

OFFICE OF THE ACTUARY

The Financial Outlook for Medicaid

Presentation for the American Enterprise Institute

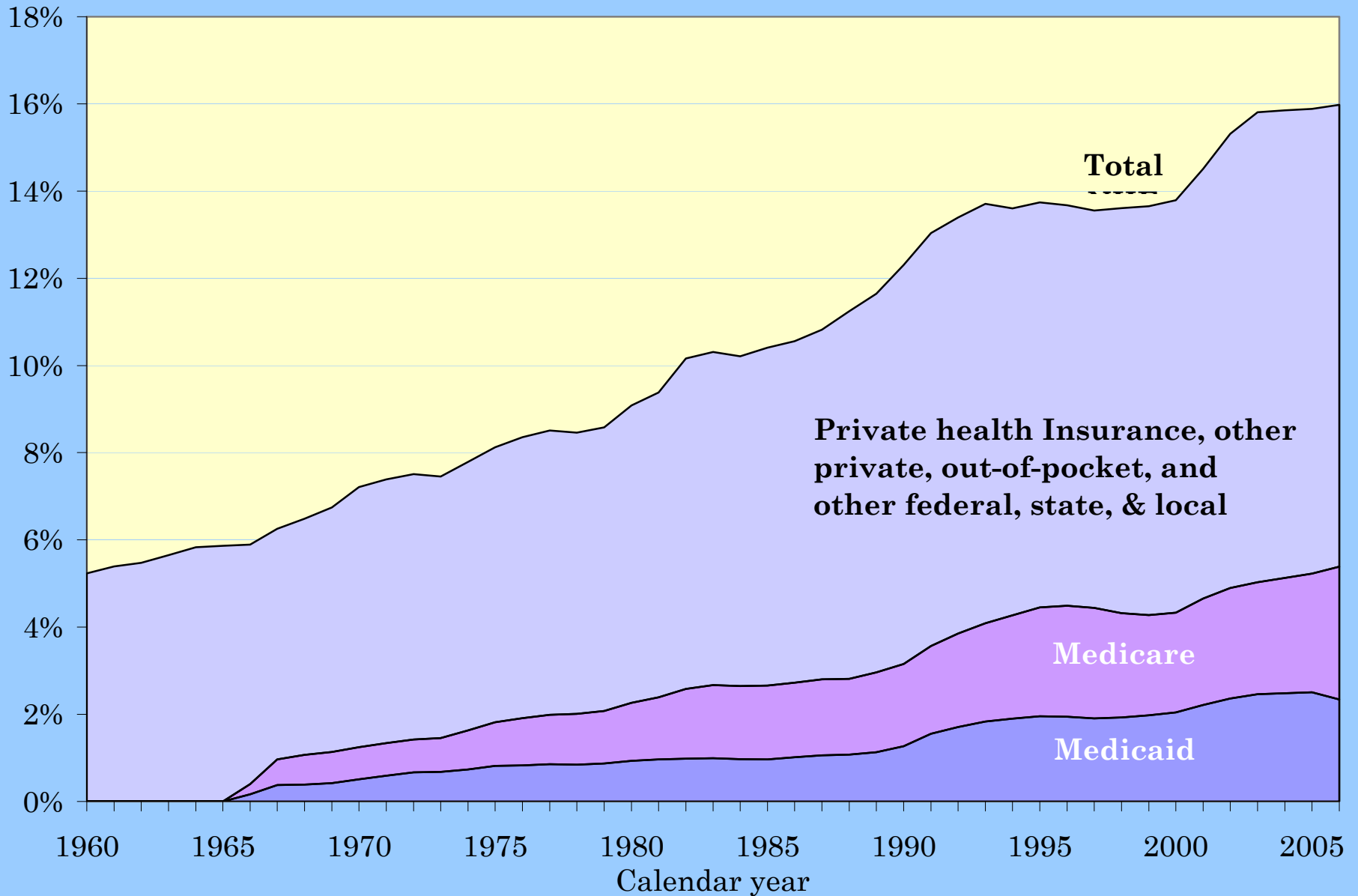
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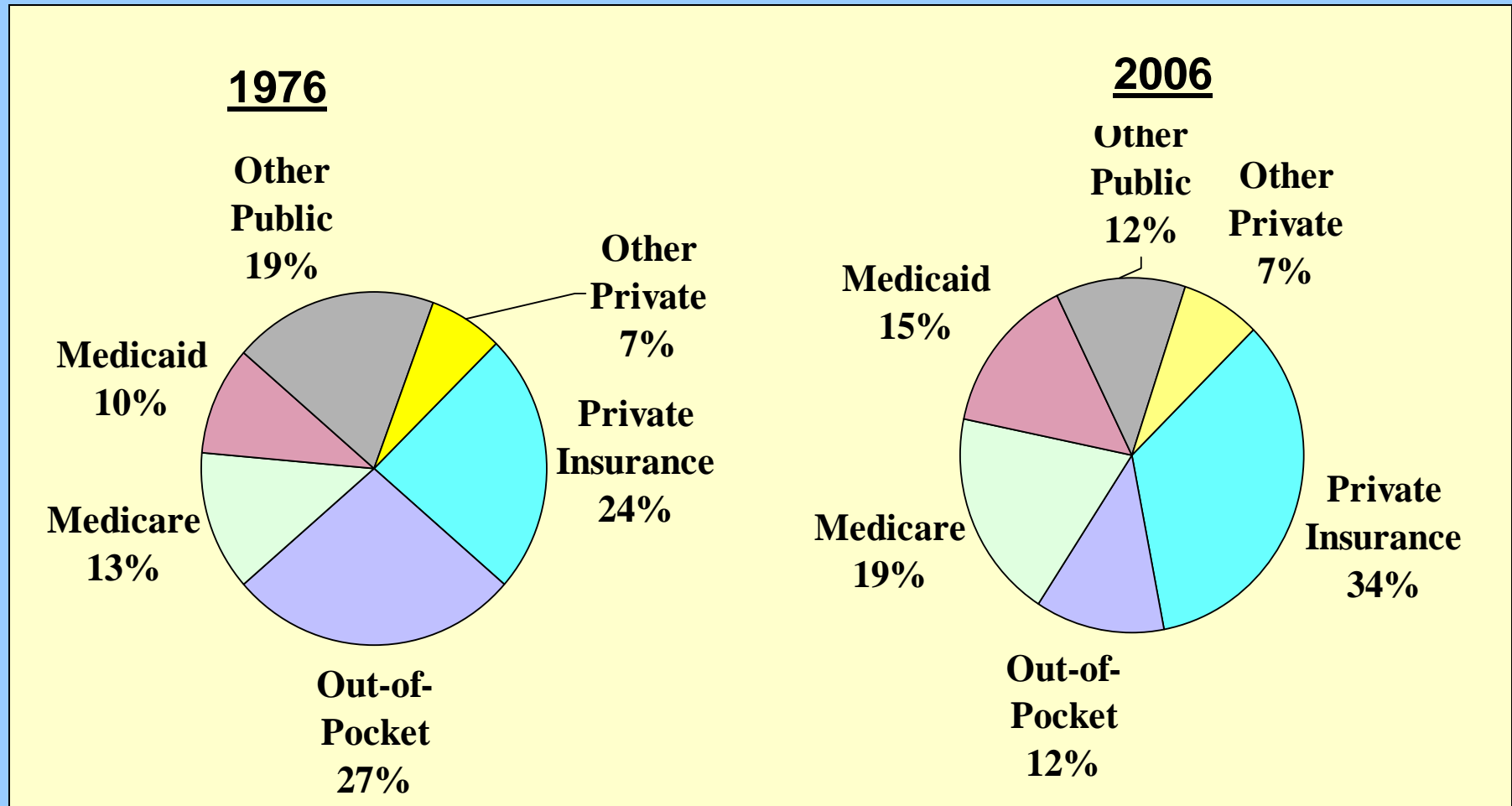


