

STATE OF FLORIDA
Long-Term Financial Outlook Presented to LBC
FY 19-20 Analysis
Millions

Final

| Legislative Base Line for FY 18-19 | Recurring | Non-Recurring | Total |
|---|-------------------|----------------------|-------------------|
| 1. Balance Forward | \$ - | \$ 1,054.3 | \$ 1,054.3 |
| 2. Medicaid Surplus | \$ - | \$ 170.0 | \$ 170.0 |
| 3. Revenue estimates | \$ 33,031.1 | \$ 429.6 | \$ 33,460.7 |
| 4. Appropriation Base Budget | \$ (31,809.4) | \$ - | \$ (31,809.4) |
| 5. Reserves | \$ - | \$ (1,000.0) | \$ (1,000.0) |
| Available Revenue | \$ 1,221.7 | \$ 653.9 | \$ 1,875.6 |

| Critical Needs over Appropriation Base Budget | Recurring | Non-recurring | Total |
|---|-------------------|----------------------|-------------------|
| 6. Pre K-12 - Mandatory enrollment growth - Includes \$480.0m in RLE growth | \$ (374.7) | \$ (103.9) | \$ (478.6) |
| 7. Higher Education - Enrollment Growth Bright Futures | \$ 1.4 | \$ - | \$ 1.4 |
| 8. Human Services - Mandatory Medicaid, KidCare, and TANIF | \$ 141.4 | \$ 41.5 | \$ 182.9 |
| 9. Criminal Justice - Fewer Prisoners | \$ (13.4) | \$ - | \$ (13.4) |
| 10. DOT & Economic Development - State Disaster GR federal match | \$ - | \$ 152.2 | \$ 152.2 |
| 11. Natural Resources | \$ - | \$ - | \$ - |
| 12. General Government - Fiscally Constrained Counties | \$ 0.3 | \$ 23.6 | \$ 23.9 |
| 13. Adm. Funds - Risk Management, Employer Paid Benefits, & FRS | \$ 157.7 | \$ 9.4 | \$ 167.1 |
| 14. Transfer Budget Stabilization | \$ - | \$ 89.3 | \$ 89.3 |
| Critical Needs | \$ (87.3) | \$ 212.1 | \$ 124.8 |
| Available Revenue | \$ 1,309.0 | \$ 441.8 | \$ 1,750.8 |

| Programs Funded at a Historic 3 year average | Recurring | Non-recurring | Total |
|--|-------------------|----------------------|-------------------|
| 15. Pre K-12 - BSA increase 1.17%, RLE freeze,* \$289.2m GR replacement | \$ 555.5 | \$ - | \$ 555.5 |
| 16. Higher Education - Replace GR NR, 3-year Ave universities & Colleges | \$ 288.0 | \$ - | \$ 288.0 |
| 17. Education FCO | \$ - | \$ 118.0 | \$ 118.0 |
| 18. Human Services - 3-year average ACHA, C&F, Vet Affairs, and PWD | \$ 58.3 | \$ 67.9 | \$ 126.2 |
| 19. Criminal Justice - Conflict Cases, Prisoner Health, DDJ Beds | \$ 113.7 | \$ 10.0 | \$ 123.7 |
| 20. DOT & Econ. Development | \$ - | \$ 168.5 | \$ 168.5 |
| 21. Natural Resources - Everglades Bonds, 3-year average | \$ 4.1 | \$ 305.0 | \$ 309.1 |
| 22. General Government | \$ - | \$ 66.7 | \$ 66.7 |
| 23. Administered Funds - 3 year average employee pay | \$ 44.6 | \$ 29.4 | \$ 74.0 |
| Historic Funded | \$ 1,064.2 | \$ 765.5 | \$ 1,829.7 |
| Available Revenue | \$ 244.8 | \$ (323.7) | \$ (78.9) |

* RLE Freeze does not apply to new construction - \$190.8

| Historic Revenue Adjustments | Recurring | Non-recurring | Total |
|-------------------------------------|-------------------|----------------------|-----------------|
| 24. Historic Tax Cuts | \$ (104.8) | \$ 58.5 | \$ (46.3) |
| 25. Historic time limited tax cuts | \$ - | \$ (43.9) | \$ (43.9) |
| 26. Trust fund sweeps | \$ - | \$ 392.5 | \$ 392.5 |
| Revenue Adjustments | \$ (104.8) | \$ 407.1 | \$ 302.3 |
| Available Revenue | \$ 140.0 | \$ 83.4 | \$ 223.4 |

