Proposed Fiscal Relief To States, FY2003-2004



The enclosed table compares how each state, the District of Columbia, and the territories fare under bi-partisan fiscal relief legislation introduced in the Senate (S. 138) and the plan offered by President Bush. At first glance, the differences are clear: Every state receives significantly more money under the Senate plan than it would under the President's plan.

However, the table does not capture other major differences between the plans. The Senate proposal provides true fiscal relief: It gives states additional funds for Medicaid and the Social Services Block Grant—new money that they would not otherwise have received. By contrast, the President's plan provides states an "advance" on Medicaid funds they would have received in later years. But there is a catch: States will have to "repay" those funds within 10 years through cuts in their federal Medicaid funds.

Moreover, in order to receive any assistance under the President's plan, states will be locked in to a Medicaid block grant that will provide them less federal Medicaid money in future years than they would receive under current law. Block-grant funding will hinder the ability of states to provide vital health coverage as health care costs, the number of uninsured, and unemployment rates go up. Thus, the President's plan provides states less money than the Senate plan—less money now and less money later.

Proposed Fiscal Relief to States, FY 2003-2004: How Does Your State Fare? (in Millions)

STATE	Fiscal Relief in S. 138 (Rockefeller, Collins, Nelson, Smith Bill)			President's	THE BOTTOM LINE: How Much Less Relief
	Temporary FMAP Increase ¹	Temporary Fiscal Relief Grants ²	Total S. 138 ³	Medicaid Plan ⁴	Is Provided By President Bush's Plan
Alabama	\$ 109.9	\$ 114.0	\$ 223.8	\$ 46.7	\$ 177.1
Alaska	27.0	28.1	55.1	10.1	45.0
Arizona	167.9	174.2	342.1	69.6	272.5
Arkansas	85.7	88.9	1 74.7	37.8	136.9
California	1,207.1	1,055.9	2,263.0	301. <i>7</i>	1,961.3
Colorado	91.9	95.4	187.3	27.0	160.3
Connecticut	133.2	138.1	271.3	39.8	231.5
Delaware	24.8	25.7	50.5	7.3	43.2
District of Columbia	41.8	43.4	85.2	17.2	68.0
Florida	401.4	416.4	817.9	139.4	678.5
Georgia	238.2	245.7	483.9	85.2	398.8
Hawaii	29.8	30.9	60.7	10.4	50.3
Idaho	35.9	32.4	68.3	13.1	55.2
Illinois	349.4	362.4	<i>7</i> 11.8	107.0	604.8
Indiana	176.1	181.1	357.2	65.2	292.0
lowa	83.7	86.9	170.6	31 <i>.7</i>	138.9
Kansas	61.1	62.9	124.0	21.2	102.7
Kentucky	137.2	141.4	278.7	55.4	223.2
Louisiana	154.1	159.9	314.0	65.3	248.8
Maine	65.9	61.9	127.7	23.7	104.0
Maryland	151. <i>7</i>	157.3	309.0	45.6	263.4
Massachusetts	303.8	315.2	619.0	89.6	529.4
Michigan	315.6	290.3	605.9	90.9	515.0
Minnesota	194.4	201.6	396.0	58.1	337.8
Mississippi	113 <i>.7</i>	118.0	231.7	52.1	179.6
Missouri	194.4	201.7	396.1	72. 1	324.0
Montana	24.1	24.3	48.4	10.1	38.3
Nebraska	51.3	53.0	104.4	18.5	85.8
Nevada	33.6	34.9	68.5	11.0	57.6

Proposed Fiscal Relief to States, FY 2003-2004: How Does Your State Fare? (in Millions)

STATE	(Rocke	Fiscal Relief in S. 138 (Rockefeller, Collins, Nelson, Smith Bill)			THE BOTTOM LINE: How Much Less Relief
	Temporary FMAP Increase ¹	Temporary Fiscal Relief Grants ²	Total S. 138 ³	President's Medicaid Plan ⁴	Is Provided By President Bush's Plan
New Hampshire	34.8	36.1	70.8	10.2	60.6
New Jersey	264.8	274.6	539.4	78.4	460.9
New Mexico	72.5	75.2	147.8	32.4	115.4
New York	1,531. <i>7</i>	1,588.9	3,120.6	460.5	2,660.1
North Carolina	282.6	293.2	575.8	107.4	468.4
North Dakota	21.2	18.2	39.4	7.1	32.3
Ohio	396.2	411.0	807.1	140.8	666.3
Oklahoma	102.2	97.5	199. <i>7</i>	38.3	161.4
Oregon	107.3	111.3	218.7	38.0	180.6
Pennsylvania	479.3	497.2	976.6	155. <i>7</i>	820.9
Rhode Island	51.5	53.4	104.9	1 <i>7</i> .0	87.8
South Carolina	118.4	122.8	241.2	48.4	192.8
South Dakota	21.2	20.2	41.4	7.7	33.6
Tennessee	236.9	233.5	470.4	85.5	385.0
Texas	536.0	543.1	1,079.2	186.3	892.9
Utah	40.8	42.3	83.0	1 <i>7.7</i>	65.4
Vermont	36.0	27.0	63.1	9.5	53.5
Virginia	1 7 5.1	143.4	318.6	41.2	277.4
Washington	201.1	199.1	400.2	57.8	342.4
West Virginia	63.5	63.9	127.3	27.2	100.1
Wisconsin	178.2	180.6	358.8	60.3	298.5
Wyoming	17.0	11. <i>7</i>	28.7	4.0	24.7
Puerto Rico	12.2	12.6	24.8	3.5	21.2
Amer. Samoa	0.3	0.3	0.5	0.1	0.5
Guam	0.4	0.4	0.9	0.1	0.8
N. Marianas	0.2	0.2	0.3	0.0	0.3
Virgin Islands	0.4	0.4	0.8	0.1	0.7
US Total	\$ 9,986.4	\$ 10,000.0	\$ 19,986.4	\$ 3,258.0	\$ 16,728.4

Notes to Table

- ¹ Estimates of fiscal relief to states from an increase in the Federal Medical Assistance Percentage (FMAP) of 2.45 percent, as outlined in S. 138. (FMAP refers to the federal government's share of Medicaid costs for health care services.) Calculations prepared by the Center on Budget and Policy Priorities.
- ² Allotment of the Fiscal Relief Grants as defined in S. 138.
- ³ Total may not equal sum of S. 138 components due to rounding.
- ⁴ The State Health Care Partnership allotment of the \$3.258 billion identified in the Department of Health and Human Services Budget for FY 2004 calculated by Families USA. Allotments are based on the assumption that \$3.258 billion is a fixed amount, that all states and territories opt to take the funds, and that the funds would be distributed on the proportion of federal medical assistance funds states estimate they will spend in fiscal year 2004. This allotment is an advance that is recovered from the states in subsequent years.