

Ohio Legislative Service Commission

GRF & MEDICAID VARIANCE SUMMARY

March 2018

- ◆ The personal income tax had a negative variance of \$24.8 million in February, partially offsetting its large positive variance in January. For the year to date (YTD), this tax maintains a strong positive variance of \$225.1 million (4.3%).
- ◆ The commercial activity tax also had a negative variance in February (\$14.9 million), reducing its positive YTD variance to \$7.1 million (0.6%).
- ◆ The sales and use tax, the largest GRF tax, continues to come in below expectations, but with a relatively small negative variance of \$2.2 million in February, resulting in a negative YTD variance of \$25.0 million (0.4%) for this tax.
- ◆ YTD GRF taxes as a whole exceeded estimate by \$201.9 million (1.4%) at the end of February, a positive variance which fell by \$19.6 million from the end of January.
- ◆ YTD GRF Medicaid expenditures were \$256.5 million (2.5%) below estimate, which was 75% of the negative YTD variance for all program expenditures (\$341.4 million). Of all the program categories, only primary and secondary education had a positive YTD variance at the end of February due partially to timing.

GRF Sources

	Tax Revenue	Federal Grants	Total GRF Sources
February	-\$19.6 million -1.2% ↓	-\$155.9 million -18.3% ↓	-\$175.1 million -7.2% ↓
FY 2018 YTD	\$201.9 million 1.4% ↑	-\$246.6 million -3.7% ↓	-\$65.3 million -0.3% ↓

GRF Uses

	GRF Medicaid	Program Expenditures	Total GRF Uses
February	-\$64.8 million -4.7% ↓	-\$162.9 million -6.0% ↓	-\$162.9 million -6.0% ↓
FY 2018 YTD	-\$256.5 million -2.5% ↓	-\$341.4 million -1.5% ↓	-\$337.5 million -1.5% ↓

All-Funds Medicaid

	Non-GRF	All-Funds Total	ACA - Managed Care
February	-\$40.6 million -4.5% ↓	-\$105.4 million -4.6% ↓	-\$6.3 million -1.8% ↓
FY 2018 YTD	-\$22.5 million -0.3% ↓	-\$279.0 million -1.5% ↓	-\$28.0 million -1.0% ↓

- ◆ 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.