

State of Utah Medicaid Expansion Assessment

Impact Analysis: 2014-2023

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Executive Summary

In June of 2012 the United States Supreme Court ruled that the Affordable Care Act (ACA) requirement that states expand their Medicaid programs to an entirely new population group was unconstitutional. Thus states were allowed to keep their current federal Medicaid funding regardless of whether or not they choose to expand Medicaid.

Following this ruling many states, including Utah, identified a need to determine if expanding Medicaid would be beneficial to the state. As part of its efforts in this regard, the Utah Department of Health (DOH) contracted with the Public Consulting Group (PCG) to model and project the impacts of expanding or not expanding Utah's Medicaid program.

The following report estimates Medicaid enrollment and costs and savings in Utah under multiple scenarios and with differing populations. The estimations include:

- The costs of the current program projected into future years,
- The costs of the “mandatory changes” due to eligibility determination conversion,
- The costs of expanding Medicaid to two different federal poverty level (FPL) groupings – 0-100% FPL and 0-138% FPL,
- The costs of the “woodwork” effect, providing coverage to the population currently eligible for Medicaid but not enrolled,
- The crowd out effect – those who drop private coverage due to an expansion in public coverage,
- Opportunity costs – the modeled losses to public health and well being if the opportunity to expand is not taken,
- Uncompensated care savings – the decrease in the amount of unreimbursed care hospitals and other providers must face due to an increase in Medicaid coverage for the uninsured,
- Public assistance savings – the need for less expenditures by state and local governments on programs to assist the indigent and uninsured as they gain Medicaid coverage,
- Medically needy savings – the gain or loss of revenue to the state as those on the current Medically needy program leave the program and enroll in expanded Medicaid, and
- Anticipated revenues – the effect the increased federal and state spending that would occur under Medicaid expansion would have on the economy of Utah.

Three different populations are included in the expansion modeling. These populations are:

- Children,
- Adults with dependent children, and
- Adults without dependent children.

Finally, the analysis is presented both yearly through 2023 and in some instances over multiple time periods as follows:

- Six months (January – June 2014),
- One year (January – December 2014),
- Three years (January 2014 – December 2016), and
- Ten years (January 2014 – Dec. 2023).

Summary of Findings:

This report provides a model of the future of the Utah Medicaid program under five different scenarios, which are presented and analyzed in more complete detail in the next section.

The five scenarios are:

1. Mandatory Changes and Trended Medicaid Enrollment due to ACA provisions. No Optional Expansion.
2. Optional Expansion of Medicaid to 138% FPL with Traditional Medicaid Benefits,
3. Optional Expansion of Medicaid to 138% FPL with modeled Essential Health Benefits,
4. Optional Expansion to 100% FPL with Traditional Medicaid Benefits,
5. Optional Expansion to 100% with modeled Essential Health Benefits, and

The following chart summarizes the modeling of each of these scenarios with Scenario 1's results added to each other scenario.

Total Cost/(Savings) to State and County Government for Mandatory Expansion Added to Optional Expansion Scenarios						
State Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Mandatory Only (Scenario 1)	\$ 1,783,471.27	\$ 6,630,004.72	\$ 37,159,703.19	\$ 12,386,567.73	\$ 212,649,485.73	\$ 21,264,948.57
Mandatory Plus Scenario 2	\$ (3,483,534.41)	\$ (12,949,942.05)	\$ (19,786,493.57)	\$ (6,595,497.86)	\$ 288,057,581.86	\$ 28,805,758.19
Mandatory Plus Scenario 3	\$ (3,483,534.41)	\$ (12,949,942.05)	\$ (19,786,493.57)	\$ (6,595,497.86)	\$ 246,491,825.35	\$ 24,649,182.54
Mandatory Plus Scenario 4	\$ 2,858,633.02	\$ 10,626,888.54	\$ 90,624,963.39	\$ 30,208,321.13	\$ 540,806,710.74	\$ 54,080,671.07
Mandatory Plus Scenario 5	\$ 2,010,224.64	\$ 6,323,451.81	\$ 67,003,101.40	\$ 22,334,367.13	\$ 471,351,990.03	\$ 47,135,199.00

Scenario 1 shows that Utah will bear increased costs in its Medicaid program due to the mandatory expansion required by the ACA, as well as the woodwork effect. After modeling these costs, PCG's efforts focused on projecting the costs and benefits to the state of expanding Medicaid under the optional scenarios, and then moved to public programs and other areas beyond the mandatory expansion and optional expansions. The modeled costs and benefits of those areas are included in the summary chart above and in the balance sheets that follow, as well as explained in more detail in the following pages.

PCG has found that expanding Medicaid is modeled to have an overall cost to the state. This cost increases over time as the Federal Financial Participation (FFP) declines from covering 100% of the expansion population in 2014 to an eventual federal coverage of 90% of the costs in perpetuity. The affect of the reduction of the federal cost sharing can be seen across the areas of this report. It is most apparent in the optional scenario modeling for the full expansion to 138% FPL. PCG's judgment is that enhanced cost sharing from the federal government will not be available for the partial expansion to 100% FPL, thus the current FMAP is applied here and no reduction is seen.

The reduction in federal cost sharing is important beyond the pure expansion modeling. For example, in behavioral health coverage the state is modeled to save money in the beginning years of Medicaid expansion (if the optional expansion to 138% FPL takes place) due the likely ability to move people receiving services from the state outside of Medicaid onto the Medicaid rolls. However, the savings to current state non-Medicaid programs are eventually outweighed by the state's portion of Medicaid costs.

This affect is seen elsewhere, but not as dramatically. Moving individuals from high risk pools that offer coverage in the state to Medicaid is modeled to save the state money. However, these savings decrease as the state has to pay a higher percentage of the Medicaid expansion.

Of note, this report relies on state and public sources for its data. The State of Utah provided a significant amount of data, including information from the Department of Human Services, Department of Workforce Services, Department of Health, and the Department of Corrections. Data from state agencies was supplemented with Utah specific data from public sources. Specifically the Current Population Survey (CPS), a function of the United States Census, the Medical Expenditure Panel Survey (MEPS), a function of the United States Department of Health and Human Services, and the Kaiser Family Foundation (Kaiser), a private entity. Any errors in these data sources are replicated here without the knowledge or intention of PCG.

The PCG Medicaid Expansion Simulation Model was created using PCG experience in forecasting Medicaid spending and caseloads. As with any forecast, uncertainty surrounds many of this report's assumptions and projections. Rather than a prediction of future costs, the results of this model are projections that are best used to begin a public discourse on the potential impacts of a Medicaid expansion in Utah.

Five Modeled Scenarios Balance Sheets

This report is intended to assist policy makers in the state of Utah in deciding whether or not to expand the state's Medicaid program as mandated by the ACA and made optional by the Supreme Court.

Given the complexities and numerous scenarios that can be developed to this end, PCG worked closely with state officials to find a way to simplify the way the data is presented. It was decided to create five different pictures of the potential future of Utah Medicaid (and the subsequent impact on other sectors of the state) in completely modeled form. The selected scenarios were chosen because they are viewed as the five most plausible directions in which the state may move in terms of Medicaid expansion. The five scenarios are:

1. Mandatory Changes and Trended Medicaid Enrollment due to ACA provisions. No Optional Expansion.
2. Optional Expansion of Medicaid to 138% FPL with Traditional Medicaid Benefits,
3. Optional Expansion of Medicaid to 138% FPL with modeled Essential Health Benefits,
4. Optional Expansion to 100% FPL with Traditional Medicaid Benefits,
5. Optional Expansion to 100% with modeled Essential Health Benefits, and

For each scenario, PCG has created balance sheets that present the complete modeled picture of the impact to the state of each possible decision. For scenario one, which does not include the optional expansion, federal financial participation is assumed at 71.2% (as used elsewhere in this report). For scenarios which present optional expansion taking place, the cost of providing the care to the modeled populations (with either full Medicaid or EHB packages) is presented along with the federal and state share of providing this care. For the expansions up to 138% FPL, enhanced federal financial participation is assumed as allocated in the ACA and discussed elsewhere in this report. For the optional expansion up to 100% FPL, the modeled current Utah federal participation rate (71.2%) is assumed since the federal government has been clear that enhanced federal participation is not available to states that do not undertake full expansion.

After the cost of the expansion other costs (and/or financial benefits) to Utah are included in the balance sheets. These costs include the administrative costs to state agencies of providing services to the increased client load, potential savings coming to the state from individuals gaining insurance and no longer generating uncompensated care, savings or costs to current state public assistance programs, and finally any changes to the state's medically needy program.

Thus, the balance sheets bring together all of these varying financial projections into one consolidated place for each of the five scenarios. The following narrative and charts describe and demonstrate this modeling activity in detail.

The per member costs in this report assume the same cost sharing for expansion populations that exist in Utah Medicaid today.

How to read the Balance Sheets / Key Assumptions:

The first chart in each balance sheet shows the cost of the Medicaid expansion being modeled, next is the modeled administrative costs of each expansion, and finally the potential assistance program costs / savings achieved.

The second chart shows modeled state and county revenue, from both increased taxes and the results of the IMPLAN model (detailed later in this report). The third chart shows the modeled savings to the state from decreases in uncompensated care due to Medicaid expansion. The Balance Sheets stand alone – the results of each of them are not inclusive of the results of Scenario 1 or any other scenario.

Key Assumptions:

- The mandatory expansion in Scenario 1 will have a nominal affect on public assistance savings and uncompensated care. This is because the population is largely children, many of whom are currently on the state's CHIP program
- The expansions in Scenarios 4 and 5 to 100% FPL will not receive enhanced federal cost sharing
- Public assistance savings in Scenarios 4 and 5 are modeled as a function of total populations at the respective poverty levels, inclusive of the insured, uninsured, and Medicaid populations. This creates a discount percentage of 40.5% when moving from the 138 to the 100 FPL level
- Savings to the State / County represent Medicaid spending, administrative spending, and public program savings / costs that result from the increased benefits provided under Medicaid expansion. Tax Revenue, IMPLAN results, and uncompensated care savings stand on their own.

The data and assumptions that informed each area of the balance sheet can be found in the respective section of the following report.

Scenario 1: No Optional Expansion, modeled Mandatory Changes and Trended Medicaid Enrollment

Scenario 1 assumes the State of Utah does not expand Medicaid. The impact will result from expected Medicaid enrollment increases due to mandatory eligibility changes and the woodwork effect (explained later in this report). Scenario 1's population estimate was broken into three sets of numbers: a high estimate, a low estimate, and an average of the high and low estimates. The population estimate methodology is described in more detail in this report. The average is used to model the costs and savings for all scenarios in the balance sheets but highs and lows are given to demonstrate the potential estimated variation both in the costs and population counts. Total population and cost estimates have been provided across differing time frames: six months, one year, three years and the ten years. For each time period a total figure for that period has been provided in addition to an average annual estimate for that respective period. Please note each time period is inclusive of the previous periods and each time frame can function independently. The average is used to model the costs and savings for this scenario.

The line "CHIP Children" refers to children who will move from the state's Children's Health Insurance Program (CHIP) to the state's Medicaid program due to the end of the asset test for Medicaid eligibility for children under the ACA.

	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	3,145	11,691	24,372	35,707	36,537	38,398	41,369	43,718	46,416	48,918	51,530
CHIP Children	6,817	25,342	31,354	32,536	34,725	36,502	37,146	38,767	40,438	41,914	43,186
Adults (19 - 64) with Children	1,138	4,231	7,791	8,909	10,467	10,587	11,849	12,471	13,451	14,231	15,123
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-
Low Estimate											
Children	2,536	9,429	21,965	23,352	29,465	30,966	33,362	35,256	37,432	39,450	41,556
CHIP Children	6,135	22,808	28,219	29,283	31,252	32,852	33,431	34,890	36,395	37,722	38,867
Adults (19 - 64) with Children	918	3,412	5,428	6,901	8,441	8,538	9,555	10,057	10,848	11,476	12,196
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-
Average											
Children	2,841	10,560	23,169	29,529	33,001	34,682	37,365	39,487	41,924	44,184	46,543
CHIP Children	6,476	24,075	29,786	30,909	32,988	34,677	35,289	36,828	38,417	39,818	41,027
Adults (19 - 64) with Children	1,028	3,822	6,610	7,905	9,454	9,563	10,702	11,264	12,149	12,854	13,659
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-

Scenario 1 Balance Sheet

State Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Est. Services Costs	\$ 5,985,382	\$ 22,250,490	\$ 125,163,947	\$ 41,721,316	\$ 727,183,034	\$ 72,718,303
FMAP on Est. Services Costs	\$ 4,376,417	\$ 16,269,208	\$ 91,545,685	\$ 30,515,228	\$ 531,936,633	\$ 53,193,663
Net State Services Costs	\$ 1,608,965	\$ 5,981,282	\$ 33,618,261	\$ 11,206,087	\$ 195,246,401	\$ 19,524,640
Est. Administrative Costs	\$ 349,013	\$ 1,297,445	\$ 7,082,884	\$ 2,360,961	\$ 34,806,169	\$ 3,480,617
FFP on Est. Administrative Costs (50%)	\$ 174,506	\$ 648,723	\$ 3,541,442	\$ 1,180,481	\$ 17,403,085	\$ 1,740,308
Net State Administrative Costs	\$ 174,506	\$ 648,723	\$ 3,541,442	\$ 1,180,481	\$ 17,403,085	\$ 1,740,308
State Public Assistance Costs/(Savings)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medically Needy Savings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Est. Cost/(Savings)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total State Government Costs/(Savings)	\$ 1,783,471	\$ 6,630,005	\$ 37,159,703	\$ 12,386,568	\$ 212,649,486	\$ 21,264,949
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled State Tax Revenue	\$ 180,458.76	\$ 670,850.41	\$ 3,704,709.87	\$ 1,234,903.29	\$ 20,344,622.17	\$ 2,034,462.22

County Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
County Public Assistance Costs/(Savings)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled County Tax Revenue	\$ 142,104.79	\$ 528,270.59	\$ 2,919,314.13	\$ 973,104.71	\$ 16,068,807.83	\$ 1,606,880.78

Modeled IMPLAN Results and Uncompensated Care Savings	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Uncompensated Care	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled IMPLAN Results	\$ 4,590,560.86	\$ 17,065,282.00	\$ 94,192,242.00	\$ 31,397,414.00	\$ 516,355,480.00	\$ 51,635,548.00

Scenario 2: Optional Expansion of Medicaid to 138% FPL with Traditional Medicaid Benefits

Scenario 2 assumes Utah expands Medicaid with traditional Medicaid benefits to 138% of the FPL. The population estimate was broken into three sets of numbers: a high estimate, a low estimate, and an average of the high and low estimates. The populations estimate methodology is described in more detail in this report. The average is used to model the costs and savings for all scenarios in the balance sheets but highs and lows are given to demonstrate the potential estimated variation both in the costs and population counts. Total population and cost estimates have been provided across differing time frames: six months, one year, three years and the ten years. For each time period a total figure for that period has been provided in addition to an average annual estimate for that respective period. Please note each time period is inclusive of the previous periods and each time frame can function independently.

Please note that no children will be enrolled due to the Optional Expansion, but instead are considered only in Scenario 1 – no expansion, just woodwork effect and mandatory expansion.

Population	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	3,745	13,921	35,535	36,634	37,953	39,547	41,208	42,898	44,356	46,042	47,653
Adults (19 - 64) without Children	7,786	28,945	73,885	76,171	78,913	82,227	85,681	89,194	92,226	95,731	99,081
Low Estimate											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	2,563	9,529	24,323	25,076	25,978	27,070	28,206	29,363	30,361	31,515	32,618
Adults (19 - 64) without Children	5,330	19,812	50,573	52,138	54,015	56,283	58,647	61,052	63,127	65,526	67,820
Average											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	3,154	11,725	29,929	30,855	31,966	33,308	34,707	36,130	37,359	38,778	40,136
Adults (19 - 64) without Children	6,558	24,379	62,229	64,154	66,464	69,255	72,164	75,123	77,677	80,628	83,450

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Scenario 2 Balance Sheet

State Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Est. Services Costs	\$ 24,365,493	\$ 96,741,123	\$ 621,149,422	\$ 207,049,807	\$ 3,123,354,010	\$ 312,335,401
FMAP on Est. Services Costs	\$ 24,365,493	\$ 96,741,123	\$ 621,149,422	\$ 207,049,807	\$ 2,909,873,819	\$ 290,987,382
Net State Services Costs	\$ -	\$ -	\$ -	\$ -	\$ 213,480,191	\$ 21,348,019
Est. Administrative Costs	\$ 910,889	\$ 3,386,206	\$ 20,941,009	\$ 6,980,336	\$ 93,830,791	\$ 9,383,079
FFP on Est. Administrative Costs (50%)	\$ (455,445)	\$ (1,693,103)	\$ (10,470,504)	\$ (3,490,168)	\$ (46,915,396)	\$ (4,691,540)
Net State Administrative Costs	\$ 455,445	\$ 1,693,103	\$ 10,470,504	\$ 3,490,168	\$ 46,915,396	\$ 4,691,540
State Public Assistance Costs/(Savings)	\$ (6,593,322)	\$ (24,510,489)	\$ (73,090,400)	\$ (24,363,467)	\$ (155,526,947)	\$ (15,552,695)
Medically Needy Costs/(Savings)	\$ 188,300	\$ 700,000	\$ 2,100,000	\$ 700,000	\$ 7,000,000	\$ 700,000
Net Est. Cost/(Savings)	\$ (6,405,022)	\$ (23,810,489)	\$ (70,990,400)	\$ (23,663,467)	\$ (148,526,947)	\$ (14,852,695)
Total State Government Costs/(Savings)	\$ (5,949,577)	\$ (22,117,386)	\$ (60,519,895)	\$ (20,173,298)	\$ 111,868,640	\$ 11,186,864
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled State Tax Revenue	\$ 1,107,092	\$ 4,115,585	\$ 25,827,307	\$ 8,609,102	\$ 113,452,739	\$ 11,345,274
County Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
County Public Assistance Costs/(Savings)	\$ (38,944)	\$ (144,775)	\$ 891,484	\$ 297,161	\$ (39,142,758)	\$ (3,914,276)
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled County Tax Revenue	\$ 879,165.01	\$ 3,268,271.40	\$ 20,516,462.44	\$ 6,838,820.81	\$ 90,158,491.40	\$ 9,015,849.14
Modeled IMPLAN Results and Uncompensated Care Savings	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Uncompensated Care	\$ (7,905,433.33)	\$ (29,388,227.98)	\$ (181,742,988.85)	\$ (60,580,996.28)	\$ (814,339,402.43)	\$ (81,433,940.24)
Additional Revenue (Averaged Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled IMPLAN Results	\$ 27,983,913.44	\$ 104,029,418	\$ 652,675,308	\$ 217,558,436	\$ 2,866,156,900	\$ 286,615,690

Scenario 3: Optional Expansion of Medicaid to 138% FPL with modeled Essential Health Benefits

Scenario 3 assumes Utah expands Medicaid with Essential Health Benefits to 138% of the FPL. Population estimate was broken into three sets of numbers: a high estimate, a low estimate, and an average of the high and low estimates. The average is used to model the costs and savings for this scenario. The population estimate methodology is described in more detail in this report. Please note that no children will be enrolled due to the Optional Expansion, but instead are considered only in Scenario 1 – no expansion, just woodwork effect and mandatory expansion.

Please note that no children will be enrolled due to the Optional Expansion, but instead are considered only in Scenario 1 – no expansion, just woodwork effect and mandatory expansion.

Population	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	3,745	13,921	35,535	36,634	37,953	39,547	41,208	42,898	44,356	46,042	47,653
Adults (19 - 64) without Children	7,786	28,945	73,885	76,171	78,913	82,227	85,681	89,194	92,226	95,731	99,081
Low Estimate											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	2,563	9,529	24,323	25,076	25,978	27,070	28,206	29,363	30,361	31,515	32,618
Adults (19 - 64) without Children	5,330	19,812	50,573	52,138	54,015	56,283	58,647	61,052	63,127	65,526	67,820
Average											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	3,154	11,725	29,929	30,855	31,966	33,308	34,707	36,130	37,359	38,778	40,136
Adults (19 - 64) without Children	6,558	24,379	62,229	64,154	66,464	69,255	72,164	75,123	77,677	80,628	83,450

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Scenario 3 Balance Sheet

State Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Est. Services Costs	\$ 15,472,398	\$ 57,518,207	\$ 399,973,917	\$ 133,324,639	\$ 2,388,020,462	\$ 238,802,046
FMAP on Est. Services Costs	\$ 15,472,398	\$ 57,518,207	\$ 399,973,917	\$ 133,324,639	\$ 2,216,106,028	\$ 221,610,603
Net State Services Costs	\$ -	\$ -	\$ -	\$ -	\$ 171,914,435	\$ 17,191,443
Est. Administrative Costs	\$ 910,889	\$ 3,386,206	\$ 20,941,009	\$ 6,980,336	\$ 93,830,791	\$ 9,383,079
FFP on Est. Administrative Costs (50%)	\$ 455,445	\$ 1,693,103	\$ 10,470,504	\$ 3,490,168	\$ 46,915,396	\$ 4,691,540
Net State Administrative Costs	\$ 455,445	\$ 1,693,103	\$ 10,470,504	\$ 3,490,168	\$ 46,915,396	\$ 4,691,540
State Public Assistance Costs/(Savings)	\$ (6,593,322)	\$ (24,510,489)	\$ (73,090,400)	\$ (24,363,467)	\$ (155,526,947)	\$ (15,552,695)
Medically Needy Savings	\$ 188,300	\$ 700,000	\$ 2,100,000	\$ 700,000	\$ 7,000,000	\$ 700,000
Net Est. Cost/(Savings)	\$ (6,405,022)	\$ (23,810,489)	\$ (70,990,400)	\$ (23,663,467)	\$ (148,526,947)	\$ (14,852,695)
Total State Government Costs/(Savings)	\$ (5,949,577)	\$ (22,117,386)	\$ (60,519,895)	\$ (20,173,298)	\$ 70,302,883	\$ 7,030,288
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled State Tax Revenue	\$ 646,767	\$ 2,404,339	\$ 16,439,702	\$ 5,479,901	\$ 85,891,409	\$ 8,589,141

County Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
County Public Assistance Costs/(Savings)	\$ (38,944)	\$ (144,775)	\$ 891,484	\$ 297,161	\$ (39,142,758)	\$ (3,914,276)
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled County Tax Revenue	\$ 511,342	\$ 1,900,899	\$ 13,014,757	\$ 4,338,252	\$ 68,130,851	\$ 6,813,085

Modeled IMPLAN Results and Uncompensated Care Savings	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Uncompensated Care	\$ (7,905,433.33)	\$ (29,388,227.98)	\$ (181,742,988.85)	\$ (60,580,996.28)	\$ (814,339,402.43)	\$ (81,433,940.24)
Additional Revenue (Averaged Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled IMPLAN Results	\$ 16,403,252	\$ 60,978,633	\$ 416,520,714	\$ 138,840,238	\$ 2,172,908,120	\$ 217,290,812

Scenario 4: Optional Expansion of Medicaid to 100% FPL with Traditional Medicaid Benefits

Scenario 4 assumes a Medicaid expansion to only 100% FPL with traditional Medicaid benefits. The population estimate was broken into three sets of numbers: a high estimate, a low estimate, and an average of the high and low estimates. The average is used to model the costs and savings for this scenario. The population estimate methodology is described in more detail in this report.

Please note that no children will be enrolled due to the Optional Expansion, but instead are considered only in Scenario 1 – no expansion, just woodwork effect and mandatory expansion.

Population	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,817	6,756	17,247	17,780	18,420	19,194	20,000	20,820	21,528	22,346	23,128
Adults (19 - 64) without Children	3,779	14,048	35,861	36,970	38,301	39,909	41,585	43,290	44,762	46,463	48,090
Low Estimate											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,244	4,625	11,805	12,170	12,608	13,138	13,690	14,251	14,736	15,296	15,831
Adults (19 - 64) without Children	2,587	9,616	24,546	25,305	26,216	27,317	28,465	29,632	30,639	31,803	32,917
Average											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,531	5,691	14,526	14,975	15,514	16,166	16,845	17,536	18,132	18,821	19,480
Adults (19 - 64) without Children	3,183	11,832	30,203	31,137	32,258	33,613	35,025	36,461	37,701	39,133	40,503

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Scenario 4 Balance Sheet

State Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Est. Services Costs	\$ 11,825,818	\$ 43,962,150	\$ 282,203,324	\$ 94,067,775	\$ 1,417,994,492	\$ 141,799,449
FMAP on Est. Services Costs	\$ 8,654,134	\$ 32,171,501	\$ 206,516,393	\$ 68,838,798	\$ 1,037,688,370	\$ 103,768,837
Net State Services Costs	\$ 3,171,684	\$ 11,790,649	\$ 75,686,932	\$ 25,228,977	\$ 380,306,123	\$ 38,030,612
Est. Administrative Costs	\$ 442,101	\$ 1,643,496	\$ 10,163,728	\$ 3,387,909	\$ 45,540,818	\$ 4,554,082
FFP on Est. Administrative Costs (50%)	\$ 221,050	\$ 821,748	\$ 5,081,864	\$ 1,693,955	\$ 22,770,409	\$ 2,277,041
Net State Administrative Costs	\$ 221,050	\$ 821,748	\$ 5,081,864	\$ 1,693,955	\$ 22,770,409	\$ 2,277,041
State Public Assistance Costs/(Savings)	\$ (2,670,273)	\$ (9,926,665)	\$ (29,601,364)	\$ (9,867,121)	\$ (62,987,886)	\$ (6,298,789)
Medically Needy Savings	\$ 76,261	\$ 283,498	\$ 850,493	\$ 283,498	\$ 2,834,976	\$ 283,498
Net Est. Cost/(Savings)	\$ (2,594,012)	\$ (9,643,167)	\$ (28,750,871)	\$ (9,583,624)	\$ (60,152,910)	\$ (6,015,291)
Total State Government Costs/(Savings)	\$ 798,723	\$ 2,969,229	\$ 52,017,924	\$ 17,339,308	\$ 342,923,622	\$ 34,292,362
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled State Tax Revenue	\$ 364,506	\$ 1,355,041	\$ 8,512,014	\$ 2,837,338	\$ 40,204,153	\$ 4,020,415

County Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
County Public Assistance Costs/(Savings)	\$ (15,772)	\$ (58,633)	\$ 361,048	\$ 120,349	\$ (15,852,684)	\$ (1,585,268)
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled County Tax Revenue	\$ 288,610	\$ 1,072,898	\$ 6,742,638	\$ 2,247,546	\$ 31,881,867	\$ 3,188,187

Modeled IMPLAN Results and Uncompensated Care Savings	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Uncompensated Care	\$ (3,836,905.72)	\$ (14,263,590.03)	\$ (88,209,043.61)	\$ (29,403,014.54)	\$ (395,240,005.21)	\$ (39,524,000.52)
Additional Revenue (Averaged Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled IMPLAN Results	\$ 9,234,236	\$ 34,328,015	\$ 215,566,593	\$ 71,855,531	\$ 1,017,312,650	\$ 101,731,265

Scenario 5: Optional Expansion of Medicaid to 100% FPL with modeled Essential Health Benefits

Scenario 5 also assumes a Medicaid expansion to only 100% FPL, but also utilizes an Essential Health Benefits-like cost structure. The population estimate was broken into three sets of numbers: a high estimate, a low estimate, and an average of the high and low estimates. The average is used to model the costs and savings for this scenario. The population data estimation methodology is described in more detail in this report.

Please note that no children will be enrolled due to the Optional Expansion, but instead are considered only in Scenario 1 – no expansion, just woodwork effect and mandatory expansion.