Note- FFFP Millage Rollback

Critical Needs - Freeze RLE - \$289.2m from Reappraisal & \$190.8m from new construction

Other High Priority - Freeze RLE for new construction, Rollback RLE for Reappraisal and replace with \$289.2m Recurring GR

Medicaid Caseload

Children ages 0-18, Pregnant Women, Aged and Disabled

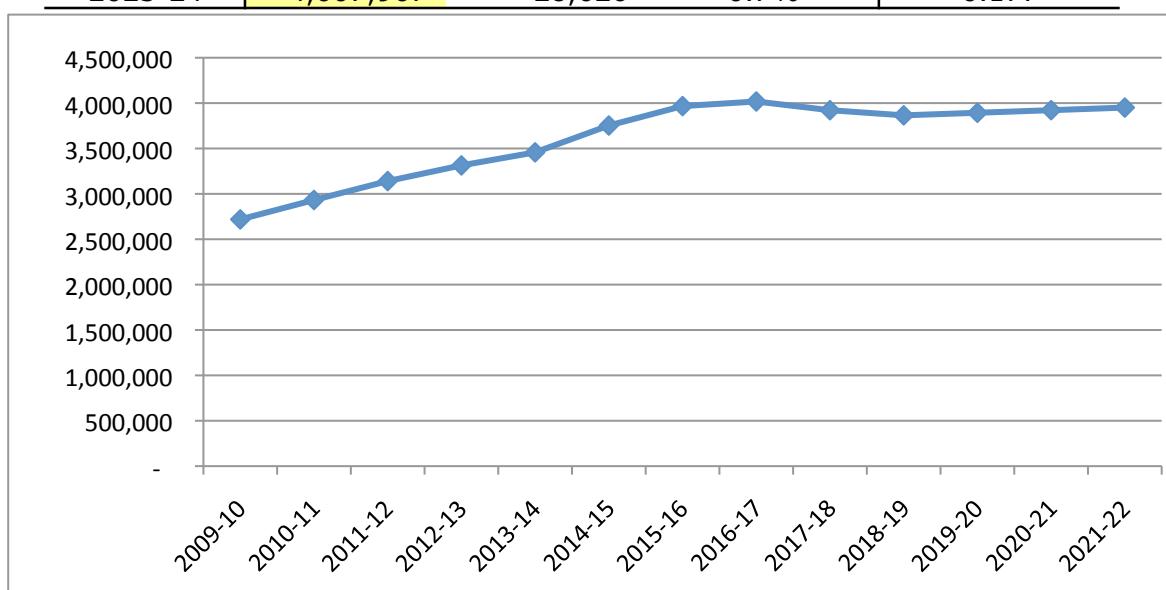
FY 09-10 Thru FY 23-24

Actual

| Fiscal Year | Average Level | Change | Percent Change | Total per Capita |
|-------------|---------------|---------|----------------|------------------|
| 2009-10 | 2,718,523 | --- | --- | 0.146 |
| 2010-11 | 2,932,168 | 213,645 | 7.9% | 0.156 |
| 2011-12 | 3,140,837 | 208,669 | 7.1% | 0.167 |
| 2012-13 | 3,313,699 | 172,862 | 5.5% | 0.175 |
| 2013-14 | 3,457,449 | 143,750 | 4.3% | 0.181 |
| 2014-15 | 3,752,934 | 295,485 | 8.5% | 0.189 |
| 2015-16 | 3,967,169 | 214,235 | 5.7% | 0.198 |
| 2016-17 | 4,017,726 | 50,557 | 1.3% | 0.197 |

Forecast

| Fiscal Year | Average Level | Change | Percent Change | Total per Capita |
|-------------|---------------|----------|----------------|------------------|
| 2017-18 | 3,921,787 | (95,939) | -2.4% | 0.190 |
| 2018-19 | 3,865,083 | (56,704) | -1.4% | 0.183 |
| 2019-20 | 3,893,429 | 28,346 | 0.7% | 0.182 |
| 2020-21 | 3,922,048 | 28,619 | 0.7% | 0.181 |
| 2021-22 | 3,950,663 | 28,615 | 0.7% | 0.180 |
| 2022-23 | 3,979,281 | 28,618 | 0.7% | 0.178 |
| 2023-24 | 4,007,907 | 28,626 | 0.7% | 0.177 |



