

October 1998

DEPARTMENT OF HUMAN SERVICES TANF AND MEDICAL ASSISTANCE GRANTS

TANF

The 1997 Legislative Assembly appropriated a total of \$40.9 million for the temporary assistance for needy families (TANF) program for the 1997-99 biennium. Of this total amount, \$5.7 million was from the state general fund. The federal share of \$31.2 million was from the TANF block grant.

Revised Amount/Caseload Reductions

The Department of Human Services projects total expenditures for the AFDC/TANF program to be \$28.9 million, including \$23.8 million of federal funds and \$2.2 million from the general fund. This projection, if realized, would provide total savings of \$12 million and general fund savings of \$3.5 million. This revision is a result of a significant reduction in projected caseloads. Attached as an appendix is a schedule showing monthly actual caseloads and cost per family through August 1998. The original budget was based on caseloads ranging from 4,380 in July 1997 to 4,449 in June 1999.

Expenditures to Date

For the biennium to date (through August 1998), actual AFDC/TANF expenditures were \$16.4 million, \$6.8 million less than the **original** appropriation of \$23.2 million. General fund expenditures to date of \$2,221,603 were \$670,517 less than the original estimate of \$2,892,120. The revised estimate for the same period was \$16.8 million, of which \$2,861,333 is from the general fund.

TRADITIONAL MEDICAL ASSISTANCE GRANTS

The 1997-99 total appropriation for traditional medical assistance (Medicaid) grants was \$485 million, including \$120.2 million from the state general fund. In January 1998 the Department of Human Services revised the total projected traditional medical assistance grants to \$479.7 million, of which \$133.9 million is from the state general fund.

The general fund increase reflects substituting general fund dollars from other economic assistance programs for federal funds which can be used in the same manner as general fund dollars. The federal funds are reimbursement for county administrative costs and 1997 House Bill No. 1041 anticipated the funds to be used by the department. This change among programs is not expected to have any impact on total departmental general fund spending.

Traditional Medicaid Expenditures to Date

Actual Medicaid expenditures for the biennium to date (through August 1998) totaled \$251.5 million, compared to the original budget of \$259.1 million and the revised budget of \$255.6 million. General fund expenditures to date of \$68.4 million were more than the original appropriation of \$64.3 million and less than the revised appropriation to date of \$69.6 million.

The department's latest monthly Medicaid payment report projects 1997-99 Medicaid expenditures based on actual to date through August 1998 and the estimated expenditures for the remainder of the biennium to total \$475.6 million, of which \$132.7 million is from the general fund. This would result in total savings for the biennium of \$4.1 million, of which \$1.2 million is from the general fund.

Expenditures do not substantially exceed the revised estimate in any category for the first 13 months of the biennium. Expenditures for nursing facilities were less than estimated with \$120.7 million spent compared to an estimate of \$122.5 million. This is a result of fewer Medicaid patients in nursing facilities than estimated. For example, for August 1998 there were 3,823 persons on Medicaid in nursing facilities compared to the original estimate of 3,910.

DEVELOPMENTAL DISABILITIES MEDICAL ASSISTANCE GRANTS

The 1997-99 total appropriation for developmental disabilities community-based care was \$124.7 million, of which \$44.6 million was from the general fund.

Developmental Disabilities Expenditures to Date

Actual developmental disabilities community-based care payments through May 1998 totaled \$51.29 million, of which \$16.96 million is from the general fund. This compares to the estimate for the biennium to date of \$51.17 million, of which \$17.21 million is from the general fund. General fund expenditures were less than estimated by approximately \$250,000.

SUMMARY

For the TANF program, traditional medical assistance, and developmental disabilities grants the

following is a summary of actual expenditures to date and savings (excess costs) compared to the original budget:

Program	Original Budgeted Expenditures to Date		Actual Expenditures to Date		Savings (Excess Costs) to Date	
	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund
TANF (August 1998)	\$23,156,997	\$2,892,120	\$16,438,406	\$2,221,603	\$6,718,591	\$670,517
Traditional medical assistance (August 1998)	259,123,357	64,321,976	251,478,967	68,405,204	7,644,390	(4,083,228)*
Developmental disabilities grants (May 1998)	51,170,084	17,211,366	51,286,178	16,959,187	116,094	252,179
Total all programs	\$333,450,438	\$84,425,462	\$319,203,551	\$87,585,994	\$14,479,075	(\$3,160,532)

