/2026	2,547,867,160	Hoosier Healthwise
MDWise, Inc.	1/1/2023	12/31/2026	2,752,209,2059	Hoosier Healthwise

Note: Managed Care contracts are based on estimates and are not encumbered in Peoplesoft. Payment is made through the Medicaid fiscal agent

Quarterly Financial Review

Medicaid Administration Outline

1. Medicaid Administration
 - a. Overview
 - b. Budget & Spend Summary
 - c. Staffing
 - d. Contracts
 - e. Health & Hospital Corporation Fund



Medicaid Administration Overview (1/4)

Medicaid administrative costs represent a relatively small portion of total Medicaid spending (>1% for OMPP).

In general, costs incurred by states in administering the Medicaid program are matched by the federal government at a 50 percent rate. There are, however, some types of administrative functions which are matched at higher rates.

90% Federal Match

- Claims and Eligibility System Design, Development and Implementation

75% Federal Match

- Claims and Eligibility System Maintenance and Operations
- Electronic Visit Verification System
- Program Integrity
- Managed Care Review Activities (External Quality Reviews)
- Preadmission Screening
- Skilled Medical Professionals (DMHA)

Medicaid Administration Overview (2/4)

Medicaid Administration includes:

Children's Health Insurance Program Administration (CHIP) - the general operating costs associated with the administration of CHIP.

- CHIP pays for medical services to children in two benefit packages in the Hoosier Healthwise Program. Under Package A, CHIP includes members ages 1-19 up to 158% FPL using Modified Adjusted Gross Income (MAGI) methodology.
- CHIP also pays for medical services for children in Hoosier Healthwise Package C. This benefit package covers children birth through age 1 between 208%-250% FPL and ages 1 through 18 between 158% and 250% FPL using Modified Adjusted Gross Income (MAGI) methodology. Families must pay a monthly premium and some small co-payments.

Healthy Indiana Plan Administration (HIP) - the general operating costs associated with the administration of HIP. The plan covers Hoosiers ages 19 to 64 up to 133% FPL with a 5% Modified Adjusted Gross Income (MAGI) who meet specific income requirements.

Medicaid Administration Overview (3/4)

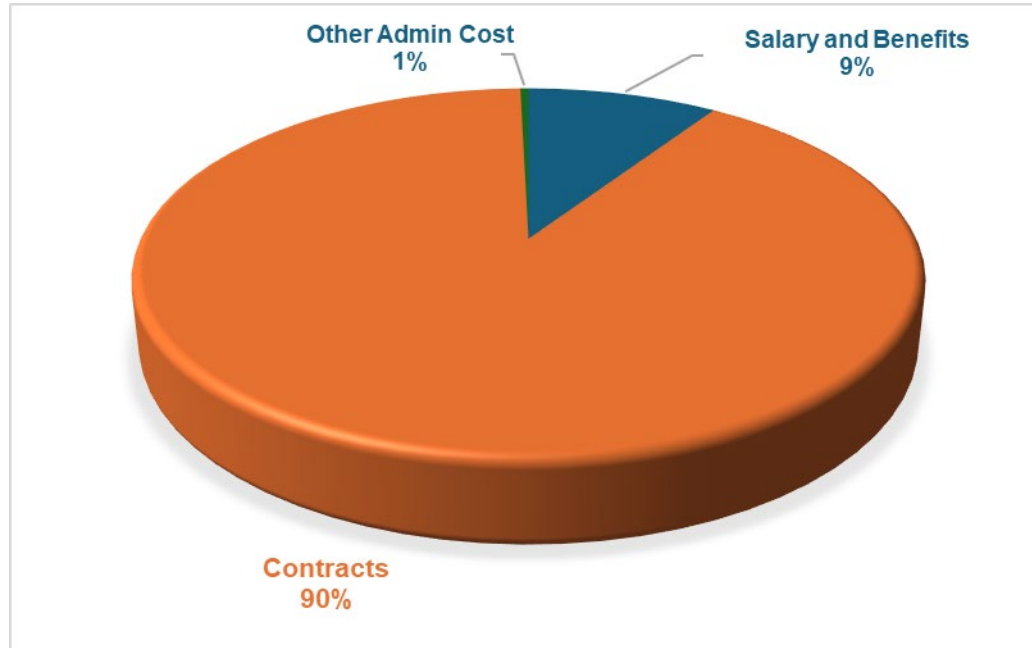
Indiana Prescription Plan/Hoosier Rx - the general operating costs associated with the administration of the Indiana Prescription Drug Program for seniors, more commonly known as Hoosier Rx. Hoosier Rx provides assistance to limited-income seniors, 65 and older, to help pay for their Medicare Part D insurance premium. Current enrollment is 156 individuals.

