

FISCAL NOTE
Requested by Legislative Council
03/06/2015

Amendment to: HB 1353

- 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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$32,489		\$34,768
Expenditures			\$32,494	\$32,489	\$34,786	\$34,768
Appropriations			\$32,494	\$32,489	\$34,786	\$34,768

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 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).*

HB 1353 relates to non-allowable costs in determining nursing home rates, specifically removing facility annual educational assistance cost cap of \$3,750 and increasing the corresponding work requirement commitment for the individual who receive the maximum of \$15,000 to 6,656 hours of employment.

- 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 1 relates to non-allowable costs in determining nursing home rates, specifically removing facility annual educational assistance cost cap of \$3,750 and increasing the corresponding work requirement commitment for the individuals who receive the maximum of \$15,000 to 6,656 hours or approximately 3.2 years. It was assumed that removal of the annual \$3,750 limit will result in nursing facilities incurring educational assistance expenditures sooner than previously experienced. Thus, increasing expenditures under the Medicaid grants line item for the 15-17 biennium by \$64,983 of which, \$32,494 is General Fund and \$32,489 is Federal Funds.

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 Revenue represents the Federal Funds the Department will be able to access due to the increased costs reported as a result of removing the annual education cap of \$3,750. Increasing revenue for the 15-17 biennium by \$32,489 in Federal Funds. In the 17-19 biennium, estimated revenue would increase \$34,768 in Federal 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.*

The required changes would impact rates effective January 1, 2016. Estimated expenditures under the Medicaid grants line item for the 15-17 biennium would total \$64,983 of which, \$32,494 is General Fund and \$32,489 is Federal Funds. In the 17-19 biennium, estimated expenditures would be \$69,554 of which, \$34,786 is General Fund and \$34,768 is 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The Department will need an appropriation increase for the 15-17 biennium of \$64,983, of which, \$32,494 is General Fund and \$32,489 is Federal Funds. The Department will need an appropriation increase for the 17-19 biennium of \$69,554, of which, \$34,786 is General Fund and \$34,768 is Federal Funds.

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