



MEMORANDUM

Date: May 20, 2004

To: Technical Working Group

From: Peter Burns

Steven Abele

Re: Nevada HIFA program statistics

Attached are some spreadsheets depicting the proposed HIFA waiver expenditures, covered lives and fund utilization for the five (5) year life of the project.

The first page (Option 5A) outlines the proposal as presented on May 7, 2004, with a small change in revenues available due to a change in the Federal Medicaid Assistance Percentage (FMAP).

The second page (Option 5B) outlines a modified proposal. This option drops the small business insurance package and moves all private coverage expansion to the Subsidy Program. As presented, this option only covers 10,000 lives though it can be scaled up or down based upon feedback from various members of the Technical Working Group and Legislative Subcommittee.

The last page presents the calculations utilized to estimate the availability of funding for the waiver project using the newly published FMAP percentages. Included is a comparison to the amount reported earlier.

Project Expenditures, Covered Lives and Excess Funds Available

Option #5A						
Expenditures	2005	2006	2007	2008	2009	5-Year Total
Small Business Employees Phase In @ 25/25/50	\$ 3,000,000	\$ 8,100,000	\$ 13,996,800	\$ 18,895,200	\$ 20,407,200	\$ 64,399,200
Premium Subsidy Program Phase In @ \$100 PMPM	\$ 1,200,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	13,200,000
Pregnant Women Extend up to 185% FPL	\$ 24,739,831	\$ 26,719,007	\$ 28,856,538	\$ 31,164,961	\$ 33,658,336	145,138,673
Administrative Expenditures ¹	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Annual Total	\$ 30,939,831	\$ 39,819,007	\$ 47,853,338	\$ 55,060,161	\$ 59,065,536	\$ 232,737,873

Lives	2005	2006	2007	2008	2009
Small Business Employees Phase In @ 25/25/50	2,000	5,000	8,000	10,000	10,000
Premium Subsidy Program Phase In @ \$100 PMPM	1,000	2,500	2,500	2,500	2,500
Pregnant Women Extend up to 185% FPL	3,050	3,050	3,050	3,050	3,050
Annual Total	6,050	10,550	13,550	15,550	15,550

Fund Utilization	2005	2006	2007	2008	2009
Total Funds Available	45,440,024	46,404,675	50,878,776	51,558,513	52,301,584
Utilization					
Small Business Employees	3,000,000	8,100,000	13,996,800	18,895,200	20,407,200
Premium Subsidy Program	1,200,000	3,000,000	3,000,000	3,000,000	3,000,000
Pregnant Women	24,739,831	26,719,007	28,856,538	31,164,961	33,658,336
Administrative Expenditures	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Balance of Funds Available	14,500,193	6,585,669	3,025,438	(3,501,648)	(6,763,952)
Unused Dollars	14,500,193	6,585,669	3,025,438	0	0
Unused State Dollars	6,394,585	2,906,914	1,335,428	0	0
Cummulative Unused Dollars	14,500,193	21,085,862	24,111,300	24,111,300	24,111,300
Cummulative Unused State Dollars	6,394,585	9,301,499	10,636,927	10,636,927	10,636,927

Project Expenditures, Covered Lives and Excess Funds Available

Option #5B						
Expenditures	2005	2006	2007	2008	2009	5-Year Total
Small Business Employees Phase In @ 25/25/50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Premium Subsidy Program Phase In @ \$100 PMPM	\$ 3,000,000	\$ 5,400,000	\$ 9,600,000	\$ 12,000,000	\$ 12,000,000	42,000,000
Pregnant Women Extend up to 185% FPL	\$ 24,739,831	\$ 26,719,007	\$ 28,856,538	\$ 31,164,961	\$ 33,658,336	145,138,673
Administrative Expenditures ¹	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Annual Total	\$ 29,739,831	\$ 34,119,007	\$ 40,456,538	\$ 45,164,961	\$ 47,658,336	\$ 197,138,673
Change compared to #5A	\$ (1,200,000)	\$ (5,700,000)	\$ (7,396,800)	\$ (9,895,200)	\$ (11,407,200)	\$ (35,599,200)

Lives	2005	2006	2007	2008	2009
Small Business Employees Phase In @ 25/25/50	0	0	0	0	0
Premium Subsidy Program Phase In @ \$100 PMPM	2,500	4,500	8,000	10,000	10,000
Pregnant Women Extend up to 185% FPL	3,050	3,050	3,050	3,050	3,050
Annual Total	5,550	7,550	11,050	13,050	13,050

Fund Utilization	2005	2006	2007	2008	2009
Total Funds Available	45,440,024	46,404,675	50,878,776	51,558,513	52,301,584
Utilization					
Small Business Employees	0	0	0	0	0
Premium Subsidy Program	3,000,000	5,400,000	9,600,000	12,000,000	12,000,000
Pregnant Women	24,739,831	26,719,007	28,856,538	31,164,961	33,658,336
Administrative Expenditures	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Balance of Funds Available	15,700,193	12,285,669	10,422,238	6,393,552	4,643,248
Unused Dollars	15,700,193	12,285,669	10,422,238	6,393,552	4,643,248
Unused State Dollars	6,923,785	5,422,894	4,600,376	2,822,114	2,049,530
Cummulative Unused Dollars	15,700,193	27,985,862	38,408,100	44,801,652	49,444,900
Cummulative Unused State Dollars	6,923,785	12,346,679	16,947,055	19,769,169	21,818,699

¹ Placeholder for potential additional administrative costs associated with program expansion

Revised Determination of Total Funds Available

Assuming 4.0% Property Tax Revenue Growth

SCHIP		2005	2006*	2007*	2008*	2009*
A	Estimated Loss of Authority	1,980,098	864,320	7,681,336	5,594,352	3,507,368
B	Allocation of Ending Balance (N)	14,424,480	14,424,480	14,424,480	14,424,480	14,424,480
C	Total Federal Funds Available (A+B)	16,404,578	15,288,800	22,105,816	20,018,832	17,931,848
D	Estimated State Funds Needed (E*.3087)	7,325,464	6,833,848	9,880,945	8,948,096	8,015,248
E	Total Funds Available (C / .6913)	23,730,042	22,116,013	31,977,168	28,958,241	25,939,314
Medicaid						
F	State Funds from IAF/Supp	16,899,566	17,545,148	18,216,554	18,914,816	19,641,009
G	Excess State Funds for Medicaid (F-D)	9,574,102	10,711,300	8,335,609	9,966,720	11,625,761
H	Federal Funds Available, Std FMAP (I*.559)	12,135,880	13,567,647	10,558,438	12,624,512	14,725,964
I	Additional Funds Available for Medicaid (G/.441)	21,709,982	24,288,662	18,901,608	22,600,272	26,362,270
Total Funds Available						
J	Total Funds for Program Services (E+I)	45,440,024	46,404,675	50,878,776	51,558,513	52,301,584
J ₁	Amount reported 5/7	45,440,024	46,419,720	50,900,529	51,578,212	52,319,230
J ₂	Increase (Decrease) from 4/14 figure (J-J ₁)	0	(15,045)	(21,753)	(19,699)	(17,646)
K	Ending Balance	80,136,000				
L	10% Reserve (K*.10)	8,013,600				
M	Balance (K-L)	72,122,400				
N	Amortize over Five (5) Years (M/5)	14,424,480				

* Projected FMAP for 2006 is 55.86, projected Enhanced FMAP is 69.10, these values are used for 2006 - 2009