

Administration Payroll Tax/Cost Shift Alternatives

1 Payroll Tax Revenue Estimates

12 month Payroll Tax Base		12,917,142,857				
Pro-Rated Tax Base By Months collected	5,920,357,143	12,378,928,571				
FY 2016 5.5 Months			CY 2016 11.5 Months			
	Amount Collected	State Liability	Net Raised	Amount Collected	State Liability	Net Raised
Payroll Tax %						
1.00%	59,203,571	2,776,190	56,427,381	123,789,286	5,804,762	117,984,524
0.50%	29,601,786	1,388,095	28,213,690	61,894,643	2,902,381	58,992,262
0.35%	20,721,250	971,667	19,749,583	43,326,250	2,031,667	41,294,583
0.10%	5,920,357	277,619	5,642,738	12,378,929	580,476	11,798,452

Cost Shift

2 6 Months - FY 2016

Cost Shift Investments	State	Federal	Total Dollars	GMCB Return	Cents on the Dollar	Premium Reduction
Outpatient Rates	4,497,000	5,503,000	10,000,000	Outpatient Rates	\$ 1.00	10,000,000
Primary Care	2,248,500	2,751,500	5,000,000	Primary Care	\$ 0.45	2,250,000
Professional Services	4,047,300	4,952,700	9,000,000	Professional Services	\$ 0.70	6,300,000
Dartmouth	674,550	825,450	1,500,000	Dartmouth	\$ 0.90	1,350,000
Total	11,467,350	14,032,650	25,500,000	Total		19,900,000

12 Months - CY 2016

Cost Shift	State	Federal	Total Dollars	GMCB Return	Cents on the Dollar	Premium Reduction
Outpatient Rates	8,994,000	11,006,000	20,000,000	Outpatient Rates	\$ 1.00	20,000,000
Primary Care	4,497,000	5,503,000	10,000,000	Primary Care	\$ 0.45	4,500,000
Professional Services	8,094,600	9,905,400	18,000,000	Professional Services	\$ 0.70	12,600,000
Dartmouth	1,349,100	1,650,900	3,000,000	Dartmouth	\$ 0.90	2,700,000
Total	22,934,700	28,065,300	51,000,000	Total		39,800,000

3 Alternative: House Health Care Priorities

	FY 2016			CY 2016		
	State	Federal	Total Dollars	State	Federal	Total
Cost Sharing Subsidies	4,181,760	-	4,181,760	8,865,331	-	8,865,331
Blueprint for Health	2,027,657	2,481,253	4,508,910	4,055,316	4,962,506.00	9,017,822
Health Care Advocate	40,000	-	40,000	40,000	-	40,000
Other Medicaid Rate Increases	3,112,125	3,808,322	6,920,447	6,398,645	7,442,249	13,840,894
GMCB	1,301,405	616,072	1,917,477	1,232,405	616,072	1,848,477
AHEC	300,000	400,000	700,000	300,000	400,000	700,000
Invest in Health Home	250,000	2,250,000	2,500,000	250,000	2,250,000	2,500,000
Total	11,212,947	9,555,647	20,768,594	21,141,697	15,670,827	36,812,524

4 Alternative: FY 2016 Employer Assessment Forecast

Quarter Assessed	Date Collected	Amount Collected
Q2 - 2015	7/31/2015	4,270,678
Q3 - 2015	10/31/2015	4,485,302
Q4 - 2015	1/31/2016	4,380,743
Q1 - 2016	4/30/2016	4,412,542
Total Collected in FY 2016		17,549,266

5 Policy Alternative: Employer Impacts Repealing EA

	FY 2016	CY 2016
Premium Reduction	(19,900,000)	(39,800,000)
Employer Assessment	(8,793,285)	(17,549,266)
Payroll tax paid	20,721,250	43,326,250
Net Impact	(7,972,035)	(14,023,016)

6 FY 2016 - Dollars Available

Total State funds for the cost shift	11,467,350
Total Employer Assessment Not Received or Other Priorities	8,282,233
State Dollars Available	19,749,583
Less one-time implementation costs	(3,470,000)
Total State Dollars Available	16,279,583

7 CY 2016 - Dollars Available

Total State funds for the cost shift	22,934,700
Total Employer Assessment Not Received or Other Priorities	18,359,883
State Dollars Available	41,294,583
Less on going cost	(590,000)
Total State Dollars Available	40,704,583