Chart 1—Medicaid, Medicare, and total national health expenditures as a percentage of GDP



Source: Office of the Actuary, National Health

Chart 2—The Nation’s Health Dollar, 1976 and 2006: Where it Came From



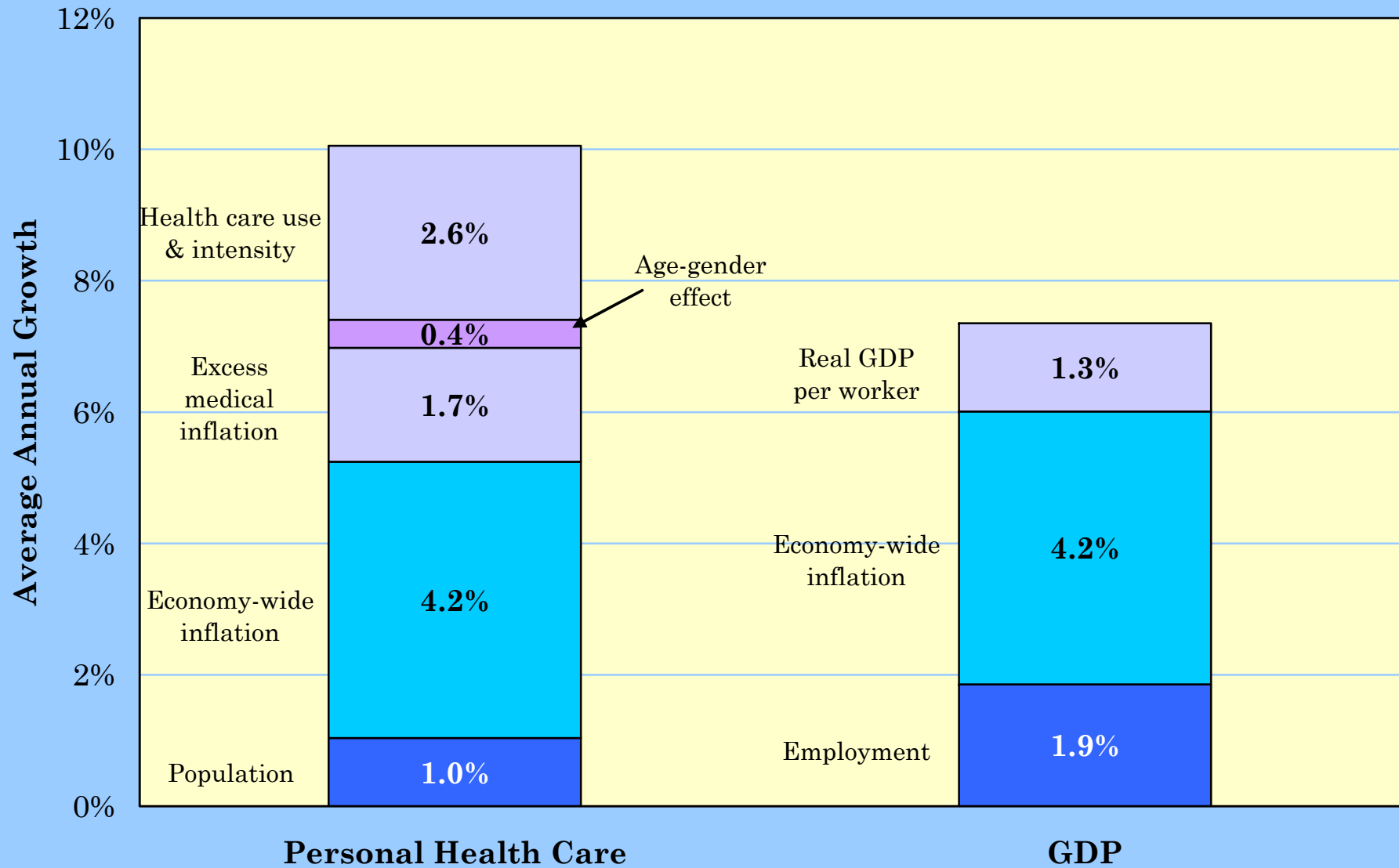
¹ Other Public includes programs such as workers’ compensation, public health activity, Department of Defense, Department of Veterans Affairs, Indian Health Service, State and local hospital subsidies and school health.

² Other Private includes industrial in-plant, privately funded construction, and non-patient revenues, including philanthropy.

NOTE: Numbers shown may not add to 100% because of rounding.

SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group.

**Chart 3—Factors Accounting for Growth
in Personal Health Care Spending and the Economy, 1965-2006**



Source: Office of the Actuary, National Health Statistics Group.

Chart 4—Medicaid Outlays for FY 2007 by Type of Payment

(In billions of dollars)

<u>Title XIX Outlays - 2007¹</u>	<u>Federal Share</u>	<u>State Share</u>	<u>Total</u>
Medical Assistance Payments (MAP):			
Acute Care Benefits ²	\$74.3	\$54.4	\$128.7
Long-Term Care Benefits ²	56.1	43.9	99.9
Capitation Payments ²	38.0	28.6	66.6
DSH Payments ²	9.0	6.8	15.8
Adjustments ³	1.3	1.1	2.4
Subtotal MAP	178.7	134.8	313.5
Administration Payments	9.5	7.8	17.3
Vaccines For Children Program	2.7	0.0	2.7
Gross Outlays	191.0	142.6	333.6
Collections	-0.4	0.0	-0.4
Net Outlays	190.6	142.6	333.2

Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.

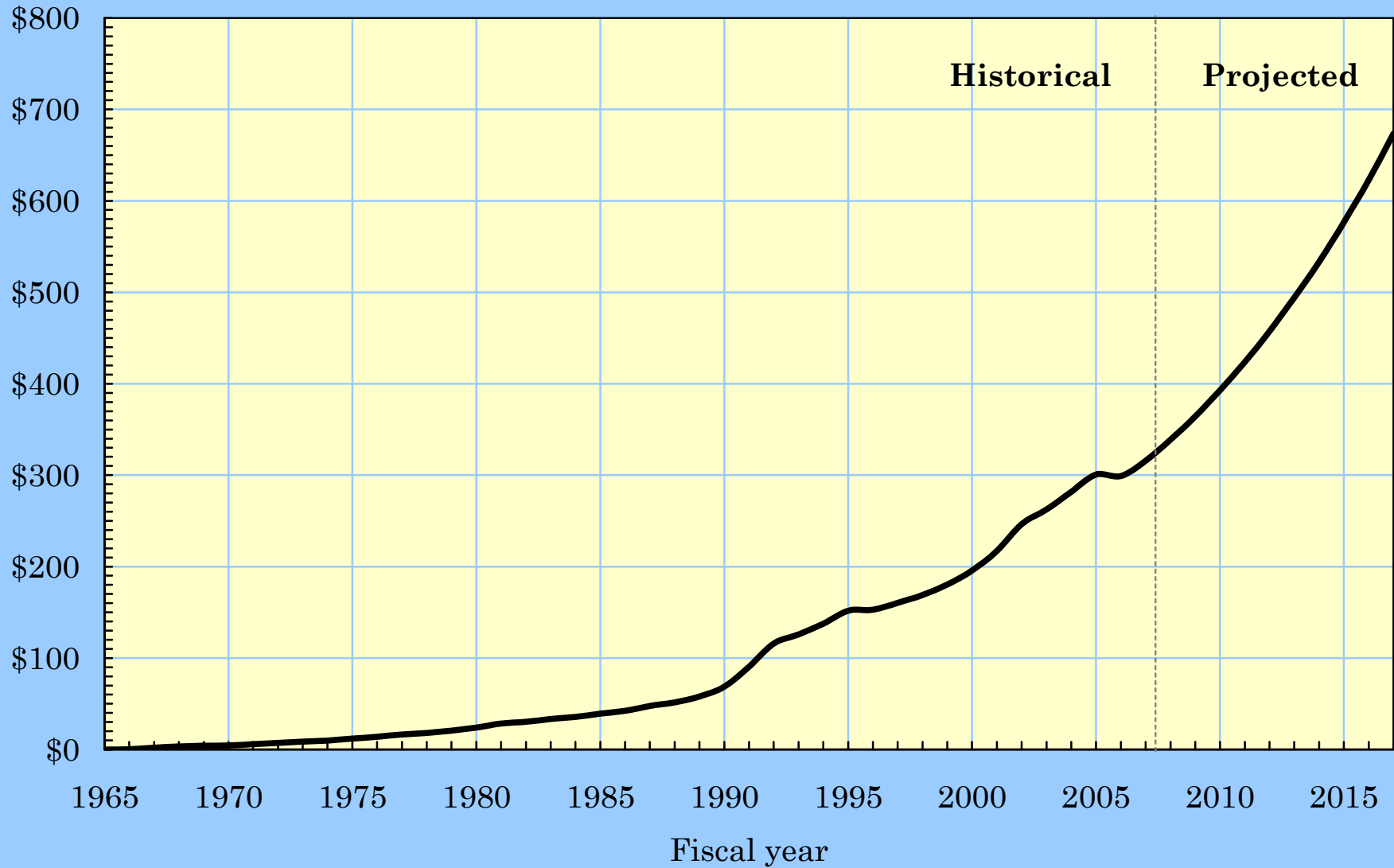
¹Outlays do not include Title XIX share of State Children's Health Insurance Program.

²Benefit expenditures by category from CMS-64.

³Adjustments include collections, prior period adjustments, and difference between expenditures and outlays.

