

MVP - SFY 2016 Proposed Mid-Year Reductions

As of March 5, 2016

	SGF \$
State's Current 2016 Total Deficit	\$147.0
40% of Deficit Amount to Higher Education	\$58.8
60% of the Deficit to DHH-Medical Vendor Payments	\$88.2

WORST CASE SCENARIO - V3	FFP Rate	62.21%
	Match Rate	37.79%

	DHH's Portion of Mid-Year Deficit - \$88.2 M General Fund	SGF \$	Total \$
1	Amount of 2016 Deficit Identified for DHH	(\$88.2)	(\$233.3)

3/5/2016

	Proposed Actions to Address the Deficit	SGF \$	Total \$
2	<p><u>Reductions to the Pediatric Day Health Care Program</u> PDHC provides services to 612 recipients and is designed to provide services for the medical, social and development needs of medically fragile children from birth up to the 21st birthday. In SFY 2015, DHH has implemented a facility needs review and in SFY 2016, DHH will be issuing new Medically Necessity rules for this program.</p>	(\$0.1)	(\$0.3)
3	<p><u>Reduce MCO PMPM's from 50% to 7% in the Actuarial Sound Range</u> This reduction assumes a 03/01/16 implementation date and will effect the MCO payments starting in April 2016. The MCO's will argue that means they will no longer be able to make a profit and they will be forced to pass reductions on to the providers. The seven percent is the floor because of the 2% withhold we do on the MCO's monthly revenues. \$21.0 million is associated with Physical Health rates and \$6.4 is associated with Specialized Behavioral Health services.</p>	(\$10.4)	(\$27.4)
4	<p>16.8 % Reduction in Payments to Lake Charles (WO Moss)/Lake Charles Memorial •Reduce UPL/FMP Payments - \$0.7 •Reduce UCC.DSH Payments - \$8.2 •Current 2016 Budget: \$52.9 - After reductions: \$44.0</p>	(\$3.4)	(\$8.9)
5	<p>16.8 % Reduction in Payments to Alexandria (Huey P. Long)/Rapides & St. Francis •Reduce UCC/DSH - \$8.7 Current 2016 Budget: \$52.2 - After reductions: \$43.4</p>	(\$3.3)	(\$8.7)
6	<p>16.8 % Reduction in Payments to Bogalusa (Wash/St Tamm)/Our Lady of the Angels •Reduce UCC/DSH - \$5.8 •Reduce UPL/FMP - \$1.9 • Current 2016 Budget: \$46.0 - After reductions: \$38.3</p>	(\$2.9)	(\$7.7)
7	<p>16.8 % Reduction in Payments to Houma (Chabert)/Terrebonne General & Ochsner •Reduce UCC/DSH - \$13.8 •Reduce UPL/FMP - \$6.3 • Current 2016 Budget: \$119.8 - After reductions: \$99.7</p>	(\$7.6)	(\$20.2)
8	<p>16.8 % Reduction in Payments to Monroe (EA Conway)/Biomedical Research Foundation •Reduce UPL/FMP - \$7.7 •Current 2016 Budget: \$45.9 - After reductions: \$38.2</p>	(\$2.9)	(\$7.7)

9	16.8 % Reduction in Payments to Baton Rouge (Earl K. Long)/WomAn's •Reduce UPL/FMP - \$1.5 Current 2016 Budget: \$9.2 - After reductions: \$7.7	(\$0.6)	(\$1.6)
10	16.8 % Reduction in Payments to Baton Rouge (Earl K. Long)/Our Lady of the Lake •Reduce UPL/FMP - \$20.0 •Current 2016 Budget: \$119.1 - After reductions: \$99.1	(\$7.6)	(\$20.0)
11	16.8 % Reduction in Payments to PPP Payments to Lafayette (Univ Med Cntr)/Lafayette General •Reduce UPL/FMP - \$8.9 •Reduce UCC/DSH - \$12.5 Current 2016 Budget: \$127.4 - After reductions: \$106.0	(\$8.1)	(\$21.4)
12	16.8 % Reduction in Payments to Shreveport (LSU-HSC)/Biomedical Research Foundation •Reduce UCC/DSH - \$35.8 Current 2016 Budget: \$213.0 - After reductions: \$177.2	(\$13.5)	(\$35.8)
13	16.8 % Reduction in Payments to New Orleans (ILH)/Children's/Touro •Reduce UPL/FMP - \$24.5 •Reduce UCC/DSH - \$45.9 Current 2016 Budget: \$418.6 - After reductions: \$348.2	(\$26.6)	(\$70.4)
14	Reduce OBH PPP UCC/DSH Payments •5.0% Reduction of UCC/DSH - \$0.7 •Community Care Hospital-New Orleans, Northlake-Mandeville, River Oaks - New Orleans • Current 2016 Budget: \$14.7 - After reductions: \$14.0	(\$0.3)	(\$0.7)
15	OBH UCC/DSH Reduction • 5.0% Reduction of UCC/DSH - \$2.5 • ELMHS and Central • Current 2016 Budget: \$56.0 - After reductions: 53.5	(\$0.9)	(\$2.5)
Total Mid-Year Reductions		(\$88.2)	(\$233.3)