

(Return in triplicate)

FISCAL NOTE

FEB 12 1987

Bill/Resolution No.: House Bill No. 1625 Amendment to: _____

Requested by: Legislative Council Date of Receipt: 2/5/87

Please estimate the fiscal impact of the above measure for:

State general or special funds Counties Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

The fiscal note for this bill is composed of three parts. The first part is the interest accrued for the pre-need funeral plan of medical assistance eligibles, or \$537,503 for the biennium. ^{1/} The second part is the impact of a pre-need funeral service contract by ineligible spouses of medical assistance recipients, or \$845,721 for the biennium. ^{2/} The third part is the interest accrued on the pre-need funeral service contract by ineligible spouses of medical assistance recipients, or \$101,487 for the biennium. ^{3/} The total fiscal impact for the 3 parts is estimated to be \$1,484,711 for the 1987-89 biennium.

^{1/} (6,529 existing number of cases for July, 1987 + 3,912 new cases for the 1987-89 biennium) X 14.3% (percent of medically needy aged and disabled affected) X \$3,000 prepaid burial allowance X 6% (legal interest rate per annum) X 2 for the biennium = \$537,503.

^{2/} A special study was conducted at the county level which found that an average of 2.7% of the medical assistance eligible clients have medical assistance ineligible spouses.

(6,529 existing number of cases for July, 1987 + 3,912 new cases for 1987-89 biennium) X 2.7% (percent of medical assistance eligible clients who have medical assistance ineligible spouses) X \$3,000 prepaid burial allowance = \$845,721.

^{3/} (6,529 existing number of cases for July, 1987 + 3,912 new cases for 1987-89 biennium) X 2.7% (percent of medical assistance eligible clients who have medical assistance ineligible spouses) X \$3,000 prepaid burial allowance X 6% (legal interest rate per annum) X 2 for the biennium = \$101,487.

State Fiscal Effect:

<u>1987-88</u>		<u>1988-89</u>		<u>Biennium Total</u>	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>
\$614,271	\$289,042	\$351,496	\$161,865	\$965,767	\$450,907

County and City Fiscal Effect:

<u>1987-88</u>		<u>1988-89</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>
\$ 43,613		\$ 24,424		\$ 68,037	

If additional space is needed, attach a supplemental sheet.

Signed 

Typed Name MIKE SCHWINDT

Date Prepared: 2/12/87

Department HUMAN SERVICES