Medicaid Administration - the general operating costs associated with the administration of Medicaid. Expenditures include organizational operating and clerical costs associated with the implementation of the State's Medicaid Program.



Medicaid Administration Overview (4/4)

SFY 2025 YTD EXPENDITURES (JULY - MARCH)



Expense Category	Expenditures
Salary and Benefits	\$10,393,136
Contracts	100,584,104
Other Admin Cost	443,045
Totals	111,420,284



Medicaid Administration Summary

Expense Category	Current Month Expenditures March 2025	SFY 2025 YTD Expenditures (Jul - Mar)	Forecasted Expenditures Remainder of Year	Total Forecasted Expenditures	Funding Available	Forecasted Fund Balance
Salary and Benefits	\$976,731	\$10,393,136	\$3,117,941	\$13,511,076	\$14,183,120	\$672,044
Contracts	7,668,614	100,584,104	53,557,854	154,141,958	170,183,729	16,041,771
Supplies Materials	355	3,327	656	3,983	35,980	31,997
Capital	-	1,064	-	1,064	9,950	8,886
Provider Application Fees	(67,160)	(450,125)	(150,042)	(600,167)	-	600,167
Admin and Operating	83,922	730,496	243,499	973,995	1,180,384	206,389
Other Admin Cost	11,742	158,282	15,564	173,846	510,028	336,181
Totals	8,674,203	111,420,284	56,785,472	168,205,756	186,103,191	17,897,435

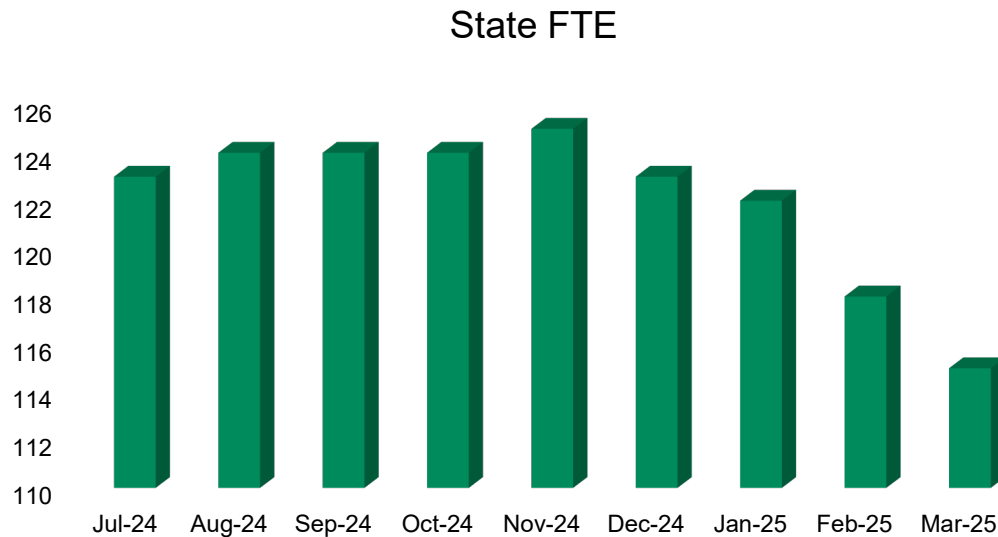
Funding

Federal	6,139,446	63,275,709	36,010,058	99,285,768	116,527,547	17,241,779
State	2,327,930	44,370,963	18,777,166	63,148,129	63,443,521	295,392
Dedicated	206,827	3,773,612	19,982,482	5,771,859	6,132,123	360,264
Total Funding	8,674,203	111,420,284	56,785,472	168,205,756	186,103,191	17,897,435

