

SECOND AMENDED NOTE

State Impact

This bill removes the asset test for children in the Medicaid program. It is expected that without this test, additional children would be eligible for Medicaid services. The additional cost of this is estimated at \$11.8 million, and can be funded at the current Children's Health Insurance Program (CHIP) state match rate. It is anticipated that 6,700 to 7,000 children currently being covered by the Children's Health Insurance Program (CHIP) could become Medicaid-eligible with this legislation, which would then open up slots in the CHIP. It is estimated that an additional 450 to 500 children who currently are not Medicaid-eligible would become eligible.

In order to get the enhanced CHIP match rate, the Department of Health will still need to partially administer asset tests to determine which program the child is eligible for. To handle the additional caseload and the testing, an additional seven eligibility workers are needed. The total cost of implementing this bill is estimated at \$12,865,300.

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2005</u>	<u>FY 2006</u>
	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>
General Fund	\$2,685,400	\$2,685,400	\$0	\$0
Federal Funds	\$10,179,900	\$10,179,900	\$10,179,900	\$10,179,900
TOTAL	<u><u>\$12,865,300</u></u>	<u><u>\$12,865,300</u></u>	<u><u>\$10,179,900</u></u>	<u><u>\$10,179,900</u></u>

Individual and Business Impact

Additional families would benefit from Medicaid or CHIP services for their children under this legislation.