KidCare Caseload

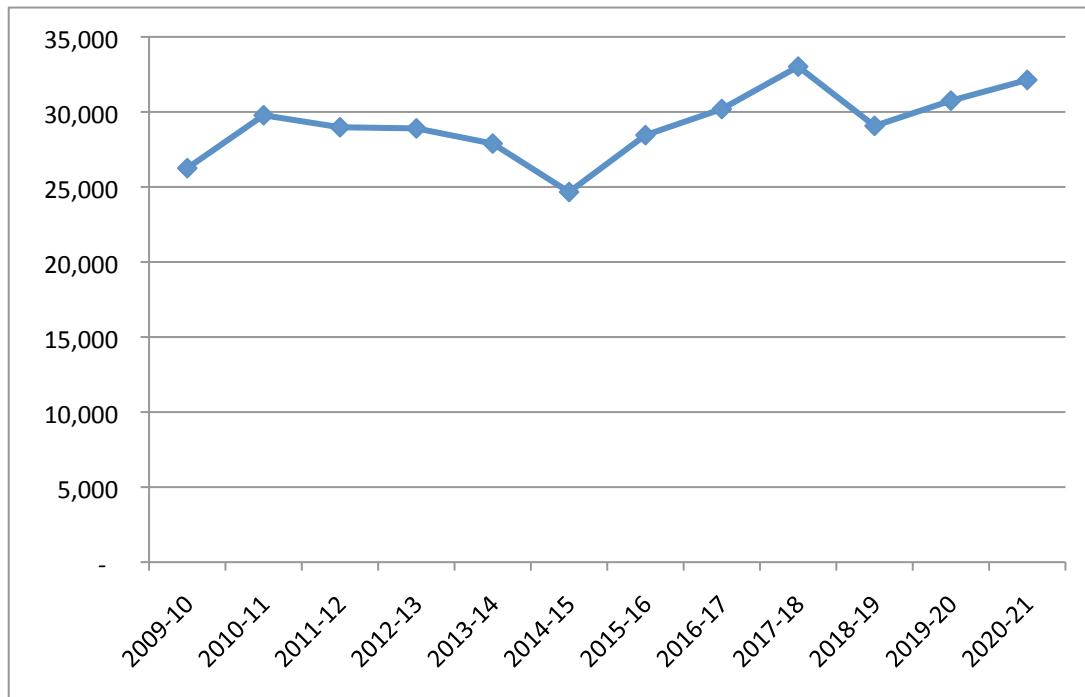
Children ages 0-18, Pregnant Women, Aged and Disabled
FY 09-10 Thru FY 20-21

Actual

| | MediKids | Healthy Kids | Children Med Services | Total Kid Care | Annual change |
|---------|----------|--------------|--------------------------|-------------------|------------------|
| 2009-10 | 26,253 | 189,113 | 23,558 | 238,924 | |
| 2010-11 | 29,779 | 201,734 | 24,011 | 255,524 | 16,600 |
| 2011-12 | 28,978 | 200,664 | 23,907 | 253,549 | (1,975) |
| 2012-13 | 28,903 | 206,299 | 22,904 | 258,106 | 4,557 |
| 2013-14 | 27,891 | 204,014 | 22,009 | 253,914 | (4,192) |
| 2014-15 | 24,664 | 161,393 | 16,198 | 202,255 | (51,659) |
| 2015-16 | 28,454 | 163,108 | 10,200 | 201,762 | (493) |
| 2016-17 | 30,193 | 168,651 | 9,709 | 208,553 | 6,791 |

Forecast

| | MediKids | Healthy Kids | Children Med Services | Total Kid Care | Annual change |
|---------|----------|--------------|--------------------------|-------------------|------------------|
| 2017-18 | 33,021 | 180,408 | 11,314 | 224,743 | 16,190 |
| 2018-19 | 29,069 | 182,187 | 12,447 | 223,703 | (1,040) |
| 2019-20 | 30,751 | 193,206 | 13,125 | 237,082 | 13,379 |
| 2020-21 | 32,131 | 203,253 | 13,714 | 249,098 | 12,016 |



