Exhibit 1 Scenario 3 - Children's Basic Health Plan Expansion to 200%, and Repeal of SB 03-176 Preliminary Price Estimates Without Administrative Costs Or Timelines

Amendment 35 Allocation Under Scenario 3	Tobacco Tax	Sources
Amendment 35 Allocation for Part (a)	\$80,500,000	See Blue Book 2004 Election
Appropriated to Increase the Number of Children above FY 03-04 Average Enrollment	(\$1,510,663)	Principle applies all state funding above the FY 03-04 average enrollment to the Tobacco Tax. August 16, 2004 Monthly Report to the JBC indicates that the FY 03-04 average caseload for Children was 46,694. The FY 05-06 caseload for children in this scenario is 53,968, of which 4,012 is due to the expansion to 200%FPL which is counted below. Therefore, the increase in children is 3,262 or 53,968 - 4,012 - 46,694. Average annual cost per child requested in FY 05-06 is approximately \$1,323.17 (includes medical, dental, and is net of annual enrollment fees) \$1,510,663 = 3,262 x \$1,323.17 x 35%
Appropriated to Increase the Number of Pregnant Women above FY 03-04 Average Enrollment	(\$5,285,366)	Principle applies all state funding above the FY 03-04 average enrollment to the Tobacco Tax. August 16, 2004 Monthly Report to the JBC indicates FY 03-04 average caseload for prenatal women as 119 or 1,428 member months (119 x 12). November 1, 2004 Budget Request, Attachment 1 in Volume I, Table J shows FY 05-06 caseload as 19,411 member months. 19,411 minus 1,428 = 17,983. The average cost per member month including the cost for deliveries is estimated at \$839.74 for FY 05-06. 17,983 member months * \$839.74 cost per month * 35% State match = \$5,285,366.
Expansion in excess of SCHIP funding available	\$0	100% State funded CBHP deficit (starts in FY 06-07)
Expand Eligibility in CHP+ or Medicaid (CHP+ to 200%)	(\$2,940,751)	See CHP+ to 200%, Exhibit 3, line 37
Expand Eligibility in CHP+ or Medicaid (Repeal SB 03-176)	(\$5,276,686)	See Legal Immigrants, Exhibit 6, line 16
Appropriated to Increase the Number of Children above FY 03-04 Average Enrollment	(\$65,486,534)	Funding not otherwise allocated is placed into the Children's Basic Health Plan Trust Fund. This funding is required to sustain the expansion actions over time so that as program grows, the relatively stagnant funding source can accommodate it.
Total Remaining Unallocated	\$0	

Exhibit 1 Scenario 3 - Children's Basic Health Plan Expansion to 200%, and Repeal of SB 03-176

Preliminary Price Estimates Without Administrative Costs Or Timelines

EXPANDING CHILDREN'S BASIC HEALTH PLAN ELIGIBILITY TO INCLUDE 186% TO 200% OF FEDERAL POVERTY LEVEL				
	FY 05-06	FY 06-07		
Total Costs for CBHP going to 200%	\$8,472,355	\$9,494,583	See Exhibit 3, line 33	
Annual enrollment fees	\$70,210	\$76,195	See Exhibit 3, line 34	
Amount to available for federal match	\$8,402,145	\$9,418,388	See Exhibit 3, line 35	
FF @ 65%	\$5,461,394	\$6,121,952	See Exhibit 3, line 36	
Tobacco Tax @ 35%	\$2,940,751	\$3,296,436	See Exhibit 3, line 37	

NET IMPACT STATE ONLY FUNDING FOR CBHP			
	FY 05-06	FY 06-07	
Deficit in SCHIP payed for with 100% Tobacco Tax	\$0	\$6,140,126	CBHP expenses in excess of the federal SCHIP allotment will be covered with 100% Tobacco Tax money. The deficit from federal fiscal year (Sept - Oct) in Exhibit 7 is used here as a rough estimate for the State fiscal year need.

NET IMPACT MEDICAID AND CHILDREN'S BASIC HEALTH PLAN TO REPEAL SB 03-176			
	FY 05-06	FY 06-07	
NET TOTAL COST (SAVINGS)	\$8,365,325	\$8,757,631	See Exhibit 6, line 23
NET STATE COST (SAVINGS)	\$3,852,942	\$4,059,352	See Exhibit 6, line 24
SAVINGS AGAINST FEDERAL CHP+ ALLOCATION	\$494,965	\$515,372	See Exhibit 6, line 25

TOTAL			
	FY 05-06	FY 06-07	
NET TOTAL COST (SAVINGS)	\$16,837,680	\$24,392,340	
NET STATE COST (SAVINGS)	\$6,793,693	\$13,495,914	
NET STATE GOOT (GAVINGO)	ψυ, 1 93,093	Ψ10,730,317	
SAVINGS AGAINST FEDERAL CHP+ ALLOCATION	(\$4,966,429)	(\$5,606,580)	