

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-4787/1	Introduction Number AB-1128	
Description A Medical Assistance supplementary rate reimbursement for nursing homes and making an appropriation		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Agency/Prepared By DHFS/ Richard Megna (608) 266-9359	Authorized Signature Andy Forsaith (608) 266-7684	Date 4/4/2006

Fiscal Estimate Narratives

DHFS 4/5/2006

LRB Number	05-4787/1	Introduction Number	AB-1128	Estimate Type	Original
Description A Medical Assistance supplementary rate reimbursement for nursing homes and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Currently, nursing homes receive a daily rate for providing nursing home care to Medicaid (MA) recipients. County and municipal nursing homes also receive \$37.1 million in supplemental payments. One revenue source of the MA Trust Fund is related to county and municipal-owned nursing homes. The state claims federal matching funds under MA based on unreimbursed costs for MA recipients in county and municipal homes under certified public expenditure (CPE) claims.

This bill provides for a \$1,285,400 one-time supplementary payment to nursing homes in SFY 06, based on the number of MA patient days provided by each home in SFY 05.

Since MA payments are eligible for federal matching funds, the GPR funding supports total payments of approximately \$3,047,400 AF (\$1,762,000 FED) in FY 06. However, additional payments under MA to county and municipal homes would have a negative impact on the state CPE claim, since any MA payments would reduce those facilities' unreimbursed costs, which are the basis of the CPE claim. As a result, state CPE revenues would decrease by an estimated \$302,500 SEG in FY 06.

There would not be any additional administrative costs to the department as a result of this bill.

Because the lump sum payments are contingent upon federal approval of a state plan amendment, payment is very unlikely to be possible until sometime in SFY 07.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-4787/1		Introduction Number AB-1128	
Description A Medical Assistance supplementary rate reimbursement for nursing homes and making an appropriation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Provides an additional one-time payment of \$3,047,400 AF (1,285,400 GPR) in SFY 06. Reduces revenues in SFY06 by \$302,500 SEG.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	
DHFS/ Richard Megna (608) 266-9359		Andy Forsaith (608) 266-7684	
		Date	
		4/4/2006	