Analysis of Medicaid Projections
Recurring General Revenue
FY 2019-20

| Medicaid Services - Surplus | Fy 2019-20 Base Budget | Fy 2019-20 Projected Medicaid | Recurring GR Surplus |
|---------------------------------|---------------------------|----------------------------------|-------------------------|
| 1. Hospital Inpatient Services | \$ 265,905,098 | \$ 245,893,273 | \$ 20,011,825 |
| 2. Prepaid Health | \$ 3,411,667,279 | \$ 3,330,790,991 | \$ 80,876,288 |
| | <u>\$ 3,677,572,377</u> | <u>\$ 3,576,684,264</u> | <u>\$ 100,888,113</u> |
| Medicaid Services - Deficit | Fy 2019-20 Base Budget | Fy 2019-20 Projected Medicaid | Recurring GR Deficit |
| 3. Behavioral Health -Autism | \$ 80,994,680 | \$ 170,347,824 | \$ (89,353,144) |
| 4. Medicaid co-pay for Medicare | \$ 627,969,486 | \$ 706,243,646 | \$ (78,274,160) |
| 5. Long Term Care | \$ 1,206,555,753 | \$ 1,237,278,517 | \$ (30,722,764) |
| 6. Other Medicaid | \$ 1,186,879,001 | \$ 1,229,397,354 | \$ (42,518,353) |
| | <u>\$ 3,102,398,920</u> | <u>\$ 3,343,267,341</u> | <u>\$ (240,868,421)</u> |
| 7. Total Medicaid Services | <u>\$ 6,779,971,297</u> | <u>\$ 6,919,951,605</u> | <u>\$ (139,980,308)</u> |

Note: The analysis is based on the Official August 6, 2018 SSEC Medicaid Forecast included in the State of Florida Long-Range Financial Outlook. Fiscal Years 2018-19 through Fiscal Year 2021. The August 6, estimating conference did not include the ongoing rate adjustment currently under negotiation with the managed care companies.

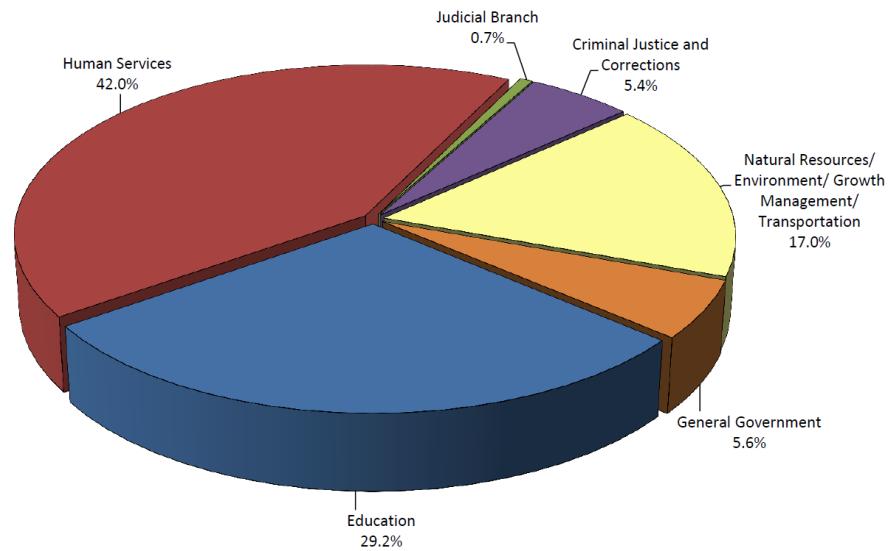
Florida's Long-Range Financial Outlook 2019-20
Medicaid Need Over Base Budget
General Revenue
FY 2019-20