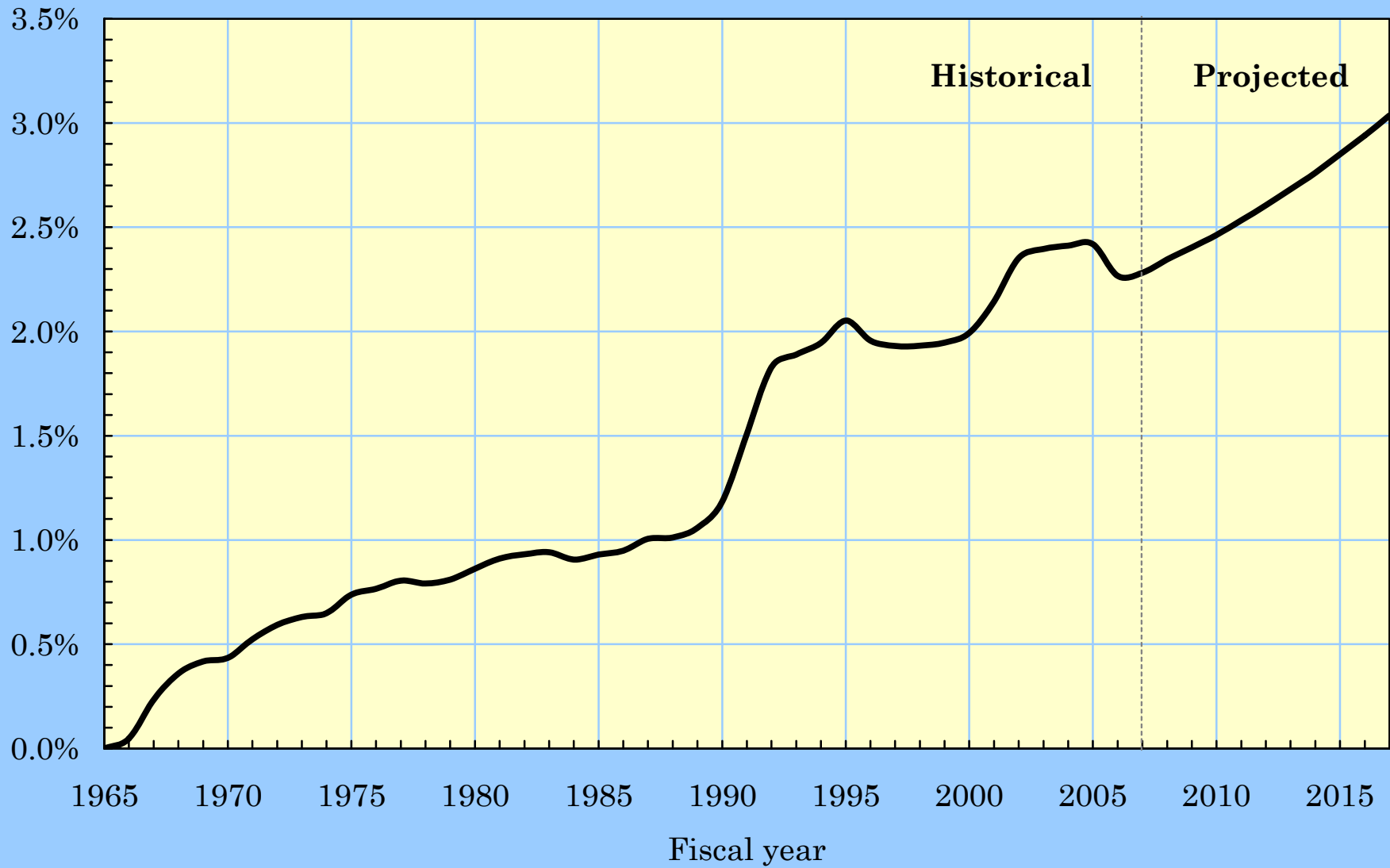
Chart 5—Medicaid Benefit Expenditures

(In billions)



Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.

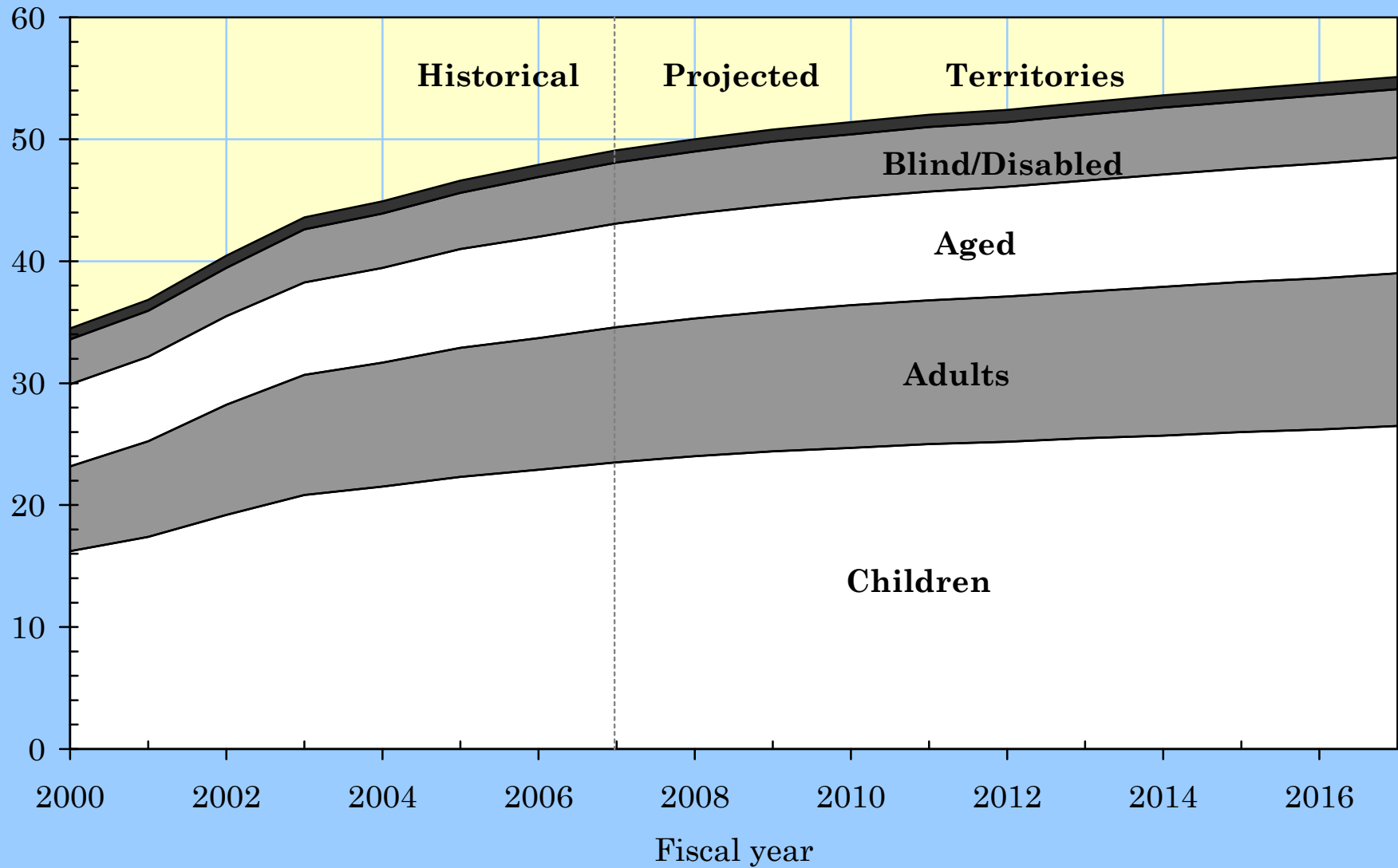
Chart 6—Medicaid Benefit Expenditures as Share of GDP



Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.

