



State Fiscal Note for Bill Number: 2013-H-5479

Date of State Budget Office Approval:

Date Requested: Friday, March 29, 2013

Date Due: Monday, April 08, 2013

Impact on Expenditures

FY 2013	N/A
FY 2014	Indeterminate
FY 2015	Indeterminate

Impact on Revenues

FY 2013
FY 2014
FY 2015

Explanation by State Budget Office:

This bill sets forth a requirement that the Medical Assistance (i.e. Medicaid) program provide family planning services to individuals (male or female) with incomes at or below 250 percent of the Federal Poverty Level (FPL) who lack other third party coverage (or who possess "high-deductible" coverage). The bill is not specific as to the nature and/or scope of covered services.

Comments on Sources of Funds:

Medicaid expenditures are jointly financed by general revenues and federal funds according to the prevailing FMAP, which is 51.48 percent and 50.40 (blended) in FY 2013 and FY 2014, respectively. The FY 2015 FMAP is assumed constant to that of FY 2014.

Summary of Facts and Assumptions:

(1) It is assumed that the bill will take effect as of July 1, 2013. Therefore, no fiscal impact in FY 2013 is presumed.

(2) The Medical Assistance program currently provides family planning services for two distinct groups of women: (a) Those who are fully Medicaid-eligible (family income below 175 percent of FPL) and receive services under a Medicaid managed care health plan (via RItE Care) and (b) Those who are otherwise ineligible for Medical Assistance, but become temporarily eligible due solely to pregnancy (family income below 250 percent of FPL). For the later group, limited family planning services are provided for a 24-month period commencing 60 days subsequent to the birth. These post-partum benefits are referred to as the "Extended Family Planning" ("EFP") program, which are financed at an enhanced federal matching rate of 90 percent for most populations.

(3) Clearly, enactment of this bill would present a significant incremental cost to the Medical Assistance program. Current beneficiaries of Medicaid-financed family planning services represent only a small subset of individuals with income at or below 250 percent of FPL.

(4) Quantification of the fiscal impact is confounded by several factors, such as the determination of the "take-up" or subscription rate for newly eligible individuals, ambiguity surrounding the likely beneficiary pool, the bill's lack of specificity with regard to scope of services for both men and women, and the unknown effects of the bill on services currently provided by MA (for example, does the expanded eligibility established by this bill obviate the need for the EFP program?). The fiscal impact is therefore reported as "Indeterminate but significant".

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Tuesday, April 09, 2013

Page 1 of 2

Summary of Fiscal Impact: FY 2013: N/A
 FY 2014: Indeterminate but significant
 FY 2015: Indeterminate but significant

Budget Office Signature: 

Fiscal Advisor Signature: 