Human Services

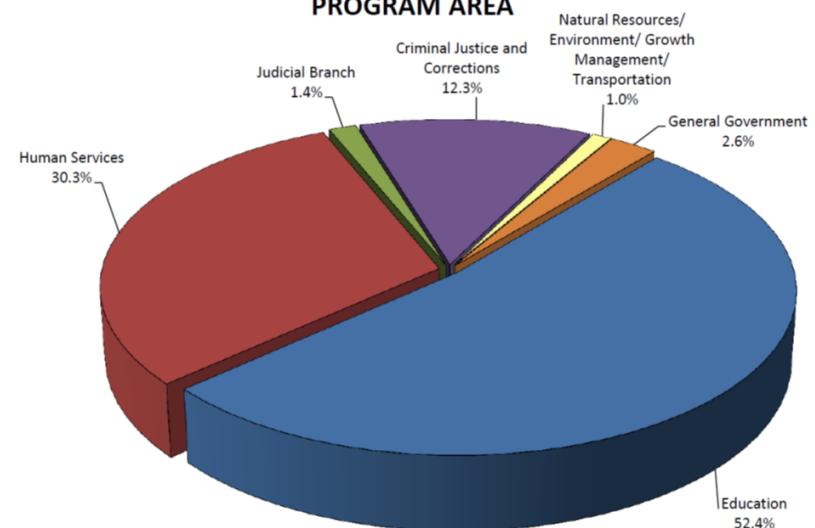
| Critical Needs | Recurring | Non-recurring | Total |
|--------------------------------|-------------------|----------------------|-------------------|
| 1. SSEC Medicaid Forecast | \$ (98.5) | \$ (41.5) | \$ (140.0) |
| 2. Kid Care | \$ (50.3) | \$ - | \$ (50.3) |
| 3. Children & Family Surplus | \$ 10.5 | \$ - | \$ 10.5 |
| 4. Other Human Services | \$ (3.1) | \$ - | \$ (3.1) |
| Total Critical HS Needs | \$ (141.4) | \$ (41.5) | \$ (182.9) |

Fiscal Year 2016/17 - \$82.3 Billion

APPROPRIATIONS BY PROGRAM AREA



GENERAL REVENUE APPROPRIATIONS BY PROGRAM AREA



Safety Net Hospital Alliance of FL



We are...

*... 10% of state's hospitals, yet provide
almost half of all Medicaid & Charity hospital care.*

| Statutory Teaching Hospitals | Public Hospitals | Children's Hospitals |
|--|--|---|
| Broward Health* Jackson Health System* Mount Sinai Medical Center Orlando Regional Healthcare Tampa General Hospital UF Health Shands Gainesville UF Health Jacksonville | Halifax Medical Center Lee Memorial Health System Memorial Healthcare System Sarasota Memorial Hospital | Johns Hopkins All Children's Hospital Nicklaus Children's Hospital Regional Perinatal Intensive Care Centers Sacred Heart Health System |

* Statutory Teaching & Public

Funding Florida's Budget

- * General Revenue fund - 36.8%**
- * Federal Funds - 34.0%**
- * State Trust - 26.5%**
- * Sales & Corporate - 85% of GR**
- * Public Schools - \$8.8b in Property Tax Not in Budget**