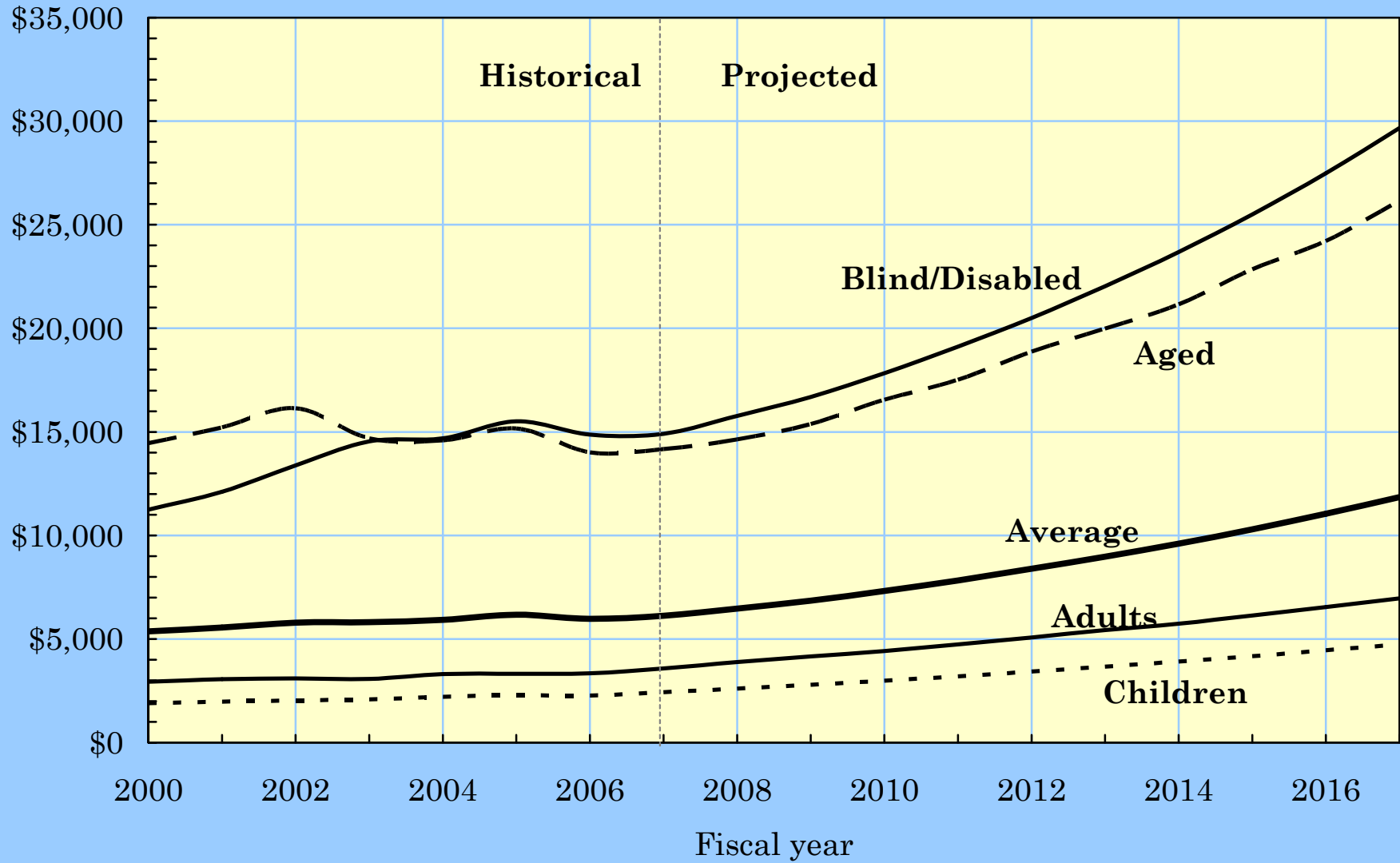
Chart 7—Medicaid Enrollment by Eligibility Group

(in millions of person-year equivalents)



