

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0689	Date: February 15, 2013
Prime Sponsor(s): Rep. Levy; Gerou Sen. Hodge	Bill Status: House Public Health Care and Human Services
	Fiscal Analyst: Kerry White (303-866-3469)

TITLE: CONCERNING THE GENERAL FUND PORTION OF THE PER DIEM RATES PAID TO NURSING FACILITIES.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures	<u>(\$9,735,707)</u>	<u>(\$10,845,545)</u>
General Fund	(4,867,854)	(5,422,773)
Federal Funds	(4,867,854)	(5,422,773)
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

Recommended by the Joint Budget Committee, this bill reduces the General Fund portion of per diem rates paid to Medicaid nursing facility providers by 1.5 percent as of FY 2013-14. The Department of Health Care Policy and Financing (HCPF) is authorized to increase the supplemental Medicaid payment to offset the reduction, within the limits of the Hospital Provider Fee.

State Expenditures

This bill will reduce state expenditures by \$9,735,707 for FY 2013-14 and \$10,845,545 in FY 2014-15. Savings are shared equally between the General Fund and federal funds and are achieved by reducing the General Fund share of per diem rates for Medicaid nursing facility providers by 1.5 percent, which results in a corresponding reduction of federal funds.

State Appropriations

For FY 2013-14, the bill requires a reduction in appropriations to HCPF for medical services premiums by \$9,735,707, including \$4,867,854 General Fund and \$4,867,854 federal funds.

Departments Contacted

Health Care Policy and Financing

Joint Budget Committee Staff