

Federal Medical Assistance Percentage (FMAP)

An Overview



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Federal Medical Assistance Percentage (FMAP)

- FMAP is the share of State Medicaid benefit costs paid by the federal government.
- Pursuant to federal law, the Secretary of the U.S. Dept. of Health & Human Services calculates the FMAP each year.
- The FMAP is calculated based on a three-year average of state per capita personal income compared to the national average.
 - FFY 2023 FMAPs rely on per capita personal income for CYs 2018-2020.
 - To receive an increase in FMAP, a state must have experienced a decline in its share of U.S. average per capita income.
- No State can receive less than 50% or more than 83%.
- FMAPs are calculated on a *Federal* Fiscal Year.
 - VT converts the FMAP to *State* Fiscal Year.

<u>FY 2023</u>	<u>FMAP</u>	<u>State</u>
July 1 - Sept. 30	56.47%	43.53%
Oct. 1 - Dec. 31	55.82%	44.18%
Jan. 1 - March 31	55.82%	44.18%
April 1 - June 30	55.82%	44.18%
Avg / Blend	55.98%	44.02%

Note: FY 2024 FMAPs could see dramatic shifts, as they likely will incorporate effects from the 2020 Census.

VERMONT BASE FMAP

State FY 2023 FMAP:

55.82% Federal / **44.02% State**

STATE SHARE
\$1.00

FEDERAL MATCH
\$1.27

GROSS
\$2.27



+



=



Federal Medical Assistance Percentage (FMAP)

- States also received enhanced FMAPs (E-FMAP) for certain programs.

Children's Health Insurance Program (CHIP)

- 69.19% Federal / 30.82% State
- Applied to Medicaid expenditures for approx. 4,300 low-income children

STATE SHARE

\$1.00



=

GROSS

\$3.25



Childless New Adults

- 90% Federal / 10% State
- Applied to the Medicaid expenditures for approx. 35,000 childless adults

\$1.00



=

\$10.00



Note: Administrative expenses are matched at 50/50

Families First Coronavirus Relief Act of 2020 (FFCRA) Enhanced FMAP

- Signed into law March 18, 2020
- **Included a 6.2% bump to the base FMAP**
- Took effect Jan. 1, 2020 (retroactively)
- In effect for each calendar quarter during the federal public health emergency (PHE)
 - Secretary of Health and Human Services must renew PHE every 90 days
 - Was in effect all of CY 20 & 21
 - Recently renewed through 1/7/22
 - Ensures 6.2% bump through the end of the quarter ending March 31, 2022.
 - *Unclear when public health emergency will end or if/how long the 6.2% increase might be extended.*
- Maintenance of Eligibility (MOE) requirements
 - Under MOE, States must provide continuous coverage for current enrollees
 - No redeterminations happening which has a significant impact on Medicaid enrollments).
- **Impact has been approx. \$20-22 million per quarter.**
- Does not apply to other Medicaid spending already subject to an increased match (such as ACA expansions, CHIP, etc.)

FMAP Trends

VERMONT FMAP

Federal Fiscal Year			State Fiscal Year	
Year	State Share	Difference	State Share	Difference
2000	37.76%	-0.27%	37.83%	-0.15%
2001	37.60%	-0.16%	37.64%	-0.19%
2002	36.94%	-0.66%	37.11%	-0.54%
2003	37.59%	0.65%	36.57%	-0.54%
2004	38.66%	1.07%	34.48%	-2.09%
2005	39.89%	1.23%	39.58%	5.10%
2006	41.51%	1.62%	41.11%	1.52%
2007	41.07%	-0.44%	41.18%	0.07%
2008	40.97%	-0.10%	41.00%	-0.19%
2009	40.55%	-0.42%	33.90%	-7.10%
2010	41.27%	0.72%	30.04%	-3.86%
2011	41.29%	0.02%	31.93%	1.89%
2012	42.42%	1.13%	42.14%	10.21%
2013	43.96%	1.54%	43.58%	1.44%
2014	44.89%	0.93%	43.56%	-0.01%
2015	45.99%	1.10%	43.51%	-0.05%
2016	46.10%	0.11%	44.97%	1.46%
2017	45.54%	-0.56%	45.68%	0.71%
2018	46.53%	0.99%	46.28%	0.60%
2019	46.11%	-0.42%	46.21%	-0.07%
2020	46.14%	0.03%	46.13%	-0.08%
2021	45.43%	-0.71%	45.61%	-0.52%
2022	43.53%	-1.90%	44.01%	-1.60%
2023	44.18%	0.65%	44.02%	0.01%

