

**SENATE APPROPRIATIONS COMMITTEE  
FISCAL NOTE**

**BILL NO.** House Bill 754

**PRINTER'S NO.** 804

**AMOUNT**

See Fiscal Impact

**FUND**

Lottery Fund

**DATE INTRODUCED**

March 8, 2019

**PRIME SPONSOR**

Representative Thomas

**DESCRIPTION AND PURPOSE OF BILL**

House Bill 754 amends the State Lottery Law to provide that enrollees in the PACE and PACENET program as of December 31, 2018, 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 62 of 2017, the Social Security COLA 'moratorium' provision expires on December 31, 2019. House Bill 754 would extend the eligibility provision creating a new expiration date of December 31, 2021.

This act shall take effect immediately.

**FISCAL IMPACT:**

Without an extension of this provision, in Fiscal Year 2019-20, a Social Security cost of living adjustment will result in increased income for 9,600 PACE enrollees who would qualify for PACENET rather than PACE coverage (a state savings of \$2.3 million). Therefore, maintaining continued eligibility without regard to income changes due to Social Security COLA adjustments for these enrollees will result in a state cost of \$2.3 million for PACE enrollees who would become PACENET eligible in fiscal year 2019-20. This cost was already assumed in the budget.

According to the Department of Aging, there were no PACENET enrollees in the moratorium due to an increase in the PACENET income eligibility limit in Act 87 of 2018.