

Ohio Legislative Service Commission

GRF & MEDICAID VARIANCE SUMMARY

July 2018

- ◆ GRF tax revenue finished the year strongly, outperforming estimates by \$155.1 million in June, resulting in a positive variance of \$573.6 million for FY 2018. FY 2018 GRF tax revenues were also above those for FY 2017 by \$537.1 million.
- ◆ Personal income tax receipts accounted for over 75% of the year's positive variance, exceeding expectations by \$433.8 million. This tax was followed by the sales and use tax, with a positive variance of \$120.3 million and the commercial activity tax with a positive variance of \$28.5 million.
- ◆ GRF expenditures in each program category were below estimate. GRF Medicaid expenditures ended the year \$340.5 million below estimate, making up more than 63% of the negative variance for program expenditures as a whole, which was \$536.9 million for the year.
- ◆ At the end of the fiscal year, state agencies had encumbered a total of \$373.6 million for expenditure in FY 2019.
- ◆ The state ended the year with a combined GRF and Budget Stabilization Fund unobligated balance of \$2.88 billion.

GRF Sources

	Tax Revenue	Federal Grants	Total GRF Sources
June	\$155.1 million 7.6% ↑	-\$30.6 million -3.8% ↓	\$39.4 million 1.3% ↑
FY 2018 YTD	\$573.6 million 2.6% ↑	-\$274.1 million -2.8% ↓	\$197.7 million 0.6% ↑

GRF Uses

	GRF Medicaid	Program Expenditures	Total GRF Uses
June	-\$75.2 million -6.2% ↓	-\$238.8 million -10.0% ↓	-\$228.7 million -9.6% ↓
FY 2018 YTD	-\$340.5 million -2.3% ↓	-\$536.9 million -1.7% ↓	-\$522.9 million -1.6% ↓

All-Funds Medicaid

	Non-GRF	All-Funds Total	ACA – Managed Care
June	-\$55.3 million -5.9% ↓	-\$130.5 million -6.1% ↓	-\$17.1 million -4.9% ↓
FY 2018 YTD	-\$338.1 million -2.8% ↓	-\$678.6 million -2.5% ↓	-\$76.4 million -1.8% ↓

- ◆ Key: An up arrow indicates a positive variance (i.e., the amount by which actual is above estimate) while a down arrow indicates a negative variance.
- ◆ GRF sources mainly consist of state tax revenue (63%) and federal grants (35%) but also include some state nontax revenue and transfers in.
- ◆ GRF uses mainly consist of various program expenditures (98%) but also include transfers out.
- ◆ Both GRF and non-GRF Medicaid expenditures contain federal and state moneys.
- ◆ The full edition of LSC's monthly *Budget Footnotes* may be accessed on LSC's website: www.lsc.ohio.gov.