Population	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,817	6,756	17,247	17,780	18,420	19,194	20,000	20,820	21,528	22,346	23,128
Adults (19 - 64) without Children	3,779	14,048	35,861	36,970	38,301	39,909	41,585	43,290	44,762	46,463	48,090
Low Estimate											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,244	4,625	11,805	12,170	12,608	13,138	13,690	14,251	14,736	15,296	15,831
Adults (19 - 64) without Children	2,587	9,616	24,546	25,305	26,216	27,317	28,465	29,632	30,639	31,803	32,917
Average											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,531	5,691	14,526	14,975	15,514	16,166	16,845	17,536	18,132	18,821	19,480
Adults (19 - 64) without Children	3,183	11,832	30,203	31,137	32,258	33,613	35,025	36,461	37,701	39,133	40,503

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Scenario 5 Balance Sheet

State Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Est. Services Costs	\$ 8,662,476	\$ 27,916,524	\$ 194,127,776	\$ 64,709,259	\$ 1,159,028,345	\$ 115,902,835
FMAP on Est. Services Costs	\$ 6,339,200	\$ 20,429,313	\$ 142,062,707	\$ 47,354,236	\$ 848,176,943	\$ 84,817,694
Net State Services Costs	\$ 2,323,276	\$ 7,487,212	\$ 52,065,070	\$ 17,355,023	\$ 310,851,402	\$ 31,085,140
Est. Administrative Costs	\$ 442,101	\$ 1,643,496	\$ 10,163,728	\$ 3,387,909	\$ 45,540,818	\$ 4,554,082
FFP on Est. Administrative Costs (50%)	\$ 221,050	\$ 821,748	\$ 5,081,864	\$ 1,693,955	\$ 22,770,409	\$ 2,277,041
Net State Administrative Costs	\$ 221,050	\$ 821,748	\$ 5,081,864	\$ 1,693,955	\$ 22,770,409	\$ 2,277,041
State Public Assistance Costs/(Savings)	\$ (2,670,273)	\$ (9,926,665)	\$ (29,601,364)	\$ (9,867,121)	\$ (62,987,886)	\$ (6,298,789)
Medically Needy Savings	\$ 76,261	\$ 283,498	\$ 850,493	\$ 283,498	\$ 2,834,976	\$ 283,498
Net Est. Cost/(Savings)	\$ (2,594,012)	\$ (9,643,167)	\$ (28,750,871)	\$ (9,583,624)	\$ (60,152,910)	\$ (6,015,291)
Costs/(Savings)	\$ (49,686)	\$ (1,334,207)	\$ 28,396,062	\$ 9,465,354	\$ 273,468,901	\$ 27,346,890
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled State Tax Revenue	\$ 226,698	\$ 842,745	\$ 5,776,336	\$ 1,925,445	\$ 77,158,564	\$ 7,715,856

County Government Costs/(Savings)	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
County Public Assistance Costs (Savings)	\$ (15,772)	\$ (58,633)	\$ 361,048	\$ 120,349	\$ (15,852,684)	\$ (1,585,268)
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled County Tax Revenue	\$ 178,495	\$ 663,549	\$ 4,556,537	\$ 1,518,846	\$ 64,748,446	\$ 6,474,845

Modeled IMPLAN Results and Uncompensated Care Savings	January - June 2014	January - December 2014	January 2014 - December 2016		January 2014 - December 2023	
Averaged Totals	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Uncompensated Care	\$ (3,836,905.72)	\$ (14,263,590.03)	\$ (88,209,043.61)	\$ (29,403,014.54)	\$ (395,240,005.21)	\$ (39,524,000.52)
Additional Revenue (Average Totals)	Six Month Total	One Year Total	Three Year Total	Three Year Yearly Average	Ten Year Total	Ten Year Yearly Average
Modeled IMPLAN Results	\$ 5,767,327	\$ 21,439,876	\$ 146,747,787	\$ 48,915,929	\$ 827,943,000	\$ 82,794,300

PCG-MESM Assumptions and Modeling

The Public Consulting Group Medicaid Expansion Simulation Model (PCG-MESM) is the foundation of this analysis. Two main sources of data were inputted into the model in order to generate results: data from the March 2012 Annual Social Economic (ASEC) supplement to the 2012 Current Population Survey (CPS) and data from the state of Utah, particularly from the Department of Health (DOH) and the Department of Workforce Services (DWS).

Data from the CPS source is all Utah specific. The CPS is part of the United States Census and thus data for each state is the building block for the national figures. All data used for population modeling purposes is specific to the state of Utah and not extrapolated from national figures. The national figures themselves are a combination of the state specific data.

Current Population Survey Data

Demographic data for the PCG-MESM, including statistics on the uninsured, Medicaid populations, and Federal Poverty Level (FPL) splits comes from the March 2012 Annual Social Economic (ASEC) supplement to the 2012 Current Population Survey (CPS), administered by the United States Census Bureau. The ASEC is a supplement to the CPS survey that covers more than 75,000 additional households and provides further detail into social, income, and economic statistical data. Data from the March 2012 ASEC supplement is collected directly from two separate sources: the Current Population Survey Table Creator and the State Health Access Data Assistance Center (SHADAC). Both of these query tools collect data from the ASEC supplement with differing levels of granularity. The SHADAC data tool has the ability to query data from 0 – 138% of the Federal Poverty Level (FPL) in addition to 0 – 400+% FPL. The CPS Table Creator has the ability to query data only on the 0 – 100% FPL level.

In order to provide the most accurate data and incorporate the smallest level of assumptions possible, Public Consulting Group relied on both the CPS Table Creator and the SHADAC query tool to pull our baseline data figures. Three population categories at these FPL levels were created: Uninsured, Medicaid Eligible, and Private Insurance.

Since the CPS data does not provide counts of adults with and without children, PCG utilized the SHADAC data to arrive at these percentages (see the table, below), which were then applied to the CPS data.

Utah Population	Uninsured Percentage (0-400% FPL)	Privately Insured Percentage
Uninsured adults with dependent children	32.48%	44.58%
Uninsured adults without dependent children	67.52%	55.42%

Inputting these data sources into the PCG-MESM produced the following population estimates by FPL and population grouping. These estimates served as the PCG-MESM's 2012 baseline estimate.

2012 Utah	Poverty Level	Population Subset	Count
Uninsured	0 - 100% FPL	Children	28,000
	0 - 100% FPL	Adults (19 - 64) with children	23,707
	0 - 100% FPL	Adults (19 - 64) without children	49,293
	0 - 138% FPL	Children	49,642
	0 - 138% FPL	Adults (19 - 64) with children	48,846
	0 - 138% FPL	Adults (19 - 64) without children	101,561
Private Insurance	0 - 100% FPL	Children	47,000
	0 - 100% FPL	Adults (19 - 64) with children	25,411
	0 - 100% FPL	Adults (19 - 64) without children	31,589
	0 - 138% FPL	Children	106,107
	0 - 138% FPL	Adults (19 - 64) with children	89,996
	0 - 138% FPL	Adults (19 - 64) without children	111,880
Medicaid Coverage	0 - 100% FPL	Children	62,000
	0 - 100% FPL	Adults (19 - 64) with children	27,000
	0 - 100% FPL	Adults (19 - 64) without children	0
	0 - 138% FPL	Children	166,000
	0 - 138% FPL	Adults (19 - 64) with children	51,900
	0 - 138% FPL	Adults (19 - 64) without children	0

The PCG-MESM then trended this 2012 number to arrive at the 2014, 2014-2016, and 2014-2023 population estimates. The PCG-MESM utilized a linear regression to calculate future year estimates. The trended Medicaid enrollment numbers were used in the Mandatory and Optional

sections of the model. The population figures were trended utilizing five year's worth of Medicaid enrollment numbers from CPS (2007 – 2012). Although the “woodwork” section of the model utilizes the same linear regression approach, the uninsured populations from CPS were used as base data. The Adults with and without Dependent Children and Children populations were trended on 5 years of CPS data (2007 – 2012), for their respective FPL eligibility levels.

Once both current Medicaid and uninsured totals were created for future years using the trending methodology described above, “take up” rate and “lag” assumptions were applied.

The take up rate refers to the amount of people who are eligible for a program that eventually apply for coverage and enroll in it. Experience shows that programs do not often reach total enrollment of all eligible individuals. The charts in this report include “high” and “low” estimates for populations and costs. These estimates are based on take up rates. In order to create and apply take up rate estimates, PCG analyzed the current available literature, included all valid studies, and then created an average high and low estimate. Appendix I provides a chart summarizing these findings. The high take up rate is 71.09% and the low take-up rate percentage is 48.66%.

In addition to these take up rates for the entire population, it is assumed that neither take up rate will be immediately achieved. Experience with past expansions indicates that a lag will occur as the program ramps up, and that full take up rates (either high or low) will not occur immediately. Past programs indicate a three year lag is most common. In the first year, all charts assume 38% of all total eventual enrollees will be in the program, 97% in year two, and 100% in year three and all subsequent years. In other words, in the high estimate of year one, of the total universe of potential enrollees, it is assumed 38% of 71% will enroll, with 97% of the 71% in year two, and 100% of the 71% in year three and later years.

Department of Health and Department of Workforce Services Data

The Department of Health (DOH) and Department of Workforce Services (DWS) provided additional data that is used in the PCG-MESM. DOH provided data on Medicaid claims over a five year time horizon that was used to trend Medicaid costs into future years. This included data that was broken into differing populations which allowed costs to be broken out into different categories, including children, and adults with and without dependent children. DWS, which determines eligibility for the state, provided detailed information on cases served over a five year time horizon which allowed caseload to be trended into future years across categories.

Cost Data

Potential costs of the modeled populations are presented at two different benefit levels. The first is traditional Utah Medicaid. The second benefit package is an Essential Health Benefits package (EHB). Under the ACA, states have the option of offering an alternative benefit package to Medicaid expansion populations. Though a final decision on this package is pending a number of decisions, including expansion itself, it is possible that any alternative benefit package will be close to the EHB. For this report, PCG has assumed that the Public Employee Health Plan's (PEHP) "Basic Plus", which has been recommended by lawmakers for the Health Insurance Exchange in Utah (Exchange), will serve as the Medicaid EHB.

In order to model costs of this EHB package, PCG underwent a review of the PEHP Basic Plus Utah offers and compared those benefits to traditional Medicaid. It was found that the Medicaid benefit is richer than the proposed EHB plan. In the absence of cost data on the EHB package, Medicaid costs were assumed into the EHB package. Benefits that are offered in Medicaid but not in the EHB package were removed from the EHB cost information. Medicaid costs are a good benchmark for this exercise, as using them embeds Medicaid utilization into the EHB cost and utilization estimate.

For both benefit options, utilization and claims data from Utah was applied to model the costs of the varying populations. The PCG-MESM utilized Utah Medicaid enrollment and spending data from 2008 through 2011 (four years), broken out by the following population groupings (with adjustments for the EHB as noted above):

- Adult,
- Aged,
- Blind/Disabled,
- Child,
- Primary Care Network (PCN),
- Pregnant Women, and
- Qualified Medicare Beneficiaries (QMB).

PCG translated these population groupings into the three population categories requested by the DOH: Children, Adults with Dependent Children, and Adults without Dependent Children. For the PCN population, PCG utilized 2011 enrollment data to determine the number of adults with and without dependent children. PCG divided the Adult and Pregnant Women categories into the

MESM's population categories as explained above. Historical spending was assigned to the population categories in this manner.

The PCG-MESM then calculated a Per Member Per Year (PMPY) spending estimate for each of the populations and benefit packages. These PMPY estimates were used to project 10-year spending levels for each of the population groupings using a number of methods, including linear regression using different historical years and annual growth rates using different historical years. PCG staff identified the trending methodology deemed most appropriate for the population grouping. The result is a PMPY for each of the population categories for each year, 2014 through 2023. It is likely that newly eligible populations will be "less expensive" than existing Medicaid populations. The PCG-MESM discounts the calculated PMPY accordingly. Estimated PMPY calculations are assumed the same for both FPL groupings (0-100% and 0-138%)

These final PMPY spending estimates were applied to the population estimates for each of the scenarios (population methodologies described earlier).

PCG-MESM – Cost Output Timeframes

The PCG-MESM produced spending estimates on a yearly basis as per direction from state officials.

Mandatory Expansion

Modified adjusted gross income (MAGI) conversion is a mandatory requirement of the ACA. Like other states, Utah currently has varying income eligibility requirements for each of its Medicaid and Children's Health Insurance Program (CHIP) programs. Under a standardized MAGI conversion methodology, after gross individual or family incomes are determined, a series of disregards are applied (42 CFR 435.603). Disregards are income or assets that are not counted when deciding Medicaid eligibility. In the MAGI methodology excluded disregards include veteran's benefits, child-support income, transportation benefits, individual retirement accounts, and death benefits.

MAGI is part of the mandatory expansion of Medicaid under the ACA. In important ways, it reflects the "woodwork" population discussed in more detail later in this report. Though the mandatory expansion is the expansion of Medicaid to newly eligible individuals and the woodwork expands Medicaid to clients who are currently eligible but new applicants, the areas have two key components in common: the state must offer these populations coverage under Medicaid and both are subject to current federal financial participation, not the increased federal financing for expansion populations.

Due to the two reasons above, the difficulty in estimating the MAGI population, and the fact that Utah has yet to make a final determination for how its MAGI calculation will be performed, this population is included in the woodwork effect tables in order to simplify this narration and related tables. Appendix II provides readers who wish to know the details of MAGI conversion with a write-up on its background, how the MAGI conversion will work, and the options available to the state in determining how it will undertake MAGI determinations.

In addition to MAGI conversion, asset tests will be eliminated from the income eligibility requirements for some eligibility groups. While Utah has never had asset tests for its CHIP programs, the tests are still applicable to many of its Medicaid programs.

Previous studies have shown that eliminating asset tests has a limited impact on enrollment because few low-income families have assets.¹ A Lewin Group study showed that the elimination of asset tests increased enrollment between 3 and 10 percent for the target populations.²

¹ National Academy for State Health Policy, "Maximizing Kids' Enrollment in Medicaid and SCHIP", February 2009.

² The Lewin Group, "An Evaluation of the Impact of Medicaid Expansion in New Hampshire", November 2012.

Additionally, the ACA requires that Medicaid cover children ages 6 -18 with an FPL from 100 – 138%. Per discussions with the state, it was decided to include these children in the mandatory expansion section. Children currently on the state CHIP program that fall into this income range are also included in the mandatory expansion. It is assumed that the asset test, set to be eliminated by the ACA, is the reason why these children are ineligible for Medicaid and thus part of the state’s CHIP program.

CHIP population data from 2007-2011 was supplied to PCG by the Department of Health. An enrollment trend was created from this historical data, which was used for CHIP purposes in this report. Indications are that enrollment in 2012 declined in relation to the historical data PCG used to create the trend. This data was not included in order to stay consistent with the time frame of state provided data used elsewhere in this report.

Children are not present in any of the optional populations as they are all included in the mandatory expansion.

Optional Expansion

Changes in Medicaid eligibility under the ACA will primarily affect adults (age 19-64) without children, who are currently not eligible for Medicaid (with the exception of the limited benefit of the PCN program). It will also impact adults with dependent children whose incomes are above the current Medicaid levels in Utah (just under 50% FPL). Under expansion as envisioned by the ACA, these nonelderly persons with an effective household income less than 138% FPL will be eligible for expansion. This section of the report projects populations and costs of this optional population. The analysis is also broken into the 0-100% FPL grouping by request of the Department of Health. Guidance from CMS has indicated that the ACA's enhanced FMAP will only be available to states that undertake full expansion. So, as noted previously, the cost of 0-100% FPL population is assumed at the current FMAP.

Data, Methodology, and Assumptions

The data for this section comes from the Current Population Survey (CPS) and the state of Utah. The data is further detailed in the previous explanation of the PCG-MESM.

The assumptions for this section include estimates of participation rates, take up rates, and costs. Participation rates for the optional expansion were arrived at by analyzing publicly available reports. Take up rates are presented in both high and low take-up rate scenarios. The high take-up rate percentage is 71.09% and the low take-up rate percentage is 48.66%. These figures are the assumed final high and low take-up rate percentages. A lag is modeled for both the high and low participation rates. See Appendix I for a summary of public reports on participation rates.

The simulation model estimates annual impacts of the optional expansion. In order to determine a 6-month impact, PCG utilized enrollment experience that was gleaned from the implementation of a similar program and participation is assumed at a little less than 30% of the entire year's population in those six months.

The data is presented on a yearly basis.



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Optional Expansion Population Estimates

Population	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,817	6,756	17,247	17,780	18,420	19,194	20,000	20,820	21,528	22,346	23,128
Adults (19 - 64) without Children	3,779	14,048	35,861	36,970	38,301	39,909	41,585	43,290	44,762	46,463	48,090
High Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	3,745	13,921	35,535	36,634	37,953	39,547	41,208	42,898	44,356	46,042	47,653
Adults (19 - 64) without Children	7,786	28,945	73,885	76,171	78,913	82,227	85,681	89,194	92,226	95,731	99,081
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,244	4,625	11,805	12,170	12,608	13,138	13,690	14,251	14,736	15,296	15,831
Adults (19 - 64) without Children	2,587	9,616	24,546	25,305	26,216	27,317	28,465	29,632	30,639	31,803	32,917
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	3,154	11,725	29,929	30,855	31,966	33,308	34,707	36,130	37,359	38,778	40,136
Adults (19 - 64) without Children	6,558	24,379	62,229	64,154	66,464	69,255	72,164	75,123	77,677	80,628	83,450

Optional Expansion Total Cost Estimates (using Medicaid cost base)

Total Cost Estimates	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$3,839,743	\$14,274,139	\$37,233,885	\$39,225,358	\$41,526,658	\$44,217,583	\$47,082,879	\$50,085,734	\$52,921,834	\$56,134,846	\$59,370,839
Adults (19 - 64) without Children	\$10,201,132	\$37,922,424	\$99,970,448	\$106,435,697	\$113,876,593	\$122,543,305	\$131,869,607	\$141,769,512	\$151,387,769	\$162,283,941	\$173,461,580
High Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$7,911,412	\$29,410,453	\$76,716,742	\$80,819,976	\$85,561,576	\$91,105,961	\$97,009,622	\$103,196,708	\$109,040,210	\$115,660,305	\$122,327,749
Adults (19 - 64) without Children	\$21,017,906	\$78,133,479	\$205,974,143	\$219,294,821	\$234,625,674	\$252,482,137	\$271,697,586	\$292,094,859	\$311,911,837	\$334,361,768	\$357,391,622
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$2,628,245	\$9,770,426	\$25,486,016	\$26,849,148	\$28,424,352	\$30,266,248	\$32,227,499	\$34,282,906	\$36,224,172	\$38,423,430	\$40,638,416
Adults (19 - 64) without Children	\$6,982,516	\$25,957,310	\$68,428,218	\$72,853,580	\$77,946,758	\$83,878,987	\$90,262,696	\$97,039,027	\$103,622,574	\$111,080,835	\$118,731,756
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$5,415,238	\$20,130,998	\$52,511,418	\$55,320,017	\$58,565,569	\$62,360,614	\$66,401,578	\$70,636,542	\$74,636,329	\$79,167,681	\$83,731,443
Adults (19 - 64) without Children	\$14,386,430	\$65,807,316	\$173,480,121	\$184,699,358	\$197,611,651	\$212,651,117	\$228,835,180	\$246,014,625	\$262,705,320	\$281,613,601	\$301,010,316



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Optional Expansion Federal Match (using Medicaid cost base)

Federal Match	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$2,809,924	\$10,445,815	\$27,247,757	\$28,705,117	\$30,389,208	\$32,358,427	\$34,455,251	\$36,652,740	\$38,728,198	\$41,079,480	\$43,447,580
Adults (19 - 64) without Children	\$7,465,189	\$27,751,630	\$73,158,374	\$77,889,643	\$83,334,891	\$89,677,191	\$96,502,178	\$103,746,929	\$110,785,569	\$118,759,388	\$126,939,185
High Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$7,911,412	\$29,410,453	\$76,716,742	\$80,819,976	\$81,283,497	\$85,639,603	\$90,218,948	\$92,877,037	\$98,136,189	\$104,094,275	\$110,094,974
Adults (19 - 64) without Children	\$21,017,906	\$78,133,479	\$205,974,143	\$219,294,821	\$222,894,391	\$237,333,208	\$252,678,755	\$262,885,373	\$280,720,653	\$300,925,591	\$321,652,459
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$1,923,349	\$7,149,998	\$18,650,666	\$19,648,207	\$20,800,940	\$22,148,840	\$23,584,084	\$25,088,231	\$26,508,849	\$28,118,266	\$29,739,193
Adults (19 - 64) without Children	\$5,109,806	\$18,995,560	\$50,075,770	\$53,314,250	\$57,041,437	\$61,382,643	\$66,054,241	\$71,013,160	\$75,831,000	\$81,288,955	\$86,887,899
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$5,415,238	\$20,130,998	\$52,511,418	\$55,320,017	\$55,637,290	\$58,618,977	\$61,753,468	\$63,572,888	\$67,172,696	\$71,250,913	\$75,358,298
Adults (19 - 64) without Children	\$14,386,430	\$65,807,316	\$173,480,121	\$184,699,358	\$187,731,068	\$199,892,050	\$212,816,718	\$221,413,162	\$236,434,788	\$253,452,241	\$270,909,284



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Optional Expansion State Share (using Medicaid cost base)

State Share Estimates	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$1,029,819	\$3,828,324	\$9,986,128	\$10,520,241	\$11,137,450	\$11,859,156	\$12,627,628	\$13,432,994	\$14,193,636	\$15,055,366	\$15,923,259
Adults (19 - 64) without Children	\$2,735,944	\$10,170,794	\$26,812,074	\$28,546,054	\$30,541,702	\$32,866,114	\$35,367,429	\$38,022,583	\$40,602,200	\$43,524,553	\$46,522,396
High Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$0	\$0	\$0	\$0	\$4,278,079	\$5,466,358	\$6,790,674	\$10,319,671	\$10,904,021	\$11,566,031	\$12,232,775
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$11,731,284	\$15,148,928	\$19,018,831	\$29,209,486	\$31,191,184	\$33,436,177	\$35,739,162
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$704,895	\$2,620,428	\$6,835,349	\$7,200,942	\$7,623,411	\$8,117,408	\$8,643,415	\$9,194,676	\$9,715,323	\$10,305,164	\$10,899,223
Adults (19 - 64) without Children	\$1,872,711	\$6,961,751	\$18,352,448	\$19,539,330	\$20,905,320	\$22,496,344	\$24,208,455	\$26,025,867	\$27,791,574	\$29,791,880	\$31,843,857
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$0	\$0	\$0	\$0	\$2,928,278	\$3,741,637	\$4,648,110	\$7,063,654	\$7,463,633	\$7,916,768	\$8,373,144
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$9,880,583	\$12,759,067	\$16,018,463	\$24,601,462	\$26,270,532	\$28,161,360	\$30,101,032



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Optional Expansion Total Cost Estimate (using Essential Health Benefit estimate cost base)

Total Cost Estimates	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$2,193,321	\$9,037,197	\$25,324,104	\$28,432,550	\$31,865,056	\$35,713,498	\$39,828,999	\$44,184,759	\$48,502,387	\$53,267,806	\$58,156,789
Adults (19 - 64) without Children	\$6,485,129	\$24,108,285	\$67,615,847	\$75,971,263	\$85,195,945	\$95,536,458	\$106,595,289	\$118,300,893	\$129,907,718	\$142,717,021	\$155,860,474
High Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$5,008,848	\$18,620,252	\$52,177,814	\$58,582,460	\$65,654,800	\$73,584,135	\$82,063,719	\$91,038,332	\$99,934,377	\$109,753,052	\$119,826,319
Adults (19 - 64) without Children	\$13,361,637	\$49,671,512	\$139,312,332	\$156,527,416	\$175,533,491	\$196,838,571	\$219,623,637	\$243,741,283	\$267,655,408	\$294,047,059	\$321,127,177
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$1,663,986	\$6,185,821	\$17,333,955	\$19,461,638	\$21,811,136	\$24,445,334	\$27,262,331	\$30,243,781	\$33,199,130	\$36,460,985	\$39,807,418
Adults (19 - 64) without Children	\$6,982,516	\$16,501,746	\$46,281,997	\$52,001,149	\$58,315,300	\$65,393,220	\$72,962,818	\$80,975,123	\$88,919,814	\$97,687,582	\$106,684,072
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$3,428,478	\$12,745,273	\$35,714,903	\$40,098,783	\$44,939,690	\$50,367,197	\$56,171,340	\$62,314,323	\$68,403,527	\$75,124,258	\$82,019,253
Adults (19 - 64) without Children	\$9,145,833	\$33,999,378	\$95,357,126	\$107,140,583	\$120,149,946	\$134,732,942	\$150,328,965	\$166,837,119	\$183,205,967	\$201,270,641	\$219,806,561



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Optional Expansion Federal Match (using Essential Health Benefit estimate cost base)

Federal Match	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$1,605,073	\$6,613,421	\$18,532,179	\$20,806,940	\$23,318,848	\$26,135,138	\$29,146,862	\$32,334,407	\$35,494,047	\$38,981,380	\$42,559,138
Adults (19 - 64) without Children	\$4,745,817	\$17,642,443	\$49,481,277	\$55,595,771	\$62,346,392	\$69,913,580	\$78,006,432	\$86,572,594	\$95,066,468	\$104,440,316	\$114,058,695
High Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$5,008,848	\$18,620,252	\$52,177,814	\$58,582,460	\$62,372,060	\$69,169,087	\$76,319,258	\$81,934,499	\$89,940,939	\$98,777,747	\$107,843,687
Adults (19 - 64) without Children	\$13,361,637	\$49,671,512	\$139,312,332	\$156,527,416	\$166,756,816	\$185,028,257	\$204,249,982	\$219,367,155	\$240,889,868	\$264,642,353	\$289,014,459
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$1,217,705	\$4,526,784	\$12,684,989	\$14,242,027	\$15,961,389	\$17,889,096	\$19,950,574	\$22,132,399	\$24,295,123	\$26,682,149	\$29,131,069
Adults (19 - 64) without Children	\$5,109,806	\$12,075,978	\$33,869,165	\$38,054,441	\$42,675,136	\$47,854,759	\$53,394,190	\$59,257,595	\$65,071,520	\$71,487,773	\$78,071,404
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$3,428,478	\$12,745,273	\$35,714,903	\$40,098,783	\$42,692,706	\$47,345,165	\$52,239,346	\$56,082,891	\$61,563,175	\$67,611,833	\$73,817,328
Adults (19 - 64) without Children	\$9,145,833	\$33,999,378	\$95,357,126	\$107,140,583	\$114,142,449	\$126,648,966	\$139,805,938	\$150,153,408	\$164,885,370	\$181,143,577	\$197,825,905



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Optional Expansion State Share (using Essential Health Benefit estimate cost base)

State Share Estimates	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$588,249	\$2,423,776	\$6,791,925	\$7,625,610	\$8,546,208	\$9,578,360	\$10,682,138	\$11,850,352	\$13,008,340	\$14,286,426	\$15,597,651
Adults (19 - 64) without Children	\$1,739,311	\$6,465,842	\$18,134,570	\$20,375,493	\$22,849,552	\$25,622,878	\$28,588,856	\$31,728,300	\$34,841,250	\$38,276,705	\$41,801,779
High Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$0	\$0	\$0	\$0	\$3,282,740	\$4,415,048	\$5,744,460	\$9,103,833	\$9,993,438	\$10,975,305	\$11,982,632
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$8,776,675	\$11,810,314	\$15,373,655	\$24,374,128	\$26,765,541	\$29,404,706	\$32,112,718
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$446,281	\$1,659,037	\$4,648,967	\$5,219,611	\$5,849,747	\$6,556,239	\$7,311,757	\$8,111,382	\$8,904,007	\$9,778,836	\$10,676,350
Adults (19 - 64) without Children	\$1,872,711	\$4,425,768	\$12,412,831	\$13,946,708	\$15,640,163	\$17,538,462	\$19,568,628	\$21,717,528	\$23,848,294	\$26,199,810	\$28,612,668
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	\$0	\$0	\$0	\$0	\$2,246,985	\$3,022,032	\$3,931,994	\$6,231,432	\$6,840,353	\$7,512,426	\$8,201,925
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$6,007,497	\$8,083,977	\$10,523,028	\$16,683,712	\$18,320,597	\$20,127,064	\$21,980,656

“Woodwork” And Mandatory Expansion Populations and Costs

The “woodwork” effect is the population that is currently eligible but not enrolled in Medicaid. Expectations and research indicate that the combination of the individual mandate and the increased attention on health care coverage in the country will encourage some of these currently eligible but not enrolled individuals to apply for coverage. They may apply for coverage via the Health Insurance Exchange that will be operating in Utah and find out they are eligible for Medicaid, or they may know they are eligible for the program and directly apply. Either way, this population is important to cost modeling exercises because whether or not the state chooses to expand Medicaid it will have to provide coverage to this population, and at current federal financial participation levels.

