

FISCAL NOTE

Requested by Legislative Council

02/17/2005

Amendment to: Engrossed
SB 2342

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$7,121,954	\$0	\$9,082,664
Expenditures	\$0	\$0	\$3,999,389	\$7,121,954	\$5,031,498	\$9,082,664
Appropriations	\$0	\$0	\$1,822,353	\$3,239,369	\$5,031,498	\$9,082,664

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill includes a mandatory inflationary increase for all non-state owned Developmental Disability Service Providers equal to the inflationary increase already in statute for the Long-Term Care Facilities. For state fiscal year 2006, the inflationary increase is 3.52% and for state fiscal year 2007 it is 3.92%.

For the 07-09 biennium, the same inflationary factors were used as we do not know what the actual indices will be at that time.

The amounts for 07-09 are based on projected ending number so people in each DD service for 05-07 and does not include any growth in the caseloads for the 07-09 biennium, although there will most likely be some growth in certain services.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The majority of the increased revenues for 2005-2007 and 2007-2009 are federal Medicaid funds.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Grants-Medical Assistance expenditures are estimated to increase by \$11,121,343, with \$3,999,389 being general funds for the 05-07 biennium. The Grants-Medical Assistance expenditures for 2007-2009 are estimated to increase by \$14,114,612, with \$5,031,498 being general funds.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

The Department's appropriation as included in the Governor's budget would need to be increased by \$5,061,722, with \$1,822,353 being general funds to account for the increase in the inflation factors from 2%/2% to 3.52%/3.92%.

Name: Brenda M. Weisz
Phone Number: 328-2397

Agency: Department of Human Services
Date Prepared: 02/17/2005