

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4262S.01I  
Bill No.: SB 723  
Subject: Health Care; Medicaid/MO HealthNet; Public Assistance; Social Services,  
Department of  
Type: Original  
Date: January 3, 2022

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Bill Summary: This proposal establishes the "Medicaid Stabilization Fund".

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Medicaid Stabilization Fund	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §208.1000 - Establishes the "Medicaid Stabilization Fund"

Officials from the **Office of Administration - Budget and Planning (B&P)** state this bill creates the Medicaid Stabilization Fund. Deposits into the fund will come from enhanced Federal Medical Assistance Percentage (FMAP) earnings received from the American Rescue Plan Act of 2021 for expanding the MO HealthNet program, and any other appropriations made by the General Assembly. These funds will be set aside to pay for future costs necessary to operate the MO HealthNet (MHN) program. The provision itself will not result in increased revenue or expenditures as the fund will only hold funds from enhanced FMAP earnings and only the General Assembly can create appropriations for actually expending funds.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this organization.

Officials from the **Department of Social Services** and the **Office of the State Treasurer** each assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** does not have any information to the contrary; therefore, we will reflect a zero impact in the fiscal note for these agencies.

**Oversight** notes the American Rescue Plan is described as a \$1.9 trillion package funding economic relief for small businesses, families, states and other political subdivisions, as well as enhanced funding for Medicaid expansion and home- and community-based services. Oversight assumes this proposal simply creates a new fund for moneys received by the state through this Act. Oversight assumes the proposal would not have a fiscal impact to the state; therefore, Oversight will simply reflect the creation of the new state fund in FY 2023 in the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
<b>MEDICAID STABILIZATION FUND</b>			
§208.1000 Creates the new fund	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON THE MEDICAID STABILIZATION FUND</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

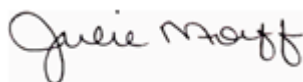
FISCAL DESCRIPTION

This act creates the "Medicaid Stabilization Fund" in the state treasury. The fund shall consist of moneys received due to the increased 5% Medicaid Federal Medical Assistance Percentage (FMAP) in the federal American Rescue Plan Act of 2021 and any other appropriations made by the General Assembly. Such funds shall be used by the Department of Social Services solely for the MO HealthNet program (§208.1000).


This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services  
Office of Administration - Budget and Planning  
Office of the State Treasurer



Julie Morff  
Director  
January 3, 2022



Ross Strobe  
Assistant Director  
January 3, 2022