STATEMENT OF PURPOSE

RS23129

This is a fiscal year 2015 appropriation for the Department of Health and Welfare for Service Integration, Welfare, and Medically Indigent Administration. This bill appropriates $40,138,300 from the General Fund, $2,917,100 from dedicated funds, $114,045,800 from federal funds, and 653.65 FTP. There are several sections of legislative intent language with three sections that are applied department-wide, two sections specific to Welfare, and one section for Service Integration.

Service Integration: Includes personnel cost increases for employee health insurance and employee compensation costs. There is one adjustment for operating expenditures that increases the risk management fees as part of the statewide cost allocation.

Welfare: Includes personnel cost increases for employee health insurance, workers compensation, and employee compensation. There is one operating adjustment that includes an increase for risk management fees as part of the statewide cost allocation. There are four line items in this bill. The first line item provides $11,800,000 one-time to integrate the department's eligibility system with the state exchange; this line item includes $1,318,000 from a food stamp bonus that is used for the state match. The second line item is for $250,000 for the Aged, Blind and Disabled program. This funding is needed to maintain the state's maintenance of effort requirement in order to receive the federal match for Medicaid. The third line item provides for a General Fund transfer of $636,400 from personnel costs to operating expenditures and an increase of $2,415,000 of federal grant fund authority to maintain the department's eligibility system. The fourth line item provides $2,234,800 of ongoing federal grant fund authority in personnel costs, which is the result of the federal government providing an enhanced match rate for the individuals determining Medicaid eligibility. This enhanced match rate provides for General Fund savings and resulted in a Base reduction of $520,300 from the General Fund. The $520,300 was reduced to meet the needs of the department without the use of new money from the General Fund.

Medically Indigent Administration: Includes personnel cost increases for employee health insurance and employee compensation costs.

FISCAL NOTE

	FTP	Gen	Ded	Fed	Total
FY 2014 Original Appropriation	653.65	40,222,100	3,496,400	104,260,100	147,978,600
Service Integration					
9. Addl Fed Personnel Costs	0.00	0	0	530,300	530,300
Division of Welfare					
4. Enhanced Medicaid Match	0.00	0	0	2,263,400	2,263,400
FY 2014 Total Appropriation	653.65	40,222,100	3,496,400	107,053,800	150,772,300
Noncognizable Funds and Transfers	0.00	10,000	0	20,000	30,000
FY 2014 Estimated Expenditures	653.65	40,232,100	3,496,400	107,073,800	150,802,300
Removal of One-Time Expenditures	0.00	(361,600)	(579,300)	(10,484,300)	(11,425,200)
FY 2015 Base	653.65	39,870,500	2,917,100	96,589,500	139,377,100

Benefit Costs	0.00	319,900	0	597,200	917,100
Statewide Cost Allocation	0.00	2,700	0	3,600	6,300
Change in Employee Compensation	0.00	215,500	0	405,700	621,200
FY 2015 Program Maintenance	653.65	40,408,600	2,917,100	97,596,000	140,921,700
Division of Welfare					
2. Integrate IBES w/ Ste Exchg	0.00	0	0	11,800,000	11,800,000
9. Aged, Blind, Disabled- Case Chg	0.00	250,000	0	0	250,000
26. Eligibility System Maintenance	0.00	0	0	2,415,000	2,415,000
28. Use Enhanced Rate for Personnel	0.00	0	0	2,234,800	2,234,800
36. Personnel Cost Transfers	0.00	(520,300)	0	0	(520,300)
FY 2015 Total	653.65	40,138,300	2,917,100	114,045,800	157,101,200
Chg from FY 2014 Orig Approp	0.00	(83,800)	(579,300)	9,785,700	9,122,600
% Chg from FY 2014 Orig Approp.	0.0%	(0.2%)	(16.6%)	9.4%	6.2%

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