Data, Methodology, and Assumptions

The methodology for finding and trending the data found in this section can be found in previous sections of this report.

The total universe of potential enrollees reflects current Utah Medicaid standards translated into the three categories in this report (children, adults with dependent children and adults without dependent children). The total populations for children were found at 138% FPL and adults at 50% FPL. From these figures, the population covered by Medicaid was subtracted from the total, arriving at the number of applicable uninsured adults and children. This was cross checked with the number of uninsured at each poverty level. Trended numbers of total eligible but not enrolled populations were created for future years. Individuals modeled to be newly covered were removed from each potential eligible but not enrolled population to avoid double counting.

Similar to the optional expansion, the assumptions for this section include estimates of participation rates, take up rates, and costs. Publicly available reports provided information on the impact of the woodwork effect on participation. Take up rates are presented in both high and low take-up rate scenarios. The high take-up rate percentage is 71.09% and the low take-up rate percentage is 48.66%. These figures are the assumed final high and low take-up rate percentages. As discussed in a previous section, a lag is modeled for both the high and low participation rates. See appendix one for a summary of public reports on participation rates.

The simulation model estimates annual impacts of the optional expansion. In order to determine a 6-month impact, PCG utilized enrollment experience that was gleaned from the implementation of a similar program and participation is assumed at a little less than 30% of the entire year’s population in those six months. The following charts provide population and cost

estimates for both the mandatory and woodwork populations, combined into the same charts on a yearly basis.



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Woodwork and Mandatory Expansion Population Estimates

	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	3,145	11,691	24,372	35,707	36,537	38,398	41,369	43,718	46,416	48,918	51,530
CHIP Children	6,817	25,342	31,354	32,536	34,725	36,502	37,146	38,767	40,438	41,914	43,186
Adults (19 - 64) with Children	1,138	4,231	7,791	8,909	10,467	10,587	11,849	12,471	13,451	14,231	15,123
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-
Low Estimate											
Children	2,536	9,429	21,965	23,352	29,465	30,966	33,362	35,256	37,432	39,450	41,556
CHIP Children	6,135	22,808	28,219	29,283	31,252	32,852	33,431	34,890	36,395	37,722	38,867
Adults (19 - 64) with Children	918	3,412	5,428	6,901	8,441	8,538	9,555	10,057	10,848	11,476	12,196
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-
Average											
Children	2,841	10,560	23,169	29,529	33,001	34,682	37,365	39,487	41,924	44,184	46,543
CHIP Children	6,476	24,075	29,786	30,909	32,988	34,677	35,289	36,828	38,417	39,818	41,027
Adults (19 - 64) with Children	1,028	3,822	6,610	7,905	9,454	9,563	10,702	11,264	12,149	12,854	13,659
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-



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Woodwork and Mandatory Expansion Total Cost (Medicaid benefit mandated)

Total Cost	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	\$4,015,994	\$14,929,345	\$31,744,248	\$47,437,450	\$49,511,843	\$53,073,543	\$58,324,044	\$62,868,758	\$68,082,914	\$73,188,615	\$78,638,029
CHIP Children	\$195,932	\$728,372	\$919,180	\$972,907	\$1,059,116	\$1,135,596	\$1,178,735	\$1,254,767	\$1,335,059	\$1,411,440	\$1,483,372
Adults (19 - 64) with Children	\$2,404,600	\$8,939,035	\$16,819,855	\$19,654,333	\$23,597,710	\$24,389,997	\$27,893,390	\$30,000,358	\$33,066,337	\$35,748,450	\$38,820,337
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Low Estimate											
Children	\$3,238,705	\$12,039,794	\$28,609,158	\$31,024,046	\$39,928,906	\$42,801,244	\$47,035,520	\$50,700,611	\$54,905,576	\$59,023,076	\$63,417,765
CHIP Children	\$176,339	\$655,535	\$827,262	\$875,616	\$953,204	\$1,022,037	\$1,060,861	\$1,129,291	\$1,201,553	\$1,270,296	\$1,335,034
Adults (19 - 64) with Children	\$1,939,194	\$7,208,899	\$11,718,415	\$15,224,442	\$19,030,411	\$19,669,353	\$22,494,670	\$24,193,837	\$26,666,401	\$28,829,395	\$31,306,723
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Average											
Children	\$3,627,349	\$13,484,570	\$30,176,703	\$39,230,748	\$44,720,374	\$47,937,393	\$52,679,782	\$56,784,685	\$61,494,245	\$66,105,846	\$71,027,897
CHIP Children	\$186,136	\$691,954	\$873,221	\$924,262	\$1,006,160	\$1,078,817	\$1,119,798	\$1,192,029	\$1,268,306	\$1,340,868	\$1,409,203
Adults (19 - 64) with Children	\$2,171,897	\$8,073,967	\$14,269,135	\$17,439,387	\$21,314,061	\$22,029,675	\$25,194,030	\$27,097,097	\$29,866,369	\$32,288,923	\$35,063,530
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



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Woodwork and Mandatory Expansion Federal Match (Medicaid benefit mandated)

Federal Match	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	\$2,938,904	\$10,925,295	\$23,230,441	\$34,714,726	\$36,232,767	\$38,839,219	\$42,681,536	\$46,007,357	\$49,823,076	\$53,559,428	\$57,547,309
CHIP Children	\$155,766	\$579,056	\$730,748	\$773,461	\$841,997	\$902,799	\$937,094	\$997,540	\$1,061,372	\$1,122,095	\$1,179,280
Adults (19 - 64) with Children	\$1,759,687	\$6,541,586	\$12,308,770	\$14,383,041	\$17,268,804	\$17,848,600	\$20,412,383	\$21,954,262	\$24,197,945	\$26,160,716	\$28,408,722
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Low Estimate											
Children	\$2,370,084	\$8,810,722	\$20,936,182	\$22,703,397	\$29,219,973	\$31,321,951	\$34,420,593	\$37,102,707	\$40,179,900	\$43,193,087	\$46,409,121
CHIP Children	\$140,189	\$521,150	\$657,673	\$696,115	\$757,797	\$812,519	\$843,385	\$897,786	\$955,235	\$1,009,886	\$1,061,352
Adults (19 - 64) with Children	\$1,419,102	\$5,275,472	\$8,575,536	\$11,141,246	\$13,926,455	\$14,394,032	\$16,461,599	\$17,705,050	\$19,514,472	\$21,097,352	\$22,910,260
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Average											
Children	\$2,654,494	\$9,868,008	\$22,083,311	\$28,709,062	\$32,726,370	\$35,080,585	\$38,551,064	\$41,555,032	\$45,001,488	\$48,376,258	\$51,978,215
CHIP Children	\$132,529	\$492,671	\$621,733	\$658,074	\$716,386	\$768,117	\$797,296	\$848,725	\$903,034	\$954,698	\$1,003,353
Adults (19 - 64) with Children	\$1,589,394	\$5,908,529	\$10,442,153	\$12,762,144	\$15,597,630	\$16,121,316	\$18,436,991	\$19,829,656	\$21,856,209	\$23,629,034	\$25,659,491
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



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Woodwork and Mandatory Expansion State Share (Medicaid benefit mandated)

State Share - HIGH ESTIMATE	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate											
Children	\$1,077,090	\$4,004,050	\$8,513,807	\$12,722,724	\$13,279,076	\$14,234,324	\$15,642,509	\$16,861,401	\$18,259,837	\$19,629,186	\$21,090,719
CHIP Children	\$40,166	\$149,316	\$188,432	\$199,446	\$217,119	\$232,797	\$241,641	\$257,227	\$273,687	\$289,345	\$304,091
Adults (19 - 64) with Children	\$644,914	\$2,397,449	\$4,511,085	\$5,271,292	\$6,328,906	\$6,541,397	\$7,481,007	\$8,046,096	\$8,868,392	\$9,587,734	\$10,411,614
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Low Estimate											
Children	\$868,621	\$3,229,073	\$7,672,976	\$8,320,649	\$10,708,933	\$11,479,294	\$12,614,926	\$13,597,904	\$14,725,675	\$15,829,989	\$17,008,645
CHIP Children	\$36,149	\$134,385	\$169,589	\$179,501	\$195,407	\$209,518	\$217,477	\$231,505	\$246,318	\$260,411	\$273,682
Adults (19 - 64) with Children	\$520,092	\$1,933,427	\$3,142,879	\$4,083,195	\$5,103,956	\$5,275,320	\$6,033,070	\$6,488,787	\$7,151,929	\$7,732,044	\$8,396,463
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Average											
Children	\$972,855	\$3,616,562	\$8,093,392	\$10,521,687	\$11,994,004	\$12,856,809	\$14,128,718	\$15,229,652	\$16,492,756	\$17,729,588	\$19,049,682
CHIP Children	\$38,158	\$141,851	\$179,010	\$189,474	\$206,263	\$221,157	\$229,559	\$244,366	\$260,003	\$274,878	\$288,887
Adults (19 - 64) with Children	\$582,503	\$2,165,438	\$3,826,982	\$4,677,244	\$5,716,431	\$5,908,359	\$6,757,039	\$7,267,441	\$8,010,160	\$8,659,889	\$9,404,039
Adults (19 - 64) without Children	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Mandatory CHIP to Medicaid Enrollment and Expenditure

Children from 6 – 18 years of age currently on CHIP will be mandatorily moved from CHIP to Medicaid due to the ACA's provision. This creates the situation in which Utah will have to pay the marginal cost between the state's CHIP program and Medicaid program. This marginal cost is included in the total cost for scenario one. The following spreadsheet provides details on the difference between the CHIP and Medicaid program costs and demonstrates the net cost to the state.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population Estimate	30,840	31,354	32,536	34,725	36,502	37,146	38,767	40,438	41,914	43,186
CHIP PMPY	\$1,136.55	\$1,159.28	\$1,182.47	\$1,206.12	\$1,230.24	\$1,254.85	\$1,279.94	\$1,305.54	\$1,331.65	\$1,358.29
Pre Expansion CHIP Expenditure	\$35,051,547.17	\$36,348,357.18	\$38,472,973.10	\$41,882,048.08	\$44,906,418.01	\$46,612,287.43	\$49,618,952.87	\$52,794,043.38	\$55,814,481.33	\$58,658,957.04
CHIP FFP	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%
Utah CHIP Expenditure	\$7,186,806.34	\$7,452,698.23	\$7,888,319.61	\$8,587,300.50	\$9,207,403.25	\$9,557,166.79	\$10,173,639.50	\$10,824,645.30	\$11,443,941.86	\$12,027,159.94
Medicaid PMPY	\$1,276.95	\$1,302.49	\$1,328.54	\$1,355.11	\$1,382.21	\$1,409.86	\$1,438.05	\$1,466.81	\$1,496.15	\$1,526.07
Expansion Medicaid Expenditure	\$39,381,508.67	\$40,838,428.64	\$43,225,495.96	\$47,055,690.12	\$50,453,657.05	\$52,370,250.59	\$55,748,326.01	\$59,315,631.87	\$62,709,181.10	\$65,905,031.68
Mandatory FFP	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%	79.5%
Utah Medicaid Expenditure	\$8,073,209.28	\$8,371,877.87	\$8,861,226.67	\$9,646,416.47	\$10,342,999.70	\$10,735,901.37	\$11,428,406.83	\$12,159,704.53	\$12,855,382.13	\$13,510,531.49
Net Increased Cost to State	\$886,402.94	\$919,179.64	\$972,907.07	\$1,059,115.98	\$1,135,596.44	\$1,178,734.58	\$1,254,767.33	\$1,335,059.23	\$1,411,440.26	\$1,483,371.55

PCG-MESM – FMAP Results

Federal Medical Assistance Percentage, or FMAP, is the percentage of the Federal government’s contribution to the Utah Medicaid program. The 2013 calculated FMAP rate for Utah is 71.2%. This number is Utah’s average FMAP from 2004 – 2012. This FMAP rate is assumed to remain constant throughout all 10 years of modeling.

The FMAP rate for the Mandatory Expansion and the Woodwork impact will be equivalent to the base FMAP rate – 71.2%.

The FMAP rate for the Optional Expansion will be as follows:

Optional Expansion			
Year	Utah FMAP	Utah State Share	Base Utah FMAP for other scenarios
2014	100%	0%	71.20%
2015	100%	0%	71.20%
2016	100%	0%	71.20%
2017	95%	5%	71.20%
2018	94%	6%	71.20%
2019	93%	7%	71.20%
2020	90%	10%	71.20%
2021	90%	10%	71.20%
2022	90%	10%	71.20%
2023	90%	10%	71.20%

The PCG-MESM applied these FMAP rates to the applicable scenarios (e.g. 71.2% for woodwork and the enhanced federal match to the optional scenarios) when producing the Federal and State share amounts.

Crowd Out

There is a fear that expanded access to public health insurance coverage will “crowd out” private health insurance coverage. Crowd out is the extent to which this Medicaid expansion will actually reduce private insurance coverage. Estimating the impact of crowd out is an important consideration when calculating the number of insured who will enroll in Medicaid due to the Medicaid expansion. This section of the report explains crowd out in more detail and projects the potential cost effects of the phenomena. One interesting aspect is that crowd out research to date has focused on the behavior of individuals. Given the complexities of the ACA and the impact it has on small businesses, there is an expected effect on the actions of businesses as well. Research on this area is limited to date as these effects are very challenging to measure.

The term “crowd out” was first coined in 1996 by economists David Cutler and Jonathan Gruber. Since this 1996 study there is a significant body of literature related to crowd-out. But as Lisa Dubay notes, the studies utilized different methodologies and each studied crowd-out in different ways. Gruber and Kosali Simon (2012) summarized the different crowd out studies and summarized data sources used, methodology, crowd-out definition, and results.

Article	Data source	Methodology	Crowd-out definition	Results
Cutler and Gruber (1996)	1987–1992 CPS	Instrument eligibility with simulated eligibility based on entire nation; control for state, year, age; consider family level spillovers	(Private insurance/public insurance) or (1-(uninsured/public insurance))	Children 31%, or children: 40%, family level: 50%
Dubay and Kenney (1996)	1988 and 1993 CPS	Change in insurance coverage of children relative to change for adult men	(Private insurance/public insurance)	Below poverty: 15%, 100–133%: 22%
Dubay and Kenney (1997)	1988 and 1992 CPS	Change in insurance coverage of pregnant women relative to change for men	(Private insurance/public insurance)	Below poverty: 0%, 100–133%: 27%, 133–185%: 59%
Thorpe and Florence (1998)	1989–1994 NLSY	Measure movement from private insurance onto Medicaid among children with privately insured parents	% of those entering Medicaid with privately insured parents	16%
Blumberg et al. (2000)	1990 SIPP Panel	Compare change in insurance coverage of children made eligible by expansions to those not made eligible	% of children made eligible losing private relative to gaining public	4%
Yazici and Kaestner (2000)	1988 and 1992 NLSY	Compare change in insurance coverage of children becoming eligible to those not becoming eligible	(1-(uninsured/public insurance)) or (private insurance/public insurance)	55–59%, 5–24%
Aizer and Grogger (2003)	1995–2002 CPS	Compare change in insurance, for those above AFDC eligibility vs. below, in states with adult expansion, before vs. after expansion	Coefficient on private coverage equation (no crowd-out calculations)	Statistically insignificant effect on private coverage for mothers and for children
Card and Shore-Sheppard (2004)	1990–1993 SIPP panels	Compare changes in insurance coverage of children around income and age limits for eligibility	(Private insurance/public insurance)	Below poverty, eligible for <100: 0; below poverty, eligible for 100–133: 50%; 100–133: 0
LoSasso and Buchmueller (2004)	1996–2000 CPS	Instrument eligibility with simulated eligibility based on entire nation; control for state, year, age, state×year; interact with state waiting periods	(Private insurance/public insurance)	Average: 50% varies with state waiting periods
Shore-Sheppard (2005)	1987–1995 CPS	Same as Cutler–Gruber, but add additional controls - children only	(1-(uninsured/public insurance)) or (private insurance/public insurance)	33% (age/year controls) to 59% (all controls), 0
Ham and Shore-Sheppard (2005)	1985–1995 SIPP	Instrument eligibility with simulated eligibility based on all other states; control for state, year, age	(Private insurance/public insurance)	No crowd-out
Hudson et al.	(2005) 1996–2002 MEPS	Compare changes in children made eligible and remaining ineligible; instrument with simulated eligibility	(private insurance/public insurance)	Comparison: 25–55%, IV: 39–70%

These studies utilize different data sets, different definitions of crowd out, and employ varying methodologies. The results, likewise, vary considerably – from significant 50%-60% crowd out to as little as no crowd out.

As the table illustrates, all of the research to date has been performed on expansion of eligibility for children and their families. Adults without dependent children do not have a separate published study. Evidence suggests that crowd out is a family-driven phenomenon. Cutler and Gruber's analysis shows that crowd-out is significant, especially when family level measures are utilized.³

Based on this research, PCG utilized two crowd-out measures: one for enrollment of children and one for enrollment of adults with children. For adults without dependent children, PCG identified little in the way of extensive analysis. As such, PCG utilized the children's crowd-out measure, as no better measure was available.

No definitive studies could be identified that demonstrate a direct link between individuals dropping commercial coverage and enrolling in a Medicaid expansion. In all studies reviewed, an assumption is made that the reason for dropping commercial insurance is to enroll in Medicaid, but no data is available to validate this assumption and comparable data to measure this type of affect is very hard to obtain. Due to a lack of hard evidence, PCG is not able to make an assumption that all enrollees who drop commercial insurance will in turn enroll in Medicaid. To avoid further confusion and enable the end user of this report to apply their own assumptions, PCG provided these population figures as a standalone data point with which a user can apply their own assumption as this is a challenging data point to precisely estimate.

³ Crowd out effect: Gruber, Jonathan, and Kosali Simon. "Crowd-out 10 years later: Have recent public insurance expansions crowded out private health insurance?" *Journal of Health Economics* 27): 201-217, 2008.



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Crowd-Out Population Estimates (Mandatory Expansion – low estimate intentionally admitted)

Population	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
High Estimate 0-100 FPL											
Children	77	286	730	752	793	813	838	872	899	925	956
Adults (19 - 64) with Children	52	192	491	506	524	547	569	593	613	636	659
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-
High Estimate 0-138 FPL											
Children	206	765	1,953	2,014	2,123	2,176	2,243	2,335	2,408	2,477	2,559
Adults (19 - 64) with Children	99	370	944	973	1,008	1,050	1,095	1,139	1,178	1,223	1,266
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) without Children	-	-	-	-	-	-	-	-	-	-	-

Crowd-Out Population Estimates (Optional Expansion)

Population	1/14 - 6/14	1/14 - 12/14	1/15 - 12/15	1/16 - 12/16	1/17 - 12/17	1/18 - 12/18	1/19 - 12/19	1/20 - 12/20	1/21 - 12/21	1/22 - 12/22	1/23 - 12/23
High Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	909	3,378	8,623	8,890	9,210	9,597	10,000	10,410	10,764	11,173	11,564
Adults (19 - 64) without Children	1,172	4,355	11,117	11,461	11,873	12,372	12,891	13,420	13,876	14,404	14,908
High Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,872	6,961	17,768	18,317	18,977	19,774	20,604	21,449	22,178	23,021	23,827
Adults (19 - 64) without Children	2,414	8,973	22,904	23,613	24,463	25,490	26,561	27,650	28,590	29,677	30,715
Low Estimate 0-100 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	622	2,312	5,903	6,085	6,304	6,569	6,845	7,126	7,368	7,648	7,915
Adults (19 - 64) without Children	802	2,981	7,609	7,845	8,127	8,468	8,824	9,186	9,498	9,859	10,204
Low Estimate 0-138 FPL											
Children	-	-	-	-	-	-	-	-	-	-	-
Adults (19 - 64) with Children	1,282	4,764	12,162	12,538	12,989	13,535	14,103	14,681	15,181	15,757	16,309
Adults (19 - 64) without Children	1,652	6,142	15,678	16,163	16,745	17,448	18,181	18,926	19,569	20,313	21,024

Opportunity Costs

Expanding Medicaid will provide health insurance to the currently uninsured. This would have a positive effect on those citizens of the state and has the potential to improve public health in general. This section of the report quantifies the opportunity costs of not expanding Medicaid.

Mortality and Access to Care among Adults after State Medicaid Expansions⁴

Studies on healthcare coverage expansions are typically confounded by differences in populations. Medicaid populations tend to be sicker than normal populations and due to study limitations, like populations are not typically compared. Traditional expansion studies in the past have focused on low income children and pregnant women but the ACA expansion in 2014 will cover childless adults, a population not typically covered. In a 2012 study, three states that had substantially expanded adult Medicaid eligibility since 2000 (New York, Maine, and Arizona) were compared with neighboring states that did not undergo any expansions. The study population consisted of 68,012 adults without dependent children aged 20 – 64 who were observed 5 years before and after the expansions, from 1997 through 2007. The primary outcome of the study was a reduction in all-cause county-level mortality. Secondary outcomes were increased rates of insurance coverage, decreased delayed care, and improved self reported health among 169,124 persons in the Current Population Survey and 192,148 persons in the Behavioral Risk Factor Surveillance System.

A significant reduction in all-cause mortality was observed by 19.6 deaths per 100,000 adults for a relative 6.1% reduction rate. The reduction in deaths was greatest among older adults, non-whites, and residents of poorer counties. Smaller but significant reductions were observed in whites and no effects were observed in persons under the age of 35 years.

⁴ Sommers BD et al. Mortality and access to care among adults after state Medicaid expansions. *N Engl J Med* 2012 Jul 25; <http://www.nejm.org/doi/full/10.1056/NEJMc1212920>

The chart below demonstrates the primary and secondary outcomes of this study.

Primary and Secondary Outcomes		
Measure	Result	Relative Rate
Reduction in All Cause Mortality	19.6 adults per 100,000 adults	6.10%
Increased Rate of Medicaid Coverage	2.20%	24.70%
Decreased rate of Uninsurance	3.20%	14.70%
Decreased rates of delayed care	2.90%	21.30%
Self-reported "excellent" or "very good" health status	2.20%	3.40%

This study is only relevant to adults (ages 20 – 64) without dependent children. A significant reduction in 19.6 deaths per 100,000 adults can be indirectly applied to our study population of childless adults from 0 - 138% FPL. The study populations below for each state and their level of expansion can be seen below.

State	Expansion
Arizona	Childless adults with incomes below 100% FPL, and parents with incomes up to 200% FPL
Maine	Childless adults up to 100% FPL
New York	Childless adults up to 100% FPL and parents with incomes up to 150% FPL

Although the populations are similar, they do not match exactly to a population group within the projected expansion to Utah. These primary and secondary outcomes are relevant to the expansion in Utah, but the numbers cannot be directly applied across the different population groups as they are not in proper alignment.

The primary finding of this study is that Medicaid expansions to cover low income adults significantly reduced all-cause mortality as well as improving coverage, access to care, and self-reported health. Individual patient characteristics and variations in insurance coverage often plague studies of this nature, but they were not factors in this study as the expansions were viewed as natural experiments. Significant improvements in self-reported health status were also a direct benefit of Medicaid expansion in addition to a reduction in all-cause mortality. Similar results can be expected after an expansion in Utah, but exact numbers cannot be extrapolated across these differing populations. The differences are too large and would require broad assumptions.

What the Oregon Health Study Can Tell Us About Expanding Medicaid⁵

Oregon expanded Medicaid through a randomized lottery system for its previously closed public insurance program, the Oregon Health Plan Standard that expands Medicaid coverage to low-income adults. Analysis of the enrolled population into this program demonstrated that individuals who signed up for the waiting list were more likely to have a worse health status than those who did not sign up for the waiting list. Enrollment numbers were lower than anticipated due to both lack of eligibility and enrollment barriers that are still present across population groups.

This study represented a randomized controlled trial of Medicaid expansion as those were not selected served as a control group. We must keep in mind that the Medicaid expansion is voluntary and directly contrasts the individual mandate in which individuals must purchase health insurance or suffer a penalty. The take up rate was low across the study population which further conflicts with a mandatory expansion. To be eligible for the Oregon Health Plan Standard, you must be an adult between the ages of 19 – 64, an Oregon resident, and a US or legal resident. You must also have been without health insurance for at least six months, have an income below the federal poverty level, and have less than \$2,000 in assets. Budgetary shortfalls forced an enrollment cap in 2004, but in 2008, Oregon realized they had the resources to enroll an additional 10,000 adults. Anticipating high demand for the program, Oregon received approval from CMS to create a lottery system for enrollment into the program and over 85,000 individuals applied to be on the waitlist.

⁵ Heidi Allen, Katherine Baicker, Amy Finkelstein, Sarah Taubman, Bill J. Wright and the Oregon Health Study Group. *What the Oregon Health Study Can Tell Us About Expanding Medicaid*. Health Affairs, 29, no.8 (2010):1498-1506. DOI: 10.1377/hlthaff.2010.0191

Preliminary findings reveal that the individuals who signed up for the waitlist were generally older and in a worse health status when compared to the overall low income uninsured population of Oregon. Of the 29,411 individuals who were selected from the waitlist, less than one-third ended up enrolled in the Oregon Health Plan Standard. About 40% of those selected actually enrolled, and about half of those 50% who applied were found to be eligible for the program. Participation in the waitlist and take up rates in the program were higher for people in worse health which follows the logic in that these individuals have more to gain through acquiring coverage.

This same logic can be applied to Utah in that PCG expects sicker individuals to have a greater incentive to enroll when compared to the baseline uninsured population. This will ultimately impact costs and long terms savings. These new enrollments must be considered in terms of savings to the uncompensated care costs across the state. Only preliminary results are available and hard figures are not given, so no calculations can be applied, but we are able to draw associations.

The Cost Effectiveness of Health Insurance⁶

This study estimates the value of providing health insurance to individuals who are currently uninsured through an incremental cost-effectiveness analysis. Individuals ages 25 to 64 across two individual surveys were examined to estimate the contribution of socio-demographic, health, and health behavior characteristics on insured persons' quality-adjusted life years (QALYs) and healthcare costs.

A three step process was utilized in estimating the cost-effectiveness of insuring those currently uninsured. First a regression analysis of nationally representative data of privately insured individuals modeled the effects of socio-demographic and clinical variables on costs, quality of life values, and mortality. Values from this analysis were then applied to the socio-demographic and clinical characteristics of the uninsured to predict the costs and health benefits of providing insurance. Finally a Markov model was used to estimate these costs from age 25 through 64. Outcomes in this study were provided in quality adjusted life years, with a QALY of 1 representing a year spent in perfect health. Additional costs per QALY are represented as an incremental cost-effectiveness ratio (ICER).

