Department of Medicaid Executive Budget Initiatives, Savings, and Cost Avoidance						
		63.16%		63.02%		
	SFY 2014		SFY 2015		Biennium	
	State Share	All Funds	State Share	All Funds	State Share	All Funds
651525 Baseline (includes ACA mandates)	**$ 4,902,201,828**	**$ 14,174,818,650**	**$ 5,195,450,792**	**$ 14,862,032,533**	**$ 10,097,652,620**	**$ 29,036,851,183**
Reform nursing facility payments						
0% rate cut; Stark and Mahoning Peer Group Change	$ 6,275,667	$ 17,034,928	$ 8,399,355	$ 22,713,237	$ 14,675,023	$ 39,748,165
Related Increase in Franchise Fee Revenue	$ (590,218)	$ (1,602,111)	$ (827,119)	$ (2,236,665)	$ (1,417,336)	$ (3,838,776)
Subtotal nursing facility	**$ 5,685,450**	**$ 15,432,817**	**$ 7,572,237**	**$ 20,476,573**	**$ 13,257,686**	**$ 35,909,389**
Prioritize home and community based services						
Adjust Rates for Aide and Nursing Services			$ 8,505,400	$ 23,000,000	$ 8,505,400	$ 23,000,000
Adult Day Care Rate Adjustment	$ 921,000	$ 2,500,000	$ 1,072,420	$ 2,900,000	$ 1,993,420	$ 5,400,000
Increase in PNA to $45 on 1/1/2014 and $50 on 1/1/2015	$ 585,557	$ 1,589,460	$ 1,763,347	$ 4,768,380	$ 2,348,904	$ 6,357,840
Daily Rate For Caregiver Living with Consumer			$ (369,800)	$ (1,000,000)	$ (369,800)	$ (1,000,000)
Shared Savings Initiative for Home Health			$ (1,109,400)	$ (3,000,000)	$ (1,109,400)	$ (3,000,000)
Subtotal HCBS	**$ 1,506,557**	**$ 4,089,460**	**$ 9,861,967**	**$ 26,668,380**	**$ 11,368,524**	**$ 30,757,840**
Reform hospital payments						
Eliminate hospital 5% inpatient and outpatient rate update ^	$ (30,674,826)	$ (83,265,000)	$ (65,332,566)	$ (176,670,000)	$ (96,007,392)	$ (259,935,000)
Reduce readmissions by 25% ^	$ (12,693,998)	$ (34,457,107)	$ (25,484,476)	$ (68,914,214)	$ (38,178,475)	$ (103,371,321)
Modify outpatient fee schedule ^	$ (8,186,629)	$ (22,222,119)	$ (16,435,479)	$ (44,444,239)	$ (24,622,108)	$ (66,666,358)
Cap Capital to 85% of Cost with No FFS Settlement ^	$ (7,068,047)	$ (19,185,796)	$ (14,189,815)	$ (38,371,592)	$ (21,257,862)	$ (57,557,387)
Pay DRG exempt hospitals (including the James Cancer Hospital) at 90% of cost/ no FFS settlement	$ (1,516,641)	$ (4,116,832)	$ (3,044,809)	$ (8,233,665)	$ (4,561,450)	$ (12,350,497)
Subtotal Reform hospital	**$ (60,140,141)**	**$ (163,246,854)**	**$ (124,487,146)**	**$ (336,633,709)**	**$ (184,627,287)**	**$ (499,880,563)**
Reform other provider payments						
Reduce Holzer payment from 140% to 100% of the fee schedule **	$ (368,400)	$ (1,000,000)	$ (739,600)	$ (2,000,000)	$ (1,108,000)	$ (3,000,000)
Specialty pharmacy - select vendor to manage specialty medications	$ 62,500	$ 200,000	$ (1,849,000)	$ (5,000,000)	$ (1,786,500)	$ (4,800,000)
Improved utilization of pharmaceuticals resulting from providing pharmacy claims history, eligibility and drug coverage through e-prescribing	$ 110,520	$ 300,000	$ (924,500)	$ (2,500,000)	$ (813,980)	$ (2,200,000)
Multiple procedure pricing reduction for radiology **	$ (619,217)	$ (1,680,828)	$ (1,243,140)	$ (3,361,656)	$ (1,862,357)	$ (5,042,484)
