

**Testimony**  
**Department of Human Services**  
**Human Services Committee**  
**Representative Alon Wieland, Chairman**  
**October 25, 2011**

Chairman Wieland, members of the Human Services Committee, I am Brenda M. Weisz, Chief Financial Officer for the Department of Human Services. I am here today to provide information regarding the status of the Department's 2011-2013 legislative appropriation regarding the fiscal impact of the state's decreased federal medical assistance percentage (FMAP) for Federal Fiscal Year (FFY) 2013.

The Department built its 2011 – 2013 budget using an estimated FMAP of 55.40% for FFY 2013, which accounts for the last 10 months of the biennium. In April of every year, the organization known as Federal Funds Information for States (FFIS) reports the preliminary FMAP for the FFY that will be in place approximately 18 months from that April. This past April, the preliminary estimate released was 55.56%. The final FMAP was reported by FFIS on September 26, 2011 at 52.27%, which differs substantially from the preliminary estimate. This is a 3.13% decrease in FMAP from the percentage that was used in developing the budget and could result in an estimated general fund need of \$21.2 million.

It is too early in the biennium to determine if the Department's caseloads will be "right on" with budgeted amounts or to what extent this additional need will be able to be absorbed within future caseload. As the biennium progresses, we will monitor caseloads in light of this FMAP change.

This concludes my testimony and I am open to your questions.