

State Impact

This bill increases the tax on beer, and places that incremental increase in a new restricted account. The revenue expected from the increase is \$967,000. The bill designates the revenue for moving the Medicaid "spend down" to 100 percent of the federal poverty level. The estimated cost of this is \$3.3 million, of which \$2.3 million would come from federal Medicaid funds. The \$967,000, plus an additional \$54,000 General Fund would be required to draw down the federal funds.

	<u>FY 03 Approp.</u>	<u>FY 04 Approp.</u>	<u>FY 03 Revenue</u>	<u>FY 04 Revenue</u>
General Fund	\$54,000	\$54,000	\$0	\$0
Federal Funds	\$2,292,200	\$2,292,200	\$2,292,200	\$2,292,200
Restricted Funds	\$967,000	\$967,000	\$967,000	\$967,000
TOTAL	\$3,313,200	\$3,313,200	\$3,259,200	\$3,259,200

Individual and Business Impact

Current "spend down" Medicaid recipients would benefit from keeping more of their money, while still retaining their Medicaid eligibility.

Office of the Legislative Fiscal Analyst