Note: March Contract spend. Contracts spend is coming in less than projected. Average monthly contract spend was projected to be at \$12.8M. The variance is driven by a lag in vendor invoicing due to contract amendments and a realignment of expenditures, moving spend for the Medicaid Admin bucket to the now ended Home and Community Based Services funding provided by Section 9817 of the American Rescue Plan Act. While we show a \$16M forecasted balance in contract spend, that is federal funding and not State.

OMPP Staffing Summary

	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	YTD Average
State FTE										
# Filled	123	124	124	124	125	123	122	118	115	122
Contractor FTE										
# Active	0	0	0	0	0	0	0	0	0	0



Medicaid Administration Major Contracts

Vendor	Contract Period		Total Contract Value	Annual Contract Amount SFY25	State Funding	Federal Funding	YTD Expenditures Thru 03/2025	Current Balance
Gainwell	7/1/2023	6/30/2027	\$206,487,164	\$49,050,371	\$18,639,141	\$30,411,230	\$31,888,116	\$17,162,255
Maximus US Services Inc (LCAR)	4/1/2024	6/30/2028	78,273,917	25,103,757	5,522,827	19,580,930	18,807,997	6,295,760
Optum Government Solutions Inc	1/1/2019	12/31/2025	104,043,137	15,764,666	3,941,167	11,823,500	5,960,921	9,803,745
OptumRX Administrative Services LLC	1/1/2022	12/31/2025	40,153,520	10,038,380	2,509,595	7,528,785	3,845,215	6,193,165
Myers & Stauffer Rate Setting	1/1/2019	6/30/2025	66,660,391	9,055,201	4,527,601	4,527,601	5,302,547	3,752,654
Health and Hospital Corporation of Marion County	7/1/2021	6/30/2025	33,000,000	8,250,000	-	8,250,000	2,376,296	5,873,704
Keystone Peer Review Organization LLC (KEPRO)	7/1/2023	6/30/2027	31,980,590	8,031,753	2,007,938	6,023,815	4,824,632	3,207,121
Milliman USA Inc.	7/1/2022	6/30/2025	11,567,523	5,160,674	2,580,337	2,580,337	3,626,477	1,534,197
Deloitte Transactions and Business Analytics LLP	7/1/2021	6/30/2025	16,136,383	4,015,261	1,003,815	3,011,445	2,545,701	1,469,560
Myers & Stauffer LTC Audit	1/1/2019	6/30/2025	21,342,168	2,682,653	1,341,327	1,341,327	1,100,943	1,581,710
Total			609,644,793	137,152,716	42,073,747	95,078,970	80,278,845	56,873,871

Medicaid Administration Summary – Marion County Health & Hospital Corporation

Expense Category	Current Month Expenditures March 2025	SFY 2025 YTD Expenditures (Jul - Mar)	Forecasted Expenditures Remainder of Year	Total Forecasted Expenditures	Funding Available	Forecasted Fund Balance
Capital	-	\$28,500,000	\$9,500,000	\$38,000,000	\$38,000,000	-
Totals	-	28,500,000	9,500,000	38,000,000	38,000,000	-

Funding

Federal	-	-	-	-	-	-
State GF	-	38,000,000	9,500,000	38,000,000	38,000,000	-
Total Funding	-	38,000,000	9,500,000	38,000,000	38,000,000	-

Note: Quarterly payments are made in April, July, Sept and December per IC 12-16-17-2. A payment of 9,500,000 was made in April.



**The Office of Medicaid Policy
& Planning thanks you for the
opportunity to share this
information.**

