

Nursing Home and Other Institutional Spending In Medicaid

Five Slide Series, Volume 6
November 2013

The Menges Group

www.themengesgroup.com

703-942-8104

Summary of Tabulations and Findings

- Nursing Homes, ICF/MR, and Mental Health Facilities collectively represented about one-fifth of CY2010 national Medicaid expenditures
- These service categories represented more than 30% of Medicaid spending in five states: North Dakota (40.3%), Rhode Island (32.7%), Mississippi (32.0%), New Jersey (30.6%) and Connecticut (30.4%)
- Nursing homes received most of these Medicaid expenses
 - approximately \$50 billion nationally during FY2010
 - nursing homes received 14% of all US Medicaid spending
- Dual eligibles accounted for 37% of all FY2010 Medicaid spending, a key driver being that duals represented 88% of nationwide Medicaid nursing home spending

Nationwide Medicaid Payments for Institutional Services

	Nursing Facility	ICF/MR Facility	Mental Health Facility	Total Institutional (3 Prior Columns Combined)	Total Medicaid Expenditures	Institutional as % of all Medicaid Expenditures
Total FY2010 Spending						
Dual Eligibles	\$43,041,901,882	\$8,440,816,330	\$546,633,096	\$52,029,351,308	\$124,465,872,647	42%
Non-Dual Eligibles	\$5,869,873,269	\$4,095,625,769	\$1,981,521,053	\$11,947,020,091	\$214,528,505,210	6%
All Medicaid	\$48,911,775,151	\$12,536,442,099	\$2,528,154,149	\$63,976,371,399	\$338,994,377,857	19%
Dual Eligibles' Costs as % of Total Medicaid Expenditures	88%	67%	22%	81%	37%	

Source: Tabulations using CMS MSIS data

Figures do not include payments to institutional providers made by Medicaid managed care organizations. Figures include all Medicaid fee-for-service payments to these providers, whether for short-term or long-term care. We crudely estimate that total Medicaid payments to these providers, including FFS payments and Medicaid MCO payments, would be about 10% above the FFS payments shown.

State Medicaid FFS Spending on Institutional Services, FY2010

State	Nursing Facility	ICF/MR	Mental Health Facility	Total Institutional	Total Medicaid Expenditures	Institutional Costs as % of Total Medicaid Expenditures	Rank, Institutional % of Medicaid Spending
North Dakota	\$190,393,503	\$83,636,981	\$648,346	\$274,678,830	\$681,780,268	40.3%	1
Rhode Island	\$498,730,315	\$10,439,077	\$5,295,018	\$514,464,410	\$1,574,200,574	32.7%	2
Mississippi	\$740,094,522	\$269,523,898	\$66,483,302	\$1,076,101,722	\$3,363,712,897	32.0%	3
New Jersey	\$1,859,000,867	\$619,422,987	\$136,233,739	\$2,614,657,593	\$8,558,223,953	30.6%	4
Connecticut	\$1,319,091,583	\$285,374,512	\$34,795,694	\$1,639,261,789	\$5,389,954,788	30.4%	5
Iowa	\$502,254,795	\$286,632,825	\$32,590,776	\$821,478,396	\$3,004,793,099	27.3%	6
South Dakota	\$143,310,597	\$25,659,313	\$40,342,848	\$209,312,758	\$777,302,644	26.9%	7
Indiana	\$1,086,659,131	\$308,647,030	\$29,749,112	\$1,425,055,273	\$5,752,820,473	24.8%	8
New York	\$6,601,645,749	\$3,374,042,736	\$520,457,984	\$10,496,146,469	\$42,723,696,604	24.6%	9
Montana	\$156,052,059	\$12,720,210	\$15,794,823	\$184,567,092	\$761,806,453	24.2%	10
Alabama	\$876,301,560	\$34,861,457	\$60,622,311	\$971,785,328	\$4,041,509,130	24.0%	11
Ohio	\$2,702,255,231	\$763,315,522	\$8,794,665	\$3,474,365,418	\$14,450,436,551	24.0%	12
Louisiana	\$772,785,705	\$468,830,422	\$68,755,642	\$1,310,371,769	\$5,490,825,433	23.9%	13
Nebraska	\$298,389,247	\$34,864,667	\$36,437,493	\$369,691,407	\$1,586,454,999	23.3%	14
Pennsylvania	\$2,997,886,779	\$587,396,663	\$66,450,486	\$3,651,733,928	\$15,893,983,198	23.0%	15
West Virginia	\$474,673,374	\$62,383,169	\$73,078,852	\$610,135,395	\$2,689,936,243	22.7%	16
Arkansas	\$550,179,557	\$145,709,768	\$153,702,080	\$849,591,405	\$3,799,386,124	22.4%	17
Illinois	\$1,534,128,893	\$686,553,926	\$261,316,810	\$2,481,999,629	\$11,645,717,976	21.3%	18
New Hampshire	\$205,989,691	\$3,106,072	\$4,117,003	\$213,212,766	\$1,008,839,707	21.1%	19
Kansas	\$354,688,866	\$61,893,803	\$54,913,401	\$471,496,070	\$2,295,014,237	20.5%	20
Kentucky	\$861,303,403	\$141,146,597	\$55,128,320	\$1,057,578,320	\$5,303,527,296	19.9%	21
Maine	\$258,078,116	\$32,381,538	\$281,369	\$290,741,023	\$1,468,070,789	19.8%	22
Massachusetts	\$1,932,089,582	\$201,850,773	\$42,227,735	\$2,176,168,090	\$11,068,961,061	19.7%	23
Florida	\$2,724,462,236	\$330,524,024	\$7,828,179	\$3,062,814,439	\$16,130,780,320	19.0%	24
Virginia	\$823,612,178	\$262,893,576	\$26,198,089	\$1,112,703,843	\$5,860,885,947	19.0%	25
Oklahoma	\$503,789,184	\$111,605,951	\$85,992,356	\$701,387,491	\$3,712,748,920	18.9%	26

