

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

REVISED FISCAL NOTE: This fiscal note is a revision of the note issued on 3/3/97. The note has been revised to reflect corrected County Estimate information from the Department of Human Resources which changed the estimates for the following counties: Alleghany, Anson, Beaufort, and Bertie. In addition, the bill as amended, eliminates the need for the technical considerations.

BILL NUMBER: House Bill 73 (As Amended)

SHORT TITLE: Reduce County Share/Payments

SPONSOR(S): Rep. Goodwin

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>
EXPENDITURES	\$9,750,041	\$10,420,037	NA	NA	NA
POSITIONS:	(0)	(0)			
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
Department of Human Resources County Departments of Social Services					
EFFECTIVE DATE: July 1, 1997					

BILL SUMMARY:

For the 1997-99 Biennium, reduces by 20% for “tier 1 counties” and by 10% for “tier 2 counties” (designations based, in part, on unemployment and per capita income rankings)

according to GS 105-129.3) the nonfederal share of Medicaid, public assistance, and social services programs borne by the counties.¹

ASSUMPTIONS AND METHODOLOGY:

- A. Since the proposed legislation reduces payments for the nonfederal share of Medicaid, public assistance, and social services programs, including the cost for administering these programs, for specified distressed counties and does not reduce the scope of these programs, this fiscal note assumes that the reduced payments by counties will be covered by state appropriations.
- B. Distressed counties as defined by GS 105 -129.3 are determined annually by the Department of Commerce. This fiscal note uses the tier 1 and tier 2 counties designated by the 1997 distressed counties list to estimate the fiscal impact of this proposed legislation for 1997-98. Since the distressed counties designations change annually, this fiscal note assumes for 1998-99 that the 1998 counties will be the same or similar to the counties designated on the 1997 list.
- C. This fiscal note uses the 1997-98 County Budget Estimates, prepared in accordance with GS 108A-88, to estimate the 1997-98 county share for Medicaid, public assistance, and social services programs, including the cost for administering these programs. These estimates are produced annually by the Division of Social Services of the Department of Human Resources and provided to counties so they can plan their annual budgets.
- D. This fiscal note assumes for 1998-99 that the Medicaid program will grow 10% and public assistance and social services programs, including the cost of administering all programs will grow by 3%.
- E. The estimated fiscal impact for the proposed legislation was derived by multiplying the 1997-98 county estimates for the tier 1 counties by 20% and the tier 2 counties by 10%. For 1998-99, the 1997-98 county estimates for Medicaid were increased by 10% and all other programs were increased by 3%. Then the 1998-99 increased county estimates for tier 1 counties were multiplied by 20% and the tier 2 counties were multiplied by 10% to determine the fiscal impact for 1998-99.

FISCAL RESEARCH DIVISION: 733-4910

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APPROVED BY: Tom. L. Covington

DATE: 3/26/9



Signed Copy Located in the NCGA Principal Clerk's Offices

¹ Daily Bulletin

HOUSE BILL 73 - REDUCE COUNTY SHARE/PAYMENTS 1997-98

County Name - Tier 1	1997-98 Medical Assistance	1997-98 Public Assistance Programs	1997-98 Social Services Programs	1997-98 Program Administration	Total 1997-98 Payments	1997-98 20% Reduction
Alleghany	\$397,468	\$131,206	\$39,888	\$189,754	\$758,316	\$151,663
Anson	\$1,399,661	\$351,790	\$70,077	\$386,605	\$2,208,133	\$441,627
Edgecombe	\$2,837,280	\$1,153,758	\$216,522	\$1,487,619	\$5,695,179	\$1,139,036
Graham	\$450,991	\$107,470	\$22,989	\$142,025	\$723,475	\$144,695
Halifax	\$2,994,461	\$1,212,664	\$7,660	\$1,411,783	\$5,626,568	\$1,125,314
Hertford	\$1,407,215	\$493,204	\$85,484	\$521,841	\$2,507,744	\$501,549
Northhampton	\$1,266,764	\$442,241	\$86,992	\$507,124	\$2,303,121	\$460,624
Richmond	\$2,538,700	\$870,164	\$169,559	\$759,136	\$4,337,559	\$867,512
Swain	\$639,663	\$117,015	\$30,873	\$211,083	\$998,634	\$199,727
Warren	\$963,328	\$345,882	\$67,488	\$423,875	\$1,800,573	\$360,115
Total	\$14,895,531	\$5,225,394	\$797,532	\$6,040,845	\$26,959,302	\$5,391,860