⁶ Muennig, Peter et al. The Cost Effectiveness of Health Insurance. American Journal of Preventive Medicine. 1 January 2005 (volume 28 issue 1 Pages 59-64 DOI: 10.1016/j.amepre.2004.09.005)

The incremental cost effectiveness ratio for adults ages 25 through 64 is approximately \$35,000 per QALY with a range of \$21,000 to \$48,000. Additional health care services purchased with health insurance provide gains in life quality that are on par with other medical interventions society typically chooses to fund.

Results from this study indicate that for the uninsured, actual expenditures are lower, quality of life is lower, and mortality experiences are higher. The average 25 year old gains .9 QALY over the study period or gain .6 years of life (unadjusted for quality). These gains in health and life expectancy are comparable to programs or medical interventions that are considered a “good buy.” We can also note from this study that the cost effectiveness of health insurance increases with age.

This study is relevant to expanding Medicaid in Utah in that it provides baseline numbers of the cost effectiveness of providing health insurance to the uninsured. Although these figures do not apply directly to Medicaid expansion, they do demonstrate how increased coverage yields both an increased quality of life and a greater life expectancy. This study also shows us how the cost effectiveness of these greater yields increases with age which needs to be taken into consideration when considering the expansion population for the state of Utah.

Administrative Costs and Savings

Any increase in Medicaid caseload leads to increased administrative costs for the departments that administer the program. This section of the report models costs of the three departments that will be the most impacted by Medicaid expansion. These are the Department of Health (DOH), the single state agency that administers the Medicaid program, the Department of Workforce Services (DWS), the state agency primarily responsible for eligibility determinations in the state, and the Department of Human Services (DHS). Other state departments likely to be affected are the Department of Technology (DOT), the Office of Medicaid Inspector General (OIG), and the Medicaid Fraud Control Unit (MFCU). The following analysis provides PCG's estimates for the costs expected to be borne by DOH, DWS, and DHS if the state chooses to expand Medicaid. Administrative cost fiscal figures were either not available or were expected to be relatively nominal for the other entities due to expansion and therefore are not included here.

This analysis considers the three applicable Departments independently by using unit costing figures for each Department. This unit cost can then be applied to any expansion population total in order to project the additional costs the Departments will face as a function of caseload.

Data, Methodology, and Assumptions

Department of Health

The Department of Health (DOH) is the single state agency responsible for administering Utah's Medicaid program. DOH is certain to face additional administrative costs if Utah decides to expand its Medicaid program. In order to approximate the costs to DOH of adding additional Medicaid clients, DOH's 2010 and 2011 annual reports were analyzed for total expenditures, administrative costs, and Medicaid enrollment numbers. The following charts outline the findings:

2010 DOH Statistics	
Total Medicaid Budget	\$1,395,616,200
Administrative Cost	\$35,337,800
Administrative Cost as Percentage of Total Budget	2.53%
Number of Unique Enrollees	361,113
Administrative Cost Per Enrollee	\$97.86
Fixed Costs (90% Assumption)	\$88.07
Variable Costs (per enrollee)	\$9.79

2011 DOH Statistics	
Total Medicaid Budget	\$1,533,797,800
Administrative Cost	\$44,854,500
Administrative Cost as Percentage of Total Budget	2.92%
Number of Unique Enrollees	373,954
Administrative Cost Per Enrollee	\$119.95
Fixed Costs (90% Assumption)	\$107.95
Variable Costs (per enrollee)	\$11.99

The two year's administrative costs by enrollee were averaged to create an administrative unit cost figure of **\$10.89** for DOH.

Department of Workforce Services

The Department of Workforce Services (DWS) performs eligibility determinations for the state of Utah. DWS is expected to face significant costs due to Medicaid expansion. DWS supplied PCG with data that allowed a unit cost figure to be created. This data included:

- Total annual staffing costs
- Methodology for converting individuals to cases
- Estimated staffing levels on a case basis

PCG created a model using this data to create the final unit cost estimate. For illustrative purposes, an enrollment of 50,000 individuals was used. The below chart demonstrates the data used in the model:

Administrative Cost of 50,000 Persons	Number of Required FTEs	Total Fund Cost
Eligibility Specialists	49.675	\$ 3,372,959
Supervisors	3.312	\$ 266,591
ESD Managers	0.828	\$ 91,485
ESD Associate Director	0.207	\$ 31,709
Program Specialists	1.656	\$ 146,708
PRT/QC	1.104	\$ 97,805
Total	56.782	\$ 4,007,258

Unit Cost Estimate	
Estimate Cost of FTEs	\$4,007,258
Number of Enrollees	50,000
Unit Cost	\$80.15

This creates a unit cost estimate of **\$80.15** per enrollee.

Department of Human Services

The DHS provided PCG with an estimated unit costing based on a projected increase of 111,400 total Medicaid participants (35,500 being children) from current state estimates. The DHS then estimated an increase of 22,200 child support cases. In order to handle that caseload increase DHS anticipates requiring additional total funding of \$1,214,800 (\$413,000 of which would come from the state general fund and the remainder would be federal matching funds) to cover the costs. These figures were used to create a unit cost estimate of **\$11.63**. This unit cost is different from DOH and DWS because it only applies to the juvenile population, and will be used in the PCG-MESM as such.

DHS Expansion Estimated Statistics	
State Estimated Number of New Children enrollees due to full Medicaid Expansion	35,500
Related Number of New Child Support Cases	22,200
State Funds Required	\$413,000.00
Unit Cost Estimate	\$11.63

Data Output

The following chart summarizes the findings for each Department analyzed for this report. The numbers below were trended to the year 2014 (shown below) and applied to all future caseload projections in order to model the potential costs to the state for Medicaid expansion.

Unit Cost Estimates Per Medicaid Enrollee for State Agencies	
Unit Cost Estimate	
DOH	\$10.89
DWS	\$80.15
DHS	\$11.63
Note: DHS cost is for children only and will not be applied to adult expansion populations	

Unit Cost 2014 Estimates Per Medicaid Enrollee for State Agencies	
Unit Cost Estimate	
DOH	\$11.22
DWS	\$82.57
DHS	\$11.98
Note: DHS cost is for children only and will not be applied to adult expansion populations	

Uncompensated Care Savings

This section estimates the amount of uncompensated care provided in Utah and how that care is distributed among health providers. The share of the uncompensated care costs that are attributable to individuals that are estimated to gain coverage under the ACA are also estimated.

Data and Methodology

The American Hospital Association provides estimates of uncompensated care figures from the AHA's Annual Survey of Hospitals.⁷ This survey focuses on direct unreimbursed hospital services and claims and does not account for many of the other services and programs that hospitals or other providers provide to meet identified community needs. Uncompensated care for a hospital is the sum of the bad debt and charity care that is provided. Charity care is defined as care for which a hospital never expects to obtain reimbursement from the patient. Bad debt consists of services for which providers anticipated but did not receive payment.

Uncompensated care excludes other underfunded costs of care including underpayment from Medicaid and Medicare. Uncompensated care costs must be collected from several different providers including hospitals and local community health centers in addition to Disproportionate Share Hospital (DSH) payments.

Hospital Uncompensated Care

With assistance from the Utah Hospital Association, PCG was able to estimate uncompensated care costs as seen in the table below. These figures are representative of hospitals and other hospital owned entities, but not of physician offices or other independently owned surgical centers.

Hospital Uncompensated Care Costs in Utah	
2011	\$ 270,891,340.00
2010	\$ 262,291,161.00
2009	\$ 252,688,261.00
2008	\$ 213,272,880.00

⁷ <http://www.aha.org/research/policy/finfactsheets.shtml>

Community Health Centers

Uncompensated care data for Utah's Federally Qualified Health Centers (FQHCs) was collected using the Uniform Data System (UDS) provided by the Health Resources and Services Administration (HRSA) which tracks a variety of information, including patient demographics, services provided, staffing, clinical indicators, utilization rates, costs, and revenues.⁸ Utah's FQHCs are required to annually report data on utilization rates, costs, and revenues. All of Utah's 11 FQHCs are represented including Bear Lake Community Health Center, Carbon Medical Services Association, Inc., Community Health Centers, Inc., Enterprise Valley Medical Clinic, Inc., Green River Medical Center, Midtown Community Health Center, Mountainlands Community Health Center, Southwest Utah Community Health Center, Utah Navajo Health System, Inc., Wasatch Homeless Health Care/4th Street Clinic, and Wayne Community Health Centers, Inc. These data are used to ensure compliance with legislative and regulatory requirements. These eleven FQHC grantees reported **\$32,881,285** in uncompensated care costs in FY 2011. This consisted of \$1,353,061 that was written off as bad debt and \$31,528,224 was covered through federal, state, and private grant dollars and was given to patients on a sliding fee discount.⁹

Disproportionate Share Hospital Payments (DSH)

In FY 2011, Utah hospitals received **\$27,582,716.15** in DSH payments. 51 out of 57 hospitals that applied received DSH payments.¹⁰ DSH payments are provided through the Federal government to treat indigent patients such that hospitals may receive partial reimbursement for rendered services. DSH payments typically go to large urban hospitals and teaching hospitals. The annual Disproportionate Share Hospital Survey and Uncompensated Care Survey are used to determine eligibility for the subsequent federal fiscal year DSH program.¹¹ This survey calculates Uncompensated Care Costs in Section 6 from the last filed Medicare Cost Report and has a separate breakout section for uncompensated Medicaid costs. Under the terms of the ACA, DSH will be phased down.

Total Uncompensated Care Costs

By totaling hospital uncompensated care cost estimates (\$270,891,340), FQHC uncompensated care totals (\$32,881,285), and DSH payment totals (\$27,582,716.15), PCG is able to estimate

⁸ <http://bphc.hrsa.gov/healthcenterdatastatistics/index.html#what>

⁹ http://bphc.hrsa.gov/uds/doc/2011/UDS_2011_Rollups_UT_Universal.pdf

¹⁰ <http://health.utah.gov/medicaid/stplan/Inpatient/WebDSHFY2011.pdf>

¹¹ <http://health.utah.gov/medicaid/stplan/inpatient.htm>

uncompensated care costs for FY 11 in the state of Utah at **\$331,555,341.15**. The following chart demonstrates this data.

Total Uncompensated Care Costs for Utah FY	
Cost Category	Costs (\$)
Hospital Uncompensated Care Costs	\$270,891,340.00
FQHC Uncompensated Care Costs	\$32,881,285.00
DSH Payments	\$27,582,716.15
Total	\$331,355,341.15

Total uninsured population counts for the state of Utah in FY 2011 can be found in the table below. These figures come from SHADAC and CPS data sources as previously described.

Utah Uninsured Population Data	
FPL	Total Count
0 - 100% FPL	101,000
0 - 138% FPL	200,049
0 -400+% FPL	407,000

The Kaiser Family Foundation estimates a total of 393,300 uninsured in Utah from 2010 – 2011 across all age groups.¹² Kaiser does not provide data on whether adults have children or not so we chose to utilize our own population data calculations.

Additional Assumptions

- Uncompensated care costs track across subsets of the general population.
- Patients across differing FPL brackets have the same level of healthcare utilization.

¹² <http://www.statehealthfacts.org/profileind.jsp?cat=3&sub=40&rgn=46>

Data Output

Due to the absence of data on uncompensated care by poverty level, estimating uncompensated care savings requires determining the amount of uncompensated care flowing to differing individuals at differing poverty levels. The following chart summarizes the unit cost calculation.

Unit Cost Summary Table	
Total Amount of Uncompensated Care Funding	\$331,355,341.15
Total Number of Uninsured Individuals	407,000
Estimated Spending on Each Uninsured Individual	\$814.14

The figure of **\$814.14** can be applied to modeled expansion populations in order to calculate the projected uncompensated care savings.

Public Assistance Savings

Certain state and related county programs have the potential to enjoy cost savings if the state expands its Medicaid program. This is because individuals currently covered by services funded largely by state general fund money, in addition to certain Federal funds and local funds, would newly move into Medicaid coverage under the enhanced federal matching percentages in the ACA.

This report considers two areas that are likely to be impacted more than others by Medicaid expansion: state mental health and substance use disorder coverage and Medicaid claiming for inmates who leave prisons for medical coverage in hospitals.

State Mental Health and Substance Use Disorder Coverage

The term behavioral health is commonly used to refer to the combination of mental and substance use disorder coverage. Currently in Utah, the Division of Substance Abuse and Mental Health (DSAMH) contracts with local county governments statutorily designated as local substance abuse authorities and local mental health authorities. There are thirteen local mental health authorities in Utah.

DSAMH supervises the administration of the Utah State Hospital (USH), located in Provo, Utah. USH is a 24-hour inpatient psychiatric facility which serves adults who experience severe and persistent mental illness and children with emotional disturbance. The hospital also provides psychiatric treatment to all age groups and covers all geographic areas of the state. USH works with the local mental health authorities as part of its continuum of care. All adult and pediatric beds are allocated to the LMHAs based on population.

DSAMH contracts directly with local county governments to provide treatment and prevention centers in each county throughout the state.

Utah has multiple statewide initiatives which include:

- Recovery Plus,
 - Prevention by Design Project,
 - Olmstead (REDI System),
 - Pre-Admission Screening Resident Review (PASRR),
 - Utah's Peer Support Services,
 - Access to Recovery,
 - On-Premise and Off-Premise Alcohol Sales Training, and
 - DUI Education.
-

- PASSAGES (Progressive Adulthood: Skills, Support, Advocacy, Growth, and Empowerment = Success) is a program implemented in August 2012 that helps young people between the ages of 16 and 25 with mental health conditions successfully transition into adulthood. It employs coaches to mentor program participants to help them gain competency in a variety of domains.
- Crisis Intervention Team- Utah: This program was implemented in 2001, and trains individuals to assist law enforcement officers to effectively respond to individuals experiencing a mental health crisis. Currently, 10 of Utah's 13 regions participate in the CIT Utah Program.
- Drug Court: Drug court provides participants intensive court supervised drug treatment as an alternative to jail. Services are provided to individuals that are identified at high risk for recidivism and in high need of substance abuse treatment services. There are four primary models of drug courts: adult felony, adult misdemeanor, juvenile, and family. In 2012, DSAMH provided funding for 29 courts, and will extend that funding to 45 courts in FY2013.
- Drug Offender Reform Act (DORA): The DORA began in 2005 as a pilot project, and since has implemented eight local substance abuse authority areas of Utah. In 2012, 668 individuals were served in the DORA program statewide.
- Utah also has many consumer and family partnerships which include *Utah Family Coalition and Family Resource Facilitators, New Frontiers for Families, Allies with Families, Utah Support Advocates for Recovery Awareness (USARA), and NAMI-Utah.*

Data, Methodology, and Assumptions

PCG obtained information from the Utah Department of Human Services Division of Substance Abuse and Mental Health (DSAMH) and the Salt Lake County Division of Behavioral Health Services in order to gain an understanding of current state and local programs. The data provided included figures explaining current enrollment and benefits in the respective programs run by the two entities. Both organizations also supplied projections for future enrollment in the programs and the potential affect of the ACA. PCG analyzed and adjusted this data utilizing independent assumptions to model the ramifications of Medicaid expansion on these programs.

In order to determine the potential costs and/or savings to the state, PCG used the data it received to first project the costs to the state of administering the current program in future years without expansion. Next, PCG determined the costs to Utah to cover the expansion population. Finally, the difference in the cost to the state of the current program verses under expansion was determined over the time horizon. Only state spending in the current program was used in this analysis, federal matching and grant funds that comprise the total program costs were not included in this analysis in order to avoid confusion between the two payers.

PCG used the DSAMH original estimates for the population that will be covered by this benefit. In addition, PCG assumptions include the following:

- The behavioral health population would grow at the same rate as the general population used elsewhere in the PCG-MESM,
- Current FMAP's will continue for the existing population and the newly eligible population will receive the ACA's enhanced FMAP,
- The Utah expansion benefit will include full coverage for these services.
- Current state and county spending split will reflect that shown in historical data provided by the state. State officials have indicated an expectation this may change in future years with a push towards more spending on the state side. However, PCG has chosen to apply historical data in order to create the state and county spending split as historical data is preferred whenever possible. This percentage is shown in the following charts.

Savings and costs are shown on both a state and county level. Historical costs were analyzed for the respective spending by the state and counties and costs and savings were distributed to each in respective fashion.

The following charts show the data for mental health and substance use disorder (SUD) and then a combined total for all of behavioral health. Initial savings in mental health are eventually offset by the combination of increased Medicaid caseload and decreased federal financial participation for the expansion population. For SUD, savings are seen throughout the length of the analysis due to the significant increase in federal participation compared to non-expansion scenarios.

The final savings figure compares the costs to the state and county of running current programs inflated into future years (using the population growth rate shown in the charts as the inflation factor) verses the state and county share of the programs under expansion.



State of Utah
Medicaid Expansion Assessment
Utah Impact: 2014-2023

Data Output: Behavioral Health Services

Behavioral Health Summary Chart:

Behavioral Health Summary Chart										
Year	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Estimated State Mental Health Costs/(Savings)	\$ (3,681,975.72)	\$ (3,271,659.73)	\$ (2,898,600.80)	\$ (228,497.05)	\$ 922,853.23	\$ 2,205,062.89	\$ 4,660,113.06	\$ 5,708,479.33	\$ 6,867,615.80	\$ 8,102,677.95
Estimated State Substance Use Disorder Costs/(Savings)	\$ (7,772,220.72)	\$ (7,523,785.21)	\$ (6,882,419.69)	\$ (5,785,441.06)	\$ (5,120,162.00)	\$ (4,385,595.41)	\$ (3,229,815.21)	\$ (2,661,035.86)	\$ (1,967,658.70)	\$ (1,278,949.27)
Estimated State Behavioral Health Costs/(Savings)	\$ (11,454,196.44)	\$ (10,795,444.94)	\$ (9,781,020.49)	\$ (6,013,938.11)	\$ (4,197,308.77)	\$ (2,180,532.52)	\$ 1,430,297.85	\$ 3,047,443.46	\$ 4,899,957.10	\$ 6,823,728.68
Estimated County Mental Health Costs/(Savings)	\$ (2,664,561.53)	\$ (2,367,625.24)	\$ (1,095,608.22)	\$ 1,236,165.80	\$ 2,637,914.70	\$ 3,648,563.29	\$ 5,509,392.08	\$ 6,340,727.90	\$ 7,263,534.44	\$ 8,237,596.58
Estimated County Substance Use Disorder Costs/(Savings)	\$ 3,408,127.39	\$ 3,324,886.72	\$ 3,073,234.01	\$ 2,536,922.31	\$ 2,245,196.70	\$ 1,923,088.44	\$ 1,416,277.54	\$ 1,166,867.17	\$ 862,820.52	\$ 560,820.67
Estimated County Behavioral Health Costs/(Savings)	\$ 743,565.86	\$ 957,261.48	\$ 1,977,625.80	\$ 3,773,088.11	\$ 4,883,111.40	\$ 5,571,651.72	\$ 6,925,669.63	\$ 7,507,595.07	\$ 8,126,354.96	\$ 8,798,417.25
Estimated Total Behavioral Health Costs/(Savings)	\$ (10,710,630.58)	\$ (9,838,183.46)	\$ (7,803,394.70)	\$ (2,240,850.00)	\$ 685,802.63	\$ 3,391,119.21	\$ 8,355,967.48	\$ 10,555,038.53	\$ 13,026,312.06	\$ 15,622,145.92

Mental Health Detail Chart (1/2)

Population Growth Rate		3.5%	6.5%	3.6%	4.2%
Year	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Modeled Clients on Medicaid Without Expansion	38,070	39,402	41,964	43,474	45,300
Modeled Additional Clients on Medicaid Under Expansion	15,989	16,549	17,624	18,259	19,026
Modeled Total Clients Served on Medicaid Under Expansion	54,059	55,951	59,588	61,733	64,326
Modeled Clients not on Medicaid Receiving Services Without Expansion	14,143	14,638	15,589	16,151	16,829
Modeled Clients not on Medicaid Receiving Services Under Expansion	2,121	2,195	2,338	2,422	2,524
Modeled PMPM Medicaid Clients	\$ 3,835.00	\$ 3,911.70	\$ 3,989.93	\$ 4,069.73	\$ 4,151.13
Modeled PMPM Non-Medicaid Clients	\$ 1,343.74	\$ 1,370.62	\$ 1,398.03	\$ 1,425.99	\$ 1,454.51
State Share of Total Costs	0.58				
County Share of Total Costs	0.42				
Modeled Total Cost of Medicaid Clients Without Expansion	\$145,998,450.00	\$151,108,395.75	\$160,930,441.47	\$166,723,937.37	\$173,726,342.74
FMAP Without expansion	\$0.71	\$0.71	\$0.71	\$0.71	\$0.71
Federal Share of Medicaid Costs	\$103,950,896.40	\$107,589,177.77	\$114,582,474.33	\$118,707,443.41	\$123,693,156.03
FMAP With expansion	100%	100%	100%	95%	94%
Modeled Total Costs of Medicaid Clients Under Expansion	\$207,316,265.00	\$218,863,780.96	\$237,751,725.26	\$251,237,003.11	\$267,024,736.39
Modeled State Portion of Medicaid Clients Under Expansion	\$24,394,101.13	\$25,752,852.56	\$27,975,323.74	\$31,717,598.81	\$34,168,926.16
Modeled State Costs of Medicaid Clients Without Expansion	\$24,394,101.13	\$25,752,852.56	\$27,975,323.74	\$27,857,012.10	\$29,027,006.61
Modeled State Costs of non-Medicaid Clients Without Expansion	\$11,025,605.64	\$11,639,731.87	\$12,644,240.73	\$13,361,422.07	\$14,201,053.83
Modeled State Costs of non-Medicaid Clients Under Expansion	\$1,653,490.03	\$1,745,589.43	\$1,896,233.80	\$2,003,788.18	\$2,129,706.23
Modeled Total State Costs Without Expansion	\$35,419,706.76	\$37,392,584.43	\$40,619,564.47	\$41,218,434.17	\$43,228,060.44
Current State Mental Health Spending Inflated Into Future Years	\$29,729,566.88	\$30,770,101.72	\$32,770,158.33	\$33,949,884.03	\$35,375,779.16
Modeled Total State Costs Under Expansion	\$26,047,591.16	\$27,498,441.99	\$29,871,557.53	\$33,721,386.98	\$36,298,632.39
Modeled State Expansion Spending Costs (Savings)	\$ (3,681,975.72)	\$ (3,271,659.73)	\$ (2,898,600.80)	\$ (228,497.05)	\$ 922,853.23
Modeled County Costs of Medicaid Clients Without Expansion	\$17,653,452.47	\$18,271,323.31	\$19,458,959.32	\$20,159,481.86	\$21,006,180.10
Modeled County Costs of Medicaid Clients Under Expansion	\$17,653,452.47	\$18,636,749.78	\$20,245,101.28	\$22,953,300.07	\$24,727,269.55
Modeled County Costs of non-Medicaid Clients Without Expansion	\$7,978,978.36	\$8,423,407.46	\$9,150,347.52	\$9,669,355.23	\$10,276,977.52
Modeled County Costs of non-Medicaid Clients Under Expansion	\$1,196,592.88	\$1,263,243.10	\$1,372,260.98	\$1,450,095.63	\$1,541,219.64
Modeled County State Costs Without Expansion	\$25,632,430.84	\$26,694,730.77	\$28,609,306.85	\$29,828,837.09	\$31,283,157.61
Current County Mental Health Spending Inflated Into Future Years	\$21,514,606.88	\$22,267,618.12	\$22,712,970.48	\$23,167,229.89	\$23,630,574.49
Modeled Total County Costs Under Expansion	\$18,850,045.35	\$19,899,992.88	\$21,617,362.26	\$24,403,395.69	\$26,268,489.19
Modeled County Costs / (Savings) Under Expansion	\$ (2,664,561.53)	\$ (2,367,625.24)	\$ (1,095,608.22)	\$ 1,236,165.80	\$ 2,637,914.70
Modeled Total Savings	\$ (6,346,537.25)	\$ (5,639,284.97)	\$ (3,994,209.02)	\$ 1,007,668.75	\$ 3,560,767.93

Mental Health Detail Chart (2/2)

Population Growth Rate	4.2%	4.1%	3.4%	3.8%	3.5%
Year	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Modeled Clients on Medicaid Without Expansion	47,203	49,138	50,809	52,740	54,585
Modeled Additional Clients on Medicaid Under Expansion	19,825	20,638	21,339	22,150	22,925
Modeled Total Clients Served on Medicaid Under Expansion	67,028	69,776	72,148	74,890	77,511
Modeled Clients not on Medicaid Receiving Services Without Expansion	17,536	18,255	18,875	19,593	20,278
Modeled Clients not on Medicaid Receiving Services Under Expansion	2,630	2,738	2,831	2,938	3,041
Modeled PMPM Clients	\$ 4,234.15	\$ 4,318.83	\$ 4,405.21	\$ 4,493.31	\$ 4,583.18
Modeled PMPM Non-Medicaid Clients	\$ 1,483.60	\$ 1,513.27	\$ 1,543.54	\$ 1,574.41	\$ 1,605.90
State Share of Total Costs	0.58				
County Share of Total Costs	0.42				
Modeled Total Cost of Medicaid Clients Without Expansion	\$181,022,849.13	\$188,444,785.95	\$194,851,908.67	\$202,256,281.20	\$209,335,251.04
FMAP Without expansion	\$0.71	\$0.71	\$0.71	\$0.71	\$0.71
Federal Share of Medicaid Costs	\$128,888,268.58	\$134,172,687.59	\$138,734,558.97	\$144,006,472.21	\$149,046,698.74
FMAP With expansion	93%	90%	90%	90%	90%
Modeled Total Costs of Medicaid Clients Under Expansion	\$283,804,570.82	\$301,349,369.39	\$317,827,152.91	\$336,502,676.42	\$355,245,875.49
Modeled State Portion of Medicaid Clients Under Expansion	\$36,803,087.81	\$40,629,530.16	\$42,851,152.87	\$45,369,086.62	\$47,896,144.74
Modeled State Costs of Medicaid Clients Without Expansion	\$30,246,140.89	\$31,486,232.66	\$32,556,764.57	\$33,793,921.63	\$34,976,708.89
Modeled State Costs of non-Medicaid Clients Without Expansion	\$15,093,448.05	\$16,026,525.01	\$16,902,855.40	\$17,896,067.18	\$18,892,878.12
Modeled State Costs of non-Medicaid Clients Under Expansion	\$2,263,536.97	\$2,403,468.82	\$2,534,890.50	\$2,683,840.66	\$2,833,330.59
Modeled Total State Costs Without Expansion	\$45,339,588.94	\$47,512,757.67	\$49,459,619.97	\$51,689,988.81	\$53,869,587.01
Current State Mental Health Spending Inflated Into Future Years	\$36,861,561.89	\$38,372,885.92	\$39,677,564.05	\$41,185,311.48	\$42,626,797.38
Modeled Total State Costs Under Expansion	\$39,066,624.78	\$43,032,998.99	\$45,386,043.37	\$48,052,927.28	\$50,729,475.33
Modeled State Expansion Spending Costs (Savings)	\$2,205,062.89	\$4,660,113.06	\$5,708,479.33	\$6,867,615.80	\$8,102,677.95
Modeled County Costs of Medicaid Clients Without Expansion	\$21,888,439.66	\$22,785,865.69	\$23,560,585.12	\$24,455,887.36	\$25,311,843.41
Modeled County Costs of Medicaid Clients Under Expansion	\$26,633,552.03	\$29,402,660.75	\$31,010,398.24	\$32,832,569.24	\$34,661,343.35
Modeled County Costs of non-Medicaid Clients Without Expansion	\$10,922,782.78	\$11,598,029.21	\$12,232,209.45	\$12,950,974.08	\$13,672,343.34
Modeled County Costs of non-Medicaid Clients Under Expansion	\$1,638,069.88	\$1,739,335.36	\$1,834,442.22	\$1,942,234.04	\$2,050,416.48
Modeled County State Costs Without Expansion	\$32,811,222.45	\$34,383,894.90	\$35,792,794.57	\$37,406,861.44	\$38,984,186.75
Current County Mental Health Spending Inflated Into Future Years	\$24,623,058.62	\$25,632,604.02	\$26,504,112.56	\$27,511,268.84	\$28,474,163.25
Modeled Total County Costs Under Expansion	\$28,271,621.91	\$31,141,996.11	\$32,844,840.45	\$34,774,803.28	\$36,711,759.82
Modeled County Savings	\$ 3,648,563.29	\$ 5,509,392.08	\$ 6,340,727.90	\$ 7,263,534.44	\$ 8,237,596.58
Modeled Total Savings	\$ 5,853,626.18	\$ 10,169,505.15	\$ 12,049,207.22	\$ 14,131,150.24	\$ 16,340,274.52

