

FISCAL NOTE
Requested by Legislative Council
03/20/2013

Amendment to: SB 2303

- 1 A. **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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0		\$4,066,387		\$5,804,138
Expenditures	\$0	\$0	\$7,326,640	\$4,066,387	\$10,519,437	\$5,804,138
Appropriations	\$0	\$0	\$7,326,640	\$4,066,387	\$10,519,437	\$5,804,138

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB2303 requires the Department to expand medicaid coverage for pregnant women to the maximum allowed under federal law and requires medicaid equivalent coverage be provided to pregnant women who do not have private insurance and who exceed the maximum in Section 4.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 4 requires the Department to expand medicaid coverage for pregnant women to the maximum allowed under federal law and requires medicaid equivalent coverage be provided to pregnant women who do not have private insurance and who exceed the maximum in Section 4. Section 6 provides for a January 1, 2014 effective date with exceptions. The Department is providing a range of potential expenditures as it is currently not known if the maximum allowed under federal law is 185% or 200% of the federal poverty level. The numbers in Section 1A above, assume 185% of poverty and represent the low end of our range, the high end assumes 200% of poverty. The Department estimates implementation of this Bill for 18 months of the 13-15 biennium will range between \$11,393,027 and \$13,302,332 of which between \$7,326,640 and \$8,079,073 will be general fund and between \$4,066,387 and \$5,223,259 will be federal funds. The Department estimates that the cost of this Bill in the 15-17 biennium will range from \$16,323,574 and 19,059,168 of which between \$10,519,437 and \$11,603,776 will be general fund and between \$5,804,138 to \$7,455,392 will be federal funds. Separate from the amendment related to expanded Medicaid and Medicaid equivalent coverage, if this bill is passed, is legally challenged and the challenging party prevails in the lawsuit, it is likely that the State of North Dakota would be ordered to reimburse the prevailing party for attorney's fees and costs. The Office of Attorney General estimates the general fund cost for this purpose could be approximately \$60,000. Please note these cost have not been added to the amounts in Section 1A above.

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 increase in revenues in each biennium is the additional federal funding the state will receive due to the increased expenditure relating to allowable expenditures.

- 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.*

The Department estimates expenditures for this Bill in the 13-15 biennium will range from \$11,393,027 and \$13,302,332 of which between \$7,326,640 and \$8,079,073 will be general fund and between \$4,066,387 and \$5,223,259 will be federal funds. The Department estimates expenditures for this Bill in the 15-17 biennium will range from \$16,323,574 and 19,059,168 of which between \$10,519,437 and \$11,603,776 will be general fund and between \$5,804,138 to \$7,455,392 will be federal funds.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The Department will need an appropriation for the 13-15 biennium of between \$11,393,027 and \$13,302,332 of which between \$7,326,640 and \$8,079,073 will be general fund and between \$4,066,387 and \$5,223,259 will be federal funds. The Department will need an appropriation for the 15-17 biennium of between \$16,323,574 and 19,059,168 of which between \$10,519,437 and \$11,603,776 will be general fund and between \$5,804,138 to \$7,455,392 will be federal funds.

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