

### Fiscal Estimate - 2005 Session

Original
  Updated
  Corrected
  Supplemental

<b>LRB Number</b> <b>05-2468/1</b>	<b>Introduction Number</b> <b>SB-313</b>
<b>Subject</b> Milwaukee school district to be designated as MA health care provider in order to hire more school nurses	
<b>Fiscal Effect</b>	
<b>State:</b>	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Decrease Existing Revenues
<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs	
<b>Local:</b>	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
<b>Affected Ch. 20 Appropriations</b>	
<b>Agency/Prepared By</b> DHFS/ Ellen Hadidian (608) 266-8155	<b>Authorized Signature</b> Andy Forsaith (608) 266-7684
<b>Date</b> 9/29/2005	

**Fiscal Estimate Narratives**  
**DHFS 9/29/2005**

LRB Number <b>05-2468/1</b>	Introduction Number <b>SB-313</b>	Estimate Type <b>Original</b>
<b>Subject</b> Milwaukee school district to be designated as MA health care provider in order to hire more school nurses		

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, the Department reimburses school districts and cooperative educational service agencies (CESAs) for 60% of the federal share of allowable charges for school-based medical services (SBS) provided to students who are Medicaid (MA) or Badger Care (BC) recipients. In addition to medical services, the Department is also required to reimburse school districts for 90% of the federal share of administrative costs related to school medical services provided to MA and BC recipients. The remaining 40% of SBS and 10% of administrative claims are returned to the General Fund.

SB 313 provides that, beginning July 1, 2008, the Department must reimburse a school district or CESA for 100% of that portion of the federal share of allowable charges for school medical services that is in excess of \$21,660,000.

In SFY 05, federal claims for SBS services totaled \$36.1 million, of which \$21.7 million was paid to school districts while \$14.4 million was deposited into the General Fund as GPR-earned. Assuming that federal SBS claims will increase by 2% in FY 06 and by 5% in subsequent years, by FY 08 the total federal portion of SBS will be \$40.6 million. The Department will be required to distribute 100% of the difference between this amount and \$21,660,000 plus 60% of \$21,660,000, which is a total of \$32.0 million. This compares to a projected amount of \$24.4 million (60% of \$40.6 million) under current law. School districts would gain an estimated \$7.6 million while the General Fund would lose that amount. The estimated amount deposited to the General Fund in SFY 2008 would be \$8.7 million compared to the \$14.4 million deposited to the General Fund in SFY 2005. School districts will receive any further growth in SBS revenues after FY 08.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> 05-2468/1		<b>Introduction Number</b> SB-313	
<b>Subject</b>			
Milwaukee school district to be designated as MA health care provider in order to hire more school nurses			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<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			-7,600,000
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$-7,600,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$0
NET CHANGE IN REVENUE		\$-7,600,000	\$7,600,000
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DHFS/ Ellen Hadidian (608) 266-8155		Andy Forsaith (608) 266-7684	9/29/2005