Substance Use Disorder Detail Chart (1/2)

Population Growth Rate		3.50%	6.50%	3.60%	4.20%
Year	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Modeled Clients on Medicaid Without Expansion	6,159	6,375	6,789	7,033	7,329
Modeled Additional Clients on Medicaid Under Expansion	7,840	8,114	8,642	8,953	9,329
Modeled Total Clients Served on Medicaid Under Expansion	13,999	14,489	15,431	15,986	16,658
Modeled Clients not on Medicaid Receiving Services Without Expansion	13,154	13,614	14,499	15,021	15,652
Modeled Clients not on Medicaid Receiving Services Under Expansion	5,314	5,500	5,858	6,069	6,323
Modeled PMPM Client	\$2,296	\$2,342	\$2,389	\$2,437	\$2,485
State Share of Total Costs	69.52%				
County Share of Total Costs	30.48%				
Modeled Total Cost of Medicaid Clients Without Expansion	\$14,141,187	\$14,636,129	\$15,587,477	\$16,148,626	\$16,826,869
FMAP without expansion	71.20%	71.20%	71.20%	71.20%	71.20%
Federal Share of Medicaid Costs	\$10,068,525	\$10,420,924	\$11,098,284	\$11,497,822	\$11,980,730
Modeled State Costs of Medicaid Clients Without Expansion	\$2,831,184	\$2,930,276	\$3,120,744	\$3,233,091	\$3,368,880
FMAP with expansion	100%	100%	100%	95%	94%
Modeled Total Costs of Medicaid Clients Under Expansion	\$32,141,743	\$33,932,038	\$36,860,373	\$38,951,093	\$41,398,780
Modeled State Costs of Medicaid Clients Under Expansion	\$2,831,184	\$2,988,881	\$3,246,822	\$4,189,203	\$4,613,626
Modeled State Costs of Medicaid Clients Without Expansion	\$2,831,184	\$2,930,276	\$3,120,744	\$3,233,091	\$3,368,880
Modeled State Costs of non-Medicaid Clients Without Expansion	\$20,995,390	\$22,164,833	\$24,077,658	\$25,443,343	\$27,042,203
Modeled State Costs of non-Medicaid Clients Under Expansion	\$8,481,979	\$8,954,425	\$9,727,192	\$10,278,918	\$10,924,846
Modeled Total State Costs Without Expansion	\$11,313,163	\$11,884,701	\$12,847,936	\$13,512,009	\$14,293,726
Current State SUD Inflated Into Future Years	\$19,085,384	\$19,467,092	\$19,856,434	\$20,253,562	\$20,658,633
Modeled Total State Costs Under Expansion	\$11,313,163	\$11,943,306	\$12,974,014	\$14,468,121	\$15,538,471
Modeled State Savings Under Expansion	\$ (7,772,220.72)	\$ (7,523,785.21)	\$ (6,882,419.69)	\$ (5,785,441.06)	\$ (5,120,162.00)
Modeled County Costs of Medicaid Clients Without Expansion	\$1,241,477	\$1,284,929	\$1,368,450	\$1,417,714	\$1,477,258
Modeled County Costs of Medicaid Clients Under Expansion	\$1,241,477	\$1,284,929	\$1,368,450	\$1,836,970	\$2,023,080
Modeled County Costs of non-Medicaid Clients Without Expansion	\$9,206,502	\$9,719,304	\$10,558,080	\$11,156,934	\$11,858,036
Modeled County Costs of non-Medicaid Clients Under Expansion	\$3,719,357	\$3,926,525	\$4,265,384	\$4,507,317	\$4,790,557
Modeled County State Costs Without Expansion	\$10,447,979	\$11,004,233	\$11,926,529	\$12,574,648	\$13,335,294
Current County SUD Spending Inflated Into Future Years	\$8,368,962	\$8,536,341	\$8,707,068	\$8,881,209	\$9,058,834
Modeled Total County Costs Under Expansion	\$4,960,835	\$5,211,455	\$5,633,834	\$6,344,287	\$6,813,637
Modeled County Savings	\$ 3,408,127.39	\$ 3,324,886.72	\$ 3,073,234.01	\$ 2,536,922.31	\$ 2,245,196.70
Modeled Total Savings	\$ (4,364,093.34)	\$ (4,198,898.49)	\$ (3,809,185.68)	\$ (3,248,518.76)	\$ (2,874,965.30)

Substance Use Disorder Detail Chart (2/2)

Population Growth Rate	4.20%	4.10%	3.40%	3.80%	3.50%
Year	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Modeled Clients on Medicaid Without Expansion	7,637	7,950	8,220	8,532	8,831
Modeled Additional Clients on Medicaid Under Expansion	9,721	10,119	10,463	10,861	11,241
Modeled Total Clients Served on Medicaid Under Expansion	17,357	18,069	18,683	19,393	20,072
Modeled Clients not on Medicaid Receiving Services Without Expansion	16,310	16,978	17,556	18,223	18,860
Modeled Clients not on Medicaid Receiving Services Under Expansion	6,589	6,859	7,092	7,362	7,619
Modeled PMPM Client	\$2,535	\$2,586	\$2,637	\$2,690	\$2,744
State Share of Total Costs	69.52%				
County Share of Total Costs	30.48%				
Modeled Total Cost of Medicaid Clients Without Expansion	\$17,533,597	\$18,252,475	\$18,873,059	\$19,590,235	\$20,275,893
FMAP without expansion	71.20%	71.20%	71.20%	71.20%	71.20%
Federal Share of Medicaid Costs	\$12,483,921	\$12,995,762	\$13,437,618	\$13,948,247	\$14,436,436
Modeled State Costs of Medicaid Clients Without Expansion	\$3,510,373	\$3,654,299	\$3,778,545	\$3,922,130	\$4,059,404
FMAP with expansion	93%	90%	90%	90%	90%
Modeled Total Costs of Medicaid Clients Under Expansion	\$44,000,279	\$46,720,376	\$49,275,047	\$52,170,448	\$55,076,342
Modeled State Costs of Medicaid Clients Under Expansion	\$5,074,848	\$5,934,250	\$6,258,735	\$6,626,498	\$6,995,594
Modeled State Costs of Medicaid Clients Without Expansion	\$3,510,373	\$3,654,299	\$3,778,545	\$3,922,130	\$4,059,404
Modeled State Costs of non-Medicaid Clients Without Expansion	\$28,741,535	\$30,518,336	\$32,187,079	\$34,078,392	\$35,976,558
Modeled State Costs of non-Medicaid Clients Under Expansion	\$11,611,363	\$12,329,177	\$13,003,337	\$13,767,413	\$14,534,258
Modeled Total State Costs Without Expansion	\$15,121,736	\$15,983,476	\$16,781,881	\$17,689,542	\$18,593,662
Current State SUD Inflated Into Future Years	\$21,071,806	\$21,493,242	\$21,923,107	\$22,361,569	\$22,808,801
Modeled Total State Costs Under Expansion	\$16,686,211	\$18,263,427	\$19,262,071	\$20,393,911	\$21,529,851
Modeled State Savings Under Expansion	\$ (4,385,595.41)	\$ (3,229,815.21)	\$ (2,661,035.86)	\$ (1,967,658.70)	\$ (1,278,949.27)
Modeled County Costs of Medicaid Clients Without Expansion	\$1,539,303	\$1,602,414	\$1,656,896	\$1,719,858	\$1,780,053
Modeled County Costs of Medicaid Clients Under Expansion	\$2,225,326	\$2,602,175	\$2,744,462	\$2,905,727	\$3,067,576
Modeled County Costs of non-Medicaid Clients Without Expansion	\$12,603,195	\$13,382,324	\$14,114,070	\$14,943,413	\$15,775,761
Modeled County Costs of non-Medicaid Clients Under Expansion	\$5,091,595	\$5,406,358	\$5,701,978	\$6,037,026	\$6,373,288
Modeled County State Costs Without Expansion	\$14,142,497	\$14,984,738	\$15,770,966	\$16,663,271	\$17,555,814
Current County SUD Spending Inflated Into Future Years	\$9,240,010	\$9,424,810	\$9,613,307	\$9,805,573	\$10,001,684
Modeled Total County Costs Under Expansion	\$7,316,922	\$8,008,533	\$8,446,440	\$8,942,752	\$9,440,864
Modeled County Savings	\$ 1,923,088.44	\$ 1,416,277.54	\$ 1,166,867.17	\$ 862,820.52	\$ 560,820.67
Modeled Total Savings	\$ (2,462,506.97)	\$ (1,813,537.67)	\$ (1,494,168.69)	\$ (1,104,838.18)	\$ (718,128.60)

Primary Care Network

The Primary Care Network (PCN) program is a health plan for adults offered by the Utah Department of Health in which the majority of health services provided are in a primary care setting. The program falls under Utah's Section 1115 Waiver. Although the waiver contains enrollment caps, PCN enrollment has been limited by available state funding and general averages around 18,000. Adults who qualify for the PCN program are low income individuals, ages 19 – 64 who do not meet any eligibility criteria for traditional Medicaid programs.

Individuals who are currently enrolled in the Primary Care Network would be generally eligible for Medicaid under an expansion because their incomes are less than 150% FPL. Under the 100% FPL optional expansion scenarios, the Utah Department of Health has indicated it would likely close the PCN program and encourage higher income PCN clients to apply for coverage through the Health Insurance Exchange, where they would be eligible for premium and cost sharing assistance.

Individuals that lose PCN coverage and move to Medicaid would be considered newly eligible for Medicaid and they would be eligible for the enhanced FMAP. Enrollees in the PCN network were built into the optional expansion scenario in the PCG-MESM and their potential costs under Medicaid are accounted for.

In assuming these individuals will be enrolled into Medicaid under an optional expansion, the savings that will accrue pending the retirement of the program are included in the public assistance savings to the state in the balance sheets for each optional scenario. The table below demonstrates the estimated costs of the program across the expansion timeframes. These figures are subtracted from the overall expansion costs as additional savings to the state.

The chart below shows the cost estimate of the program in future years. If Medicaid were to undergo expansion, these costs would become savings.



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PCN Savings

Time Frame	1/14 -6/14	1/14 - 12/14	1/15 -12/15	1/16 -12/16	1/17 -12/17	1/18 -12/18	1/19 -12/19	1/20 -12/20	1/21 -12/21	1/22 -12/22	1/23 -12/23
PCN Enrollment Estimate	18,314	18,314	18,141	17,968	17,794	17,621	17,448	17,274	17,101	16,928	16,754
PCN PMPM Estimate	\$87.74	\$89.06	\$90.39	\$91.75	\$93.12	\$94.52	\$95.94	\$97.38	\$98.84	\$100.32	\$101.83
Total Cost Estimate	\$9,641,316	\$19,571,872	\$19,677,442	\$19,781,776	\$19,884,811	\$19,986,487	\$20,086,739	\$20,185,502	\$20,282,708	\$20,378,289	\$20,472,173
Enrollee Premium	\$166,254.79	\$618,047.54	\$630,408.49	\$643,016.66	\$655,876.99	\$668,994.53	\$682,374.42	\$696,021.91	\$709,942.35	\$724,141.20	\$738,624.02
Federal Cost Estimate	\$6,839,100	\$13,680,871	\$13,748,149	\$13,814,356	\$13,879,445	\$13,943,366	\$14,006,071	\$14,067,507	\$14,127,623	\$14,186,364	\$14,243,676
State Cost Estimate	\$2,802,217	\$5,891,002	\$5,929,293	\$5,967,419	\$6,005,367	\$6,043,121	\$6,080,669	\$6,117,995	\$6,155,086	\$6,191,925	\$6,228,497

Medicaid Claiming for Inmates

Inmates who have to leave their institutions for an inpatient hospital stay in a hospital for 24 or more hours can be subject to Medicaid claiming, and thus federal matching funds, if the inmate is eligible for Medicaid coverage (e.g., a pregnant woman or an individual with a disability). Utah currently has an eligibility policy that allows for some of this claiming. Starting in 2014, if states choose to expand Medicaid, there will be an enhanced opportunity for inmate Medicaid claiming. This is because the removal of categorical eligibility will make nearly all inmates under 138% FPL eligible for Medicaid (or up to 100% FPL if Utah's expansion follows that track).

A key assumption in this analysis is that 90% of inmates who receive inpatient services will qualify for Medicaid. 90% is an estimate based on experience in other states and across a Literature Review. Available data is varied, but it is assumed that all Elderly, Disabled, Pregnant, and Parents will qualify under the current FMAP. The population has been reduced to 90% as undocumented residents will not qualify. Other states have expressed an expectation that nearly 100% of their inmates populations will be eligible for Medicaid claiming. The figure 90% is used to be mindful of Utah's current applicable eligibility groups and a desire to present a more conservative estimate than has been encountered elsewhere.

Jail Inpatient Inmates

County wide level jail information was extrapolated from Salt Lake County jail information. Statewide county jail populations were estimated based on the percentage of the Salt Lake County population compared to the overall population of the State of Utah. An estimate was used because individual county level jail inmate data could not be obtained. A constant percentage of inmates receiving inpatient services of 1.55% was applied to the extrapolated overall statewide county inmate figure. 1.55% was calculated based on Salt Lake County data.

A growth trend of Medicaid caseload was applied to the baseline 2012 inpatient inmate population figure. This was the same growth trend applied to all adults in the PCG-MESM. County jail maximum population constraints were not taken into account for this exercise. Additionally, a per member per year (PMPY) figure was obtained from Salt Lake County for all inmate services minus any private insurance contributions and this PMPY was applied to the statewide inpatient inmate extrapolated population. Contribution percentages across Salt Lake County state funds, Medicaid claiming, and county funds were also applied to the entire state wide extrapolated inpatient inmate figures.

Based on an estimate of \$50,000 of current Medicaid claiming, when compared to the total inpatient claiming, approximately 8.5% of the total expenditures were currently being claimed under the current FFP. This percentage was used in estimating the total current costs to the state. Additionally, it was assumed that the counties cover 57% of the total inpatient costs and the state

covers 43%, after private funding has been removed, based on totals from balance sheets supplied by Salt Lake County.

State and county level savings are achieved through claiming inmates under the enhanced Federal match under Medicaid expansion. These savings accrue to the state and counties based on their respective overall level of input. The following chart provides the detailed financial information resulting from the data provided and the above methodology.



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Jail Inmates Receiving Inpatient Services

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Jails Inmate Inpatient Hospital Admissions Projections										
Projected Inpatients	98	101	108	112	116	121	126	130	135	140
Projected Inpatients who qualify for Medicaid (90% estimate)	88	91	97	100	105	109	114	117	122	126
Per Member Per Year	\$ 17,855.83	\$ 17,855.83	\$ 17,855.83	\$ 17,855.83	\$ 17,855.83	\$ 17,855.83	\$ 17,855.83	\$ 17,855.83	\$ 17,855.83	\$ 17,855.83
Annual Inpatient Expenditures	\$ 1,570,700.10	\$ 1,625,674.61	\$ 1,731,343.45	\$ 1,793,671.82	\$ 1,869,006.04	\$ 1,947,504.29	\$ 2,027,351.96	\$ 2,096,281.93	\$ 2,175,940.65	\$ 2,252,098.57
FFP under Expansion	100%	100%	100%	95%	94%	93%	90%	90%	90%	90%
Federal Contribution	\$ 1,570,700.10	\$ 1,625,674.61	\$ 1,731,343.45	\$ 1,703,988.23	\$ 1,756,865.67	\$ 1,811,178.99	\$ 1,824,616.77	\$ 1,886,653.74	\$ 1,958,346.58	\$ 2,026,888.71
State Contribution	\$ -	\$ -	\$ -	\$ 89,683.59	\$ 112,140.36	\$ 136,325.30	\$ 202,735.20	\$ 209,628.19	\$ 217,594.06	\$ 225,209.86
Medicaid Contribution of state share (43% based on FY 12 data)	\$ -	\$ -	\$ -	\$ 38,961.26	\$ 48,717.15	\$ 59,223.82	\$ 88,074.28	\$ 91,068.81	\$ 94,529.42	\$ 97,837.95
County Contribution of state share (57% based on FY 12 data)	\$ -	\$ -	\$ -	\$ 50,722.34	\$ 63,423.21	\$ 77,101.48	\$ 114,660.92	\$ 118,559.39	\$ 123,064.64	\$ 127,371.91
Currently Medicaid claiming 8.49% of total costs	8.49%	8.49%	8.49%	8.49%	8.49%	8.49%	8.49%	8.49%	8.49%	8.49%
Current state share (minus Medicaid and County share) (no expansion)	\$ 624,458.03	\$ 646,314.07	\$ 688,324.48	\$ 713,104.16	\$ 743,054.54	\$ 774,262.83	\$ 806,007.60	\$ 833,411.86	\$ 865,081.51	\$ 895,359.36
Current County Share (no expansion)	\$ 888,340.63	\$ 919,432.55	\$ 979,195.67	\$ 1,014,446.71	\$ 1,057,053.47	\$ 1,101,449.72	\$ 1,146,609.16	\$ 1,185,593.87	\$ 1,230,646.44	\$ 1,273,719.06
State Savings	\$ 624,458.03	\$ 646,314.07	\$ 688,324.48	\$ 674,142.91	\$ 694,337.38	\$ 715,039.01	\$ 717,933.32	\$ 742,343.06	\$ 770,552.09	\$ 797,521.41
County Savings	\$ 888,340.63	\$ 919,432.55	\$ 979,195.67	\$ 963,724.38	\$ 993,630.27	\$ 1,024,348.24	\$ 1,031,948.24	\$ 1,067,034.48	\$ 1,107,581.79	\$ 1,146,347.16

Prison Inpatient Claiming

Statewide prison information was obtained from the Utah Department of Corrections. A PMPY figure was obtained by dividing the total unique count of all prisoners with an inpatient stay by the total cost of inpatient claims. A constant percentage of inmates receiving inpatient services of 2.34 % was applied to the extrapolated overall statewide prison inmate figure. 2.34% was calculated from data received from the Department of Corrections.

A growth trend of Medicaid caseloads was applied to the baseline 2012 inpatient inmate population figure. This was the same growth trend applied to all adults in the PCG-MESM. Prison population constraints were not taken into account for this exercise. It was also assumed that 90% of all inmates receiving inpatient services will be eligible to receive Medicaid coverage. These prisoners will newly eligible under the ACA and will be receiving the enhanced Federal match of the Medicaid claiming. There was currently no significant Medicaid claiming for prisoners receiving inpatients services so the State serves to benefit from claiming inpatient Medicaid services.

The following chart provides complete financial information and demonstrates how savings were calculated from the data provided and the above assumptions.



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Prison Inmates Receiving Inpatient Services

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Prisons Inmate Inpatient Hospital Admissions Projections										
Projected Inpatients	181	187	199	207	215	224	234	242	251	259
Projected Inpatients who qualify for Medicaid (90% estimate)	163	169	180	186	194	202	210	217	226	234
Per Member Per Year	\$ 18,696.44	\$ 18,696.44	\$ 18,696.44	\$ 18,696.44	\$ 18,696.44	\$ 18,696.44	\$ 18,696.44	\$ 18,696.44	\$ 18,696.44	\$ 18,696.44
Annual Expenditures	\$ 3,045,295.37	\$ 3,151,880.70	\$ 3,356,752.95	\$ 3,477,596.06	\$ 3,623,655.09	\$ 3,775,848.61	\$ 3,930,658.40	\$ 4,064,300.78	\$ 4,218,744.21	\$ 4,366,400.26
FFP under Expansion	100%	100%	100%	95%	94%	93%	90%	90%	90%	90%
Federal Contribution with Expansion	\$ 3,045,295.37	\$ 3,151,880.70	\$ 3,356,752.95	\$ 3,303,716.25	\$ 3,406,235.79	\$ 3,511,539.20	\$ 3,537,592.56	\$ 3,657,870.71	\$ 3,796,869.79	\$ 3,929,760.23
State Contribution with Expansion	\$ -	\$ -	\$ -	\$ 173,879.80	\$ 217,419.31	\$ 264,309.40	\$ 393,065.84	\$ 406,430.08	\$ 421,874.42	\$ 436,640.03
FFP (no expansion)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State Contribution (no expansion)	\$ 3,045,295.37	\$ 3,151,880.70	\$ 3,356,752.95	\$ 3,477,596.06	\$ 3,623,655.09	\$ 3,775,848.61	\$ 3,930,658.40	\$ 4,064,300.78	\$ 4,218,744.21	\$ 4,366,400.26
State Savings	\$ 3,045,295.37	\$ 3,151,880.70	\$ 3,356,752.95	\$ 3,303,716.25	\$ 3,406,235.79	\$ 3,511,539.20	\$ 3,537,592.56	\$ 3,657,870.71	\$ 3,796,869.79	\$ 3,929,760.23

High Risk Pool Savings (HIPUtah and FHRP)

The Utah Comprehensive Health Insurance Pool (HIPUtah) and Federal Qualified High Risk Pool (FHRP / Federal HIPUtah) currently serve as an important safety net in Utah to cover individuals who have been denied health insurance coverage because of their medical status. However both must be funded (at least in part) by state dollars.

The Affordable Care Act provides changes to insurance rules by creating community ratings and in turn eliminates the need for high risk pools. The State of Utah will accrue savings due to changes in insurance law and not Medicaid expansion. Therefore, for the Medicaid expansion scenarios, it is assumed that both the HIPUtah and Federal HIP Utah programs will be dissolving on January 1st 2014. It is also assumed that 100% of all individuals who fall into the appropriate Federal Poverty Level brackets (138% and 100%) will enroll into Medicaid. Individuals above 138% of the Federal Poverty Level will be free to enroll in the health insurance exchange in the state and pre-existing condition exclusions will be prohibited. Savings for HIPUtah and Federal HIPUtah have been combined and split across 138% of FPL and 100% of FPL.

Population estimates received from the Utah Department of Insurance have been extrapolated into future years and per member per year costs have been multiplied across population estimates to obtain projected annual expenditures for both HIPUtah and Federal HIPUtah. Annual premium revenues have been removed from the annual expenditure totals and the state and federal contribution projections are realized through pending the continuation of the program. It is assumed both the state and federal program will dissolve in 2014 and the participants will enroll in either the exchange or Medicaid expansion population. The HIPUtah participants will receive the enhanced Federal match under Medicaid expansion and will no longer be responsible for a premium contribution and the Federal HIPUtah participants will received a decreasing federal match (as they are currently 100% federally funded post premium revenue).

The state will ultimately save money through dissolving the HIPUtah program through an increased Federal match on both the HIPUtah and Federal HIPUtah programs despite the absorption of additional costs from the dissolution of the Federal HIPUtah program. These savings will yield to the State General Fund and not directly to the Utah Department of Health as they are a result of insurance regulatory changes.



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High Risk Pool Savings (HIPUtah and FHRP) 138% FPL

Enrollment	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
High Risk Pool to 138% FPL										
HIP Utah Projected Population	915	947	1,008	1,045	1,089	1,134	1,181	1,221	1,267	1,312
Federal HIP Utah Projected Population	500	517	551	571	595	620	645	667	693	717
HIP Utah Per Member Per Year	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672
Federal HIP Utah Per Member Per Year	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800
HIP Utah Annual Expenditure	\$8,848,201	\$9,157,888	\$9,753,150	\$10,104,264	\$10,528,643	\$10,970,846	\$11,420,651	\$11,808,953	\$12,257,693	\$12,686,712
Federal HIP Utah Annual Expenditure	\$18,896,186	\$19,557,552	\$20,828,793	\$21,578,630	\$22,484,932	\$23,429,299	\$24,389,900	\$25,219,157	\$26,177,485	\$27,093,697
HIP Utah Premium Revenue Per Year	\$5,834,433	\$6,038,638	\$6,431,150	\$6,662,671	\$6,942,504	\$7,234,089	\$7,530,686	\$7,786,730	\$8,082,625	\$8,365,517
Federal HIP Utah Premium Revenue Per Year	\$2,281,040	\$2,360,876	\$2,514,333	\$2,604,849	\$2,714,253	\$2,828,251	\$2,944,209	\$3,044,313	\$3,159,996	\$3,270,596
HIP Utah State Share (no expansion)	\$3,013,767	\$3,119,249	\$3,322,000	\$3,441,592	\$3,586,139	\$3,736,757	\$3,889,964	\$4,022,223	\$4,175,068	\$4,321,195
Increased FFP (expansion)	100%	100%	100%	95%	94%	93%	90%	90%	90%	90%
HIP Utah State Share (expansion)	\$ -	\$ -	\$ -	\$ 505,213.19	\$ 631,718.57	\$ 767,959.21	\$ 1,142,065.05	\$ 1,180,895.27	\$ 1,225,769.29	\$ 1,268,671.21
HIP Utah Savings	\$ 3,013,767.40	\$ 3,119,249.26	\$ 3,322,000.46	\$ 2,936,379.29	\$ 2,954,420.79	\$ 2,968,798.00	\$ 2,747,899.21	\$ 2,841,327.78	\$ 2,949,298.23	\$ 3,052,523.67
Federal HIP Utah Federal Contribution (non expansion)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Federal HIP Utah State Share non expansion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal HIP Utah, Federal expenditure no expansion	\$16,615,146	\$17,196,676	\$18,314,460	\$18,973,781	\$19,770,679	\$20,601,048	\$21,445,691	\$22,174,844	\$23,017,489	\$23,823,101
Federal HIP Utah, with expansion (Federal HIP dissolves) - Federal portion under expansion	100%	100%	100%	95%	94%	93%	90%	90%	90%	90%
Federal HIP Utah State Share	\$ -	\$ -	\$ -	\$ 1,078,931.48	\$ 1,349,095.92	\$ 1,640,050.94	\$ 2,438,990.04	\$ 2,521,915.70	\$ 2,617,748.50	\$ 2,709,369.69
Federal HIP Utah State Savings under expansion	\$ -	\$ -	\$ -	\$(1,078,931.48)	\$(1,349,095.92)	\$(1,640,050.94)	\$(2,438,990.04)	\$(2,521,915.70)	\$(2,617,748.50)	\$(2,709,369.69)
Net Savings under expansion to State	\$ 3,013,767.40	\$ 3,119,249.26	\$ 3,322,000.46	\$ 1,857,447.81	\$ 1,605,324.87	\$ 1,328,747.07	\$ 308,909.17	\$ 319,412.08	\$ 331,549.74	\$ 343,153.98



State of Utah
Medicaid Expansion Assessment
Utah Impact: 2014-2023

High Risk Pool Savings (HIPUtah and FHRP) 100% FPL

Enrollment	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
High Risk Pool to 100% FPL										
HIP Utah Projected Population	550	569	606	628	654	681	709	733	761	788
Federal HIP Utah Projected Population	358	370	394	408	425	443	461	477	495	513
HIP Utah Per Member Per Year	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672	\$9,672
Federal HIP Utah Per Member Per Year	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800	\$37,800
HIP Utah Annual Expenditure	\$5,315,324	\$5,501,361	\$5,858,949	\$6,069,871	\$6,324,806	\$6,590,448	\$6,860,656	\$7,093,918	\$7,363,487	\$7,621,209
Federal HIP Utah Annual Expenditure	\$13,515,153	\$13,988,183	\$14,897,415	\$15,433,722	\$16,081,938	\$16,757,379	\$17,444,432	\$18,037,543	\$18,722,969	\$19,378,273
HIP Utah Premium Revenue Per Year	\$3,504,883	\$3,627,554	\$3,863,345	\$4,002,425	\$4,170,527	\$4,345,689	\$4,523,862	\$4,677,674	\$4,855,425	\$5,025,365
Federal HIP Utah Premium Revenue Per Year	\$1,631,472	\$1,688,574	\$1,798,331	\$1,863,071	\$1,941,320	\$2,022,855	\$2,105,792	\$2,177,389	\$2,260,130	\$2,339,234
HIP Utah Premium Assistance (Federal Percentage)	26.80%	26.80%	26.80%	26.80%	26.80%	26.80%	26.80%	26.80%	26.80%	26.80%
HIP Utah Federal Contribution through premium assistance (included in premium revenue)	\$939,457	\$972,338	\$1,035,540	\$1,072,820	\$1,117,878	\$1,164,829	\$1,212,587	\$1,253,815	\$1,301,460	\$1,347,011
HIP Utah State Share (no expansion)	1,810,442	1,873,807	1,995,605	2,067,446	2,154,279	2,244,759	2,336,794	2,416,245	2,508,062	2,595,844
Increased FFP (expansion)	100%	100%	100%	95%	94%	93%	90%	90%	90%	90%
HIP Utah State Share (expansion)	0	0	0	303,494	379,488	461,331	686,066	709,392	736,349	762,121
HIP Utah Savings	1,810,442	1,873,807	1,995,605	1,763,953	1,774,791	1,783,428	1,650,728	1,706,853	1,771,714	1,833,724
Federal HIP Utah Federal Contribution (non expansion)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Federal HIP Utah State Share non expansion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal HIP Utah, Federal expenditure no expansion	\$11,883,681	\$12,299,609	\$13,099,084	\$13,570,651	\$14,140,618	\$14,734,524	\$15,338,640	\$15,860,154	\$16,462,839	\$17,039,039
Federal HIP Utah, with expansion (Federal HIP dissolves) - Federal portion under expansion	100%	100%	100%	95%	94%	93%	90%	90%	90%	90%
Federal HIP Utah State Share	\$0	\$0	\$0	\$771,686	\$964,916	\$1,173,017	\$1,744,443	\$1,803,754	\$1,872,297	\$1,937,827
Federal HIP Utah State Savings under expansion	\$ -	\$ -	\$ -	\$ (771,686)	\$ (964,916)	\$ (1,173,017)	\$ (1,744,443)	\$ (1,803,754)	\$ (1,872,297)	\$ (1,937,827)
Net Savings under expansion to State	\$ 1,810,441.70	\$ 1,873,807.15	\$ 1,995,604.62	\$ 992,266.73	\$ 809,874.49	\$ 610,410.95	\$ (93,714.85)	\$ (96,901.16)	\$ (100,583.40)	\$ (104,103.82)

Medically Needy Savings

Analysis of Cost of Adding Current Medically Needy to Regular Medicaid

The purpose of the analysis is to estimate the cost or savings to the state if and when persons on the current Medically Needy program receive Medicaid eligibility under the provisions of the Affordable Care Act (ACA). The major conclusion of this analysis is that the state will incur a new Medicaid expense of \$681,086 because some persons that were previously on the Medically Needy program and had a spend down will now be eligible for Medicaid services without a spend down.

