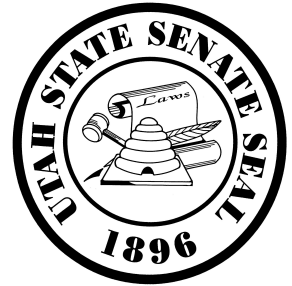




## Fiscal Note

### H.B. 472

2018 General Session  
Medicaid Expansion Revisions  
by Spendlove, R.



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

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$0	\$0

Enacting this bill could increase federal funds receipts by the following amounts: \$7.9 million in FY 2019, \$310 million in FY 2020, \$367 million in FY 2021, and \$465 million in FY 2024. Also the revenues to the Medicaid Expansion Fund may increase by \$16.6 million ongoing beginning in FY 2020 from General Fund savings transferred into the fund. Additionally, a new hospital assessment may provide the following revenues for the Medicaid Expansion Fund through FY 2024 when the new assessment ends: \$1,380,000 in FY 2019, \$474,500 in FY 2022, \$4,454,500 in FY 2023, and \$7,944,500 in FY 2024. Finally, the Department of Health may receive dedicated credits from counties of \$4.1 million in FY 2020 and \$5.6 million in FY 2021.

<b>Revenues</b>	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>
Federal Funds	\$0	\$462,585,100	\$462,585,100
Federal Funds, One-Time	\$0	\$(454,725,100)	\$(152,600,000)
Dedicated Credits	\$0	\$0	\$4,130,000
Medicaid Expansion Fund	\$0	\$1,380,000	\$16,600,000
<b>Total Revenues</b>	<b>\$0</b>	<b>\$9,240,000</b>	<b>\$330,715,100</b>

Enacting this bill could increase total costs for Medicaid by an estimated \$9.3 million in FY 2019, \$321 million in FY 2020 and \$386 million in FY 2021. By FY 2024 the total cost increase could be around \$495 million. The Medicaid Expansion Fund will cover additional state costs of approximately \$1.4 million in FY 2019, \$3.2 million in FY 2020, and \$13.4 million ongoing by FY 2021. Additionally, this legislation directs all the ongoing General Fund savings of \$16.6 million beginning in FY 2020 attributable to Utah Medicaid Expansion into the Medicaid Expansion Fund and allows those funds to be used to cover costs. 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 \$5.1 million General Fund and \$13.4 million federal funds in FY 2020 and \$15.6 million General Fund and \$36.4 million federal funds in FY 2024.

<b>Expenditures</b>	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>
General Fund	\$0	\$0	\$0
General Fund, One-Time	\$0	\$0	\$0
Federal Funds	\$0	\$462,585,100	\$462,585,100
Federal Funds, One-Time	\$0	\$(454,725,100)	\$(152,600,000)
Dedicated Credits	\$0	\$0	\$4,130,000
Medicaid Expansion Fund	\$0	\$1,380,000	\$6,900,100
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$9,240,000</b>	<b>\$321,015,200</b>

<b>Net All Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,699,900</b>
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**Local Government**

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

Local mental health and substance abuse authorities may pay \$4.1 million in FY 2020 and \$5.6 million in FY 2021 to draw down federal funds. Additionally, some local government mental health and substance abuse services will be replaced with full Medicaid coverage at a higher federal match rate for 7,000 individuals which generates General Fund savings of about \$1,100,000 in FY 2020. These savings then decline to about \$1,000,000 by FY 2021. County governments will also see savings for newly eligible inmates for Medicaid to cover some inpatient hospital medical costs. Further, new revenues of \$13,800 in FY 2019, \$4,700 in FY 2022, \$44,500 in FY 2023, and \$79,400 in FY 2024 for the new inpatient hospital assessment will be paid by hospitals owned by a non-state government entity.

**Individuals & Businesses**

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

Approximately 68,300 recipients could begin paying existing Medicaid co-pays and other related costs beginning in FY 2020 in exchange for expanded services. Certain privately-owned hospitals would pay a new inpatient hospital assessment, generating one-time revenues of \$952,200 in FY 2019, \$327,400 in FY 2022, \$3,073,600 in FY 2023, and \$5,481,700 in FY 2024. The University of Utah teaching hospital would pay \$414,000 in FY 2019, \$142,400 in FY 2022, \$1,336,400 in FY 2023, and \$2,383,400 in FY 2024.

**Regulatory Impact**

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

Enactment of this legislation could result in a small increase in the regulatory burden for Utah residents or businesses.

**Performance Note**

JR4-2-404

Required of the Health and due by February 27, 2018

**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.