

201 South Grand Avenue East
Springfield, Illinois 62763-0002

Telephone: (217) 782-1200
TTY: (800) 526-5812

MEDICAID FINANCING FOR THE UNINSURED: HOW THE REVENUES AND COSTS ARE COMPUTED

1. It is estimated that 342,000 total “newly eligibles” in IL will enroll by 2017: mostly adults without dependent children who have not qualified for Medicaid, but who have income under 133% federal poverty level

2014	199,000	
2015	298,000	
2016	328,000	
2017	342,000	Assumes a stable population after 2017 (10% will never enroll)

2. It is estimated that the “newly eligibles” will receive the same service package as the adults in FamilyCare; however, since this population’s medical history is unknown, 10% was added to accommodate for potential differences in health status

The cost for FamilyCare clients is \$412 per member/per month (PMPM)
The cost for the “newly eligibles” is therefore \$454 PMPM, inflated by 2% per year

3. The federal government will pay 90%-100% of the costs for this new population.

	<u>Federal match</u>	<u>Federal revenues</u>	<u>State portion</u>
2014	100%	\$1,081,863,840	-0-
2015	100%	\$1,656,168,574	-0-
2016	100%	\$1,858,408,187	-0-
2017	95%	\$1,877,271,898	\$98,803,784
2018	94%	\$1,894,661,364	\$120,935,832
2019	93%	\$1,911,995,499	\$143,913,640
2020	90%	\$1,887,324,590	\$209,702,732

4. The new funds being provided by the Federal government will replace spending by hospitals, clinics, other providers, state GRF and local governments who have absorbed huge healthcare costs for the uninsured as uncompensated care.