Facility/Non-facility pricing for physician services **	$ (1,502,220)	$ (4,077,688)	$ (3,015,858)	$ (8,155,376)	$ (4,518,078)	$ (12,233,063)
Remaining Part B categories of service reduced to Medicaid Maximum - EXCEPT PHYSICIANS**	$ (17,164,745)	$ (46,592,684)	$ (18,718,554)	$ (50,618,047)	$ (35,883,299)	$ (97,210,732)
Part B Dialysis Clinics reduced to Medicaid Maximum *	$ (6,318,891)	$ (17,152,256)	$ (8,457,205)	$ (22,869,674)	$ (14,776,096)	$ (40,021,930)
Subtotal Other providers	**$ (25,800,453)**	**$ (70,003,456)**	**$ (34,947,858)**	**$ (94,504,753)**	**$ (60,748,311)**	**$ (164,508,209)**
Fight fraud and abuse						
On site Audits **	$ (184,200)	$ (500,000)	$ (369,800)	$ (1,000,000)	$ (554,000)	$ (1,500,000)
Enhanced Cost Avoidance Recovery Activities **	$ (736,800)	$ (2,000,000)	$ (1,479,200)	$ (4,000,000)	$ (2,216,000)	$ (6,000,000)
RAC	$ (8,473,937)	$ (23,002,000)	$ (9,268,408)	$ (25,063,300)	$ (17,742,345)	$ (48,065,300)
Permedion	$ (2,763,000)	$ (7,500,000)	$ (4,160,250)	$ (11,250,000)	$ (6,923,250)	$ (18,750,000)
Subtotal fraud and abuse	**$ (12,157,937)**	**$ (33,002,000)**	**$ (15,277,658)**	**$ (41,313,300)**	**$ (27,435,595)**	**$ (74,315,300)**
Reform health plan payments						
Reduce PA Requirements for MCP pharmacy and adjust pharmacy component by 5%***	$ (24,461,760)	$ (66,400,000)	$ (25,701,100)	$ (69,500,000)	$ (50,162,860)	$ (135,900,000)
Adjust Managed Care Admin down by 1% ***	$ (25,198,560)	$ (68,400,000)	$ (26,588,620)	$ (71,900,000)	$ (51,787,180)	$ (140,300,000)
Managed Care Cap Trend Rate Growth is 3% ***	$ (49,955,040)	$ (135,600,000)	$ (86,755,080)	$ (234,600,000)	$ (136,710,120)	$ (370,200,000)
Subtotal Reform health plan payments	**$ (99,615,360)**	**$ (270,400,000)**	**$ (139,044,800)**	**$ (376,000,000)**	**$ (238,660,160)**	**$ (646,400,000)**
Total Savings and Cost Avoidance	**$ (190,521,884)**	**$ (517,130,034)**	**$ (296,323,258)**	**$ (801,306,809)**	**$ (486,845,142)**	**$ (1,318,436,843)**
Simplify and Automate Eligibility /ACA (525 Impact)						
Eligibility Package To 138% Federal Poverty Level	$ (22,853,487)	$ (62,034,437)	$ (68,191,049)	$ (184,399,808)	$ (91,044,536)	$ (246,434,245)
Newly Eligible Enrollment		$ 561,700,000		$ 1,999,400,000	$ -	$ 2,561,100,000
Total Eligibility	**$ (22,853,487)**	**$ 499,665,563**	**$ (68,191,049)**	**$ 1,815,000,192**	**$ (91,044,536)**	**$ 2,314,665,755**
Total Tax Policy Appropriations Impact	**$ (22,371,363)**	**$ (67,587,572)**	**$ (42,803,836)**	**$ (97,590,853)**	**$ (65,175,199)**	**$ (165,178,425)**
Total 651525 Impact (Savings/Eligibility/Tax)	**$ (235,746,734)**	**$ (85,052,043)**	**$ (407,318,143)**	**$ 916,102,530**	**$ (643,064,877)**	**$ 831,050,487**
Executive 525 Appropriations	**$ 4,666,455,094**	**$ 14,089,766,607**	**$ 4,788,132,649**	**$ 15,778,135,063**	**$ 9,454,587,743**	**$ 29,867,901,670**
*Policies Assume 10/1/2013 Implementation Date						
**Policies Assume 1/1/2014 Implementation Date						
***Policies Assume 7/1/2013 Implementation Date						
^ Policies Include Managed Care Cap Rate Impact						
Revenue Impact (not included above)						
Sales and HIC Tax Impact	$ (22,558,843)		$ (45,814,395)		$ (68,373,237)	