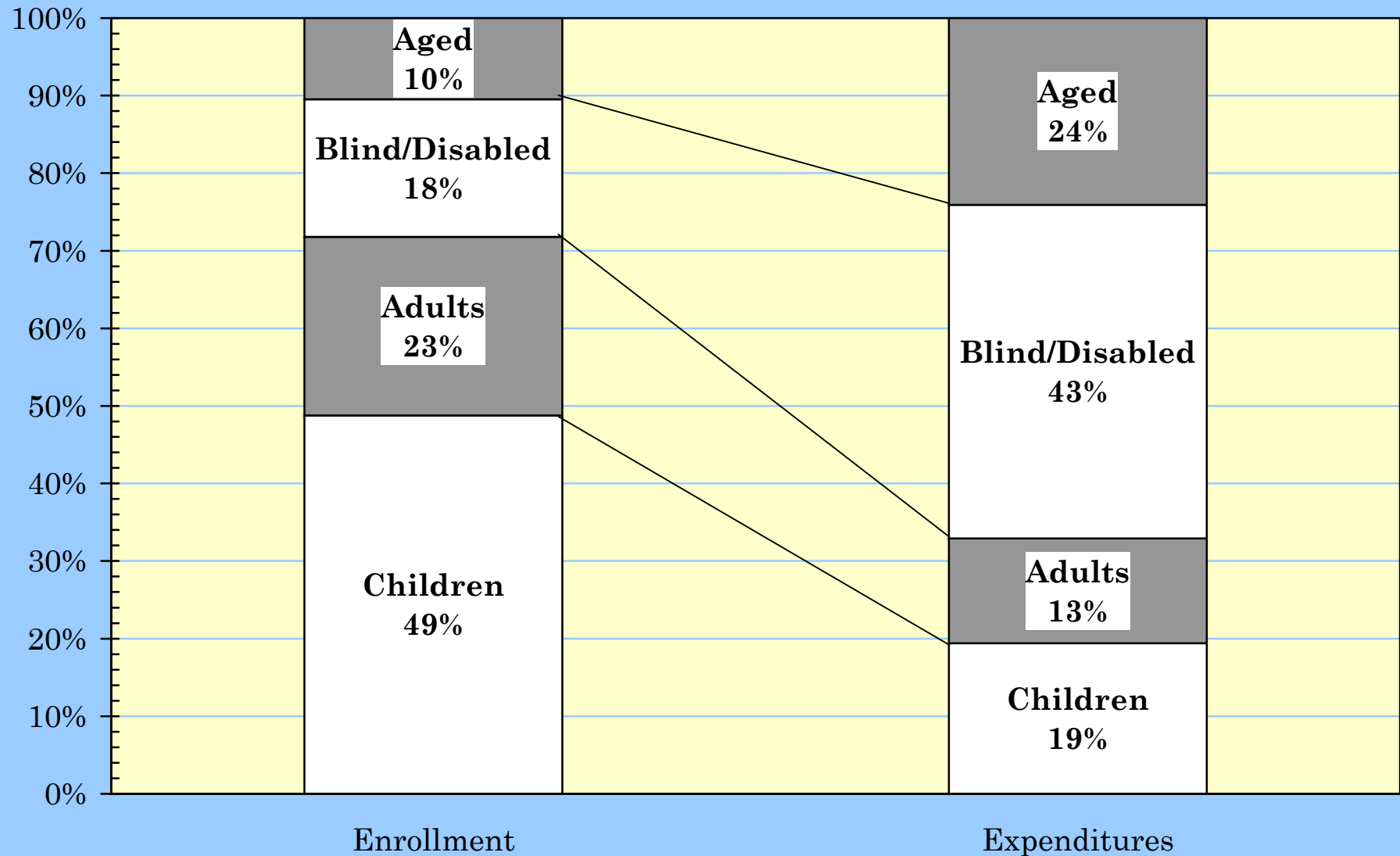
Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.

Chart 8—Medicaid Benefit Expenditures Per Enrollee by Eligibility Group



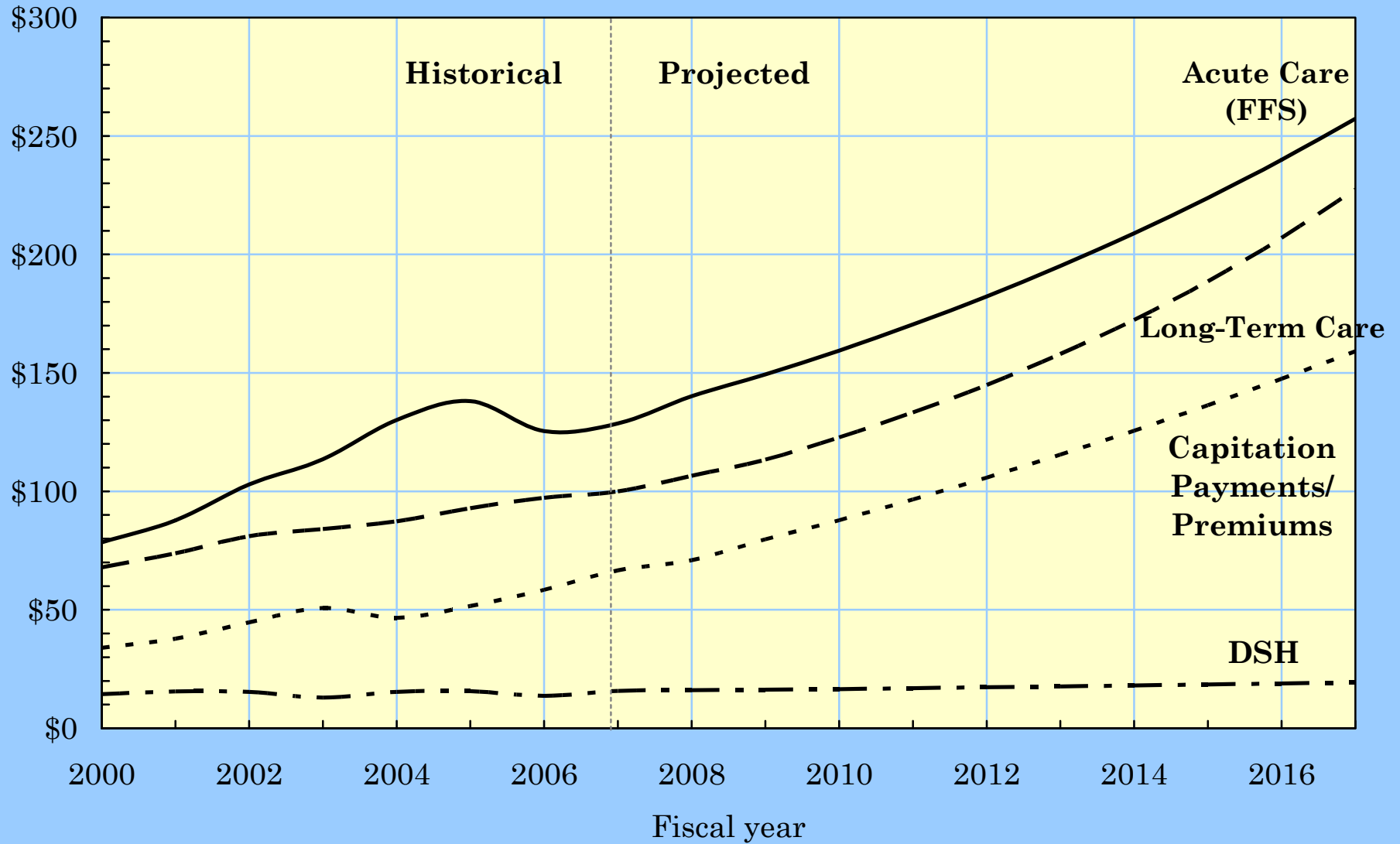
Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.

