

State and Federal Share of Medicaid Expenditures

Item	FY 14 \$	FY 15 \$
State Appropriation	2,322,513,826	2,069,136,668
Federal Share	2,768,723,827	3,204,946,670
GROSS EXPENDITURES	5,091,237,653	5,274,083,338

Spending Cap

Based on sections 1-10, 62, 67, and 69 of HB 6704, the FY 14 and FY 15 budget bill, the budget is under the spending cap by approximately \$12 million in FY 14 and \$162.1 million in FY 15. Due to the implementation of net funding of Medicaid in the Department of Social Services (DSS) in the FY 14 and FY 15 Budget, the base upon which the spending cap is calculated has been adjusted to also reflect net funding. Consequently, the FY 14 spending cap calculation base is adjusted downward by \$2,225.3 million.

HB 6704 Statutory Spending Cap Calculations (in millions)

Item	Revised FY 13 \$	FY 14 \$	FY 15 \$
All Appropriated Funds - Prior Year	20,140.8	20,685.0	18,603.7
Less Medicaid net appropriation - base adjustment	-	2,225.3	-
Extraordinary spending	-	-	-
Prior Year Appropriations	20,140.8	18,459.8	18,603.7
Less Prior Year "Non-Capped" Expenditures			
Debt Service	2,373.0	2,328.9	2,183.6
Statutory grants to distressed municipalities ¹	1,458.8	1,550.6	1,529.1
Prior Year "Non-Capped" Expenditures	3,831.7	3,879.6	3,712.8
Allowable Growth Calculation			
Total "capped" expenditures	16,309.1	14,580.2	14,891.0
Times the 5-year average growth in personal income ²	3.0%	1.8%	2.5%
= Allowable "capped" growth	485.9	261.1	364.9
Allowable Capped Expenditures	16,795.0	14,841.3	15,255.8
Plus Current Year "Non-Capped" Expenditures			
Debt service	2,328.9	2,183.6	2,333.6
Federal mandates and court orders (new funding)	20.0	61.7	10.4
Statutory grants to distressed municipalities	1,541.4	1,529.1	1,568.1
Current Year "Non-Capped" Expenditures	3,890.3	3,774.5	3,912.1
Expenditures Allowed Under the Cap	20,685.3	18,615.8	19,167.9
Appropriation for this year ³	20,685.0	18,603.7	19,005.8
TOTAL OVER/(UNDER) THE SPENDING CAP	(0.2)	(12.0)	(162.1)

¹FY 14 is adjusted to reflect new distressed grant percentages.

²Except Consumer Price Index (CPI) in FY 13 & FY 15.

³FY 13 is adjusted to reflect the net deficiency appropriation of \$142 million in HB 6704.