PCG received information on the Medically Needy program from Utah staff. This information contained data, by aid category on:

- The number of enrollee months in 2012;
- The average length of stay (ALOS) persons were on Medically Needy program, and
- The average annual Medicaid cost per person.

This information was used to calculate the total funds spent on Medically Needy participants as reflected in the information provided. The calculation is presented in the table below.

2012 Utah Medically Needy					
Aid Category	Number of Enrollee Months in 2012	Average Length of Stay of MN in months	Annual Average Medicaid Cost	Average Monthly Medicaid Cost	Annual Medicaid Cost
Aged	64,778	1.62	\$248.44	\$153.36	\$9,934,226
Blind/Disabled	227,265	2.29	\$385.51	\$168.34	\$38,258,921
Child	12,536	1.92	\$1,720.69	\$896.19	\$11,234,672
QMB	78,121	1.42	\$66.61	\$46.91	\$3,664,535
Adult	38,508	2.01	\$309.94	\$154.20	\$5,937,895

PCG also received a data base of 30,682 records of monthly information at the individual level containing:

- The number of persons in the household;
- The age of the person;
- The countable income of the person, and
- The amount of the person's spend down obligation.

From this data base, the aggregate spend down was calculated as follows:

Spend Down in Medically Needy Program	
ABD	\$3,841,305
Children	\$30,025
Family	\$424,145
Pregnant Women	\$41,603
Waiver	\$980,256
Total Spend down	\$5,317,334

Analysis of the Spend Down of Persons Aged 65 and older

After the ACA, except for persons aged 65 and older, persons under 138% will be eligible for Medicaid without a spend down. Persons aged 65 and older are not an optional expansion group under the ACA and presumably will continue to remain on the Medically Needy program; which means the persons will continue to be responsible for their spend down. To estimate their spend down, the analysis first estimated how many persons aged 65 and older on the ABD program had income under 100% and how many had income over 100%. The countable income reported for the person was used to estimate their corresponding FPL. “Countable income” is the income remaining after disregards and deductions have been applied. The countable income was used because information on disregards and deductions was not readily available.

This methodology identified 1,256 unique persons aged 65 and older on the ABD program with countable income greater than 100% of the FPL and their spend down amount was \$846,361. Persons aged 65 and older in other programs, such as on waivers, were not included in the estimation. The majority of persons aged 65 and older were above 100% FPL.

Analysis of the 138% FPL Level

Excluding persons aged 65 and older on the ABD program, the number of persons over 138% of the Federal Poverty Level (FPL) was estimated. The spend down data received by PCG simply listed ABD as the aid category for persons aged 65 and older, persons with visual disabilities, and persons with disabilities. However, PCG also received data on the age of each person and used the age data to back out persons aged 65 and older that were enrolled in the ABD program. Aged persons comprise approximately .30% of the aged, blind and persons with disabilities that are on the Medically Needy program.

Countable income was compared to the FPL for the household size of the person. This methodology identified a spend down of \$2,119,970 generated by approximately 560 persons whose countable income exceeded the 138% FPL for a household of the size lived in by the

person. While the number in the 138% group is smaller, they have larger spend down requirements as contrasted with persons aged 65 and older.

Summary of Results

The table below summarizes these results

Spend Down Analysis Summary	
2012 Spend down by MN Participants	\$5,317,334
2012 Spend down by Persons aged 65 and older on ABD program	\$846,361
2012 Spend down by all Persons over 138% FPL except aged 65 and older and on ABD program	\$2,119,970
Sum of Aged and over 138% FPL	\$2,966,331
Net spend down after netting out non-ACA groups	\$2,351,003

Assuming the state continues to keep its Medically Needy program, this analysis implies that persons who will continue in the program will pay approximately \$2,966,003 dollars after the implementation of the ACA. Before the ACA these persons paid for their own medical treatment until they “spent down.” After the ACA, except for persons aged 65 and older, persons under 138% will be eligible for Medicaid without a spend down and the state will pay the state share of their Medicaid expenses.

At a 2012 federal funds participation (FFP) rate of 71.03%, the state is required to pay 28.97% of the Medicaid expense or \$681,086, (\$2,351,003*.2897). This is a new obligation that the state will have to fund.

It is true that persons made newly eligible under the ACA will have 100% of their costs picked up by the Federal Medicaid program. In the overall expansion analysis, PCG assumes Medically Needy persons are covered under the optional expansion. This means they will receive the enhanced FMAP percentage.

The above section on Medically Needy was provided as a more in-depth analysis on a granular programmatic level. Individuals enrolled in the Medically Needy program were included in our optional Medicaid expansion population in order to maintain consistency throughout the modeling process across populations. In the overall model, these individuals have been grouped into the optional expansion and are modeled at receiving the enhanced FMAP across the two differing benefit packages.

Estimated Revenues

Health care funds filter throughout state and local communities and will have short run direct and/or indirect impacts (2014 - 2019) on multiple areas, including:

- State and local government budgets,
- The health care industry (hospitals, physicians, labs, and pharmacists etc. recognizing the two main impacts here are revenues and potential cost shifting), and
- The general economy, in particular the money multiplier impact of various rounds of spending, including any off-setting impacts relating to where the federal funding comes from (reduced Medicare spending, increased taxes, increased deficit, etc.).

The goal of this section of the report is to analyze how increased funds being spent by the government will affect the general economy. This includes net increased revenue from the federal government that will come to the state via increased federal financial participation while removing the state's share of Medicaid costs and increased state government administrative spending.

Methodology and Assumptions

This section estimates the potential economic impacts of Medicaid expansion in the state of Utah across five varying scenarios of expansion. This analysis was performed using the IMPLAN 3.0 model. IMPLAN is an input-output model that is used to examine the impact of changes that occur in an economy given modeled events. In this case, the modeled event is the increased revenue to the state of Utah projected across five different expansion scenarios for which balance sheets were presented earlier in this report. Those five scenarios are:

1. No Optional Expansion, modeled Mandatory Changes and Trended Medicaid Enrollment
2. Optional Expansion of Medicaid to 138% FPL with Traditional Medicaid Benefits,
3. Optional Expansion of Medicaid to 138% FPL with modeled Essential Health Benefits,
4. Optional Expansion to 100% FPL with Traditional Medicaid Benefits, and
5. Optional Expansion to 100% FPL with modeled Essential Health Benefits.

The IMPLAN model was utilized to analyze how each option would potentially affect the state's economy. This section of the report follows the same key assumptions as previously stated, and additionally contains several unique assumptions. Key assumptions that remain constant for economic modeling as were made previously in the report include:

- Medicaid caseload assumptions remain constant,
-

- Assumptions related to cost of the Medicaid benefit and Essential Health Benefit package remain constant,
- Federal and state financial participation for each option remain constant, and
- The same average of the high and low estimates from the balance sheets is utilized.

Using the IMPLAN model requires several new assumptions that are unique to this section of the report. In order to remove the variability that comes from the projected cost savings of Medicaid expansion and focus on increased incoming revenue, the following financial figures were included and loaded into the IMPLAN model: projected FMAP on Est. Services Costs and increased FFP on Est. administrative costs while removing any increased state costs, both administrative and public assistance savings (called “modeled Medicaid spending” in the remainder of this report).

The total financial figure in each scenario had to be allocated (these allocations are demonstrated later in this report) to differing sectors on the economy. The sectors of the Utah economy into which the increased health care spending must be allocated are:

- Administrative expenses,
- Offices of physicians, dentists, and other health practitioners,
- Home health services,
- Medical and diagnostic labs and other outpatient ambulatory services,
- Private hospitals, and
- Nursing and residential care facilities.

The total estimated modeled Medicaid spending was placed into these categories on a percentage basis using data from the 2011 annual Utah Medicaid report. Only applicable categories of current Medicaid spending were included in the allocation total. They are as follows:

2011 Utah Medicaid Spending		
Sector	Total Spend	Percent Spend
Inpatient Hospital	\$319,920,600.00	21.60%
Nursing Home	\$160,983,700.00	10.87%
Contracted Health Plan Services	\$204,569,800.00	13.81%
Physician Services	\$94,763,000.00	6.40%
Outpatient Hospital	\$98,479,600.00	6.65%
Medical Supplies	\$14,044,000.00	0.95%
Pharmacy	\$166,316,000.00	11.23%
Home and Community Based Services	\$157,761,100.00	10.65%
Mental Health	\$143,517,700.00	9.69%
Dental	\$35,658,400.00	2.41%
Intermediate Care Facilities	\$82,712,900.00	5.59%
Vision	\$2,248,300.00	0.15%
Total	\$1,480,975,100.00	100.00%

In the following chart, the IMPLAN sector total reflects the total Medicaid spending from the 2011 Medicaid annual report in the Medicaid categories that are shown beneath each IMPLAN sector line.

The Medicaid spending was then placed into the applicable IMPLAN sectors as demonstrated in the following chart:

IMPLAN Sector Percentage Split Summary Chart			
Sector / Category	Short Title	Total Medicaid Spend	IMPLAN Percentage Split
IMPLAN Sector	Offices of physicians, dentists, and other health practitioners	\$522,336,200.00	35.27%
Medicaid Category	Contracted Health Plan Services		
Medicaid Category	Physician Services		
Medicaid Category	Mental Health		
Medicaid Category	Dental		
Medicaid Category	Vision		
IMPLAN Sector	Home health services	\$199,340,100.00	13.46%
Medicaid Category	HCBS		
IMPLAN Sector	Medical and diagnostic labs and other outpatient ambulatory services	\$14,044,000.00	0.95%
Medicaid Category	Medical Supplies		
IMPLAN Sector	Private Hospitals	\$459,979,200.00	31.06%
Medicaid Category	Inpatient Hospital		
Medicaid Category	Outpatient Hospital		
IMPLAN Sector	Nursing and residential care facilities	\$285,275,600.00	19.26%
Medicaid Category	Intermediate Care Facilities		
Medicaid Category	Nursing Home		
Medicaid Category	*Other		
Medicaid Category	*Pharmacy		
Total		\$1,480,975,100.00	100.00%
*Pharmacy was split evenly between all IMPLAN sectors including Medical and diagnostic labs			

This methodology for allocating the modeled Medicaid spending was then used for each of the five scenarios. Each scenario was modeled over three time periods:

- The modeled Medicaid spending in 2014,
- The yearly average modeled Medicaid spending from 2014-2016, and
- The yearly average modeled Medicaid spending from 2014-2023.

Results

The charts below detail the results of the IMPLAN model for each scenario. Two overarching results are shown. First, the total impact to the state economy is shown. This demonstrates how all industries across the state are affected by increased Medicaid spending. This result is shown in the following three areas: employment gain, labor income, and value added. Dollar figures for each projected year are demonstrated in the respective year.

Secondly in order to show the information on a more granular level the top ten industries of Utah's economy in terms of value added due to the increased revenue to the state from Medicaid expenditures are shown. For reference, the IMPLAN model defines “value added” as follows:

“The difference between an industry’s or an establishment’s total output and the cost of its intermediate inputs. It equals gross output (sales or receipts and other operating income, plus inventory change) minus intermediate inputs (consumption of goods and services purchased from other industries or imported). Value added consists of compensation of employees, taxes on production and imports less subsidies (formerly indirect business taxes and nontax payments), and gross operating surplus (formerly “other value added”). (BEA); Gross value added is the value of output less the value of intermediate consumption; it is a measure of the contribution to GDP made by an individual producer, industry or sector; gross value added is the source from which the primary incomes of the SNA are generated and is therefore carried forward into the primary distribution of income account.”¹³

These charts demonstrate net job additions for each of the top ten industries, net labor income in each industry, and finally additions to the Gross State Product (GSP). The ten industries that are the most effected by Medicaid expansion remain largely the same across scenarios and over time periods, but there is some divergence in the degree to which the spending affects the industries and thus their ranking. Eleven industries make the lists. The following list presents the industries in alphabetical order:

- Employment and payroll only (state and local government, non-education),
- Food services and drinking places,
- Home health care services,
- Imputed rental activity for owner-occupied dwellings,
- Medical and diagnostic labs and outpatient and other ambulatory care services,

¹³ http://implan.com/v4/index.php?option=com_glossary&task=list&glossid=13&letter=V&Itemid=57

- Monetary authorities and depository credit intermediation activities,
- Nursing and residential care facilities,
- Offices of physicians, dentists, and other health practitioners,
- Private hospitals,
- Real estate establishments, and
- Wholesale trade businesses.

Total Revenues by Scenario Across all Industries

Totals Across all Industries				
Scenario	Year	Employment	Labor Income	Value Added (GSP)
Scenario 1	2014	287	\$ 12,734,494.00	\$ 17,065,282.00
	2016	511	\$ 23,427,200.00	\$ 31,397,414.00
	2023	747	\$ 38,514,798.00	\$ 51,635,548.00
Scenario 2	2014	1,757	\$ 77,527,180.00	\$ 104,029,418.00
	2016	3,552	\$ 162,127,446.00	\$ 217,558,436.00
	2023	4,160	\$ 213,580,938.00	\$ 286,615,690.00
Scenario 3	2014	1,028	\$ 45,475,455.00	\$ 60,978,633.00
	2016	2,264	\$ 103,521,059.00	\$ 138,840,238.00
	2023	3,151	\$ 161,968,115.00	\$ 217,290,812.00
Scenario 4	2014	579	\$ 25,594,558.00	\$ 34,328,015.00
	2016	1,172	\$ 53,571,470.00	\$ 71,855,531.00
	2023	1,475	\$ 75,833,597.00	\$ 101,731,265.00
Scenario 5	2014	361	\$ 15,999,214.00	\$ 21,439,876.00
	2016	796	\$ 36,492,736.00	\$ 48,915,929.00
	2023	1,200	\$ 61,734,903.00	\$ 82,794,300.00

Scenario 1 Revenues by Top Ten Industries (1/2)

Scenario 1: 2014 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	50.9	\$3,141,093	\$3,239,059
Private hospitals	37.9	\$2,195,866	\$2,440,732
Nursing and residential care facilities	50.6	\$1,557,052	\$1,795,415
Home health care services	34.2	\$1,353,527	\$1,448,178
Real estate establishments	13.4	\$151,752	\$1,134,732
Imputed rental activity for owner-occupied dwellings	0	\$0	\$634,395
Employment and payroll only (state & local govt, non-education)	9.5	\$547,023	\$624,506
Wholesale trade businesses	3.4	\$231,901	\$402,735
Monetary authorities and depository credit intermediation activities	2.1	\$110,059	\$399,272
Food services and drinking places	10.2	\$205,620	\$293,728

Scenario 1: 2016 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	90.8	\$5,797,863	\$5,978,690
Private hospitals	67.5	\$4,041,954	\$4,492,681
Nursing and residential care facilities	90.4	\$2,875,964	\$3,316,235
Home health care services	60.7	\$2,489,393	\$2,663,473
Real estate establishments	23.9	\$279,512	\$2,090,054
Imputed rental activity for owner-occupied dwellings	0	\$0	\$1,167,094
Employment and payroll only (state & local govt, non-education)	16.3	\$964,825	\$1,101,487
Wholesale trade businesses	6.1	\$426,914	\$741,409
Monetary authorities and depository credit intermediation activities	3.7	\$202,678	\$735,275
Food services and drinking places	18.1	\$378,595	\$540,824

Scenario 1 Revenues by Top Ten Industries (2/2)

Scenario 1: 2023 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	134	\$9,627,792	\$9,928,068
Private hospitals	99	\$6,674,919	\$7,419,252
Nursing and residential care facilities	133.6	\$4,782,889	\$5,515,085
Home health care services	89	\$4,105,087	\$4,392,150
Real estate establishments	35.1	\$461,699	\$3,452,363
Imputed rental activity for owner-occupied dwellings	0	\$0	\$1,918,836
Employment and payroll only (state & local govt, non-education)	20.1	\$1,343,635	\$1,533,954
Wholesale trade businesses	8.9	\$703,586	\$1,221,896
Monetary authorities and depository credit intermediation activities	5.4	\$334,347	\$1,212,942
Food services and drinking places	26.5	\$624,146	\$891,593

Scenario 2 Revenues by Top Ten Industries (1/2)

Scenario 2: 2014 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	319.2	\$19,702,434	\$20,316,923
Private hospitals	237.7	\$13,773,887	\$15,309,840
Nursing and residential care facilities	318	\$9,778,933	\$11,275,957
Home health care services	214.6	\$8,506,151	\$9,100,975
Real estate establishments	83.5	\$943,024	\$7,051,487
Imputed rental activity for owner-occupied dwellings	0	\$0	\$3,863,003
Wholesale trade businesses	20.9	\$1,425,449	\$2,475,534
Monetary authorities and depository credit intermediation activities	12.7	\$678,308	\$2,460,765
Food services and drinking places	62.5	\$1,263,679	\$1,805,165
Medical and diagnostic labs and outpatient and other ambulatory care services	20	\$1,094,160	\$1,652,288

Scenario 2: 2016 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	646.6	\$41,285,389	\$42,573,018
Private hospitals	480.3	\$28,782,465	\$31,992,053
Nursing and residential care facilities	644.6	\$20,503,867	\$23,642,733
Home health care services	433.2	\$17,758,613	\$19,000,450
Real estate establishments	168.9	\$1,972,686	\$14,750,807
Imputed rental activity for owner-occupied dwellings	0	\$0	\$8,078,502
Wholesale trade businesses	42.3	\$2,981,761	\$5,178,335
Monetary authorities and depository credit intermediation activities	25.8	\$1,419,190	\$5,148,535
Food services and drinking places	126.3	\$2,643,834	\$3,776,718
Medical and diagnostic labs and outpatient and other ambulatory care services	40.6	\$2,298,807	\$3,471,421

Scenario 2 Revenues by Top Ten Industries (2/2)

Scenario 2: 2023 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	759.4	\$54,560,016	\$56,261,661
Private hospitals	561	\$37,826,446	\$42,044,546
Nursing and residential care facilities	757.9	\$27,128,999	\$31,282,084
Home health care services	505	\$23,294,975	\$24,923,962
Real estate establishments	197.7	\$2,598,795	\$19,432,551
Imputed rental activity for owner-occupied dwellings	0	\$0	\$10,642,425
Wholesale trade businesses	49.6	\$3,929,120	\$6,823,586
Monetary authorities and depository credit intermediation activities	30.2	\$1,870,745	\$6,786,684
Food services and drinking places	148	\$3,485,070	\$4,978,424
Medical and diagnostic labs and outpatient and other ambulatory care services	48	\$3,054,781	\$4,613,016

Scenario 3 Revenues by Top Ten Industries (1/2)

Scenario 3: 2014 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	184.3	\$11,377,169	\$11,732,006
Private hospitals	137.3	\$7,953,619	\$8,840,543
Nursing and residential care facilities	183.5	\$5,643,122	\$6,507,008
Home health care services	123.8	\$4,907,004	\$5,250,145
Real estate establishments	48.5	\$547,210	\$4,091,778
Imputed rental activity for owner-occupied dwellings	0	\$0	\$2,265,682
Employment and payroll only (state & local govt, non-education)	24.9	\$1,427,567	\$1,629,775
Wholesale trade businesses	12.2	\$831,899	\$1,444,734
Monetary authorities and depository credit intermediation activities	7.4	\$395,312	\$1,434,113
Food services and drinking places	36.5	\$737,559	\$1,053,604

Scenario 3: 2016 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	407.9	\$26,045,115	\$26,857,423
Private hospitals	303	\$18,157,434	\$20,182,204
Nursing and residential care facilities	406.4	\$12,928,435	\$14,907,604
Home health care services	273.1	\$11,194,608	\$11,977,432
Real estate establishments	106.9	\$1,249,153	\$9,340,575
Imputed rental activity for owner-occupied dwellings	0	\$0	\$5,157,807
Wholesale trade businesses	26.9	\$1,896,467	\$3,293,537
Employment and payroll only (state & local govt, non-education)	48.3	\$2,868,946	\$3,275,318
Monetary authorities and depository credit intermediation activities	16.4	\$901,666	\$3,271,063
Food services and drinking places	80.4	\$1,681,658	\$2,402,249

Scenario 3 Revenues by Top Ten Industries (2/2)

Scenario 3: 2023 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	572.2	\$41,107,518	\$42,389,599
Private hospitals	422.7	\$28,499,799	\$31,677,866
Nursing and residential care facilities	570.9	\$20,434,448	\$23,562,688
Home health care services	380.4	\$17,544,178	\$18,771,019
Real estate establishments	149.3	\$1,961,974	\$14,670,713
Imputed rental activity for owner-occupied dwellings	0	\$0	\$8,070,254
Wholesale trade businesses	37.5	\$2,973,349	\$5,163,726
Monetary authorities and depository credit intermediation activities	22.8	\$1,414,858	\$5,132,821
Employment and payroll only (state & local govt, non-education)	54.3	\$3,624,857	\$4,138,299
Food services and drinking places	112	\$2,637,412	\$3,767,544

Scenario 4 Revenues by Top Ten Industries (1/2)

Scenario 4: 2014 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	104.3	\$6,437,001	\$6,637,762
Private hospitals	77.7	\$4,500,039	\$5,001,846
Nursing and residential care facilities	103.8	\$3,193,487	\$3,682,367
Home health care services	70.1	\$2,777,224	\$2,971,431
Real estate establishments	27.4	\$309,095	\$2,311,268
Imputed rental activity for owner-occupied dwellings	0	\$0	\$1,275,222
Wholesale trade businesses	6.9	\$469,004	\$814,505
Monetary authorities and depository credit intermediation activities	4.2	\$222,971	\$808,894
Employment and payroll only (state & local govt, non-education)	12.1	\$692,870	\$791,012
Food services and drinking places	20.5	\$415,804	\$593,976

Scenario 4; 2016 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	211.5	\$13,506,301	\$13,927,542
Private hospitals	157.1	\$9,415,973	\$10,465,966
Nursing and residential care facilities	210.8	\$6,704,930	\$7,731,364
Home health care services	141.6	\$5,805,991	\$6,211,996
Real estate establishments	55.4	\$647,357	\$4,840,627
Imputed rental activity for owner-occupied dwellings	0	\$0	\$2,669,172
Wholesale trade businesses	13.9	\$982,070	\$1,705,532
Monetary authorities and depository credit intermediation activities	8.5	\$467,007	\$1,694,209
Employment and payroll only (state & local govt, non-education)	23.5	\$1,392,444	\$1,589,677
Food services and drinking places	41.6	\$870,822	\$1,243,970

Scenario 4 Revenues by Top Ten Industries (2/2)

Scenario 4: 2023 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	267.6	\$19,227,565	\$19,827,244
Private hospitals	197.7	\$13,330,448	\$14,816,952
Nursing and residential care facilities	267	\$9,557,581	\$11,020,718
Home health care services	177.9	\$8,205,578	\$8,779,383
Real estate establishments	69.8	\$917,973	\$6,864,164
Imputed rental activity for owner-occupied dwellings	0	\$0	\$3,778,472
Wholesale trade businesses	17.6	\$1,391,678	\$2,416,886
Monetary authorities and depository credit intermediation activities	10.7	\$662,167	\$2,402,209
Employment and payroll only (state & local govt, non-education)	26.3	\$1,759,326	\$2,008,526
Food services and drinking places	52.4	\$1,234,450	\$1,763,412

Scenario 5 Revenues by Top Ten Industries (1/2)

Scenario 5: 2014 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	63.9	\$3,944,662	\$4,067,690
Private hospitals	47.6	\$2,757,621	\$3,065,129
Nursing and residential care facilities	63.6	\$1,955,347	\$2,254,684
Home health care services	42.9	\$1,699,745	\$1,818,606
Real estate establishments	16.9	\$190,600	\$1,425,218
Imputed rental activity for owner-occupied dwellings	0	\$0	\$797,032
Employment and payroll only (state & local govt, non-education)	12.1	\$692,870	\$791,012
Wholesale trade businesses	4.3	\$291,312	\$505,913
Monetary authorities and depository credit intermediation activities	2.6	\$138,250	\$501,545
Food services and drinking places	12.8	\$258,300	\$368,981

Scenario 5: 2016 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	142	\$9,065,069	\$9,347,794
Private hospitals	105.5	\$6,319,688	\$7,024,409
Nursing and residential care facilities	141.4	\$4,497,341	\$5,185,823
Home health care services	95	\$3,893,146	\$4,165,389
Real estate establishments	37.4	\$436,509	\$3,264,009
Imputed rental activity for owner-occupied dwellings	0	\$0	\$1,818,040
Employment and payroll only (state & local govt, non-education)	23.5	\$1,392,444	\$1,589,677
Wholesale trade businesses	9.5	\$665,800	\$1,156,275
Monetary authorities and depository credit intermediation activities	5.7	\$316,194	\$1,147,087
Food services and drinking places	28.2	\$590,431	\$843,431

Scenario 5 Revenues by Top Ten Industries (2/2)

Scenario 5: 2023 Top Ten Industries by Value Added			
Industry	Employment	Labor Income	Value Added (GSP)
Offices of physicians, dentists, and other health practitioners	216.5	\$15,552,846	\$16,037,915
Private hospitals	159.9	\$10,782,757	\$11,985,163
Nursing and residential care facilities	215.9	\$7,728,880	\$8,912,068
Home health care services	143.8	\$6,634,675	\$7,098,630
Real estate establishments	56.6	\$744,017	\$5,563,408
Imputed rental activity for owner-occupied dwellings	0	\$0	\$3,075,851
Employment and payroll only (state & local govt, non-education)	26.3	\$1,759,326	\$2,008,526
Wholesale trade businesses	14.3	\$1,130,597	\$1,963,474
Monetary authorities and depository credit intermediation activities	8.7	\$537,636	\$1,950,436
Food services and drinking places	42.6	\$1,002,901	\$1,432,645

Tax Revenues

Tax revenues across state, local and federal entities are found in the chart below.