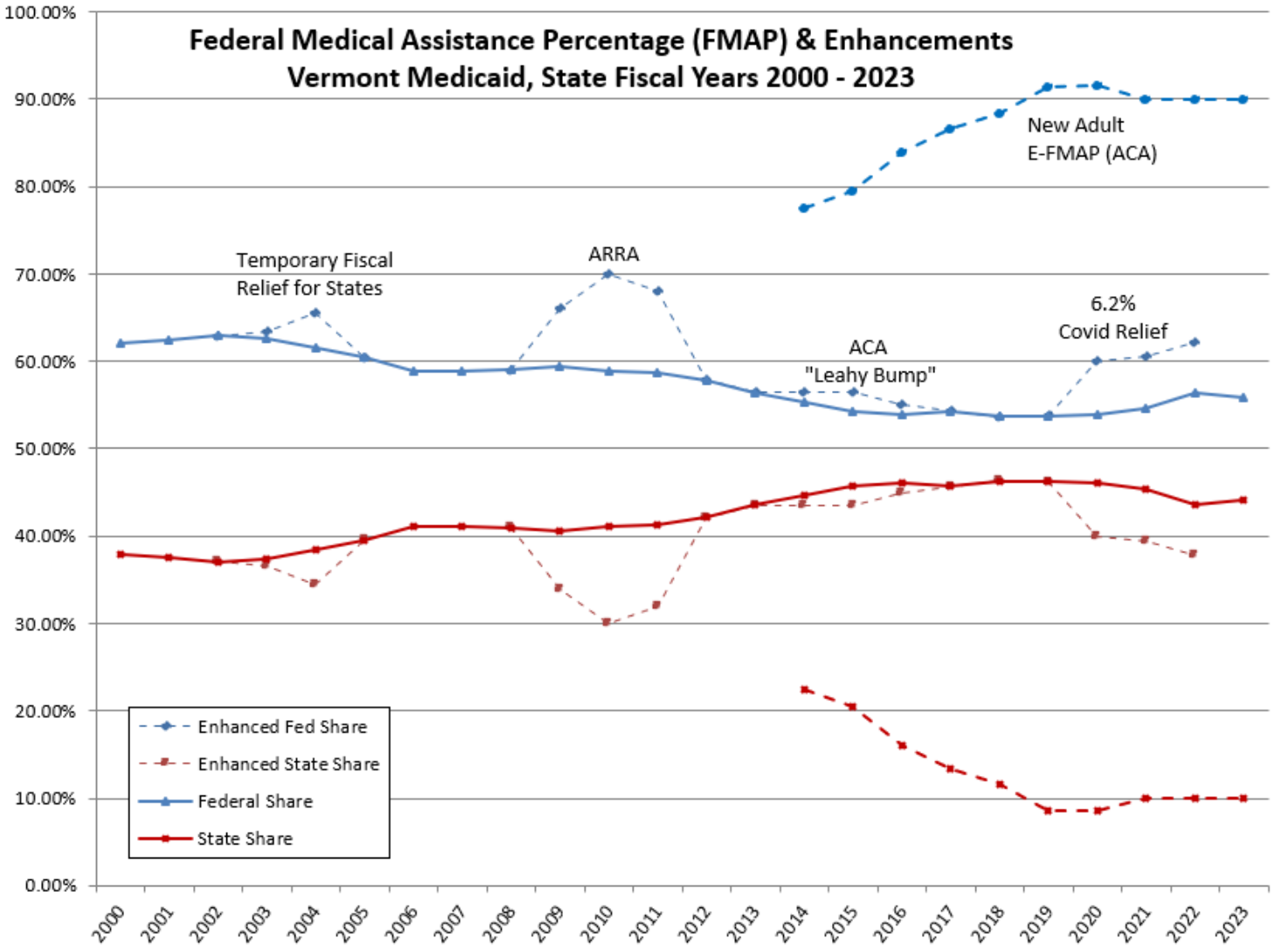
Temporary fiscal relief to states

American Recovery & Reinvestment Act (ARRA)

Affordable Care Act (ACA) "Leahy Bump"

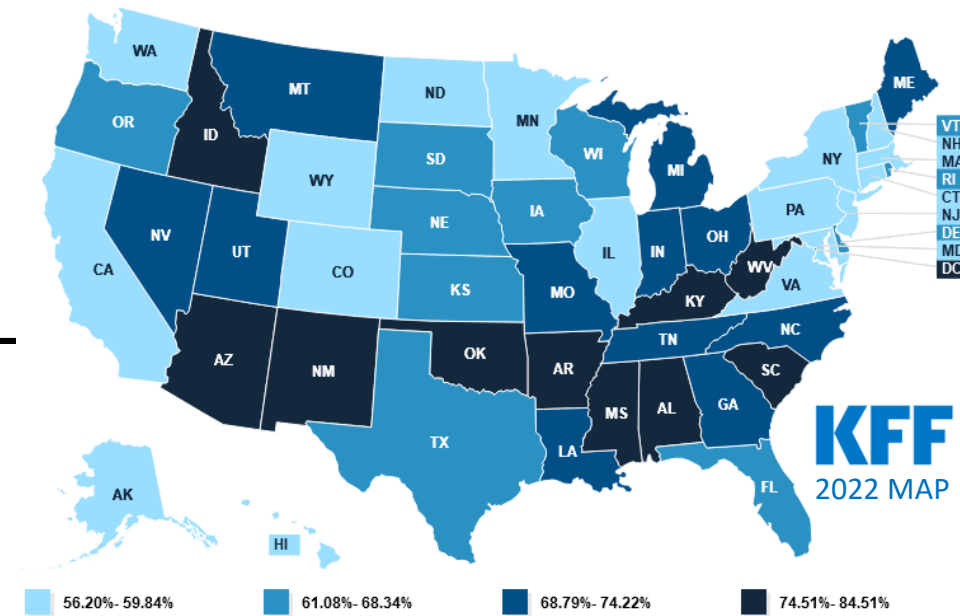
+ 6.2% FMAP bump, Families First Coronavirus Response Act (not included in chart)

- = Years where FMAP decreased from previous year (and state share increased).
- = Recessions
- = Years where state received enhancements to FMAP



State Comparison

Selected States Federal Fiscal Year 2023



New England States

CT, NH, MA = 50%

RI = 53.96% ↓

Vermont = 55.82% ↓

Maine = 63.29% ↓

↑ = Increased from previous year

↓ = Decreased from previous year

Highest FMAP

Mississippi (77.86%) ↓

West Virginia (74.02%) ↓

New Mexico (73.26%) ↓

Alabama (72.46%) ↑

Lowest FMAP (50% FMAP)

Alaska

California

Colorado

Connecticut

Illinois

Maryland

Massachusetts

New Hampshire

New Jersey

New York

Washington

Wyoming

THE END