Fiscal Note
S.B. 96 2nd Sub. (Salmon)

2019 General Session
Medicaid Expansion Adjustments
by Christensen, A. (Escamilla, Luz.)

General, Education, and Uniform School Funds JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	$56,000,000	$(83,000,000)	$(27,000,000)

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

Revenues	*FY 2019*	*FY 2020*	*FY 2021*
Federal Funds	$0	$(147,000,000)	$(147,000,000)
Federal Funds, One-Time	$0	$120,000,000	$91,000,000
Dedicated Credits	$(12,000,000)	$(90,200,000)	$(95,500,000)
Medicaid Expansion Fund	$25,226,700	$95,863,700	$97,028,100
Total Revenues	$13,226,700	$(21,336,300)	$(54,471,900)

Enactment of this bill deposits the following amounts in the Medicaid Expansion Fund: $12 million in FY 2019, $89 million in FY 2020, and $106 million ongoing in FY 2024 from the previously approved 0.15% sales tax increment; $11.1 million in FY 2019, a reduction of ($0.7) million in FY 2020, and ongoing reductions of ($0.9) million beginning in FY 2024 from adjustments to savings deposited into the fund; and $2,113,200 in FY 2019, $7,504,700 in FY 2020, and $4,962,100 ongoing beginning in FY 2024 from hospital assessments. It could forgo federal funds to the Medicaid program of ($27) million in FY 2020 and ($147) million ongoing in FY 2024. Finally, it may reduce dedicated credits by: ($12) million in FY 2019, ($89) million in FY 2020, and ($106) million ongoing in FY 2024 from sales tax no longer used as dedicated credits and ($1.2) million in FY 2020 and ($6.6 million) ongoing beginning in FY 2024 for less money from counties for mental health and substance abuse services.

Expenditures	*FY 2019*	*FY 2020*	*FY 2021*
General Fund	$0	$(56,000,000)	$(56,000,000)
General Fund, One-Time	$0	$83,000,000	$43,000,000
Federal Funds	$0	$(147,000,000)	$(147,000,000)
Federal Funds, One-Time	$0	$120,000,000	$91,000,000
Dedicated Credits	$(12,000,000)	$(90,200,000)	$(95,500,000)
Medicaid Expansion Fund	$16,113,500	$89,000,000	$93,000,000
Total Expenditures	$4,113,500	$(1,200,000)	$(71,500,000)

Enacting this bill could reduce costs to the State by an estimated ($4.2) million in FY 2019, ($1.2) million in FY 2020 and ($210) million ongoing in FY 2024 by removing the annual Medicaid provider inflation requirement and the loss of sales tax offsetting other Medicaid General Fund expenditures. This bill may increase General Fund costs by $27 million in FY 2020, decrease costs by ($13) million in FY 2021 then decrease General Fund costs by ($56) million ongoing beginning in FY 2024.

	FY 2019	FY 2020	FY 2021
Net All Funds	$9,113,200	$(20,136,300)	$17,028,100

Local Government

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

Hospitals owned by a non-state government entity could pay a new inpatient hospital assessment of $21,100 in FY 2019 and $75,000 in FY 2020.

Individuals & Businesses

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

Under provisions enacted by this bill certain privately-owned hospitals would pay an additional inpatient hospital assessment totaling $1,458,100 in FY 2019 and $5,178,300 in FY 2020. The University of Utah teaching hospital would pay $634,000 in FY 2019 and $2,251,400 in FY 2020. Medicaid providers will receive less payments from the State of $38 million in FY 2019, $81 million in FY 2020, and $210 million ongoing in FY 2024.

Regulatory Impact

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

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Note

JR4-2-404

No performance note required for this bill

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.