



# Ohio Legislative Service Commission

Wendy Risner

---

## Fiscal Note & Local Impact Statement

---

**Bill:** H.B. 11 of the 129th G.A.

**Date:** February 7, 2011

**Status:** As Introduced

**Sponsor:** Reps. Sears and Maag

**Local Impact Statement Procedure Required:** No

**Contents:** To prohibit departments and agencies from implementing or enforcing a provision of the federal Patient Protection and Affordable Care Act without meeting certain conditions

### State Fiscal Highlights

- **Requirements to be met prior to implementation or enforcement.** The bill prohibits departments and agencies from implementing or enforcing a provision of the Patient Protection and Affordable Care Act (PPACA) without meeting certain conditions. As a result, it is possible that a department or agency would not realize an increase in costs or experience savings related to implementing or enforcing certain provisions. It is also possible that there could be repercussions from the federal government for failure to comply, such as a loss of federal revenues.
- **Report Costs.** The bill requires a department or agency to submit a report to the General Assembly regarding aspects of a provision of the PPACA. As a result, a department or agency required to implement or enforce a provision under the Act could experience increased costs. Any costs would likely be absorbed by the department or agency using existing resources.

### Local Fiscal Highlights

- LSC assumes that state agencies and departments would be responsible for implementation and enforcement of provisions within the PPACA, so the reports would be done by the state department or agency and costs would be borne by the state. However, if there were any provisions that fell under the responsibility of local governmental entities, then these entities would incur the report costs.

---

## Detailed Fiscal Analysis

The bill specifies that a department or agency is not to implement or enforce a provision of the federal "Patient Protection and Affordable Care Act" (PPACA) unless it has submitted a report to the General Assembly containing certain information and unless the Revised Code specifically authorizes the department or agency to implement or enforce the provision or the General Assembly enacts such authorization.

### **General Assembly authorization to implement provisions of PPACA**

If the General Assembly does not enact legislation authorizing a provision(s), it is possible that the state would not realize an increase in costs or experience savings relating to the provision since the status quo would likely be maintained. However, it is also possible that there could be repercussions from the federal government for failure to comply, such as a loss of federal revenues. The fiscal impact would vary depending on the provision in question. The Ohio Department of Job and Family Services estimates that some of the more significant provisions of the PPACA will add 554,000 individuals to the Medicaid caseload and will cost the state \$1.45 billion from FY 2013 to FY 2019.

### **Report to the General Assembly**

A department or agency that is required to implement or enforce a provision under the Act could have increased costs as a result of the report requirement. The costs associated with the report could vary depending on the amount of staff time required to analyze the provision. However, it is possible that a department or agency has already done some analysis on the costs, etc. associated with implementing a provision under the Act. Any costs would likely be absorbed by the department or agency with existing resources. LSC assumes that state agencies and departments would be responsible for implementation and enforcement of provisions within the PPACA, so the reports would be done by the state department or agency and costs would be borne by the state. However, if any provisions fell under the responsibility of local governmental entities, then these entities would incur the report costs.

The bill specifies that the report is to include the following: (1) the section of the Act that requires the department to implement or enforce the provision, (2) waivers or options, if any, that are available to the state, (3) steps that the department or agency would be required to take to implement or enforce the provision, (4) individuals impacted by the provision, (5) costs to the state or to citizens of implementing or enforcing the provision, and (6) consequences to the state if the provision was not implemented or enforced.