

**STATE  
FISCAL IMPACT**

<b>Drafting Number:</b> LLS 14-0062	<b>Date:</b> January 27, 2014
<b>Prime Sponsor(s):</b> Rep. Joshi Sen. Lundberg	<b>Bill Status:</b> House Public Health Care and Human Services
	<b>Fiscal Analyst:</b> Bill Zepernick (303-866-4777)

**SHORT TITLE:** RESTRICT GENERAL FUND MEDICAID EXPANSION

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016	FY 2016-2017
<b>State Revenue</b>			
<b>State Expenditures</b>	See State Expenditures section.		
<b>FTE Position Change</b>			
<b>Appropriation Required:</b> None.			

\* This summary shows changes from current law under the bill for each fiscal year.

**Summary of Legislation**

The bill prohibits the use of General Fund to pay for the costs of expanding Medicaid to cover adults without dependent children with incomes up to 133 percent of the federal poverty level (FPL). If other fund sources are not able to cover the state's costs of the expansion population with the use of General Fund, the bill specifies that the Department of Health Care Policy and Financing (HCPF) must reduce medical benefits or income eligibility for this group, or eliminate coverage for adults without dependent children.

**Background**

Senate Bill 13-200 expanded eligibility for Medicaid to various groups, including adults without dependent children with incomes up to 133 percent of the FPL. Under the federal Patient Protection and Affordable Care Act (PPACA), the federal government pays the whole costs of serving Medicaid expansion populations from 2014 to 2016. Beginning in 2017, states participating in the Medicaid expansion must begin paying a portion (5 percent) of the costs, with the share increasing every year until 2020, at which time states must pay 10 percent of the costs. Currently, the HCPF plans to use Hospital Provider Fee moneys to pay the state's share of expansion population costs beginning in 2017.

**State Expenditures**

At this time, Hospital Provider Fee moneys are estimated to be sufficient to fund the state's share of the Medicaid expansion under SB 13-200. Therefore, the bill is not expected to affect workload or costs in HCPF or eligibility for adults without dependent children. However, beginning in 2017, if Hospital Provider Fee moneys are insufficient to cover the expected costs, HCPF will have workload and costs to pursue federal approval of a state plan amendment to reduce benefits or eligibility for the adult without dependent children population.

**Effective Date**

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Health Care Policy and Financing