Scenarios	State Tax	Local Tax	Federal Tax	Total
Scenario 1 2014	\$670,850	\$528,271	\$2,225,547	\$3,424,668
Scenario 1 2016	\$1,234,903	\$973,105	\$4,094,242	\$6,302,250
Scenario 1 2023	\$2,034,462	\$1,606,881	\$6,730,971	\$10,372,314
Scenario 2 2014	\$4,115,585	\$3,268,271	\$13,549,128	\$20,932,984
Scenario 2 2016	\$8,609,102	\$6,838,821	\$28,334,273	\$43,782,196
Scenario 2 2023	\$11,345,274	\$9,015,849	\$37,326,249	\$57,687,372
Scenario 3 2014	\$2,404,339	\$1,900,899	\$7,838,931	\$12,144,169
Scenario 3 2016	\$5,479,901	\$4,338,252	\$18,091,860	\$27,910,013
Scenario 3 2023	\$8,589,141	\$6,813,085	\$28,306,154	\$43,708,380
Scenario 4 2014	\$1,355,041	\$1,072,898	\$4,473,054	\$6,900,993
Scenario 4 2016	\$2,837,338	\$2,247,546	\$9,362,422	\$14,447,306
Scenario 4 2023	\$4,020,415	\$3,188,187	\$13,252,962	\$20,461,564
Scenario 5 2014	\$842,745	\$663,549	\$2,796,103	\$4,302,397
Scenario 5 2016	\$1,925,445	\$1,518,846	\$6,377,637	\$9,821,928
Scenario 5 2023	\$7,715,856.39	\$6,474,845	\$24,300,800	\$38,491,501

Appendix I

Public reports participation and take-up rate assumption summary chart.

State	Low Participation	High Participation
Florida	10.00%	100.00%
Kansas	40.00%	65.00%
Michigan	36.30%	72.60%
Missouri	73.00%	73.00%
Nebraska	80.00%	100.00%
New Hampshire	22.00%	76.60%
New Mexico	52.00%	52.00%
New York	10.00%	40.00%
Oklahoma	57.00%	75.00%
Pennsylvania	57.00%	75.00%
South Carolina	71.00%	71.00%
Washington	50.00%	50.00%
Holahan and Headen	57.00%	75.00%
ASPE	66.00%	70.00%
Average Figures	48.66%	71.09%

The following data comes from the 2010 annual Medicaid report.

Current Utah Medicaid Participation for Eligible Populations				
Utah	Adults	2010	Percent	60.1%
Utah	Children	2010	Percent	74.2%

Appendix II

This section models the MAGI-equivalent income standards for the following eligibility groups: children, adults with dependent children, and adults without dependent children. MAGI standards do not apply to the elderly and disabled. Non-MAGI groups include the medically needy, 65 and older, long-term care users, Medicare cost sharing, blind, disabled, and SSI/QMB populations.

Background, Data, Methodology, and Assumptions

MAGI Conversion

According to a SFY2012 Medicaid annual report, there are 397,813 distinct enrollees in Utah's Medicaid program¹⁴. The report provides the percentages of Medicaid eligibles in each category of assistance. The following chart replicates the report's data and also provides a count of Medicaid eligibles by category of assistance:

Category of Assistance	Percent of Medicaid Eligibles	Count of Medicaid Eligibles
Children	56.60%	225,162
Blind	0.01%	40
Women with Breast or Cervical Cancer	0.10%	398
Aged	4.19%	16,668
Parent	14.05%	55,893
Pregnant Women	7.04%	28,006
Adults on PCN	6.35%	25,261
Disabled	11.67%	46,425
Total	100%	397,853*

* The 40-count difference between the 397,813 persons listed in the Utah Medicaid report and the 397,853 persons listed in table above is due to rounding.

Current income eligibility requirements for children, parents, pregnant women, and adults on PCN will be subject to MAGI conversion standards. This population represents approximately 84% of Utah's SFY 2012 Medicaid population.

¹⁴ Utah Medicaid, "Utah Annual Report of Medicaid & CHIP: SFY 2012" December 2012
http://www.health.utah.gov/medicaid/pdfs/annual_report2012.pdf

Income Disregards

The clients found in the eight categories of assistance listed above belong to one of several Medicaid programs. Programs have different income level maximums, spend-down amounts, income disregards, and asset limits. The following table lists all of Utah's Medicaid programs that use percentages of federal poverty level to determine income eligibility. The table has been separated into MAGI and non-MAGI eligible programs. Programs subject to MAGI conversion are also divided between those that currently do and do not allow income or asset disregards¹⁵:

Programs not subject to MAGI conversion	Programs subject to MAGI conversion	
	Programs with Disregard	Programs Without Disregard
1. Aged and Disabled 2. Qualified Medicare Beneficiaries Program (QMB) 3. Specified Low-Income Medicare Beneficiaries (SLMB) 4. Qualifying Individuals (QI) 5. Qualified Disabled Working Individual (QDWI) 6. Medicaid Work Incentive	1. LIFC 12 month earned incomes disregard 2. LIFC transitional during 2nd six months 3. Child 0-5 4. Child 6-18 5. Pregnant Women	1. Primary Care Network (PCN) 2. CHIP (Plans A-C) 3. Utah's Premium Partnership for Health Insurance (UPP): Kids and Adults

In Utah, programs that allow disregards usually exclude \$30 plus one third of working income when determining eligibility. As part of the MAGI conversion process, all relevant Medicaid programs will be subject to the same disregards. The next section will describe the conversion calculations necessary for all MAGI-eligible programs.

¹⁵ Utah Department of Health, "Utah Medical Programs Summary" December 2011

Approaches to MAGI Conversion:

By June 2013, all states must have Centers for Medicare & Medicaid Services (CMS) approved MAGI-based eligibility standards. States have the option of approving one of two conversion methodologies: standardized or state specific.

Option 1: Standardized MAGI Conversion Methodology

CMS will determine the MAGI equivalent standards for each state using national Survey of Income and Program Participation (SIPP) data. Each eligibility group (adults with dependent children, children, and adults without dependent children) will have a MAGI eligibility standard. CMS describes this process in two main steps:

- 1) “Calculating the average size of the disregards for people whose net income falls within 25 percentage points of the federal poverty level (FPL) below the net income standard; and
- 2) Adding the average disregard amount, expressed as a percentage of the FPL, to the net income eligibility standard, also expressed as a percentage of the FPL.”¹⁶

States also have the option of using their own data to perform the same standardized MAGI conversion. The state data must provide enough detail on gross and net income as well as information needed to determine income and asset disregards. CMS will provide technical assistance to any state that uses its own data¹⁷.

Option 2: State Proposal Option

States can also propose and implement their own alternative methodology. States with unique disregard and income standards may find this option more useful. Examples of such alternative methodologies include:

- 1) “Adjusting for differences in income counting and household composition rules (if a state adjusts for MAGI income and household composition rules, it must do so using all MAGI rules for all eligibility groups); and
- 2) Adopting a different marginal band (25 percentage points) based on its own state specific disregards, data, eligibility standards, and population analysis.”¹⁸

¹⁶ Ibid, Page 4

¹⁷ Department of Health and Human Services, “RE: Conversion of Net Income Standards to MAGI Equivalent Income Standards” December 2012 <http://www.medicaid.gov/Federal-Policy-Guidance/downloads/SHO12003.pdf>

¹⁸ Department of Health and Human Services, Page 5

To receive approval, states must provide all of the necessary data to CMS and demonstrate how the proposed methodology will meet the MAGI objectives.

MAGI Conversion Timeline

CMS developed the following 5-step process for all states to adhere to¹⁹:

#	Process Description	Timeframe
1	MAGI Conversion Templates that map pre-2014 eligibility groups requiring MAGI conversion	15-Jan-13
2	Statements of Intent/ Selection of Conversion Methodology	15-Feb-13
3	CMS Data Analysis to determine MAGI conversions based on SIPP data	Rolling basis ending on April 30, 2013
4	Submission of MAGI Conversion Plans for states using standardized methodology*	31-May-13
	Submission of MAGI Conversion Plans for states using their own data or alternative methodology*	30-Apr-13
5	MAGI income conversions to be documented in State Plan Amendment and programmed into eligibility systems	June-October 2013

* States will be notified of their plan's approval or disapproval by June 15, 2013.

At this time, Utah has submitted a plan using state data. Generally, CMS anticipates on-going dialogue with states about the selection of an appropriate MAGI conversion methodology. As a result, it is preparing several technical assistance documents that explain:

- The standardized MAGI conversion methodology and SIPP data,
- How states can use their own data in the standardized methodology, and

- The eligibility thresholds for any Medicaid group subject to the MAGI conversion.

All states will be able to review the SIPP data (as CMS will provide data analyses on a rolling basis prior to the April 2013 MAGI conversion results) and explore other options before submitting their MAGI conversion plans.

Appendix III (Medicaid vs. Essential Health Benefit Comparison)

Benefits with Differences Between Plans			Benefits with Differences Between Plans		
Benefit Description	Medicaid	EHB Plan	Benefit Description	Medicaid	EHB Plan
INPATIENT HOSPITAL, MENTAL YOUTH	Yes	Yes	SA** - ALCOHOL AND DRUGS	Yes	No
INPATIENT HOSPITAL, GENERAL	Yes	Yes	CONTRACTED MENTAL HEALTH SERVICES	Yes	No
KIDNEY DIALYSIS	Yes	Yes	QQ** - MENTAL HEALTH SERVICES (CROS	Yes	No
PHARMACY	Yes	Yes	QMB ONLY SERVICES	Yes	No
AMBULATORY SURGICAL SERVICES	Yes	Yes	BUY OUT	Yes	No
INPATIENT HOSPITAL, MENTAL AGED	Yes	Yes	HIT ELIGIBLE PROVIDER YEAR 1 ADOPTION	Yes	No
OUTPATIENT HOSPITAL	Yes	Yes	PCN - UPP	Yes	No
HOME HEALTH SERVICES	Yes	Yes	PCN - UPP	Yes	No
PSYCHOLOGIST SERVICES	Yes	Yes	PCN - UPP	Yes	No
MEDICAL SUPPLIES	Yes	Yes	UNKNOWN	Yes	No
PHYSICAL THERAPY	Yes	Yes	UNKNOWN	Yes	No
AGING WAIVER SERVICES	Yes	Yes	UNKNOWN	Yes	No
MEDICAL TRANSPORTATION	Yes	Yes	HIT DUAL ELIGIBLE HOSPITAL YEAR 1 MEA	Yes	No
MULTIPLE SERVICES	Yes	Yes	HOUGHTON LAWSUIT	Yes	No
LAB AND RADIOLOGY	Yes	Yes	NEW CHOICES WAIVER	Yes	N/A
WELL CHILD CARE (CHEC/EPST)	Yes	Yes	HOME/COMMUNITY BASED WAIVER	Yes	N/A
PEDIATRIC/FAMILY NURSE PRACTITIONER	Yes	Yes	SCHOOL DISTRICTS SKILLS DEVELOPMENT	Yes	N/A
CONTRACT PHYSICIAN	Yes	Yes	SPECIALIZED NURSING SERVICES	Yes	N/A
ADOPTION	Yes	Yes	PHYSICIAN SERVICES	Yes	N/A
ALCOHOL & DRUG ASSESSMENT	Yes	Yes	PERSONAL CARE SERVICES	Yes	N/A
EMERGENCY SERVICES	Yes	Yes	EARLY INTERVENTION	Yes	N/A
HOSPITALIZATION	Yes	Yes	HMO - UNI HOME	Yes	N/A
LABORATORY SERVICES	Yes	Yes	OSTEOPATHIC SERVICES	Yes	N/A
MATERNITY/NEWBORN SERVICES	Yes	Yes	FQHC SPECIFIC	Yes	N/A
MENTAL HEALTH SERVICES	Yes	Yes	HMO - MOLINA	Yes	N/A
PEDIATRIC SERVICES	Yes	Yes	PODIATRIST SERVICES	Yes	N/A
PRESCRIPTION DRUGS	Yes	Yes	POISON CONTROL CENTER	Yes	N/A
PREVENTION/WELLNESS	Yes	Yes	CUSTODY MEDICAL CARE	Yes	N/A
PREVENTION/WELLNESS/CHRONIC DISEASE MANAGEMENT	Yes	Yes	RURAL HEALTH CLINIC SERVICES	Yes	N/A
REHABILITATION/HABILITATION	Yes	Yes	TARGETED CASE MANAGEMENT	Yes	N/A
SKILLED NURSING FACILITY	Yes	Yes	HMO - HEALTHY U	Yes	N/A
SUBSTANCE USE DISORDER SERVICES	Yes	Yes	PRE/POSTNATAL HOME VISITS	Yes	N/A
OPTICAL SUPPLIES	Yes	No	PERINATAL CARE COORDINATION	Yes	N/A
CHIROPRACTIC SERVICES	Yes	No	GROUP PRE/POSTNATAL EDUCATION	Yes	N/A
PRIVATE DUTY NURSING	Yes	No	HMO - HEALTH CHOICE UTAH	Yes	N/A
UNKNOWN	Yes	No	SPECIAL PAYMENTS	Yes	N/A
ICF/MR1 (LOC 4)	Yes	No	SPECIALIZED WHEELCHAIRS	Yes	LIMITED
USTS IMR1 (LOC 4)	Yes	No	DENTAL SERVICES	Yes	LIMITED
ICF1 (LOC 7) NF-II	Yes	No	OCCUPATIONAL THERAPY	Yes	LIMITED
ICF2 (LOC 2) NF-III	Yes	No	SPEECH AND HEARING	Yes	LIMITED
SNF1 (LOC 8) ISC	Yes	No	NUTRITIONAL ASSESSMENT/COUNSELING	Yes	LIMITED
SNF2 (LOC 3) NF-I	Yes	No	VISION CARE	Yes	LIMITED

Appendix IV

Federal Financial Participation in Utah Medicaid Average.

To be more representative of current years, the average figured was reduced to **71.2%** because the FMAP in FY 2009 and FY 2010 was viewed as trending the data higher than should be expected in future years.

Fiscal Year	Federal Participation for Utah Medicaid
FY2004	74.67%
FY2005	72.14%
FY2006	70.76%
FY2007	70.14%
FY2008	71.63%
FY2009	79.98%
FY2010	80.78%
FY2011	71.13%
FY2012	70.99%
FY2013	69.61%
Average	73.18%

Appendix V

Below the Per Member Per Year (PMPY) figures used for calculating future year costs are provided. These figures represent total costs of the program divided by total enrollees in the year. These figures have been discounted by 20% per the PCG – MESM.

Medicaid PMPYs

0-100% FPL	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Children	\$ 1,251.91	\$ 1,276.95	\$ 1,302.49	\$ 1,328.54	\$ 1,355.11	\$ 1,382.21	\$ 1,409.86	\$ 1,438.05	\$ 1,466.81	\$ 1,496.15	\$ 1,526.07
Adults with Children	\$ 2,067.42	\$ 2,112.66	\$ 2,158.88	\$ 2,206.12	\$ 2,254.39	\$ 2,303.72	\$ 2,354.13	\$ 2,405.64	\$ 2,458.28	\$ 2,512.07	\$ 2,567.03
Adults without Children	\$ 2,613.84	\$ 2,699.39	\$ 2,787.75	\$ 2,879.00	\$ 2,973.23	\$ 3,070.55	\$ 3,171.05	\$ 3,274.84	\$ 3,382.04	\$ 3,492.73	\$ 3,607.06

0-138% FPL	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Children	\$ 1,251.91	\$ 1,276.95	\$ 1,302.49	\$ 1,328.54	\$ 1,355.11	\$ 1,382.21	\$ 1,409.86	\$ 1,438.05	\$ 1,466.81	\$ 1,496.15	\$ 1,526.07
Adults with Children	\$ 2,067.42	\$ 2,112.66	\$ 2,158.88	\$ 2,206.12	\$ 2,254.39	\$ 2,303.72	\$ 2,354.13	\$ 2,405.64	\$ 2,458.28	\$ 2,512.07	\$ 2,567.03
Adults without Children	\$ 2,613.84	\$ 2,699.39	\$ 2,787.75	\$ 2,879.00	\$ 2,973.23	\$ 3,070.55	\$ 3,171.05	\$ 3,274.84	\$ 3,382.04	\$ 3,492.73	\$ 3,607.06

EHB PMPYs

0-100% FPL	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Children	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adults with Children	\$ 1,206.78	\$ 1,337.56	\$ 1,468.33	\$ 1,599.11	\$ 1,729.89	\$ 1,860.66	\$ 1,991.44	\$ 2,122.21	\$ 2,252.99	\$ 2,383.76	\$ 2,514.54
Adults without Children	\$ 1,546.63	\$ 1,716.08	\$ 1,885.52	\$ 2,054.96	\$ 2,224.40	\$ 2,393.84	\$ 2,563.28	\$ 2,732.72	\$ 2,902.17	\$ 3,071.61	\$ 3,241.05
0-138% FPL	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Children	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adults with Children	\$ 1,206.78	\$ 1,337.56	\$ 1,468.33	\$ 1,599.11	\$ 1,729.89	\$ 1,860.66	\$ 1,991.44	\$ 2,122.21	\$ 2,252.99	\$ 2,383.76	\$ 2,514.54
Adults without Children	\$ 1,546.63	\$ 1,716.08	\$ 1,885.52	\$ 2,054.96	\$ 2,224.40	\$ 2,393.84	\$ 2,563.28	\$ 2,732.72	\$ 2,902.17	\$ 3,071.61	\$ 3,241.05

Appendix VI

Below is an appendix detailing the Medicaid expansion studies of 15 other states.

State / Categories	Recommendation: Expansion or No Expansion	Increase/(Decrease) in Federal Money (\$)	Increase/(Decrease) in State Money \$	Net Economic Impact	Economic Model Used	Count of Newly Eligibles (year)	Health Effects Observed	Additional Recommendations/Comments	Limitations	Date of Study
Alabama	Did not make recommendations	High estimate, will costs Feds \$19.793b. and low estimate is \$9.382b. p. 4	State would gain \$749m. under low model over 2014-2020, and gain \$1.581b. under high model. p. 6 Table 7.	"Under the intermediate take-up scenario, the additional federal revenues to support the Medicaid expansion would generate nearly \$20 billion in economic activity for the state of Alabama through 2020." p. 6	Used IMPLAN input-output software model to estimate the economic impact of new federal spending related to the Medicaid coverage expansion. p. 5	High estimate of 494,629 and low estimate of 234,455. p. 1	"... evidence suggests that insurance coverage may lead to significant improvements in chronic disease management among low income individuals in poor health. p. 7	Did not make recommendations		Nov-12
Colorado	Included Medicaid expansion within context of 208 Commission recommendations.	Does not appear to estimate. Calculates Commission recommendations assuming 50% FFP match Table F p. 44	"NAF's model shows that Colorado's economy, as measured by gross state product, would be slightly less than 1 percent larger with fully financed health care expansion than it would have been under the status quo. In 2010, this translates into a \$2.31 billion increase in GSP, growing to \$3.80 billion by the end of the study period in 2019. p. 61 State would gain \$749m. under low model over 2014-2020, and gain \$1.581b. under high model. p. 6 Table 7.	"...would create \$3.8 billion in new economic output in 2019, even after accounting for the economic costs of the taxes necessary to finance reform." p. 24	Commission uses its own logic and relies on the Regional Input Output Modeling System (RIMS II), p. 21	Focuses on projecting costs not eligibles.	None commented on.		The federal health reform law is very similar to the 208 Commission proposal, but there are a few key differences. p. 40	Dec-10
Florida	Yes	Not specified	"The state can expand coverage without assuming any new net costs by achieving savings in other areas of the state's budget. In fact, overall state costs are likely to be reduced by some \$100 million annually because some safety net programs will become less necessary." p. 7	"If the state does not expand coverage, Florida's hospitals will lose federal revenue without offsetting gains in coverage for their patients." p. 1	State Estimating Conference	Used low and high estimates. "An estimated 800,000 to 1,295,000 uninsured adults and children in Florida will gain coverage."	"...extending Medicaid coverage to Florida citizens should have positive effects in terms of lower mortality, less illness, improved economic stability and a higher quality of life for those gaining coverage. In turn, improved health may well lead to lower overall health costs for both these individuals and the state." p. 8			Nov-12

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State / Categories	Recommendation: Expansion or No Expansion	Increase/(Decrease) in Federal Money (\$)	Increase/(Decrease) in State Money \$	Net Economic Impact	Economic Model Used	Count of Newly Eligibles (year)	Health Effects Observed	Additional Recommendations/Comments	Limitations	Date of Study
Idaho	Millman PowerPoint mostly talked about costs and eligibles. No Federal side, neither economic impacts nor modeling.	Discussion did not focus on Federal costs and savings.	Across 2014-2024 expansion is basically a wash. Slide 13	No economic impact analysis	None used.	Mandatory and optional expansions will likely see 10,800 children and 104,300 adults. Slide 6	None commented on.			Nov-12
Kansas	No recommendations made.	Discussion did not focus on Federal costs and savings.	Before offsets, low estimate of state cost 2014-2020 is \$220.8 and high estimate is \$912.3. Table 1 p. 4	No economic impact analysis	None used.	122,000 new adults in 2014. p. 2 and 117,886 children. P. 3	None commented on.		Four-page issue brief	Dec-12
Maryland	No recommendations made.	Discussion did not focus on Federal costs and savings.	"...the benefits to the state's budget of ACA implementation exceed its costs through 2020." p. 19	\$3.283b.in additional economic activity generated by 2020.	IMPLAN input-output model.	Hard to determine from fragmented discussion.	None commented on.		Not well summarized.	Jul-12
Michigan	No recommendations made.	Did not discuss Federal costs and savings.	\$3.228 in cost savings to Michigan between 2014 and 2023. Biggest single state cost savings is in non-Medicaid mental health. Figure 5 Made point that in 2010 when the federal match goes to 90 percent, the state begins to experience a net cost rather than net savings. p. 5		Just mentioned a few impacts; no systematic modeling.	Roughly 618,000 adults by 2020. Take up percentages increase each year up to 2020. p. 2	A substantial body of research confirms what would seem to be common sense: not having health insurance is bad for your health. This work is summarized in a 2009 study by the Institute of Medicine. p. 6			Oct-12
Missouri	Did not make recommendations although one funder was Missouri Hospital Association.	From 2014 to 2020, the federal government will contribute \$8.2 billion to Missouri's Medicaid expansion (96.1% of total expansion costs). p. V	From 2014 to 2020, the Missouri government will contribute \$332.9 million to the Medicaid expansion (3.9% of total expansion costs). p. V	The total effects (direct, indirect and induced) of the original \$8.6 billion Medicaid expansion is an additional \$9.6 billion of value-added output to the state. The Medicaid expansion will generate \$856 million in additional state and local taxes from 2014 to 2020 and \$1.4 billion in federal taxes due to the increase in jobs and economic activity, for a total tax collected of \$2.3 billion.	The 3.0 version of the IMPLAN model was used to generate the potential impact of Medicaid expansion on Medicaid enrollment, Medicaid expenditures, jobs created, labor income, taxes generated, and the impact it could have on private insurance premiums.	Approximately 73% of newly eligible enrollees would enroll in Medicaid; this will result in an estimated 161,281 new enrollees in the Medicaid program in 2020. p. V, p. 7		Will create 22,000 jobs.		Nov-12

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State / Categories	Recommendation: Expansion or No Expansion	Increase/(Decrease) in Federal Money (\$)	Increase/(Decrease) in State Money \$	Net Economic Impact	Economic Model Used	Count of Newly Eligibles (year)	Health Effects Observed	Additional Recommendations/C omments	Limitations	Date of Study
Mississippi	Governor's letter to legislature only lists negatives.	"Even without expanding Medicaid, other mandatory provisions of the "Affordable Care Act" will cost Mississippi \$272 - \$436 million (2014-2020)." Governor's letter	"Were Mississippi to fully expand Medicaid under the "Affordable Care Act", the total amount of State spending on Medicaid would be approximately \$12.4 12.8 billion (2014-2020)." Governor's Letter "The "woodwork effect" population-those eligible under current Medicaid standards and expected to enroll once threatened with the "Affordable Care Act" tax penalties for not maintaining health insurance-will have a significant impact on the State... a cost of \$319 - \$474 million in Mississippi (2014-2020)".	Did not study net economic impact.	No economic modeling done.	2014 base enrollment is 740,000. Low estimate of new Medicaid enrollment is 960,000 in 2014 p. 5 and high estimate is 1,110,000 p. 6	No discussion of health impacts.		"Scope of report limited to a projection of the financial impact of the ACA on the Mississippi Medicaid budget." p. 1	Dec-12
Nebraska		"The estimated revenue from the federal government coming to the State of Nebraska from the Medicaid expansion ranges from \$2.9 billion to \$3.5 billion through 2020." p. 1	"The estimated cost of Medicaid expansion for the State of Nebraska ranges from \$140 million to \$168 million." p. 1	"Spending by the federal government on Medicaid expansion would generate at least \$700 million in new economic activity every year in Nebraska, which could finance over 10,000 jobs each year through 2020." p. 1	IMPLAN p. 4	"The estimated number of new Medicaid enrollees in Nebraska under the Affordable Care Act expansion through 2020 ranges from 90,021 to 108,025." p. 1	No discussion of health impacts.	"... this analysis suggests that the Medicaid expansion could have a significant impact on the health care sector's economic and labor markets." p. 4	"The estimates in this report do not reflect the potential savings for the state from the Medicaid expansion, including reduced health services payments for mental health care, dual eligible savings (Medicare/Medicaid), reduced state spending on the Children's Health Insurance Program after 2015, delivery system reforms, and tax revenue from premiums." p. 5	Aug-12