State Medicaid FFS Spending on Institutional Services, FY2010 (continued)

State	Nursing Facility	ICF/MR	Mental Health Facility	Total Institutional	Total Medicaid Expenditures	Institutional Costs as % of Total Medicaid Expenditures	Rank, Institutional % of Medicaid Spending
North Carolina	\$1,204,061,625	\$481,967,525	\$104,896,900	\$1,790,926,050	\$9,590,980,459	18.7%	27
Wisconsin	\$831,263,524	\$144,327,038	\$23,869,444	\$999,460,006	\$5,403,498,655	18.5%	28
Wyoming	\$73,735,686	\$11,177,000	\$20,632,543	\$105,545,229	\$571,684,006	18.5%	29
Nevada	\$170,892,872	\$15,491,536	\$38,534,171	\$224,918,579	\$1,300,361,348	17.3%	30
Maryland	\$1,044,468,335	\$32,841,630	\$76,636,899	\$1,153,946,864	\$6,837,754,161	16.9%	31
Georgia	\$1,054,096,317	\$114,963,616	\$0	\$1,169,059,933	\$6,969,095,736	16.8%	32
Delaware	\$191,821,281	\$29,287,963	\$3,068,917	\$224,178,161	\$1,342,173,263	16.7%	33
Idaho	\$163,489,137	\$33,980,342	\$8,129,108	\$205,598,587	\$1,235,325,034	16.6%	34
Texas	\$2,331,987,369	\$993,957,012	\$58,330,198	\$3,384,274,579	\$20,718,003,336	16.3%	35
Colorado	\$504,313,025	\$29,855,940	\$4,287,420	\$538,456,385	\$3,300,099,360	16.3%	36
Missouri	\$917,099,484	\$80,075,666	\$5,752,619	\$1,002,927,769	\$6,196,284,095	16.2%	37
South Carolina	\$530,846,185	\$137,741,185	\$114,072,081	\$782,659,451	\$5,090,193,772	15.4%	38
Michigan	\$1,681,873,647	\$10,183,457	\$40,364,745	\$1,732,421,849	\$11,379,559,860	15.2%	39
District of Columbia	\$201,116,382	\$57,536,234	\$9,000,073	\$267,652,689	\$1,806,400,158	14.8%	40
Minnesota	\$811,667,527	\$186,205,992	\$11,623,701	\$1,009,497,220	\$7,135,881,709	14.1%	41
California	\$4,223,504,431	\$647,269,536	\$2,564,434	\$4,873,338,401	\$34,685,815,704	14.0%	42
Alaska	\$84,752,105	\$1,643,785	\$54,212,439	\$140,608,329	\$1,206,732,274	11.7%	43
Vermont	\$115,035,576	\$1,193,715	\$240,137	\$116,469,428	\$999,752,703	11.6%	44
Utah	\$157,721,948	\$56,894,378	\$17,426,136	\$232,042,462	\$1,995,359,322	11.6%	45
Ohio	\$344,920,733	\$1,631,323	\$15,254,845	\$361,806,901	\$3,186,918,628	11.4%	46
Tennessee	\$737,731,088	\$225,853,457	\$1,855,181	\$965,439,726	\$9,060,698,768	10.7%	47
Washington	\$526,277,744	\$5,069,635	\$25,686,232	\$557,033,611	\$6,311,836,604	8.8%	48
New Mexico	\$5,234,549	\$22,853,340	\$1,867,813	\$29,955,702	\$2,770,858,831	1.1%	49
Hawaii	\$3,154,645	\$9,023,297	\$0	\$12,177,942	\$1,353,091,047	0.9%	50
Arizona	\$32,863,213	\$0	\$1,611,680	\$34,474,893	\$9,510,649,340	0.4%	51
USA Total	\$48,911,775,151	\$12,536,442,099	\$2,528,154,149	\$63,976,371,399	\$338,994,377,857	18.9%	

Costs shown represent Medicaid FFS spending only. In states at bottom of ranking, nearly all Medicaid institutional payments to providers were made by capitated Medicaid MCOs.

15 States with Largest Proportion of Overall FY2010 Medicaid Spending on Dual Eligibles

State	Percent of Overall Medicaid Spending on Dual Eligibles	Rank, Percent of Overall Medicaid Spending on Dual Eligibles
North Dakota	53.4%	1
Connecticut	48.5%	2
New York	46.1%	3
Rhode Island	45.8%	4
Maine	45.4%	5
New Hampshire	45.2%	6
Iowa	44.7%	7
New Jersey	44.4%	8
Wisconsin	44.3%	9
Utah	44.1%	10
Minnesota	43.2%	11
West Virginia	43.1%	12
South Carolina	41.3%	13
Indiana	40.6%	14
Wyoming	40.5%	15

- Dual eligibles accounted for 37% of FY2010 Medicaid spending nationally.
- In 24 states, dual eligibles accounted for more than 90% of Medicaid nursing home expenditures
- Nationally, dual eligibles accounted for 88% of all Medicaid nursing home spending, 67% of all Medicaid ICF/MR spending, and 22% of Medicaid mental health facility spending
- Source used for all tabulations is CMS MSIS website data (msis.cms.hhs.gov)