# JBC STAFF FISCAL ANALYSIS HOUSE APPROPRIATIONS COMMITTEE

CONCERNING EFFICIENT ADMINISTRATION OF NONEMERGENCY MEDICAL TRANSPORTATION WITHIN THE EXISTING BENEFIT UNDER THE MEDICAL ASSISTANCE PROGRAM.

Prime Sponsors: Reps. McKean and Arndt JBC Analyst: Eric Kurtz

Sens. Moreno and Martinez Humenik Phone: 303-866-4952

Date Prepared: April 19, 2018

## Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/05/18.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill					
	Update: Fiscal impact has changed due to new information or technical issues					
	Update: Fiscal impact has changed due to amendment adopted after LCS Fiscal Note was prepared					
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill					

The Health, Insurance, and Environment Committee Report (04/12/18) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

#### **Amendments in This Packet for Consideration by Appropriations Committee**

Amendment	Description
J.002	Staff-prepared appropriation amendment
J.001	Bill Sponsor amendment - changes fiscal impact and appropriation

### **Current Appropriations Clause in Bill**

The bill requires but does not contain an appropriation clause.

## **Description of Amendments in This Packet**

**J.002** Staff has prepared amendment **J.002** (attached) to add a provision appropriating a total of \$377,621 to the Department of Health Care Policy and Financing for FY 2018-19, including \$359,295 General Fund and \$18,326 cash funds from the Hhealthcare Affordability and Sustainability Fee Cash Fund. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.8 FTE and the Department will receive \$436,989 federal funds to implement the act.

JBC Staff Fiscal Analysis 1

**J.001** Bill Sponsor amendment **J.001** (attached) provides the same appropriations to the Department of Health Care Policy and Financing as J.002, but also makes a reduction to appropriations in the Long Bill in the Medical Services Premiums line item. The Medical Services Premiums line item included \$6.4 million total funds for a rate increase for transportation providers and the sponsor amendment reduces the funds available for that rate increase by \$918,913 total funds. The net result of the amendment is a net zero change in General Fund, as summarized in the table below.

Amendment J.001 to HB 18-1321								
	TOTAL FUNDS	GENERAL FUND	HAS FEE	FEDERAL FUNDS	FTE			
Personal Services	\$51,376	\$16,833	\$8,855	\$25,688	0.8			
Operating Expenses	5,463	1,790	941	2,732				
Medicaid Management Information System	87,000	21,750	0	65,250				
Medical Services Premiums	670,771	318,922	8,530	343,319				
Subtotal	\$814,610	\$359,295	\$18,326	\$436,989	0.8			
Transportation Provider Rates	(918,913)	(359,295)	(52,378)	(507,240)				
TOTAL	(\$104,303)	\$0	(\$34,052)	(\$70,251)	0.8			

Either sponsor amendment J.001 or staff prepared amendment J.002 should be adopted, but not both.

#### **Points to Consider**

#### General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2018-19 based on the March 2018 Office of State Planning and Budgeting revenue forecast. The budget package leaves approximately \$40.8 million General Fund unallocated. Thus, the General Assembly could appropriate up to \$38.3 million General Fund to fund 2018 legislation and maintain a 6.5 percent General Fund reserve. This bill requires a General Fund appropriation of \$359,295 for FY 2018-19, reducing the excess General Fund reserve by \$382,649. This is not an issue if sponsor amendment J.001 is adopted.