

## STATEMENT OF PURPOSE

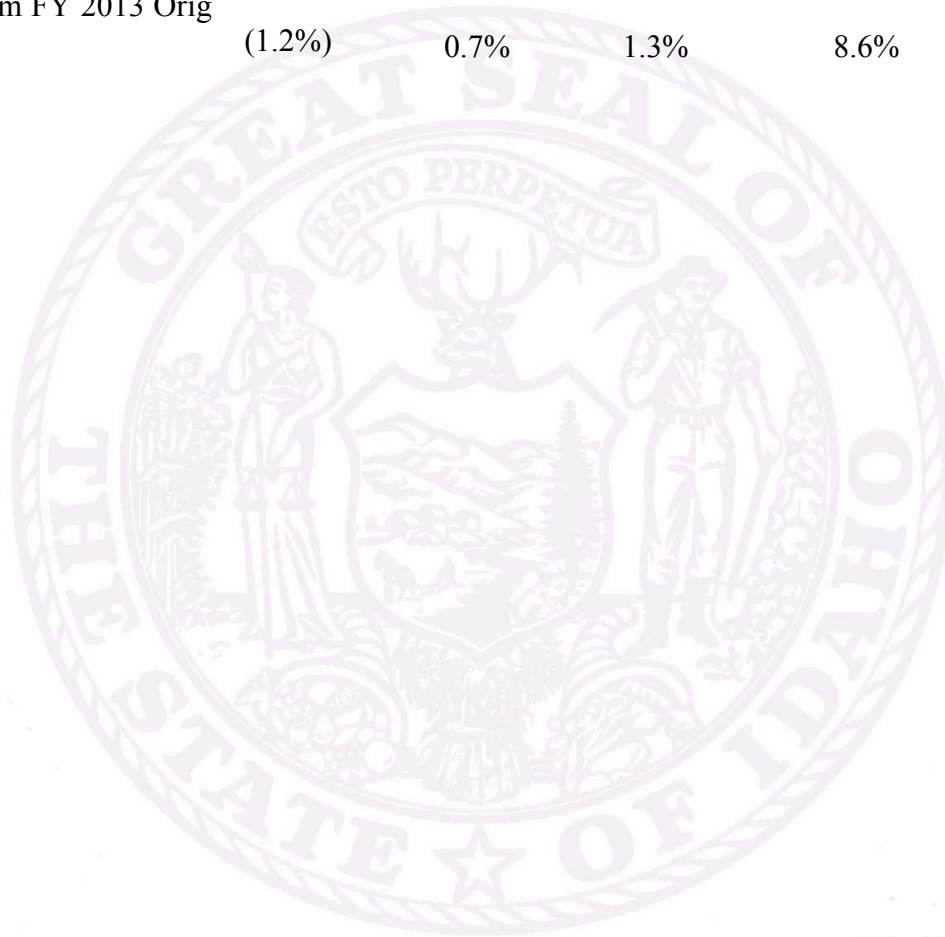
### RS22298

This is the fiscal year 2014 appropriation for the Medical Assistance Services Division (or Medicaid) in the Department of Health and Welfare. It appropriates \$477,469,200 from the General Fund, \$202,236,700 in dedicated funds, and \$1,344,476,600 in federal funds, for a total of \$2,024,182,500 and 205.49 FTP. It includes \$1,000,000 for Medicaid Readiness, which is for the pre-implementation activities to prepare for the mandatory changes in the Affordable Care Act (ACA); \$17,444,000 for increased trustee and benefit payments from the enrollment of individuals who are currently eligible but not enrolled in the Medicaid program in response to new requirements in the ACA; \$21,085,000 to process and pay out electronic health records incentive payments to providers; \$46,000 to conduct a CHIP health plan survey; \$50,000 for an independent mental health managed care evaluation; \$324,200 for health home network development; \$555,300 for the money follows the person grant; \$531,500 for a children's healthcare improvement grant; \$9,500,100 for a primary care provider rate increase; an increase of 0.49 FTP to align Medicaid's authorized FTP cap with the number of established FTPs in the division; a reduction of \$750,000 in the Medicaid Administration and Medical Management Program to reset the appropriation in line with anticipated expenditures; and \$2,500,000 for a healthcare innovation grant.

### FISCAL NOTE

	FTP	Gen	Ded	Fed	Total
FY 2013 Original Appropriation	208.00	474,177,200	199,623,700	1,237,558,600	1,911,359,500
Reappropriation	0.00	0	0	0	0
2. Res Hab Rate Increase	0.00	3,660,000	0	8,540,000	12,200,000
6. PA Provider Rate Increase	0.00	475,200	0	1,108,800	1,584,000
9. Add Reapprop to Supp	0.00	37,632,000	0	0	37,632,000
Rescission	0.00	(46,277,100)	0	0	(46,277,100)
FY 2013 Total Appropriation	208.00	469,667,300	199,623,700	1,247,207,400	1,916,498,400
Noncog Funds and Transfers	(3.00)	(140,700)	0	(144,800)	(285,500)
FY 2013 Est Expenditures	205.00	469,526,600	199,623,700	1,247,062,600	1,916,212,900
Removal of OT Expenditures	(4.00)	(754,000)	0	(18,932,900)	(19,686,900)
Base Adjustments	0.00	0	(30,930,000)	0	(30,930,000)
FY 2014 Base	201.00	468,772,600	168,693,700	1,228,129,700	1,865,596,000
Benefit Costs	0.00	67,400	0	108,000	175,400
Statewide Cost Allocation	0.00	0	0	0	0
Annualizations	0.00	1,425,600	0	3,326,400	4,752,000
Change in Employee Comp	0.00	0	0	0	0
Nondiscretionary Adj	0.00	2,590,800	33,543,000	65,239,200	101,373,000
FY 2014 Program Maint	201.00	472,856,400	202,236,700	1,296,803,300	1,971,896,400
1. Medicaid Readiness	0.00	100,000	0	900,000	1,000,000
2. Eligible/Unenrolled	0.00	5,014,200	0	12,429,800	17,444,000
6. Electronic Health Records	0.00	38,500	0	21,046,500	21,085,000

9. CHIP Health Plan Survey	0.00	23,000	0	23,000	46,000
17. MH Managed Care Eval	0.00	25,000	0	25,000	50,000
18. Health Home Network	4.00	162,100	0	162,100	324,200
22. Money Follows/Person	0.00	0	0	555,300	555,300
23. Children's Healthcare	0.00	0	0	531,500	531,500
28. Primary Care Rate Inc	0.00	0	0	9,500,100	9,500,100
30. FTP Reconciliation	0.49	0	0	0	0
31. Medicaid Admin Adj	0.00	(750,000)	0	0	(750,000)
32. Health Care Innovation	0.00	0	0	2,500,000	2,500,000
<b>FY 2014 Total</b>	<b>205.49</b>	<b>477,469,200</b>	<b>202,236,700</b>	<b>1,344,476,600</b>	<b>2,024,182,500</b>
Chg from FY 2013 Orig					
Approp	(2.51)	3,292,000	2,613,000	106,918,000	112,823,000
% Chg from FY 2013 Orig					
Approp.	(1.2%)	0.7%	1.3%	8.6%	5.9%



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