



## Fiscal Note

### S.B. 77

2016 General Session  
Medicaid Expansion Proposal  
by Davis, G.



#### General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(49,444,300)	\$49,847,900	\$403,600

#### State Government

UCA 36-12-13(2)(b)

Enacting this bill could increase federal funds receipts by the following amounts: \$3.5 million in FY 2016, \$335 million in FY 2017, \$440 million in FY 2018, and \$575 million in FY 2022.

Revenues	FY 2016	FY 2017	FY 2018
Federal Funds	\$3,500,000	\$335,000,000	\$438,000,000
Total Revenues	\$3,500,000	\$335,000,000	\$438,000,000

Enacting this bill could increase total costs for Medicaid by an estimated \$4.3 million in FY 2016, \$335 million in FY 2017 and \$450 million in FY 2018. By FY 2022 the total cost increase could be around \$625 million. In calendar year 2016, federal funding will cover these cost increases and reduce the State's share of costs. Impacts to the General Fund could be \$1.2 million savings in FY 2017 and \$11.9 million cost in FY 2018. By FY 2022 the bill's General Fund cost could be an estimated \$50 million. If enactment of this bill results in more currently eligible, but not enrolled Medicaid clients signing up for Medicaid, then there could be costs of \$10.6 million General Fund and \$24.0 million federal funds in FY 2017 and \$27.8 million General Fund and \$65.7 million federal funds in FY 2022. If everyone eligible enrolled for Medicaid under enactment of this bill, total costs could increase for Medicaid by an estimated \$4.3 million in FY 2016, \$750 million in FY 2017 and \$940 million in FY 2018. By FY 2022 the total cost increase could be around \$1,310 million. In FY 2018 costs to the General Fund could be \$35 million. By FY 2022 the bill's General Fund cost could be an estimated \$115 million.

Expenditures	FY 2016	FY 2017	FY 2018
General Fund	\$0	\$49,444,300	\$49,444,300
General Fund, One-Time	\$813,800	\$(50,661,700)	\$(37,500,000)
Federal Funds	\$3,513,900	\$335,017,400	\$437,455,700
Total Expenditures	\$4,327,700	\$333,800,000	\$449,400,000

Net All Funds	\$(827,700)	\$1,200,000	\$(11,400,000)
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**Local Government**

UCA 36-12-13(2)(c)

Local government mental health and substance abuse services will be replaced with full Medicaid coverage at a higher federal match rate for 10,600 individuals which generates General Fund savings of about \$2,000,000 in FY 2017. These savings then decline annually beginning in FY 2018 to about \$1,500,000 by FY 2022. County governments will also see savings for newly eligible inmates for Medicaid to cover some inpatient hospital medical costs.

**Individuals & Businesses**

UCA 36-12-13(2)(d)

Up to 72,500 recipients could begin paying existing Medicaid co-pays and other related costs beginning in FY 2017 in exchange for expanded services.

**Performance Note**

JR4-2-404

Required of the Health and due by January 21, 2016

**Notes on Notes**

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.