

Fiscal Estimate - 2011 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 11-3348/1	Introduction Number AB-0408
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Description
 Eliminating ambulatory surgical center assessment

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Decrease Costs
<input checked="" type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Towns	<input type="checkbox"/> Village <input type="checkbox"/> Cities
1. <input type="checkbox"/> Increase Costs	<input type="checkbox"/> Counties	<input type="checkbox"/> Others <u>0</u>
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
3. <input type="checkbox"/> Increase Revenue		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
4. <input type="checkbox"/> Decrease Revenue		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.435(4)(w); 20.566(1)(gn)	

Agency/Prepared By DOR/ Michael Oakleaf (608) 261-5173	Authorized Signature John Koskinen (608) 267-8973	Date 12/13/2011
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Fiscal Estimate Narratives

DOR 12/13/2011

LRB Number	11-3348/1	Introduction Number	AB-0408	Estimate Type	Original
Description Eliminating ambulatory surgical center assessment					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Department of Revenue (DOR) may impose an assessment on ambulatory surgical centers. The Department of Health Services allocates any assessment among the ambulatory surgical centers in proportion to their gross patient revenue. The DOR, if it imposes an assessment, must transfer 99.5% of the amount collected to the Medical Assistance trust fund, which pays some of the costs for the Medical Assistance program. The bill eliminates on July 1, 2013, the ability for DOR to impose this assessment on ambulatory surgical centers.

Fiscal Estimate

This fiscal estimate relates only to the assessment that is collected by DOR and for the 0.5% that is retained by DOR for administration of the assessment. It does not include an estimate of any reduction in federal medical assistance revenue that may result from the bill.

In the 2009-11 and 2011-13 biennia, the assessment rate was set at a level to generate \$16.7 million per year. Assuming the same assessment level would have been maintained in future biennia, the bill would result in an annual reduction of \$16.6 million in transfers to the Medical Assistance Trust Fund beginning in FY 2014. In addition, there would be an annual reduction of \$83,500 ($\$16.7 \text{ million} \times 0.5\%$) in the program revenue appropriation for DOR's administration of the assessment beginning in FY 2014.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

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Description Eliminating ambulatory surgical center assessment			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
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		-83,500	
SEG/SEG-S		-16,616,500	
TOTAL State Revenues	\$	\$-16,700,000	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$	\$	
NET CHANGE IN REVENUE	\$-16,700,000	\$	
Agency/Prepared By		Authorized Signature	Date
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