**Chart 9—2007 Medicaid Enrollment and Expenditures
by Eligibility Group as Share of Total**



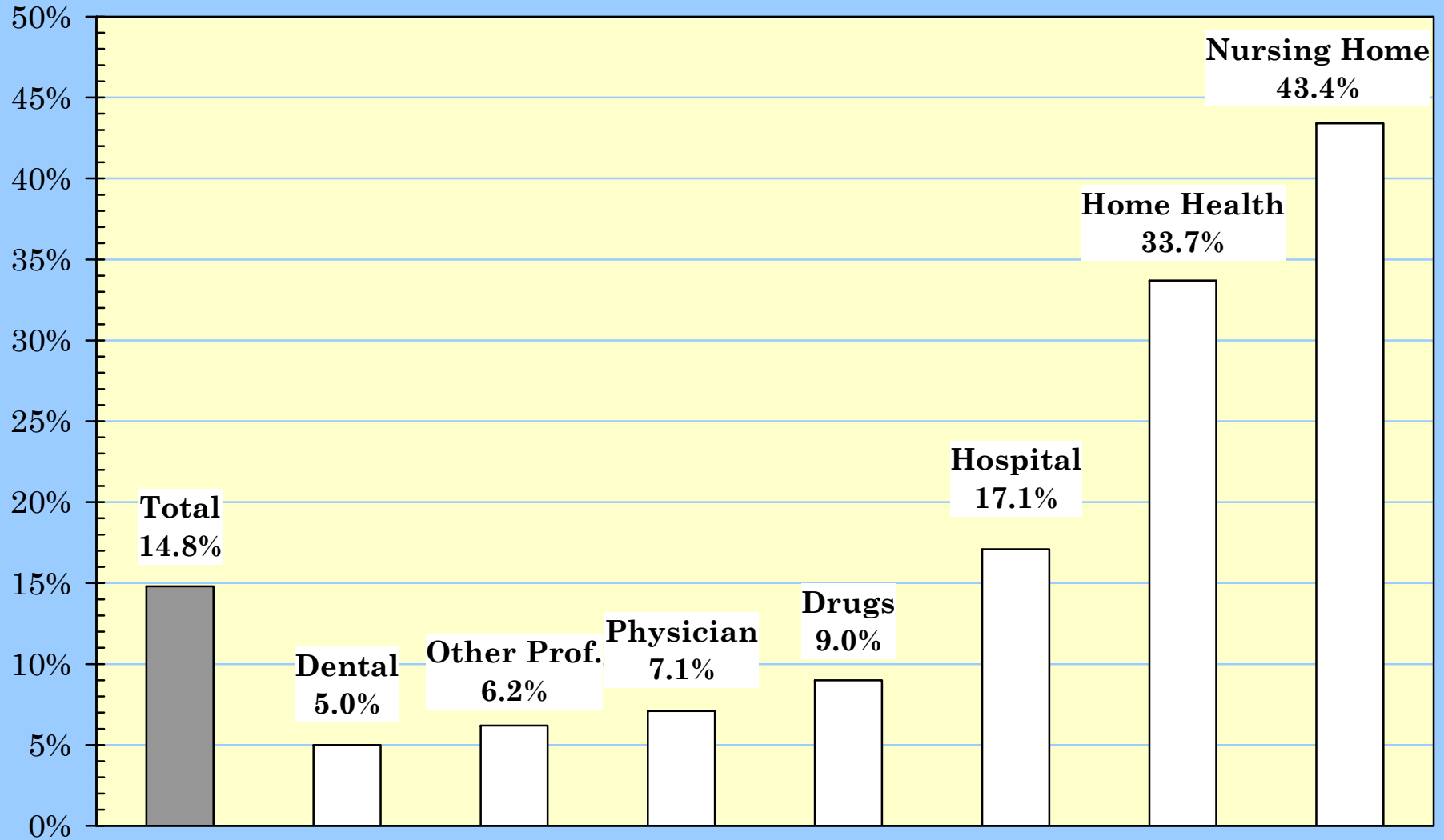
Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.

Chart 10—Medicaid Benefit Expenditures by Category
(in billions)



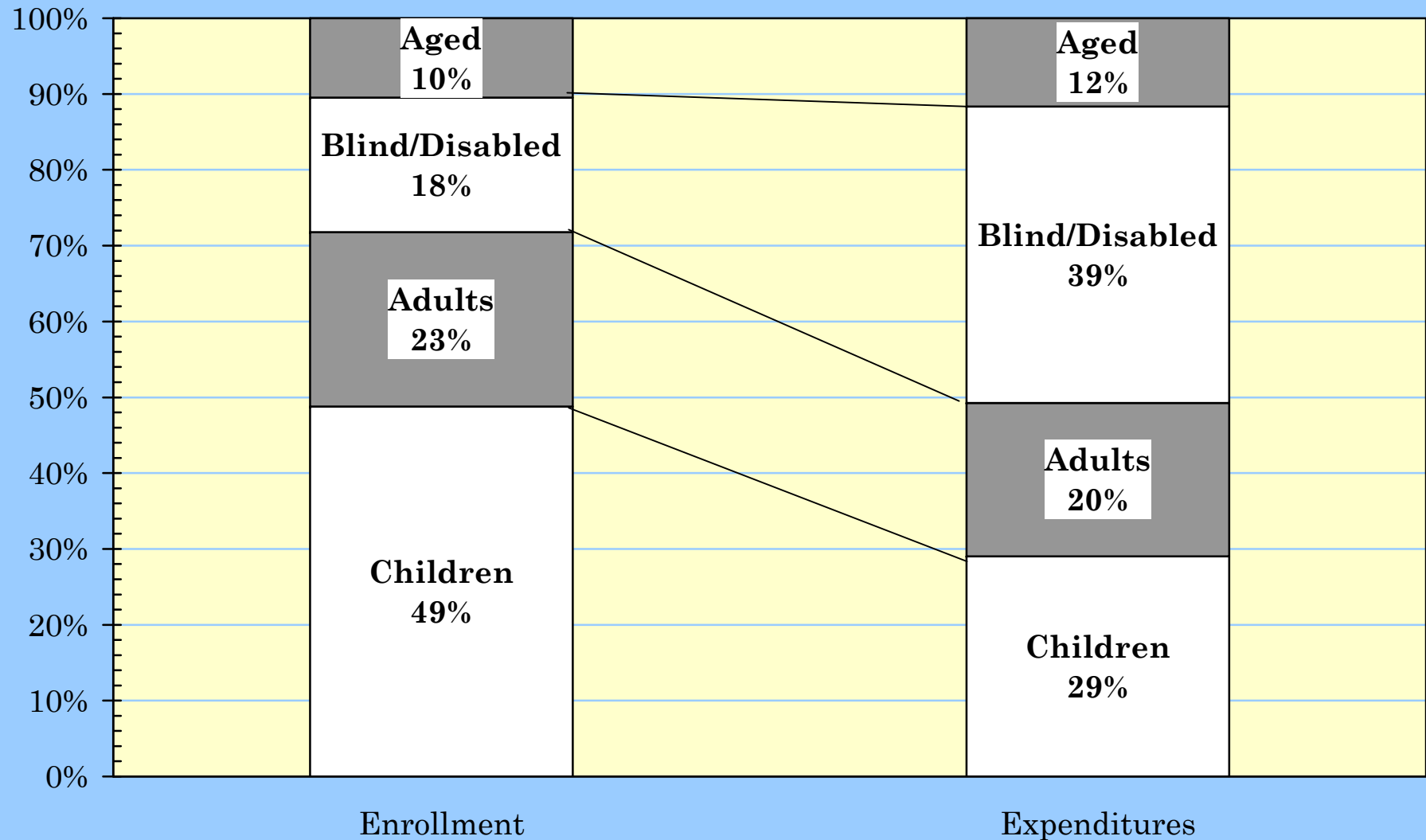
Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.

