

State GRF Impact of House Sub Bill's Removal of Medicaid Expansion & Additional Related State Spending

Note: This is isolated to expansion-related changes and does not include appropriation changes related to the House's decision to use LSC's baseline Medicaid estimates (which enabled the House to lower appropriations) nor the House's decision to not reduce the sales tax rate (which required the House to increase appropriations to enable higher capitation rates to be paid to health plans in order to cover the higher sales and HIC tax rates that they will be paying under the House substitute bill).

Amounts in millions of \$

	FY 14 State	FY 15 State	Biennium State
<i>Removal of Medicaid Expansion Proposal</i>	0	0	0
<i>Reversal of Executive Budget Benefit from Expansion</i>			
Modification of eligibility guidelines for current program	23	68	91
Hospital rate reductions (5% rate add-on, capital payments)	38	80	117
Health plan administrative rate savings	25	27	52
Subtotal: Medicaid Department Savings	86	174	260
Prison cost shift to Medicaid	9	18	27
Subtotal: DRC Savings	9	18	27
Foregone Appropriation Savings from Expansion	95	192	287
Foregone Sales and HIC Tax Revenue	19	98	117
Reversal of Benefit from Expansion	114	290	404
<i>Additional State Spending on Behavioral Health</i>			
Mental Health	30	30	60
Addiction Services	20	20	40
Additional State Spending on Behavioral Health	50	50	100
Summary of Changes			
Removal of Medicaid Expansion Proposal	0	0	0
Reversal of Executive Budget Benefit from Expansion	114	290	404
Additional State Spending on Behavioral Health	50	50	100
Total Impact	164	340	504
Total, Split by Appropriation Changes and Revenue Foregone			
Appropriation Changes	145	242	387
Foregone Sales and HIC Tax Revenue	19	98	117
Total Impact	164	340	504