

Ohio Legislative Service Commission

GRF & MEDICAID VARIANCE SUMMARY

October 2017

- ◆ GRF tax revenue exceeded OBM's estimate by \$17.4 million for the first quarter of FY 2018 and also exceeded actual receipts in the first quarter of FY 2017 by \$16.4 million. All three major taxes have outperformed their year-to-date (YTD) estimates. The underperformances in some smaller taxes partially offset the positive variances in the three major taxes.
 - ◇ The sales and use tax was above the September and YTD estimates by \$15.3 million and \$6.7 million, respectively;
 - ◇ September's personal income tax receipts were \$18.2 million below estimate; however, this tax's YTD receipts were \$16.5 million above estimate;
 - ◇ The commercial activity tax was above the September and YTD estimates by \$1.8 million and \$9.3 million, respectively.
- ◆ GRF program expenditures as a whole were \$82.7 million below the YTD estimate. YTD expenditures from all program categories except Medicaid were below estimates. GRF Medicaid expenditures were \$5.5 million (0.1%) above estimate. However, all-funds Medicaid expenditures were below estimate by \$117.9 million, continuing the recent trend of spending less in Medicaid than projected.

GRF Sources

	Tax Revenue	Federal Grants	Total GRF Sources
September	-\$6.2 million -0.4%	\$28.7 million 3.8%	\$40.6 million 1.6%
FY 2018	\$17.4 million 0.3%	\$28.9 million 1.1%	\$82.3 million 1.0%

GRF Uses

	GRF Medicaid	Program Expenditures	Total GRF Uses
September	\$9.5 million 0.8%	-\$240.0 million -7.8%	-\$240.0 million -7.8%
FY 2018	\$5.5 million 0.1%	-\$82.7 million -0.9%	-\$70.2 million -0.8%

All-Funds Medicaid

	Non-GRF	All-Funds Total	ACA – Managed Care
September	-\$28.5 million -2.2%	-\$19.1 million -0.8%	\$1.8 million 0.5%
FY 2018	-\$123.4 million -4.0%	-\$117.9 million -1.6%	\$3.1 million 0.3%

- ◆ 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