

Example Estimates of Oregon-like Medicaid Reform Approach for Alabama

Scenario Controls

Baseline Growth:	4.5%	Weighted average of national growth rates and Alabama population growth rates
Cost Escalator:	4.0%	Reduced assumption of growth under reform approach
Close Coverage Gap:	TRUE	<< Assumes funds for coverage expansion up to 100% FPL
Expand to 138 FPL:	TRUE	<< No additional funds for 100-138% FPL expansion

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Current Program Match Rates											
ACA Enhanced Match Rates	94%	93%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Average Underlying Federal Match Rate	71%	71%	71%	71%	71%	71%	71%	71%	71%	71%	71%
Coverage gap Investment											
Federal Match	0%	100%	100%	100%	95%	94%	93%	90%	90%	90%	90%
Transformation investment											
Investment Amount (billions of \$)	0.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assumed Federal Share	0%	100%	100%	100%	0%	0%	0%	0%	0%	0%	0%

Projected Expenditures with Additional Federal Support (in billions of \$)

Fiscal Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	5-year	10-year
Baseline Spending (Total Computable)	3.7	3.9	4.0	4.2	4.4	4.6	4.9	5.1	5.3	5.6	5.9	21.2	48.0
Federal Share	2.6	2.8	2.9	3.0	3.2	3.3	3.5	3.6	3.8	4.0	4.2	15.2	34.3
State Share	1.1	1.1	1.2	1.2	1.3	1.3	1.4	1.5	1.5	1.6	1.7	6.1	13.7
Constrained Spending	3.7	5.2	5.8	6.0	5.2	5.4	5.7	5.9	6.2	6.4	6.7	27.6	58.5
Includes Closing Coverage Gap	0.0	0.4	0.8	0.8	0.8	0.9	0.9	1.0	1.0	1.0	1.1	3.7	8.7
Includes Transformation Investment	0.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0
Federal Share	2.6	4.1	4.6	4.8	3.9	4.1	4.2	4.4	4.6	4.8	5.0	21.5	44.6
State Share	1.1	1.1	1.1	1.2	1.3	1.4	1.4	1.5	1.6	1.6	1.7	6.1	14.0
Net Savings	0.00	1.35	1.73	1.74	0.76	0.78	0.80	0.83	0.84	0.85	0.86	6.36	10.54
Federal Share	0.00	1.36	1.74	1.76	0.74	0.76	0.77	0.77	0.78	0.80	0.81	6.36	10.29
State Share	0.00	-0.01	-0.01	-0.02	0.02	0.02	0.03	0.06	0.05	0.05	0.04	0.01	0.24

	5-year 2019-2023	10-year 2019-2018
Total Savings (in billions)	6.36	10.54
Federal Savings (in billions)	6.36	10.29
State Savings (in billions)	0.01	0.24

Note: Proposal would increase federal and state costs in Alabama due to low growth assumptions

Sources: For state specific enrollment and per capita costs from CMS, Office of the Actuary. National Health Expenditure State of Residence; National average acute care per capita growth from CMS, Actuarial Outlook for the Medicaid Program, 2016; Coverage gap estimated from Kaiser Family Foundation estimates of uninsured in non-ACA states.