Chart 11—2006 Medicaid Expenditures as Share of U.S. Total by Service



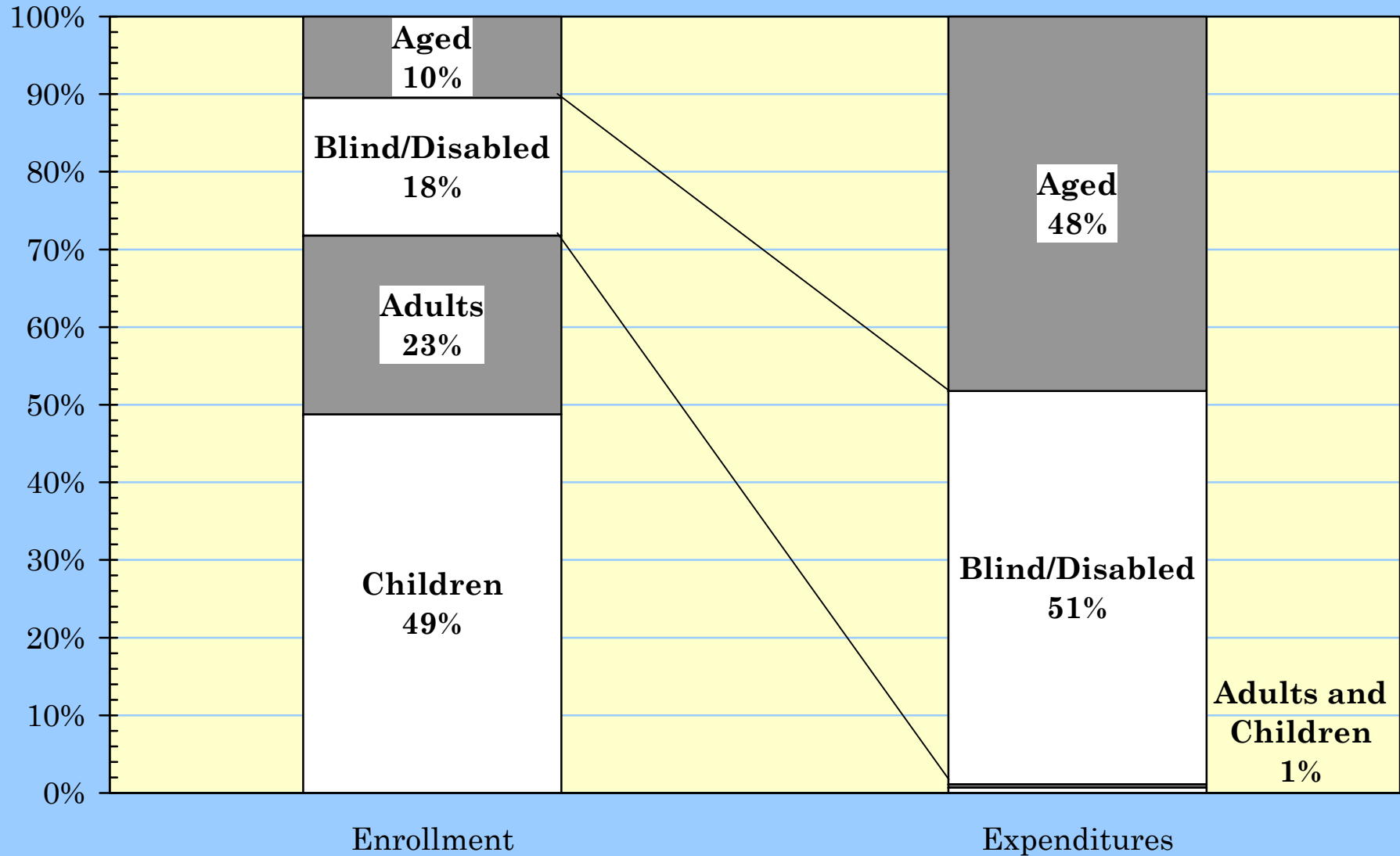
Source: National Health Expenditure Accounts, Office of the Actuary.

Chart 12—2007 Medicaid Enrollment and Acute & Managed Care Expenditures by Eligibility Group as Share of Total



Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.

Chart 13—2007 Medicaid Enrollment and Long-Term Care Expenditures by Eligibility Group as Share of Total



Source: 2008 Actuarial Report on the Financial Outlook for Medicaid.