County Name - Tier 2	1997-98 Medical Assistance	1997-98 Public Assistance Programs	1997-98 Social Services Programs	1997-98 Program Administration	Total 1997-98 Payments	1997-98 10% Reduction
Ashe	\$1,105,237	\$299,905	\$70,592	\$381,201	\$1,856,935	\$185,694
Beaufort	\$2,065,894	\$593,188	\$209,126	\$780,068	\$3,648,276	\$364,828
Bertie	\$1,259,472	\$364,246	\$76,892	\$512,338	\$2,212,948	\$221,295
Bladen	\$1,710,972	\$577,327	\$175,653	\$703,812	\$3,167,764	\$316,776
Hyde	\$306,449	\$90,222	\$21,269	\$150,408	\$568,348	\$56,835
Martin	\$1,246,558	\$402,541	\$117,445	\$558,743	\$2,325,287	\$232,529
Mitchell	\$623,128	\$113,379	\$44,750	\$210,386	\$991,643	\$99,164
Montgomery	\$1,066,170	\$318,383	\$75,263	\$387,285	\$1,847,101	\$184,710
Onslow	\$2,852,728	\$1,484,679	\$361,700	\$1,119,723	\$5,818,830	\$581,883
Robeson	\$6,355,169	\$2,116,212	\$372,510	\$2,178,451	\$11,022,342	\$1,102,234
Scotland	\$1,884,292	\$681,767	\$130,138	\$641,710	\$3,337,907	\$333,791
Tyrrell	\$223,651	\$68,386	\$18,617	\$135,522	\$446,176	\$44,618
Vance	\$2,148,043	\$914,779	\$102,880	\$784,952	\$3,950,654	\$395,065
Washington	\$630,308	\$192,799	\$47,938	\$379,551	\$1,250,596	\$125,060
Yancey	\$658,629	\$171,376	\$32,571	\$274,423	\$1,136,999	\$113,700
Total	\$24,136,700	\$8,389,189	\$1,857,344	\$9,198,573	\$43,581,806	\$4,358,181

TOTAL TIER 1 AND TIER 2 COUNTIES	\$9,750,041
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HOUSE BILL 73 - REDUCE COUNTY SHARE/PAYMENTS 1998-99

County Name - Tier 1	1998-99 Medical Assistance	1998-99 Public Assistance Programs	1998-99 Social Services Programs	1998-99 Program Administration	Total 1998-99 Payments	1998-99 20% Reduction
Alleghany	\$437,215	\$135,142	\$41,085	\$195,447	\$808,888	\$161,778
Anson	\$1,539,627	\$362,344	\$72,179	\$398,203	\$2,372,353	\$474,471
Edgecombe	\$3,121,008	\$1,188,371	\$223,018	\$1,532,248	\$6,064,644	\$1,212,929
Graham	\$496,090	\$110,694	\$23,679	\$146,286	\$776,749	\$155,350
Halifax	\$3,293,907	\$1,249,044	\$7,890	\$1,454,136	\$6,004,977	\$1,200,995
Hertford	\$1,547,937	\$508,000	\$88,049	\$537,496	\$2,681,481	\$536,296
Northhampton	\$1,393,440	\$455,508	\$89,602	\$522,338	\$2,460,888	\$492,178
Richmond	\$2,792,570	\$896,269	\$174,646	\$781,910	\$4,645,395	\$929,079
Swain	\$703,629	\$120,525	\$31,799	\$217,415	\$1,073,369	\$214,674
Warren	\$1,059,661	\$356,258	\$69,513	\$436,591	\$1,922,023	\$384,405
Total	\$16,385,084	\$5,382,156	\$821,458	\$6,222,070	\$28,810,768	\$5,762,154

County Name - Tier 2	1998-99 Medical Assistance	1998-99 Public Assistance Programs	1998-99 Social Services Programs	1998-99 Program Administration	Total 1998-99 Payments	1998-99 10% Reduction
Ashe	\$1,215,761	\$308,902	\$72,710	\$392,637	\$1,990,010	\$199,001
Beaufort	\$2,272,483	\$610,984	\$215,400	\$803,470	\$3,902,337	\$390,234
Bertie	\$1,385,419	\$375,173	\$79,199	\$527,708	\$2,367,499	\$236,750
Bladen	\$1,882,069	\$594,647	\$180,923	\$724,926	\$3,382,565	\$338,256
Hyde	\$337,094	\$92,929	\$21,907	\$154,920	\$606,850	\$60,685
Martin	\$1,371,214	\$414,617	\$120,968	\$575,505	\$2,482,305	\$248,230
Mitchell	\$685,441	\$116,780	\$46,093	\$216,698	\$1,065,011	\$106,501
Montgomery	\$1,172,787	\$327,934	\$77,521	\$398,904	\$1,977,146	\$197,715
Onslow	\$3,138,001	\$1,529,219	\$372,551	\$1,153,315	\$6,193,086	\$619,309
Robeson	\$6,990,686	\$2,179,698	\$383,685	\$2,243,805	\$11,797,874	\$1,179,787
Scotland	\$2,072,721	\$702,220	\$134,042	\$660,961	\$3,569,945	\$356,994
Tyrrell	\$246,016	\$70,438	\$19,176	\$139,588	\$475,217	\$47,522
Vance	\$2,362,847	\$942,222	\$105,966	\$808,501	\$4,219,537	\$421,954
Washington	\$693,339	\$198,583	\$49,376	\$390,938	\$1,332,235	\$133,224
Yancey	\$724,492	\$176,517	\$33,548	\$282,656	\$1,217,213	\$121,721
Total	\$26,550,370	\$8,640,865	\$1,913,064	\$9,474,530	\$46,578,829	\$4,657,883

TOTAL TIER 1 AND TIER 2 COUNTIES	\$10,420,037
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