



JEB BUSH
GOVERNOR

MEMORANDUM

TO: AAA Executive Directors **NOTICE:** 120202-2-I-SWCBS

FROM: Terry White
Secretary

DATE: November 27, 2002

SUBJECT: Notice of Instruction: Medicaid Waiver Surplus/Deficit Management

TERRY F. WHITE
SECRETARY

As we reach the mid-point of the second quarter of this fiscal year, we see that several PSAs have experienced first quarter deficits in the Medicaid waivers. We are requesting at this time that each PSA create a plan for balancing their waiver budgets in order that a year-end deficit does not occur in any PSA. This plan should list steps to be taken to freeze or reduce enrollment, steps to provide for appropriate care plans for new clients, any need for fund transfers between programs, and any other plans for budget balancing. The expected year-end surplus/deficit amounts for each waiver should be included, also. Please forward your budget plan to your contract manager by **December 16, 2002**.

We also encourage you to use the tools we have created for you. The MW Forecasting Tool can assist you in forecasting your expenditures, based on different caseload and care plan costs. (Please be aware that the average care plan cost used in the models is from last fiscal year and may need to be adjusted. For example, ACS billing has lowered the average care plan cost for the ALE waiver statewide.) The Medicaid waiver online reports, which include the provider reports, caseload reports, and surplus/deficit reports can also assist you in determining the amount paid to the providers in your PSA, the number of clients served in your PSA, and the amount billed to your PSA each month, respectively. If you need technical assistance with any of these tools, please contact Mindy Sollisch at (850) 414-2181 or your Contract Manager.

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