Draft Estimate of Minimum General Fund Reduction due to Stimulus Package Passed out of House of Representatives*

February 1, 2009	<----------FY 2010---------->				<----------FY 2011---------->				Percent
Component of Executive Request	General Fund	State Special	Federal	Total	General Fund	State Special	Federal	Total	of Total
FY 2008 Base Budget									
Health Resources	$88,583,945	$12,838,654	$227,836,381	$329,258,980	$88,610,195	$12,838,654	$227,884,208	$329,333,057	
Senior and Long Term Care	43,182,630	20,532,872	139,269,720	202,985,222	43,182,630	20,532,872	139,269,720	202,985,222	
Disability Services Division	21,274,118	2,667,826	52,365,610	76,307,554	21,274,118	2,667,826	52,365,610	76,307,554	
Addictive and Mental Disorders	7,536,895	1,956,888	22,576,239	32,070,022	7,536,895	1,956,888	22,576,239	32,070,022	
Foster Care/Sub Adopt	4,744,446	0	10,053,771	14,798,217	4,744,446	0	10,053,771	14,798,217	
Subtotal Base	165,322,034	37,996,240	452,101,721	655,419,995	165,348,284	37,996,240	452,149,548	655,494,072	
FMAP 68.53 + 4.90 = 73.43	136,148,853	37,996,240	481,274,902	655,419,995	136,168,535	37,996,240	481,329,297	655,494,072	
General Fund Savings Base Budget	(29,173,181)	0	29,173,181	0	(29,179,749)	0	29,179,749	0	78.83%
Present Law									
Caseload and Annualization									
Health Resources	14,733,534	1,602,148	36,329,783	52,665,465	21,758,247	3,233,090	54,130,192	79,121,529	
Senior and Long Term Care	5,597,449	1,183,411	12,491,414	19,272,274	5,095,684	2,124,772	13,172,497	20,392,953	
Disability Services Division	723,244	467,761	1,439,346	2,630,351	766,161	467,761	1,396,429	2,630,351	
Addictive and Mental Disorders	1,129,701	0	2,345,232	3,474,933	1,883,580	0	3,829,433	5,713,013	
Foster Care/Sub Adopt	863,156	0	1,794,344	2,657,500	1,355,704	0	2,756,346	4,112,050	
Subtotal Present Law Execuitve Budget	23,047,084	3,253,320	54,400,119	80,700,523	30,859,376	5,825,623	75,284,897	111,969,896	
FMAP 68.53 + 4.90 = 73.43	18,188,809	3,253,320	59,258,394	80,700,523	23,924,778	5,825,623	82,219,494	111,969,896	
General Fund Savings Present Law	(4,858,275)	0	4,858,275	0	(6,934,597)	0	6,934,597	0	18.73%
New Proposals									
Health Resources	35,087	0	72,574	107,661	81,760	0	166,224	247,984	
Senior and Long Term Care	2,000,000	0	3,529,160	5,529,160	2,000,000	0	3,456,203	5,456,203	
Disability Services Division	549,999	0	727,252	1,277,251	1,010,012	0	1,532,611	2,542,623	
Addictive and Mental Disorders	0	0	0	0	0	0	0	0	
Foster Care/Sub Adopt	0	0	0	0	0	0	0	0	
Subtotal New Proposals Executive Budget	2,585,086	0	4,328,986	6,914,072	3,091,772	0	5,155,038	8,246,810	
FMAP 68.53 + 4.90 = 73.43	1,837,069	0	5,077,003	6,914,072	2,191,177	0	6,055,633	8,246,810	
General Fund Savings New Proposals	($748,017)	$0	$748,017	$0	($900,595)	$0	$900,595	$0	2.43%
Total - Least Change (4.9%)	($34,779,473)	$0	$34,779,473	$0	($37,014,941)	$0	$37,014,941	$0	
Adjusted for 1/2 FY 2011	0	0	0	0	18,507,471	0	(18,507,471)	0	
Grand Total Lowest FMAP Change	($34,779,473)	$0	$34,779,473	$0	($18,507,471)	$0	$18,507,471	$0	
Biennial Total**					($53,286,944)	$0	$53,286,944	$0	
1% Change in FMAP =	($7,097,852)				($3,777,035)	*((FMAP change for only 1/2 of FY11.))*			
1% Biennial Change in FMAP =					($10,874,886)				
1% Change - Unemployment Adjustment	($5,953,443)	*((Note - high unemployment adjustment ends July 1, 2010; does not apply to Foster Care/Sub Adopt))*							

*House stimulus bill contains a 4.9% increase in FMAP and the Senate stimulus bill includes a 7.5% increase in FMAP applicable to Medicaid, Foster Care and Subsidized Adoption services.

*Both House and Senate bills include additional adjustments to the FMAP for high unemployment states. However, the unemployment bonus is applicable to Medicaid services only. At this time, it appears that Montana would qualify for the first tier high unemployment adjustment due to a change in unemployment greater than 1.5%. The Senate bill would add 2.95% to the FMAP. The House bill would add 1.59%.

*If a state qualifies for the high unemployment adjustment for a calendar quarter, it shall be deemed to have qualified for such relief for each subsequent calendar quarter ending before July 1, 2010.

**This spreadsheet does not include general fund savings due to the stimulus FMAP change for the period October 1, 2008 through June 30, 2009. That amount is probably between $22.0 to $25.0 million.

EXHIBIT 4
DATE 2-02-09
HB 2