

FISCAL NOTE
Requested by Legislative Council
01/15/2015

Bill/Resolution No.: 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 four years.

- 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 four 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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