



**Fiscal Estimate Narratives**

**DHFS 2/6/2006**

LRB Number <b>05-4477/2</b>	Introduction Number <b>AB-981</b>	Estimate Type <b>Original</b>
<b>Description</b> Decreasing Medical Assistance reimbursement and transferring moneys from the general fund to the Medical Assistance trust fund		

**Assumptions Used in Arriving at Fiscal Estimate**

This Bill would decrease the Medicaid benefits appropriation by \$63,516,600 GPR in FY 06 and by \$103,900 GPR in FY 07 (a total decrease of \$63,620,500), and would also transfer from the General Fund to the Medicaid Trust Fund \$51,364,200 in FY 06 and \$25,383,900 in FY 06 (a total transfer of \$76,748,100). The transfers to the Medicaid Trust Fund would exceed the appropriation reductions by \$13,127,600 in 2005-07.

On January 19, 2006, the Legislative Fiscal Bureau estimated that the current appropriation for Medicaid benefits exceeded projected expenditures by \$63.7 million GPR in 2005-07 and that the segregated Medicaid Trust Fund would experience a shortfall of \$76.7 million in 2005-07 level. The Bill's proposed changes correspond to these projections.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>05-4477/2</b>		<b>Introduction Number</b> <b>AB-981</b>	
<b>Description</b> Decreasing Medical Assistance reimbursement and transferring moneys from the general fund to the Medical Assistance trust fund			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
This Bill would decrease the Medicaid benefits appropriation by \$63,516,600 GPR in FY 06 and by \$103,900 GPR in FY 07 (a total decrease of \$63,620,500), and would also transfer from the General Fund to the Medicaid Trust Fund \$51,364,200 in FY 06 and \$25,383,900 in FY 06 (a total transfer of \$76,748,100).			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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