

DHS BUDGET REQUEST FOR FY 2016-2017
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pp. E30.6, E30.16, E30.17

APPROPRIATION:
Medical Assistance - Academic Medical Centers

I. SUMMARY FINANCIAL DATA

	2014-2015 <u>Actual</u>	2015-2016 <u>Available</u>	2016-2017 <u>Budgeted</u>
State Funds	\$17,431	\$19,681	\$17,431
Federal Funds Total	\$18,799	\$23,904	\$18,718
Federal Sources Itemized			
<i>MA - Academic Medical Centers</i>	\$18,799	\$23,904	\$18,718
Other Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$36,230	\$43,585	\$36,149

IA. REQUESTED SUPPLEMENTALS (Included above)

State Funds	\$0
Federal Funds	<u>\$0</u>
Total	\$0

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		APPROPRIATION: Medical Assistance - Academic Medical Centers			
	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted	Change Budgeted vs. Available	Percent Change
PERSONNEL					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Personnel	\$0	\$0	\$0	\$0	0.00%
OPERATING					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Operating	\$0	\$0	\$0	\$0	0.00%
FIXED ASSETS					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Fixed Assets	\$0	\$0	\$0	\$0	0.00%
GRANT & SUBSIDY					
<i>State Funds</i>	\$17,431	\$19,681	\$17,431	(\$2,250)	-11.43%
<i>Federal Funds</i>	\$18,799	\$21,330	\$18,718	(\$2,612)	-12.25%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Grant & Subsidy	\$36,230	\$41,011	\$36,149	(\$4,862)	-11.86%
NONEXPENSE					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Nonexpense	\$0	\$0	\$0	\$0	0.00%
BUDGETARY RESERVE					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Budgetary Reserve	\$0	\$0	\$0	\$0	0.00%
UNCOMMITTED					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$2,574	\$0	(\$2,574)	-100.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Uncommitted	\$0	\$2,574	\$0	(\$2,574)	-100.00%
OTHER					
<i>State Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Federal Funds</i>	\$0	\$0	\$0	\$0	0.00%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Other	\$0	\$0	\$0	\$0	0.00%
TOTAL FUNDS					
<i>State Funds</i>	\$17,431	\$19,681	\$17,431	(\$2,250)	-11.43%
<i>Federal Funds</i>	\$18,799	\$23,904	\$18,718	(\$5,186)	-21.70%
<i>Other Funds</i>	\$0	\$0	\$0	\$0	0.00%
Total Funds	\$36,230	\$43,585	\$36,149	(\$7,436)	-17.06%

APPROPRIATION:
Medical Assistance - Academic Medical Centers

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016 Estimated</u>
State Funds	\$0	\$0	\$0

IV. COMPLEMENT INFORMATION	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>2016-2017 Budgeted</u>
State/Federally Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Federally Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Other Funded			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Total			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
Benefit Rate	N/A	N/A	N/A

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The recommended appropriation is based on a continuation of the current program for Academic Medical Centers.

Legislative Citations:

62 P.S. § 201(2)

Disbursement Criteria:

This appropriation provides for monthly payments to certain academic medical centers to assure the continuation of the critical services they provide to the Medical Assistance (MA) population. These payments are intended to offset the MA share of the medical education costs incurred by these hospitals to assure the continued availability of professional medical services to the MA population.

Payments are based on Fiscal Year 2002-2003 MA cost report data with 47.2 percent of funding distributed to a large hospital with 750 setup and staffed beds; and 26.4 percent distributed to each other qualifying hospital.

VI. EXPLANATION OF CHANGES
 (\$ Amounts in Thousands)

APPROPRIATION:
 Medical Assistance - Academic Medical Centers

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
GRANT & SUBSIDY				
1. Impact of a decrease in payments due to the change in the Federal Medical Assistance Percentage from 52.01 percent to 51.78 percent effective October 1, 2016:	\$0	(\$174)	\$0	(\$174)
2. Impact of nonrecurring payments in Fiscal Year 2015-2016:	(\$2,250)	(\$2,438)	\$0	(\$4,688)
UNCOMMITTED				
1. Impact of excess Federal appropriation authority in Fiscal Year 2015-2016:	<u>\$0</u>	<u>(\$2,574)</u>	<u>\$0</u>	<u>(\$2,574)</u>
TOTAL	<u>(\$2,250)</u>	<u>(\$5,186)</u>	<u>\$0</u>	<u>(\$7,436)</u>

MEDICAL ASSISTANCE – ACADEMIC MEDICAL CENTERS

PROGRAM STATEMENT

Effective July 1, 2005, the Department implemented payments to certain academic medical centers to assure the critical services they provide to the Medical Assistance (MA) population can continue. These payments also help to offset the MA share of the medical education costs incurred by these hospitals to assure the continued availability of professional medical services for the MA population.