

**STATE
FISCAL IMPACT**

Drafting Number: LLS 14-0840 **Date:** February 21, 2014
Prime Sponsor(s): Sen. Steadman **Bill Status:** Senate Health and Human Services
 Rep. May; Gerou **Fiscal Analyst:** Bill Zepernick (303-866-4777)

SHORT TITLE: PAYMENT OF APPEALS NURSING FACILITY CASH FUND

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	\$0	\$0
General Fund	(29,865)	(29,712)
Cash Funds	29,865	29,712
FTE Position Change		
Appropriation Required: Offsetting appropriations of \$29,865 - HCPF (FY 2014-15)		

* This summary shows changes from current law under the bill for each fiscal year. Parentheses indicate a decrease in funds.

Summary of Legislation

The bill allows payments resulting from nursing facility provider reimbursement appeals to be made from the Medicaid Nursing Facility Cash Fund. Currently, General Fund is used to pay the state's share of appeal payments.

State Expenditures

While the number of nursing facilities appealing reimbursement rates and the amount awarded on appeal varies year-to-year, the fiscal note assumes that \$60,649 is awarded to nursing facilities each year following an appeal, based on the amount awarded in FY 2012-13. Assuming a federal match rate of 50.76 percent in FY 2014-15 and 51.01 percent in FY 2015-16, the state's share of reimbursement appeal payments is expected to be \$29,865 in the first year and \$29,712 in the second year. Under the bill, these amounts will be paid from the Medicaid Nursing Facility Cash Fund, rather than the General Fund. No net change in Medicaid costs will occur under the bill.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

The bill requires the following appropriations to the Department of Health Care Policy and Financing in FY 2014-15:

- an increase of \$29,865 from the Medicaid Nursing Facility Cash Fund; and
- a reduction of \$29,865 General Fund.

State and Local Government Contacts

Health Care Policy and Financing
Public Health and Environment

Human Services