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# FISCAL UPDATE Article

Fiscal Services Division

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## FY 2024 FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP) RATE

The Bureau of Economic Analysis [released](#) final State personal per capita income data for 2021 on September 30, 2022. This allows states to calculate the final Federal Fiscal Year (FFY) 2024 FMAP rates. The FFY 2024 FMAP rates are based on per capita personal incomes for calendar years 2019 through 2021. These rates are calculated on a Federal Fiscal Year basis, but the numbers in this article have been blended to reflect State Fiscal Year (SFY) 2024. Iowa's SFY 2024 FMAP rate increased by 1.00% to 63.88%. This means for every dollar spent on the Medicaid program, the federal government will pay \$0.6388 and Iowa pays \$0.3612. The FMAP change is 0.33% greater than the preliminary estimate that was released in March.

The FMAP increase indicates that Iowa's economy is not doing as well compared to other states, resulting in a larger share of the total FMAP portion for Iowa. This is the eighth year in a row that the FMAP rate has moved back in the State's favor, meaning Iowa pays less. Prior to that, the rate declined 8.2% from FY 2010 to FY 2016.

**Fiscal Impact.** Although the final fiscal impact is still being calculated, the 1.00% change in the FMAP rate means that the State will be responsible for approximately \$31.0 million less in Medicaid expenditures in SFY 2024. This chart shows the five-year change in the FMAP rate.

### Five-Year State Regular Medicaid FMAP

State Fiscal Year	Federal Share	State Share	Federal % Change
FY 2020	60.88%	39.12%	1.31%
FY 2021	61.61%	38.39%	0.73%
FY 2022	62.04%	37.96%	0.43%
FY 2023	62.88%	37.12%	0.84%
FY 2024	63.88%	36.12%	1.00%

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