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State / Categories	Recommendation: Expansion or No Expansion	Increase/(Decrease) in Federal Money (\$)	Increase/(Decrease) in State Money \$	Net Economic Impact	Economic Model Used	Count of Newly Eligibles (year)	Health Effects Observed	Additional Recommendations/C omments	Limitations	Date of Study
New Hampshire	"This report provides estimates on Medicaid enrollment and costs under the option of not expanding Medicaid compared to the option of expanding the program under various program design options." p. 1	Multiple analyses are done showing both federal and state costs under different options. For example, a baseline estimate of implementing Medicaid expansion in 2014 under a fee-for-service system, for all adults in the state up to 138 percent of FPL. Cumulative State Cost (2014-2020): \$85,488,000 Cumulative Federal Cost (2014-2020): \$2,510,922,000 Change in Enrollment by 2020: 62,237 p. 2	Multiple analyses are done showing both federal and state costs under different options. "If the state decides not to expand Medicaid then we estimate the state would save between \$65.8 and \$113.7 million over the 2014 to 2020 period due to the other effects of the ACA and depending on options to reduce eligibility levels to 138 percent of FPL for adults beginning in 2014." p. 1	Did not study net economic impact.	No economic modeling done.	Multiple estimates depending on options studied	No discussion of health impacts.		Report focuses in great detail about enrollment and cost estimates under multiple scenarios.	Nov-12
Oklahoma	Two pager from Oklahoma Hospital Association recommending expansion.	Federal revenue to Oklahoma in 2020 ranges from low estimate of \$290m. to high estimate of \$500m.	Economic impact at low and high levels of utilization are listed as well as potential reductions in 100% state general fund expenditure categories.	No net stated just high and low estimates.	Cites Oklahoma State University study using IMPLAN modeling. P. 2	Assumes about 180,000 to 200,000 persons are eligible and would enroll. P. 1	"The Commonwealth Institute for Fiscal Analysis reported on Aug. 8, 2012, that expanding Medicaid coverage can save money, improve health, and even cut death rates. (www.thecommonwealthinstitute.org/health) p. 2		Only two pager.	Dec-12

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State / Categories	Recommendation: Expansion or No Expansion	Increase/(Decrease) in Federal Money (\$)	Increase/(Decrease) in State Money \$	Net Economic Impact	Economic Model Used	Count of Newly Eligibles (year)	Health Effects Observed	Additional Recommendations/C omments	Limitations
Pennsylvania	Paid for by Pennsylvania Hospital Association. Made no recommendations.	"From 2014-2020, the cumulative inflow of federal dollars will be \$16.5 billion higher if the state expands Medicaid." p. x	Without including offsets, "By the year 2020, we estimate that new state Medicaid spending would be \$611 million with the expansion vs. \$118 million without the expansion. The Medicaid expansion would increase state spending by approximately 10 percent over current levels." p. x	"In summary, the expansion of Medicaid increases coverage, net federal inflows, economic growth, and employment compared to not expanding Medicaid but requires a net increase in state spending beginning in 2017." p. 23	To estimate the ACA's coverage and federal spending impacts, we used the RAND COMPARE microsimulation model. We then applied the Regional Input-Output Modeling System multipliers from the Bureau of Economic Analysis to determine the ACA's broader economic effects. p. ix	"...the COMPARE model estimates that the expansion of Medicaid eligibility would increase Medicaid enrollment by 500,000 people (65 to 75 percent of whom would have been uninsured otherwise)..." p. 23	No discussion of health impacts.		
South Carolina	Prepared for South Carolina Hospital Association	"... the South Carolina Department of Health and Human Services estimates that it [ACA] would generate a total net increase in federal funding for the state of approximately \$11.2 billion between 2014 and 2020 due to newly eligible enrollees." p. 1		inflows, economic growth, and employment compared to not expanding Medicaid but requires a	IMPLAN was used. "The Division of Research used a highly complex, structural input-output model of the South Carolina economy. This model includes detailed industries, workers, and households that provides a means for accurately estimating economic multiplier effects." p. 4	"... approximately 333,000 people will become newly eligible for Medicaid under the ACA expansion beginning in 2014. This number will increase to roughly 354,000 people by 2020." p. 3	Not discussed.		"The results should not be misconstrued to reflect a comprehensive cost/benefit analysis. There are additional factors not considered that fall outside the scope of this study, including the impact of any changes in the cost of uncompensated care, changes to the overall health quality of the population, and the impact Medicaid expansion will have on changes to the labor supply of health care professionals." p. 1
Wyoming		Pure expansion with no savings, Federal cost is \$864.4m. from 2014 through 2020.	Pure expansion with no savings, state cost is \$131.2m. from 2014 through 2020. After considering offsets, state saves \$47.4m. p. 18	net increase in state spending beginning in 2017.	Simply listed likely impacts.	10,600 persons in mandatory groups p. 10 and 17,610 persons in optional groups, p. 11	Cites Kaiser study on adverse health impacts to persons with no health insurance, p. 7. Report discusses advantages at pp. 20-21.		

Appendix VII – Tax Revenue Allocation

Tax revenues for state and local entities have been allocated according to the chart below.

Allocation	Description
State	Dividends
State	Social Ins Tax- Employee Contribution
State	Social Ins Tax- Employer Contribution
Split (70/30)	Indirect Bus Tax: Sales Tax
Local	Indirect Bus Tax: Property Tax
Local	Indirect Bus Tax: Motor Vehicle Lic
State	Indirect Bus Tax: Severance Tax
Local	Indirect Bus Tax: Other Taxes
Local	Indirect Bus Tax: S/L NonTaxes
State	Corporate Profits Tax
State	Personal Tax: Income Tax
State	Personal Tax: NonTaxes (Fines- Fees
State	Personal Tax: Motor Vehicle License
State	Personal Tax: Property Taxes
State	Personal Tax: Other Tax (Fish/Hunt)

Sales tax has been allocated according to the chart below.

Utah Sales Tax		
	Sales tax	Percent of total
State	4.70%	0.699404762
Local	2.02%	0.300595238
Total	6.72%	1

Appendix VIII – Detailed Tax Information

Scenario 1 2014 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$868
State	Social Ins Tax- Employee Contribution	\$563	\$0			
State	Social Ins Tax- Employer Contribution	\$998				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$427,201		
Local	Indirect Bus Tax: Property Tax			\$290,900		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$14,097		
State	Indirect Bus Tax: Severance Tax			\$10,487		
Local	Indirect Bus Tax: Other Taxes			\$18,223		
Local	Indirect Bus Tax: S/L NonTaxes			\$76,636		
State	Corporate Profits Tax					\$29,232
State	Personal Tax: Income Tax				\$250,975	
State	Personal Tax: NonTaxes (Fines- Fees				\$38,968	
State	Personal Tax: Motor Vehicle License				\$21,687	
State	Personal Tax: Property Taxes				\$4,556	
State	Personal Tax: Other Tax (Fish/Hunt)				\$13,730	
	Total State and Local Tax	\$1,562	\$0	\$837,544	\$329,916	\$30,101
					Total	\$1,199,123.00



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Scenario 1 2014 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$512,205	\$59,073			
Social Ins Tax- Employer Contribution	\$665,535				
Indirect Bus Tax: Excise Taxes			\$69,727		
Indirect Bus Tax: Custom Duty			\$29,422		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$216,170
Personal Tax: Income Tax				\$673,415	
Total Federal Tax	\$1,177,740	\$59,073	\$99,149	\$673,415	\$216,170
				Total	\$2,225,547



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Scenario 1 2016 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$1,597
State	Social Ins Tax- Employee Contribution	\$1,036	\$0			
State	Social Ins Tax- Employer Contribution	\$1,836				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$786,931		
Local	Indirect Bus Tax: Property Tax			\$535,855		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$25,967		
State	Indirect Bus Tax: Severance Tax			\$19,318		
Local	Indirect Bus Tax: Other Taxes			\$33,567		
Local	Indirect Bus Tax: S/L NonTaxes			\$141,168		
State	Corporate Profits Tax					\$53,785
State	Personal Tax: Income Tax				\$461,720	
State	Personal Tax: NonTaxes (Fines- Fees				\$71,690	
State	Personal Tax: Motor Vehicle License				\$39,897	
State	Personal Tax: Property Taxes				\$8,381	
State	Personal Tax: Other Tax (Fish/Hunt)				\$25,260	
	Total State and Local Tax	\$2,872	\$0	\$1,542,807	\$606,948	\$55,382
					Total	\$2,208,009.00



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Scenario 1 2016 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$942,053	\$108,877			
Social Ins Tax- Employer Contribution	\$1,224,061				
Indirect Bus Tax: Excise Taxes			\$128,441		
Indirect Bus Tax: Custom Duty			\$54,197		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$397,729
Personal Tax: Income Tax				\$1,238,884	
Total Federal Tax	\$2,166,114	\$108,877	\$182,638	\$1,238,884	\$397,729
				Total	\$4,094,242



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Scenario 1 2023 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$2,628
State	Social Ins Tax- Employee Contribution	\$1,701	\$0			
State	Social Ins Tax- Employer Contribution	\$3,016				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$1,299,451		
Local	Indirect Bus Tax: Property Tax			\$884,853		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$42,880		
State	Indirect Bus Tax: Severance Tax			\$31,900		
Local	Indirect Bus Tax: Other Taxes			\$55,429		
Local	Indirect Bus Tax: S/L NonTaxes			\$233,110		
State	Corporate Profits Tax					\$88,466
State	Personal Tax: Income Tax				\$759,134	
State	Personal Tax: NonTaxes (Fines- Fees				\$117,868	
State	Personal Tax: Motor Vehicle License				\$65,597	
State	Personal Tax: Property Taxes				\$13,780	
State	Personal Tax: Other Tax (Fish/Hunt)				\$41,530	
	Total State and Local Tax	\$4,718	\$0	\$2,547,622	\$997,910	\$91,094
					Total	\$3,641,344.00



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Scenario 1 2023 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$1,547,456	\$180,135			
Social Ins Tax- Employer Contribution	\$2,010,694				
Indirect Bus Tax: Excise Taxes			\$212,094		
Indirect Bus Tax: Custom Duty			\$89,495		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$654,194
Personal Tax: Income Tax				\$2,036,903	
Total Federal Tax	\$3,558,151	\$180,135	\$301,588	\$2,036,903	\$654,194
				Total	\$6,730,971



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Scenario 2 2014 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$5,297
State	Social Ins Tax- Employee Contribution	\$3,418	\$0			
State	Social Ins Tax- Employer Contribution	\$6,059				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$2,642,984		
Local	Indirect Bus Tax: Property Tax			\$1,799,723		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$87,214		
State	Indirect Bus Tax: Severance Tax			\$64,882		
Local	Indirect Bus Tax: Other Taxes			\$112,738		
Local	Indirect Bus Tax: S/L NonTaxes			\$474,128		
State	Corporate Profits Tax					\$178,346
State	Personal Tax: Income Tax				\$1,528,346	
State	Personal Tax: NonTaxes (Fines- Fees				\$237,301	
State	Personal Tax: Motor Vehicle License				\$132,064	
State	Personal Tax: Property Taxes				\$27,744	
State	Personal Tax: Other Tax (Fish/Hunt)				\$83,612	
	Total State and Local Tax	\$9,477	\$0	\$5,181,669	\$2,009,068	\$183,643
					Total	\$7,383,857.00



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Scenario 2 2014 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$3,108,692	\$368,050			
Social Ins Tax- Employer Contribution	\$4,039,292				
Indirect Bus Tax: Excise Taxes			\$431,382		
Indirect Bus Tax: Custom Duty			\$182,025		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$1,318,838
Personal Tax: Income Tax				\$4,100,849	
Total Federal Tax	\$7,147,984	\$368,050	\$613,407	\$4,100,849	\$1,318,838
				Total	\$13,549,128



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Scenario 2 2016 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$11,078
State	Social Ins Tax- Employee Contribution	\$7,147	\$0			
State	Social Ins Tax- Employer Contribution	\$12,670				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$5,530,413		
Local	Indirect Bus Tax: Property Tax			\$3,765,900		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$182,494		
State	Indirect Bus Tax: Severance Tax			\$135,764		
Local	Indirect Bus Tax: Other Taxes			\$235,904		
Local	Indirect Bus Tax: S/L NonTaxes			\$992,107		
State	Corporate Profits Tax					\$372,974
State	Personal Tax: Income Tax				\$3,196,162	
State	Personal Tax: NonTaxes (Fines- Fees				\$496,258	
State	Personal Tax: Motor Vehicle License				\$276,179	
State	Personal Tax: Property Taxes				\$58,019	
State	Personal Tax: Other Tax (Fish/Hunt)				\$174,854	
	Total State and Local Tax	\$19,817	\$0	\$10,842,582	\$4,201,473	\$384,052
					Total	\$15,447,924.00



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Scenario 2 2016 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$6,500,253	\$770,335			
Social Ins Tax- Employer Contribution	\$8,446,133				
Indirect Bus Tax: Excise Taxes			\$902,663		
Indirect Bus Tax: Custom Duty			\$380,885		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$2,758,084
Personal Tax: Income Tax				\$8,575,920	
Total Federal Tax	\$14,946,386	\$770,335	\$1,283,548	\$8,575,920	\$2,758,084
				Total	\$28,334,273



State of Utah
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Scenario 2 2023 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$14,594
State	Social Ins Tax- Employee Contribution	\$9,414	\$0			
State	Social Ins Tax- Employer Contribution	\$16,688				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$7,290,931		
Local	Indirect Bus Tax: Property Tax			\$4,964,713		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$240,589		
State	Indirect Bus Tax: Severance Tax			\$178,982		
Local	Indirect Bus Tax: Other Taxes			\$311,000		
Local	Indirect Bus Tax: S/L NonTaxes			\$1,307,928		
State	Corporate Profits Tax					\$491,344
State	Personal Tax: Income Tax				\$4,210,563	
State	Personal Tax: NonTaxes (Fines- Fees				\$653,761	
State	Personal Tax: Motor Vehicle License				\$363,833	
State	Personal Tax: Property Taxes				\$76,433	
State	Personal Tax: Other Tax (Fish/Hunt)				\$230,350	
	Total State and Local Tax	\$26,102	\$0	\$14,294,143	\$5,534,940	\$505,938
					Total	\$20,361,123.00



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Scenario 2 2023 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$8,561,999	\$1,015,868			
Social Ins Tax- Employer Contribution	\$11,125,071				
Indirect Bus Tax: Excise Taxes			\$1,190,011		
Indirect Bus Tax: Custom Duty			\$502,134		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$3,633,413
Personal Tax: Income Tax				\$11,297,753	
Total Federal Tax	\$19,687,070	\$1,015,868	\$1,692,145	\$11,297,753	\$3,633,413
				Total	\$37,326,249



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Scenario 3 2014 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$3,104
State	Social Ins Tax- Employee Contribution	\$2,008	\$0			
State	Social Ins Tax- Employer Contribution	\$3,560				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$1,537,218		
Local	Indirect Bus Tax: Property Tax			\$1,046,759		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$50,726		
State	Indirect Bus Tax: Severance Tax			\$37,737		
Local	Indirect Bus Tax: Other Taxes			\$65,571		
Local	Indirect Bus Tax: S/L NonTaxes			\$275,763		
State	Corporate Profits Tax					\$104,495
State	Personal Tax: Income Tax				\$896,359	
State	Personal Tax: NonTaxes (Fines- Fees				\$139,175	
State	Personal Tax: Motor Vehicle License				\$77,454	
State	Personal Tax: Property Taxes				\$16,271	
State	Personal Tax: Other Tax (Fish/Hunt)				\$49,038	
	Total State and Local Tax	\$5,568	\$0	\$3,013,773	\$1,178,297	\$107,599
					Total	\$4,305,237.00



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Scenario 3 2014 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$1,826,454	\$213,278			
Social Ins Tax- Employer Contribution	\$2,373,212				
Indirect Bus Tax: Excise Taxes			\$250,901		
Indirect Bus Tax: Custom Duty			\$105,870		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$772,727
Personal Tax: Income Tax				\$2,405,104	
Total Federal Tax	\$4,141,318	\$201,783	\$359,712	\$2,359,387	\$776,731
				Total	\$7,838,931



State of Utah
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Scenario 3 2016 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$7,067
State	Social Ins Tax- Employee Contribution	\$4,569	\$0			
State	Social Ins Tax- Employer Contribution	\$8,100				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$3,508,254		
Local	Indirect Bus Tax: Property Tax			\$2,388,924		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$115,767		
State	Indirect Bus Tax: Severance Tax			\$86,123		
Local	Indirect Bus Tax: Other Taxes			\$149,647		
Local	Indirect Bus Tax: S/L NonTaxes			\$629,350		
State	Corporate Profits Tax					\$237,943
State	Personal Tax: Income Tax				\$2,040,574	
State	Personal Tax: NonTaxes (Fines- Fees				\$316,833	
State	Personal Tax: Motor Vehicle License				\$176,325	
State	Personal Tax: Property Taxes				\$37,042	
State	Personal Tax: Other Tax (Fish/Hunt)				\$111,635	
	Total State and Local Tax	\$12,669	\$0	\$6,878,064	\$2,682,410	\$245,011
					Total	\$9,818,154.00



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Scenario 3 2016 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$4,155,749	\$487,282			
Social Ins Tax- Employer Contribution	\$5,399,791				
Indirect Bus Tax: Excise Taxes			\$572,610		
Indirect Bus Tax: Custom Duty			\$241,617		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$1,759,555
Personal Tax: Income Tax				\$5,475,255	
Total Federal Tax	\$9,555,541	\$487,282	\$814,227	\$5,475,255	\$1,759,555
				Total	\$18,091,860



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Scenario 3 2023 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$11,062
State	Social Ins Tax- Employee Contribution	\$7,144	\$0			
State	Social Ins Tax- Employer Contribution	\$12,664				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$5,509,602		
Local	Indirect Bus Tax: Property Tax			\$3,751,728		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$181,808		
State	Indirect Bus Tax: Severance Tax			\$135,253		
Local	Indirect Bus Tax: Other Taxes			\$235,016		
Local	Indirect Bus Tax: S/L NonTaxes			\$988,373		
State	Corporate Profits Tax					\$372,434
State	Personal Tax: Income Tax				\$3,192,868	
State	Personal Tax: NonTaxes (Fines- Fees				\$495,746	
State	Personal Tax: Motor Vehicle License				\$275,895	
State	Personal Tax: Property Taxes				\$57,959	
State	Personal Tax: Other Tax (Fish/Hunt)				\$174,674	
	Total State and Local Tax	\$19,808	\$0	\$10,801,780	\$4,197,143	\$383,496
					Total	\$15,402,227.00



State of Utah
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Scenario 3 2023 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$6,497,372	\$766,500			
Social Ins Tax- Employer Contribution	\$8,442,389				
Indirect Bus Tax: Excise Taxes			\$899,266		
Indirect Bus Tax: Custom Duty			\$379,452		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$2,754,093
Personal Tax: Income Tax				\$8,567,082	
Total Federal Tax	\$14,939,761	\$766,500	\$1,278,718	\$8,567,082	\$2,754,093
				Total	\$28,306,154



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Scenario 4 2014 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$1,747
State	Social Ins Tax-	\$1,130	\$0			
State	Employer	\$2,003				
Split (70/30)	Indirect Bus Tax:			\$867,632		
Local	Indirect Bus Tax:			\$590,808		
Local	Indirect Bus Tax:			\$28,630		
State	Indirect Bus Tax:			\$21,299		
Local	Indirect Bus Tax:			\$37,009		
Local	Indirect Bus Tax:			\$155,645		
State	Corporate Profits					\$58,834
State	Personal Tax:				\$504,514	
State	Personal Tax:				\$78,334	
State	Personal Tax:				\$43,595	
State	Personal Tax:				\$9,158	
State	Other Tax				\$27,601	
	Local Tax	\$3,132	\$0	\$1,701,024	\$663,203	\$60,582
					Total	\$2,427,941.00



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Scenario 4 2014 (2/2)

Federal Tax					
Description	Employees Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$1,027,410	\$120,527			
Social Ins Tax- Employer Contribution	\$1,334,970				
Indirect Bus Tax: Excise Taxes			\$141,613		
Indirect Bus Tax: Custom Duty			\$59,755		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$435,070
Personal Tax: Income Tax				\$1,353,709	
Total Federal Tax	\$2,362,380	\$120,527	\$201,368	\$1,353,709	\$435,070
				Total	\$4,473,054

Scenario 4 2016 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$3,658
State	Social Ins Tax- Employee Contribution	\$2,364	\$0			
State	Social Ins Tax- Employer Contribution	\$4,191				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$1,817,544		
Local	Indirect Bus Tax: Property Tax			\$1,237,645		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$59,976		
State	Indirect Bus Tax: Severance Tax			\$44,618		
Local	Indirect Bus Tax: Other Taxes			\$77,529		
Local	Indirect Bus Tax: S/L NonTaxes			\$326,051		
State	Corporate Profits Tax					\$123,153
State	Personal Tax: Income Tax				\$1,056,004	
State	Personal Tax: NonTaxes (Fines- Fees				\$163,962	
State	Personal Tax: Motor Vehicle License				\$91,249	
State	Personal Tax: Property Taxes				\$19,169	
State	Personal Tax: Other Tax (Fish/Hunt)				\$57,771	
	Total State and Local Tax	\$6,555	\$0	\$3,563,364	\$1,388,156	\$126,810
					Total	\$5,084,885.00



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Scenario 4 2016 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$2,150,108	\$252,573			
Social Ins Tax- Employer Contribution	\$2,793,752				
Indirect Bus Tax: Excise Taxes			\$296,656		
Indirect Bus Tax: Custom Duty			\$125,176		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$910,694
Personal Tax: Income Tax				\$2,833,463	
Total Federal Tax	\$4,943,860	\$252,573	\$421,832	\$2,833,463	\$910,694
				Total	\$9,362,422



State of Utah
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Scenario 4 2023 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$5,179
State	Social Ins Tax- Employee Contribution	\$3,345	\$0			
State	Social Ins Tax- Employer Contribution	\$5,930				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$2,578,220		
Local	Indirect Bus Tax: Property Tax			\$1,755,623		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$85,077		
State	Indirect Bus Tax: Severance Tax			\$63,292		
Local	Indirect Bus Tax: Other Taxes			\$109,976		
Local	Indirect Bus Tax: S/L NonTaxes			\$462,510		
State	Corporate Profits Tax					\$174,362
State	Personal Tax: Income Tax				\$1,494,890	
State	Personal Tax: NonTaxes (Fines- Fees				\$232,107	
State	Personal Tax: Motor Vehicle License				\$129,173	
State	Personal Tax: Property Taxes				\$27,136	
State	Personal Tax: Other Tax (Fish/Hunt)				\$81,782	
	Total State and Local Tax	\$9,275	\$0	\$5,054,697	\$1,965,087	\$179,541
					Total	\$7,208,600.00



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Scenario 4 2023 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$3,042,388	\$358,601			
Social Ins Tax- Employer Contribution	\$3,953,141				
Indirect Bus Tax: Excise Taxes			\$420,812		
Indirect Bus Tax: Custom Duty			\$177,565		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$1,289,377
Personal Tax: Income Tax				\$4,011,078	
Total Federal Tax	\$6,995,529	\$358,601	\$598,377	\$4,011,078	\$1,289,377
				Total	\$13,252,962



State of Utah
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Scenario 5 2014 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$1,091
State	Social Ins Tax- Employee Contribution	\$708	\$0			
State	Social Ins Tax- Employer Contribution	\$1,254				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$536,598		
Local	Indirect Bus Tax: Property Tax			\$365,393		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$17,707		
State	Indirect Bus Tax: Severance Tax			\$13,173		
Local	Indirect Bus Tax: Other Taxes			\$22,889		
Local	Indirect Bus Tax: S/L NonTaxes			\$96,261		
State	Corporate Profits Tax					\$36,726
State	Personal Tax: Income Tax				\$315,316	
State	Personal Tax: NonTaxes (Fines- Fees				\$48,958	
State	Personal Tax: Motor Vehicle License				\$27,246	
State	Personal Tax: Property Taxes				\$5,724	
State	Personal Tax: Other Tax (Fish/Hunt)				\$17,250	
	Total State and Local Tax	\$1,962	\$0	\$1,052,020	\$414,494	\$37,816
					Total	\$1,506,292.00



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Scenario 5 2014 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$643,546	\$74,192			
Social Ins Tax- Employer Contribution	\$836,194				
Indirect Bus Tax: Excise Taxes			\$87,582		
Indirect Bus Tax: Custom Duty			\$36,956		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$271,580
Personal Tax: Income Tax				\$846,053	
Total Federal Tax	\$1,479,740	\$74,192	\$124,538	\$846,053	\$271,580
				Total	\$2,796,103

Scenario 5 2016 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$2,489
State	Social Ins Tax- Employee Contribution	\$1,613	\$0			
State	Social Ins Tax- Employer Contribution	\$2,859				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$1,228,259		
Local	Indirect Bus Tax: Property Tax			\$836,375		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$40,531		
State	Indirect Bus Tax: Severance Tax			\$30,152		
Local	Indirect Bus Tax: Other Taxes			\$52,392		
Local	Indirect Bus Tax: S/L NonTaxes			\$220,339		
State	Corporate Profits Tax					\$83,803
State	Personal Tax: Income Tax				\$719,249	
State	Personal Tax: NonTaxes (Fines- Fees				\$111,676	
State	Personal Tax: Motor Vehicle License				\$62,150	
State	Personal Tax: Property Taxes				\$13,056	
State	Personal Tax: Other Tax (Fish/Hunt)				\$39,348	
	Total State and Local Tax	\$4,472	\$0	\$2,408,047	\$945,480	\$86,292
					Total	\$3,444,291.00



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Scenario 5 2016 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$1,466,886	\$170,088			
Social Ins Tax- Employer Contribution	\$1,906,005				
Indirect Bus Tax: Excise Taxes			\$200,474		
Indirect Bus Tax: Custom Duty			\$84,591		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$619,708
Personal Tax: Income Tax				\$1,929,885	
Total Federal Tax	\$3,372,891	\$170,088	\$285,065	\$1,929,885	\$619,708
				Total	\$6,377,637



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Scenario 5 2023 (1/2)

State and Local Tax						
Allocation	Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
State	Dividends					\$10,606
State	Social Ins Tax- Employee Contribution	\$6,003	\$0			
State	Social Ins Tax- Employer Contribution	\$10,641				
Split (70/30)	Indirect Bus Tax: Sales Tax			\$5,236,073		
Local	Indirect Bus Tax: Property Tax			\$3,565,471		
Local	Indirect Bus Tax: Motor Vehicle Lic			\$172,782		
State	Indirect Bus Tax: Severance Tax			\$128,538		
Local	Indirect Bus Tax: Other Taxes			\$223,348		
Local	Indirect Bus Tax: S/L NonTaxes			\$939,305		
State	Corporate Profits Tax					\$357,084
State	Personal Tax: Income Tax				\$2,693,611	
State	Personal Tax: NonTaxes (Fines- Fees				\$418,228	
State	Personal Tax: Motor Vehicle License				\$232,754	
State	Personal Tax: Property Taxes				\$48,896	
State	Personal Tax: Other Tax (Fish/Hunt)				\$147,361	
	Total State and Local Tax	\$16,644	\$0	\$10,265,517	\$3,540,851	\$367,690
					Total	\$14,190,702.00



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Scenario 5 2023 (2/2)

Federal Tax					
Description	Employee Compensation	Proprietor Income	Indirect Business Tax	Households	Corporations
Social Ins Tax- Employee Contribution	\$5,459,563	\$664,037			
Social Ins Tax- Employer Contribution	\$7,093,908				
Indirect Bus Tax: Excise Taxes			\$854,621		
Indirect Bus Tax: Custom Duty			\$360,614		
Indirect Bus Tax: Fed NonTaxes			\$0		
Corporate Profits Tax					\$2,640,579
Personal Tax: Income Tax				\$7,227,478	
Total Federal Tax	\$12,553,471	\$664,037	\$1,215,235	\$7,227,478	\$2,640,579
				Total	\$24,300,800