Federal Medical Assistance Percentage (FMAP)

An Overview

Presented by Nolan Langweil
11/23/21
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.

<table>
<thead>
<tr>
<th>Date Range</th>
<th>FMAP</th>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1 - Sept. 30</td>
<td>56.47%</td>
<td>43.53%</td>
</tr>
<tr>
<td>Oct. 1 - Dec. 31</td>
<td>55.82%</td>
<td>44.18%</td>
</tr>
<tr>
<td>Jan. 1 - March 31</td>
<td>55.82%</td>
<td>44.18%</td>
</tr>
<tr>
<td>April 1 - June 30</td>
<td>55.82%</td>
<td>44.18%</td>
</tr>
<tr>
<td>Avg / Blend</td>
<td>55.98%</td>
<td>44.02%</td>
</tr>
</tbody>
</table>

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

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

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Federal Fiscal Year</th>
<th>State Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Share</strong></td>
<td><strong>Difference</strong></td>
</tr>
<tr>
<td>2000</td>
<td>37.76%</td>
<td>-0.27%</td>
</tr>
<tr>
<td>2001</td>
<td>37.60%</td>
<td>-0.16%</td>
</tr>
<tr>
<td>2002</td>
<td>36.94%</td>
<td>-0.66%</td>
</tr>
<tr>
<td>2003</td>
<td>37.59%</td>
<td>0.65%</td>
</tr>
<tr>
<td>2004</td>
<td>38.66%</td>
<td>1.07%</td>
</tr>
<tr>
<td>2005</td>
<td>39.89%</td>
<td>1.23%</td>
</tr>
<tr>
<td>2006</td>
<td>41.51%</td>
<td>1.62%</td>
</tr>
<tr>
<td>2007</td>
<td>41.07%</td>
<td>-0.44%</td>
</tr>
<tr>
<td>2008</td>
<td>40.97%</td>
<td>-0.10%</td>
</tr>
<tr>
<td>2009</td>
<td>40.55%</td>
<td>-0.42%</td>
</tr>
<tr>
<td>2010</td>
<td>41.27%</td>
<td>0.72%</td>
</tr>
<tr>
<td>2011</td>
<td>41.29%</td>
<td>0.02%</td>
</tr>
<tr>
<td>2012</td>
<td>42.42%</td>
<td>1.13%</td>
</tr>
<tr>
<td>2013</td>
<td>43.98%</td>
<td>1.54%</td>
</tr>
<tr>
<td>2014</td>
<td>44.89%</td>
<td>0.93%</td>
</tr>
<tr>
<td>2015</td>
<td>45.99%</td>
<td>1.10%</td>
</tr>
<tr>
<td>2016</td>
<td>46.10%</td>
<td>0.11%</td>
</tr>
<tr>
<td>2017</td>
<td>45.54%</td>
<td>-0.56%</td>
</tr>
<tr>
<td>2018</td>
<td>48.53%</td>
<td>0.99%</td>
</tr>
<tr>
<td>2019</td>
<td>46.11%</td>
<td>-0.42%</td>
</tr>
<tr>
<td>2020</td>
<td>46.14%</td>
<td>0.03%</td>
</tr>
<tr>
<td>2021</td>
<td>45.43%</td>
<td>-0.71%</td>
</tr>
<tr>
<td>2022</td>
<td>43.53%</td>
<td>-1.90%</td>
</tr>
<tr>
<td>2023</td>
<td>44.18%</td>
<td>0.65%</td>
</tr>
</tbody>
</table>

- **Difference** indicates the change from the previous year.
- **Years where FMAP decreased from previous year (and state share increased):**
- **Years where state received enhancements to FMAP:**

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### Federal Medical Assistance Percentage (FMAP) & Enhancements

**Vermont Medicaid, State Fiscal Years 2000 - 2023**

**Key Events:**
- **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**

**enhanced Fed Share**
- New Adult E-FMAP (ACA)
- Temporary Fiscal Relief for States
- ARRA
- ACA
- 6.2% Covid Relief

**enhanced State Share**
- "Leahy Bump"
State Comparison

Selected States
Federal Fiscal Year 2023

New England States
CT, NH, MA = 50%
RI = 53.96% ↓
Vermont = 55.82% ↓
Maine = 63.29% ↓

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

↑ = Increased from previous year
↓ = Decreased from previous year
THE END