



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 777

PRINTERS NO. 877

PRIME SPONSOR: Grove

COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
Lottery Fund	See Fiscal Impact	See Fiscal Impact

SUMMARY: House Bill 777, Printer's Number 877 amends the State Lottery Law to allow for continued eligibility for individuals enrolled in the PACE and PACENET program. This legislation would take effect immediately.

ANALYSIS: This legislation provides that enrollees in the PACE and PACENET program, as of December 31, 2014, will remain eligible for the program if the maximum income limit is exceeded due solely to a Social Security cost-of-living adjustment (COLA). Pursuant to Act 12 of 2014, the Social Security COLA 'moratorium' would have expired on December 31, 2015. This legislation extends the eligibility provision creating a new expiration date of December 31, 2017.

FISCAL IMPACT: According to the Department of Aging without an extension of the Social Security COLA provision beyond December 31, 2015, approximately 3,770 PACENET enrollees would lose coverage and 13,745 PACE enrollees would qualify for PACENET rather than PACE coverage. Maintaining continued eligibility without regard to income changes due to Social Security COLA adjustments would result in a FY 2015-16 state cost of \$3,000,000. The estimated annual FY 2016-17 cost of extending the moratorium is \$6,070,000. These costs have been included in the PACE and PACENET program funding projections and are not unanticipated increases.

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House Appropriations Committee (R)

DATE: November 24, 2015

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.