

**FISCAL NOTE**

	FY 2020	FY 2021	FY 2022
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue (decrease)			
FEDERAL FUNDS	(\$0)	(\$5,600,000)	(\$5,600,000)

Source of revenue (decrease): Decrease in federal funds received due to Medicaid recipients not meeting the work requirement and no longer qualifying for Medicaid coverage.

Assumptions: A decrease in Medicaid expenditures due to the work requirement would also result in a reduction of the federal funds the State receives.

	FY 2020	FY 2021	FY 2022
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Expenditure (decrease)			
GENERAL FUND	(\$0)	(\$5,600,000)	(\$5,600,000)
FEDERAL FUNDS	(\$0)	(\$5,600,000)	(\$5,600,000)

Source of expenditure (decrease): Estimated reduction of Medicaid recipients who would not meet the work requirement and therefore would no longer qualify for Medicaid coverage.

Assumptions: This bill is effective immediately, however, the Wyoming Department of Health (Department) would have to apply for a Section 1115 waiver with the federal Centers for Medicare and Medicaid Services to obtain approval to implement the work requirement. If approved, the work requirement would not go into effect until January 1, 2020 at the earliest. Therefore, the Department assumes the expenditure decreases would begin in FY 2021.

The Department assumptions are based on October 2018 Wyoming Medicaid data and the experience of the State of Arkansas.

- In October 2018, there were an estimated 6,788 non-disabled individuals between 18 and 65 on Wyoming Medicaid.
- Those who would not be subject to the work requirement include 3,555 persons who either have dependents under 6 years old or disabled dependents.
- Those who may be subject to the work requirement include 2,850 Family Care adults (non-disabled individuals with incomes below 56% FPL); 233 children (18 years old but under 21); and 150 foster care or former foster care (18 years old but under 26) for an estimated total of approximately 3,200 individuals.
- Per-member, per-month (PMPM) costs for work requirement eligible individuals is \$550.
- Based on the most recent 5-year American Community Survey estimates of Family Care individuals, the Department estimates 33% are already working.

- Of the non-working remainder, the Department estimates 5-10% will comply with the work requirement and 5-10% will receive an exemption.
- The Department provided the following information from the State of Arkansas who has 20,552 Medicaid members required to report qualifying activities.
  - 1,532 individuals (7%) reported 80 hours of qualifying activities per month, most did so by meeting concurrent SNAP requirements.
  - 2,263 individuals (11%) reported exemptions.
  - 116,757 (82%) did not report any qualifying activities.
- Assuming 80% of the non-working individuals fail to meet the work requirement, the Department assumes that up to 1,700 could be dis-enrolled from Medicaid for twelve months before they could re-apply.
- 1,700 individuals x \$550 PMPM costs x 12 months = \$11,200,000
- Of this amount 50%, or \$5,600,000, would be State General Funds and 50%, or \$5,600,000, would be federal funds.

The Department provided the above assumptions with two caveats. First, it is unclear how individuals will react to the work requirement, so the estimated expenditure decrease from year to year is difficult to estimate. Second, the health care costs of individuals who are dis-enrolled from Medicaid may result in increased uncompensated and charity care at Wyoming hospitals and clinics.

**NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED**

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Department of Health

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