

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

Page # of Governor's Executive Budget:
Pp. A1.27, C3.4, E30.6, E30.8, E30.15-E30.17, E30.37

APPROPRIATION:
Medical Assistance - Transportation

I. SUMMARY FINANCIAL DATA

	<u>2014-2015 Actual</u>	<u>2015-2016 Available</u>	<u>2016-2017 Budgeted</u>
State Funds Total	\$61,338	\$67,557	\$68,783
State Sources Itemized			
<i>Medical Assistance - Transportation</i>	\$56,438	\$62,657	\$65,483
<i>Medical Assistance - Transportation Services (Lottery Fund)</i>	\$4,900	\$4,900	\$3,300
Federal Funds Total	\$67,427	\$74,551	\$79,538
Federal Sources Itemized			
<i>Medical Assistance - Transportation</i>	\$67,427	\$74,551	\$79,538
Other Funds	\$0	\$0	\$0
Total	<u>\$128,765</u>	<u>\$142,108</u>	<u>\$148,321</u>

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 - Transportation				
	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted	Change Budgeted vs. Available	Percent Change	
PERSONNEL						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Personnel	\$0	\$0	\$0	\$0	0.00%	
OPERATING						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Operating	\$0	\$0	\$0	\$0	0.00%	
FIXED ASSETS						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Fixed Assets	\$0	\$0	\$0	\$0	0.00%	
GRANT & SUBSIDY						
State Funds	\$61,338	\$65,757	\$68,783	\$3,026	4.60%	
Federal Funds	\$67,427	\$73,784	\$79,538	\$5,754	7.80%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Grant & Subsidy	\$128,765	\$139,541	\$148,321	\$8,780	6.29%	
NONEXPENSE						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Nonexpense	\$0	\$0	\$0	\$0	0.00%	
BUDGETARY RESERVE						
State Funds	\$0	\$1,800	\$0	(\$1,800)	-100.00%	
Federal Funds	\$0	\$767	\$0	(\$767)	-100.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Budgetary Reserve	\$0	\$2,567	\$0	(\$2,567)	-100.00%	
UNCOMMITTED						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Uncommitted	\$0	\$0	\$0	\$0	0.00%	
OTHER						
State Funds	\$0	\$0	\$0	\$0	0.00%	
Federal Funds	\$0	\$0	\$0	\$0	0.00%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Other	\$0	\$0	\$0	\$0	0.00%	
TOTAL FUNDS						
State Funds	\$61,338	\$67,557	\$68,783	\$1,226	1.81%	
Federal Funds	\$67,427	\$74,551	\$79,538	\$4,987	6.69%	
Other Funds	\$0	\$0	\$0	\$0	0.00%	
Total Funds	\$128,765	\$142,108	\$148,321	\$6,213	4.37%	

APPROPRIATION:
Medical Assistance - Transportation

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

IV. COMPLEMENT INFORMATION	12/31/2014	12/31/2015	2016-2017 Budgeted
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 Fiscal Year 2016-2017 Budget increases State funding by \$2.826 million above the Fiscal Year 2015-2016 appropriation level, from \$62.657 million to \$65.483 million. The Fiscal Year 2016-2017 Budget increases Federal Medical Assistance - Transportation funding by \$4.987 million from the Fiscal Year 2015-2016 appropriation level, from \$74.551 million to \$79.538 million.

Detail on the appropriation is outlined in Section VI entitled "Explanation of Changes" on the next page.

Legislative Citations:

62 P.S. §§ 201, 206 (General Fund and Lottery Fund)

Disbursement Criteria:

County allocations are based on actual county prior year expenditure trends.

VI. EXPLANATION OF CHANGES

(\$ Amounts in Thousands)

APPROPRIATION:

Medical Assistance - Transportation

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total</u>
GRANT & SUBSIDY				
1. The Fiscal Year 2016-2017 Governor's Executive Budget provides an increase in State funds and Federal Medical Assistance - Transportation funds for a projected increase of 259,267 trips:	\$1,539	\$1,595	\$0	\$3,134
2. The Fiscal Year 2016-2017 Governor's Executive Budget provides an increase in State funds and Federal Medical Assistance - Transportation funds for a \$1.19 increase in the cost per trip:	\$2,730	\$2,841	\$0	\$5,571
3. The Fiscal Year 2016-2017 Governor's Executive Budget provides an increase in State funds and Federal Medical Assistance - Transportation funds for Medicaid Expansion:	\$953	\$1,613	\$0	\$2,566
4. Impact of the decrease in the enhanced Federal Medical Assistance Percentage from 100 percent to 95 percent on January 1, 2017:	\$242	(\$242)	\$0	\$0
5. Impact of the decrease in the Federal Medical Assistance Percentage (a decrease from 52.01 percent to 51.78 percent, effective October 1, 2016):	\$53	(\$53)	\$0	\$0
6. Reflects the nonrecurring roll forward of costs from Fiscal Year 2014-2015 to Fiscal Year 2015-2016:	(\$2,491)	\$0	\$0	(\$2,491)
7. Reflects an increase in Lottery funding in Fiscal Year 2016-2017:	(\$200)	\$0	\$0	(\$200)
Subtotal Grant & Subsidy	\$2,826	\$5,754	\$0	\$8,580
BUDGETARY RESERVE				
1. Reflects excess Federal spending authority in Fiscal Year 2015-2016:	\$0	(\$767)	\$0	(\$767)
TOTAL GENERAL FUND	<u>\$2,826</u>	<u>\$4,987</u>	<u>\$0</u>	<u>\$7,813</u>

