

PAYMENTS

Maryland Medical Care Programs expenditures processed in fiscal year 2001 totalled \$3,295,671,799. This figure includes \$125.7 million for MCHP and \$57.6 million for MPAP. The overall Federal/State funding ratio (minus MPAP) was 50% Federal and 50% State.

Payments for certain services provided to Medical Assistance recipients are handled administratively and are not included in the source reports used to generate tables for this report. For instance, premiums paid for Medicare Part A and Part B and expenditures for administrative costs for the Program (\$50.6 million) are not included in any of the following tables. Other costs/collections such as payments for Graduate Medical Education (GME), Pharmacy Rebate collections and Nursing Home cost settlements are likewise not included.

Total Program health care expenditures are shown in [Chart 4A](#). Care should be taken not to compare this distribution to figures prior to HealthChoice. The increased capitation payments for MCOs affect the percentages for other types of care, particularly acute care. Payments for long term care services such as Nursing Facility, Home and Community Care and Special Services are not substantially affected, as those services are used primarily by institutionalized individuals and Medicare/Medicaid dual eligibles who are not eligible to be in HealthChoice. [Chart 4B](#) shows the percentage distribution of health care payments reported by the MCOs for calendar year 2001, the closest comparable time period.

[Chart 5](#) looks at enrollees and medical payments by four main groups of enrollees; elderly, disabled, adult and child, though they are not mutually exclusive groupings. (The disabled category includes all ages; 18.3% are disabled children and 10.6% are disabled elderly.) The non-disabled elderly represent 6.6% of enrollees and 22.8% of payments. Those who qualify in disabled categories account for 17.8% of enrollees and 46.0% of payments. The elderly and disabled recipients are very costly because they represent those with the most health problems. These can be people with long term mental illness or other severely chronic conditions; elderly and disabled people in nursing homes, and people whose illnesses have exhausted other insurance. Non-disabled adults and children make up the largest group of enrollees, 11.4% are adults and 64.2% are children. Together they account for about 31% of expenditures.

[Chart 6](#) shows monthly HealthChoice MCO enrollment and average yearly enrollment by provider. At the beginning of fiscal year 2001 there were 8 participating MCOs, and by the end of the year there were 6 MCOs participating, though enrollment growth continued steadily throughout the year. [Chart 7](#) shows the distribution of managed care enrollment by provider and local access areas. Local access areas (LAAs) are groups of zipcodes roughly corresponding to portions of county areas, though there may be some overlap. [Chart 8](#) shows the total average yearly distribution of enrollees for all 8 MCOs.