FLORIDA EDUCATION FINANCE PROGRAM
2018-2019 FEFP - FINAL CONFERENCE CALCULATION AS FUNDED IN HB 5001 AND CS/SB 7026

Statewide Summary
Comparison to 2017-2018 Third Calculation

| | 2017-2018 Third Calculation | 2018-2019 Final Conference Calculation | Difference | Percentage Difference |
|--|-----------------------------------|--|--------------------|--------------------------|
| MAJOR FEFP FORMULA COMPONENTS | | | | |
| Unweighted FTE | 2,821,037.34 | 2,847,829.52 | 26,792.18 | 0.95% |
| Weighted FTE | 3,072,128.71 | 3,098,177.31 | 26,048.60 | 0.85% |
| School Taxable Value | 1,903,618,856,087 | 2,029,410,611,154 | 125,791,755,067 | 6.61% |
| Total RLE Millage | 4.308 | 4.091 | (0.217) | -5.04% |
| .748 Discretionary Millage | 0.748 | 0.748 | 0.000 | 0.00% |
| Total Millage | 5.056 | 4.839 | (0.217) | -4.29% |
| Base Student Allocation | 4,203.95 | 4,204.42 | 0.47 | 0.01% |
| FEFP DETAIL | | | | |
| WFTE x BSA x DCD (Base FEFP) | 12,925,878,447 | 13,036,844,519 | 110,966,072 | 0.86% |
| Declining Enrollment Supplement | 6,164,335 | 3,118,431 | (3,045,904) | -49.41% |
| Sparsity Supplement | 52,800,000 | 52,800,000 | 0 | 0.00% |
| State Funded Discretionary Contribution | 18,697,066 | 20,918,636 | 2,221,570 | 11.88% |
| .748 Millage Compression | 229,709,394 | 246,327,174 | 16,617,780 | 7.23% |
| Safe Schools Allocation | 64,456,019 | 161,956,019 | 97,500,000 | 151.27% |
| Supplemental Academic Instruction Allocation | 711,597,543 | 717,760,938 | 6,163,395 | 0.87% |
| Reading Instruction Allocation | 130,000,000 | 130,000,000 | 0 | 0.00% |
| ESE Guaranteed Allocation | 1,058,993,908 | 1,067,088,437 | 8,094,529 | 0.76% |
| DJJ Supplemental Allocation | 7,631,242 | 7,890,490 | 259,248 | 3.40% |
| Student Transportation Allocation | 438,875,286 | 443,043,407 | 4,168,121 | 0.95% |
| Instructional Materials Allocation | 230,743,258 | 232,934,691 | 2,191,433 | 0.95% |
| Teachers Classroom Supply Asst Allocation | 45,286,750 | 54,143,375 | 8,856,625 | 19.56% |
| Mental Health Assistance Allocation | 0 | 69,237,286 | 69,237,286 | |
| Virtual Education Contribution | 12,159,087 | 10,970,823 | (1,188,264) | -9.77% |
| Digital Classrooms Allocation | 80,000,000 | 70,000,000 | (10,000,000) | -12.50% |
| Funding Compression Allocation | 0 | 56,783,293 | 56,783,293 | |
| Administered Funds Allocation | 3,444,000 | 0 | (3,444,000) | -100.00% |
| Federally-Connected Student Supplement | 12,998,722 | 12,998,722 | 0 | 0.00% |
| TOTAL FEFP | 16,029,435,057 | 16,394,816,241 | 365,381,184 | 2.28% |
| LESS: | | | | |
| Required Local Effort Taxes | 7,605,390,763 | 7,712,537,754 | 107,146,991 | 1.41% |
| STATE FEFP | 8,424,044,294 | 8,682,278,487 | 258,234,193 | 3.07% |
| STATE CATEGORICAL PROGRAMS | | | | |
| District Lottery/School Recognition Funds | 134,582,877 | 134,582,877 | 0 | 0.00% |
| Class Size Reduction Allocation | 3,081,304,285 | 3,110,424,650 | 29,120,365 | 0.95% |
| TOTAL STATE CATEGORICAL FUNDING | 3,215,887,162 | 3,245,007,527 | 29,120,365 | 0.91% |
| TOTAL STATE FUNDING | 11,639,931,456 | 11,927,286,014 | 287,354,558 | 2.47% |
| LOCAL FUNDING | | | | |
| Total Required Local Effort | 7,605,390,763 | 7,712,537,754 | 107,146,991 | 1.41% |
| .748 Discretionary Local Effort | 1,366,950,627 | 1,457,279,176 | 90,328,549 | 6.61% |
| TOTAL LOCAL FUNDING | 8,972,341,390 | 9,169,816,930 | 197,475,540 | 2.20% |
| TOTAL FUNDING (State and Local) | 20,612,272,846 | 21,097,102,944 | 484,830,098 | 2.35% |
| State Dollars per Unweighted FTE | 4,126.12 | 4,188.20 | 62.08 | 1.50% |
| Local Dollars per Unweighted FTE | 3,180.51 | 3,219.93 | 39.42 | 1.24% |
| Total Dollars per Unweighted FTE | 7,306.63 | 7,408.13 | 101.50 | 1.39% |
| State Funds as a Percent of Total | 56.47% | 56.54% | 0.06% | 0.11% |
| Local Funds as a Percent of Total | 43.53% | 43.46% | -0.06% | -0.15% |
| General Revenue | HB 5001 | \$10,883,944,062 | | |
| Educational Enhancement Trust Fund | HB 5001 | \$757,604,666 | | |
| State School Trust Fund | HB 5001 | \$119,000,000 | | |
| General Revenue | CS/SB 7026 | \$166,737,286 | | |
| | | \$11,927,286,014 | | |