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

APPROPRIATION:
 Medical Assistance - Transportation

	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total</u>
LOTTERY FUND				
GRANT & SUBSIDY				
1. The Fiscal Year 2016-2017 Governor's Executive Budget recommends that \$3.300 million be allocated from the Lottery Fund to provide supplemental funding to the Medical Assistance - Transportation appropriation, an increase of \$0.200 million from the Fiscal Year 2015-2016 amount:	\$200	\$0	\$0	\$200
BUDGETARY RESERVE				
1. Impact of excess Lottery Funds in Fiscal Year 2015-2016:	<u>(\$1,800)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$1,800)</u>
TOTAL LOTTERY FUND	<u>(\$1,600)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$1,600)</u>
TOTAL	<u>\$1,226</u>	<u>\$4,987</u>	<u>\$0</u>	<u>\$6,213</u>

Medical Assistance - Transportation
Fiscal Year 2016-2017 Governor's Executive Budget
Fiscal Year 2015-2016

	Total	Federal	State	Services	Clients	Cost per Service
Counties	\$85,300,576	\$42,650,288	\$42,650,288	4,743,118	97,189	\$17.98
Philadelphia Contract	\$38,099,064	\$19,797,226	\$18,301,838	4,384,151	52,397	\$8.69
Subtotal	\$123,399,640	\$62,447,514	\$60,952,126	9,127,269	149,586	
Medicaid Expansion - Counties	\$4,626,807	\$2,313,404	\$2,313,403	257,272	5,272	\$17.98
Medicaid Expansion - Philadelphia	\$9,022,929	\$9,022,929	\$0	1,038,290	12,409	\$8.69
Subtotal	\$13,649,736	\$11,336,333	\$2,313,403	1,295,563	17,681	
Total Program Requirements	\$137,049,376	\$73,783,847	\$63,265,529			
Roll Forward from Fiscal Year 2014-2015	\$2,491,471	\$0	\$2,491,471			
Transfer to Lottery Fund	(\$3,100,000)	\$0	(\$3,100,000)			
Total Program Requirements	\$136,440,847	\$73,783,847	\$62,657,000			
Uncommitted	\$767,153	\$767,153	\$0			
Act 10-A of 2015	\$137,208,000	\$74,551,000	\$62,657,000			
Surplus/(Deficit)	\$0	\$0	\$0			

¹ Act 10-A of 2015 provided \$4.900 million in Lottery Fund appropriation authority, of which \$1.800 million is in Budgetary Reserve.

Medical Assistance - Transportation
Fiscal Year 2016-2017 Governor's Executive Budget
Fiscal Year 2016-2017

	Total	Federal	State	Services	Clients	Cost per Service
Counties	\$89,764,238	\$44,882,119	\$44,882,119	4,837,980	99,133	\$18.55
Philadelphia Contract	\$42,341,142	\$21,948,589	\$20,392,553	4,548,557	53,445	\$9.31
Subtotal	\$132,105,380	\$66,830,708	\$65,274,672	9,386,536	152,577	
Medicaid Expansion - Counties	\$6,532,531	\$3,266,266	\$3,266,265	352,081	7,214	\$18.55
Medicaid Expansion - Philadelphia	\$9,683,079	\$9,441,002	\$242,077	1,040,218	12,222	\$9.31
Subtotal	\$16,215,610	\$12,707,268	\$3,508,342	1,392,299	19,437	
Total Program Requirements	\$148,320,990	\$79,537,976	\$68,783,014			
Transfer to Lottery Fund	(\$3,300,000)	\$0	(\$3,300,000)			
Total General Fund Requirements	\$145,020,990	\$79,537,976	\$65,483,014			

MEDICAL ASSISTANCE - TRANSPORTATION

PROGRAM STATEMENT

Federal regulations require that transportation is available for Medical Assistance (MA) recipients both to and from medical providers through the MA Program. The Department of Human Services carries out this mandate by providing both emergency and non-emergency medical transportation services. Emergency medical transportation services are funded separately through the Medical Assistance Fee-For-Service appropriation and are reimbursed as a vendor payment. Non-emergency medical transportation services are provided through the Medical Assistance - Transportation Program (MATP).

The MATP is a county based program that provides non-emergency medical transportation services to MA recipients who cannot meet their own transportation needs. In Fiscal Year 2015-2016, funds were allocated to 56 Grantees who have considerable flexibility in selecting the administrative methods and modes of transportation provided. The models include direct provision of service by county governments or making payments to agencies that provide these services as part of a total human services delivery system. These services can utilize private means as well as existing public transportation systems.