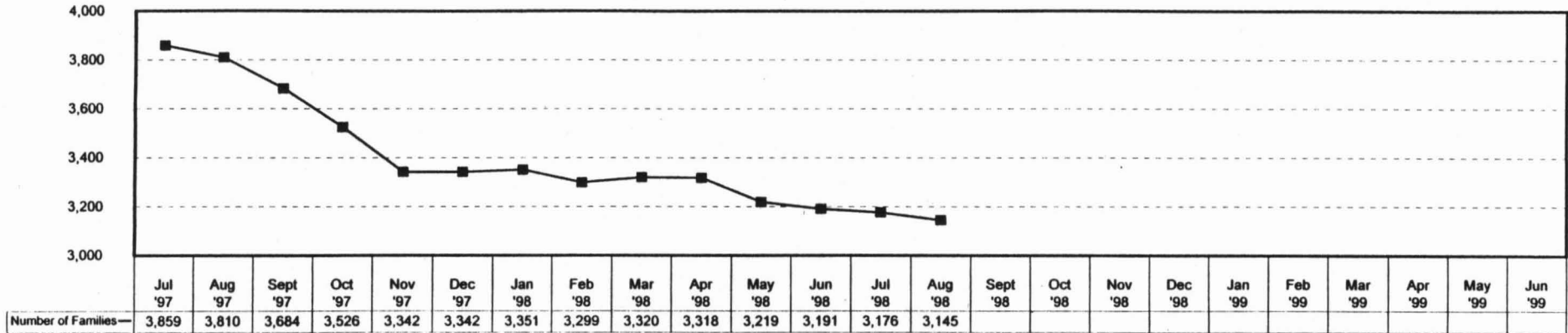
* Although the comparison to the original budget indicates the department will spend \$4 million more than budgeted, the latest estimate indicates the department will spend a total of \$132.7 million from the general fund for Medicaid, \$1.2 million **less** than the **revised estimate**.

ATTACH: 1

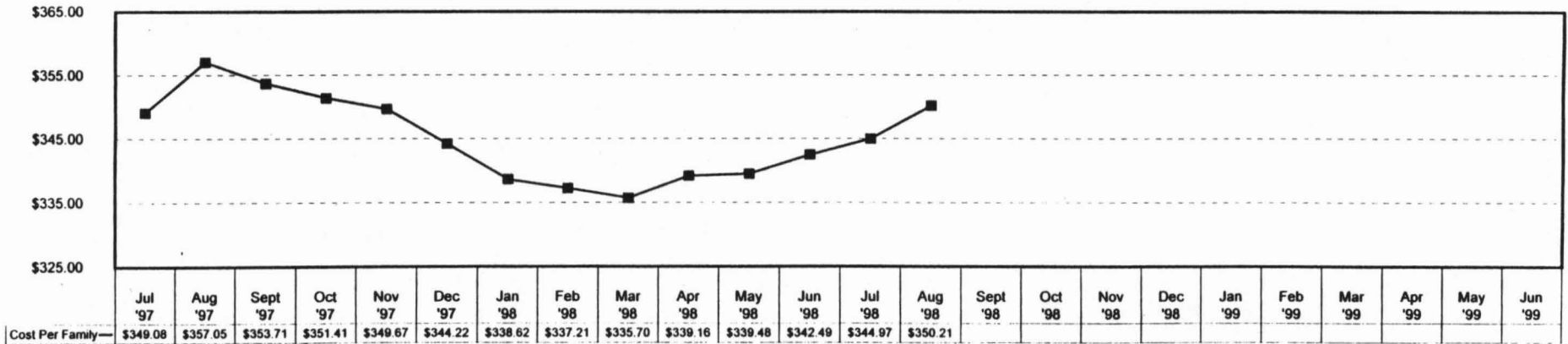
North Dakota Department of Human Services

1997 - 1999 Biennium

Aid to Families With Dependent Children (BASIC) - Actual Number of Families



Aid to Families With Dependent Children (BASIC) - Actual Cost Per Family



Source: R&S spend down tables: R&S-9/22/98-q-hgw/misc/97-99tab