

Impact of Arkansas Health Care Independence Program (HCIP) on State Spending

	Phase One-3 yrs:			Phase Two-4 yrs:			Phase Three-3 yrs--and future prospects				
	SFY14	SFY15	SFY16	SFY17	SFY18	SFY19	SFY20	SFY21	SFY22	SFY23	To Year Total
Required State Match	0	0	0	\$43,023,097	\$100,090,395	\$125,086,697	\$172,975,562	\$215,195,844	\$227,563,149	\$240,641,204	\$1,124,575,948
Administrative Cost	\$2,000,000	\$2,500,000	\$2,562,500	\$2,626,563	\$2,692,227	\$2,759,532	\$2,828,521	\$2,899,234	\$2,971,714	\$3,046,007	\$26,886,298
Traditional Medicaid Program Savings	-\$17,464,822	-\$55,372,719	-\$58,989,662	-\$62,825,516	-\$66,892,115	-\$71,202,702	-\$75,771,252	-\$80,632,933	-\$85,806,552	-\$91,312,124	-\$666,270,397
New Impact on Medicaid Spending	-\$15,464,822	-\$52,872,719	-\$56,427,162	-\$17,175,856	\$35,890,507	\$56,643,527	\$100,032,831	\$137,462,145	\$144,728,311	\$152,375,087	\$485,191,849
Uncompensated Care Savings	-\$13,300,000	-\$33,400,000	-\$33,400,000	-\$40,200,000	-\$40,200,000	-\$40,200,000	-\$40,200,000	-\$40,200,000	-\$40,200,000	-\$40,200,000	-\$361,500,000
Total Impact on Medicaid and Uncompensated C	-\$28,764,822	-\$86,272,719	-\$89,827,162	-\$57,375,856	-\$4,309,493	\$16,443,527	\$59,832,831	\$97,262,145	\$104,528,311	\$112,175,087	\$123,691,849
Added Premium Tax Revenue (2.5%)	\$4,736,719	\$29,661,616	\$35,013,510	\$37,025,737	\$39,153,606	\$41,403,763	\$43,783,238	\$46,299,460	\$48,960,290	\$51,774,038	\$377,811,977
Net State Budget Impact of Arkansas HCIP	-\$33,501,540	-\$115,934,335	-\$124,840,672	-\$94,401,593	-\$43,463,099	-\$24,960,236	\$16,049,593	\$50,962,685	\$55,568,021	\$60,401,049	-\$254,120,127
Influx of Federal Funds	\$219,201,019	\$1,378,646,002	\$1,627,397,355	\$1,677,900,773	\$1,719,734,970	\$1,799,324,031	\$1,762,031,051	\$1,936,762,599	\$2,048,068,345	\$2,165,770,833	\$16,334,836,978
Macro Economic Impact to the State of Federal Fu	\$8,768,041	\$55,145,840	\$65,095,894	\$67,116,031	\$68,789,399	\$71,972,961	\$74,481,242	\$77,470,504	\$81,922,734	\$86,630,833	\$657,393,479
Net Impact of AR HCIP including Macro Economic	-\$42,269,581	-\$171,080,175	-\$189,936,566	-\$161,517,624	-\$112,252,498	-\$96,933,197	-\$58,431,649	-\$26,507,820	-\$26,354,713	-\$26,229,785	-\$911,513,608

\$1,151,462,246 total direct costs paid by AR