

Fiscal Note Request HB0743, Second Reading

(continued)

8. The Federal Medical Assistance Participation (FMAP) rate is 72.88 percent in FY04 and 72.43 percent in FY05. State funds would be 27.12 percent in FY04 and 27.57 percent in FY05.
9. The federal match would be \$134,575 in FY04 and \$131,561 in FY05. ($\$50,078 / 27.12\% - \$50,078 = \$134,575$ in FY04 and $\$50,078 / 27.43\% - \$50,078 = \$131,561$ in FY05)
10. The total funds available will be \$184,653 in FY04 and \$181,639 in FY05. ($\$50,078$ state special + $\$134,575$ federal funds = $\$184,653$ in FY04; and $\$50,078$ state special + $\$131,561$ federal funds = $\$181,639$ in FY05).
11. The facility will pay the fees each quarter to the Department of Revenue. These fees will be included in the Medicaid billing as part of the facility's operational costs.
12. The DPHHS reimbursement unit, on behalf of the facility, will submit a claim to the federal Medicaid program.
13. Medicaid will reimburse the state at the FMAP rate for the cost of the utilization fee. This will result in additional federal Medicaid expenditures of \$52,138 in FY04 and \$51,816 in FY05. (FY04 = $\$71,540 \times 72.88\% = \$52,138$, and FY05 = $\$71,540 \times 72.43\% = \$51,816$).
14. The federal Medicaid reimbursement will be deposited to the general fund.
15. Total general fund revenue collections would be \$73,600 in FY04 and \$73,278 in FY05. (FY04 = $\$21,462 + \$52,138 = \$73,600$, and FY05 = $\$21,462 + \$51,816 = \$73,278$)

<u>FISCAL IMPACT:</u>	<u>FY 2004</u> <u>Difference</u>	<u>FY 2005</u> <u>Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$71,540	\$71,540
Benefits	<u>236,791</u>	<u>233,455</u>
TOTAL	\$308,331	\$304,995
<u>Funding of Expenditures:</u>		
General Fund (01)	\$71,540	\$71,540
State Special Revenue (02)	50,078	50,078
Federal Special Revenue (03)	<u>186,713</u>	<u>183,377</u>
TOTAL	\$308,331	\$304,995
<u>Revenues:</u>		
General Fund (01)	\$73,600	\$73,278
State Special Revenue (02)	\$50,078	\$50,078
Federal Special Revenue (03)	\$186,713	\$183,377
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	\$2,060	\$1,738

TECHNICAL NOTES:

1. If HB 705 is passed and approved, the cost of the utilization fee will increase to \$4.50 per bed day in FY04 and \$5.30 in FY05. The appropriation adjustments that would be required due to this change are included in Section 4 of the bill.