

**FORECAST OF
GRF REVENUES AND
MEDICAID EXPENDITURES
FOR THE FY 2012-FY 2013
BIENNIAL BUDGET**



**TO ACCOMPANY TESTIMONY
BY LSC DIRECTOR
JUNE 15, 2011**

TABLE OF CONTENTS

ECONOMIC CONDITIONS AND OUTLOOK	1
STATE OF THE ECONOMY	1
<i>National</i>	1
<i>Ohio</i>	3
ECONOMIC FORECASTS	7
<i>U.S. Gross Domestic Product</i>	7
<i>Ohio Gross Domestic Product</i>	7
<i>U.S. Inflation</i>	8
<i>U.S. Personal Income</i>	8
<i>Ohio Personal Income</i>	8
<i>U.S. Unemployment Rate</i>	9
<i>Ohio Unemployment Rate</i>	9
REVENUE FORECASTS	10
SALES AND USE TAX	14
<i>Auto Sales and Use Tax</i>	15
<i>Nonauto Sales and Use Tax</i>	16
PERSONAL INCOME TAX	17
COMMERCIAL ACTIVITY TAX.....	18
CORPORATE FRANCHISE TAX	19
PUBLIC UTILITY EXCISE TAX.....	20
KILOWATT HOUR TAX	21
FOREIGN INSURANCE TAX.....	22
DOMESTIC INSURANCE TAX.....	23
DEALERS IN INTANGIBLES TAX.....	24
CIGARETTE AND OTHER TOBACCO PRODUCTS TAX.....	25
ALCOHOLIC BEVERAGE TAX.....	26
LIQUOR GALLONAGE TAX	27
ESTATE TAX	28
EARNINGS ON INVESTMENTS	29
LICENSES AND FEES	30
MEDICAID EXPENDITURE FORECASTS	31
MEDICAID EXPENDITURE FORECAST.....	32
TOTAL MEDICAID CASELOAD.....	33
CFC MEDICAID CASELOAD.....	33
ABD MEDICAID CASELOAD.....	33

ECONOMIC CONDITIONS AND OUTLOOK

State of the Economy

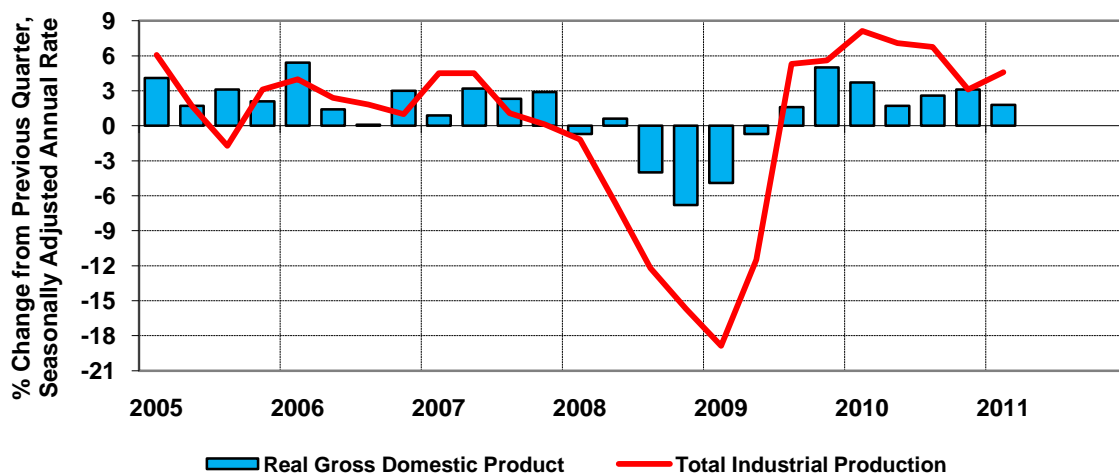
Recovery in the U.S. economy has slowed but is continuing and further expansion appears likely. Ohio's economy also continues to expand. Economic recovery has been underway since the recession trough in the 2009 second quarter. Growth has been slow compared with most past recoveries, in part because the housing sector remains distressed. Hiring in the U.S. and in Ohio has left employment well below pre-recession peaks. Unemployment has stayed high, though it has trended downward gradually. Inflation has increased this year, mainly reflecting increases in energy prices, and to a lesser extent in food prices. Market interest rates have remained low, but may rise if the Federal Reserve, as expected, begins to withdraw its exceptional support for the U.S. Treasury market.

National

The nation's economy has been recovering since mid-year 2009. Inflation-adjusted gross domestic product (real GDP) has risen back above its previous peak at the end of 2007. Growth slowed at the beginning of this year, and this slowdown has continued in the second quarter. The areas of economic growth have shifted from inventory rebuilding toward increases in final demand, including rising consumer spending, business investment in equipment, and exports. However, demand has remained anemic from some sectors including residential building, private nonresidential construction, and government, particularly state and local government. Chart 1 shows growth in real GDP and in industrial production.

Consumer spending has grown since the end of the recession. The willingness of consumers to spend has been restrained by weak employment growth and high unemployment, by illiquid investments in housing that have fallen in value, by tight credit availability, and by efforts of households to pay down past borrowings.

Chart 1: United States Output Measures

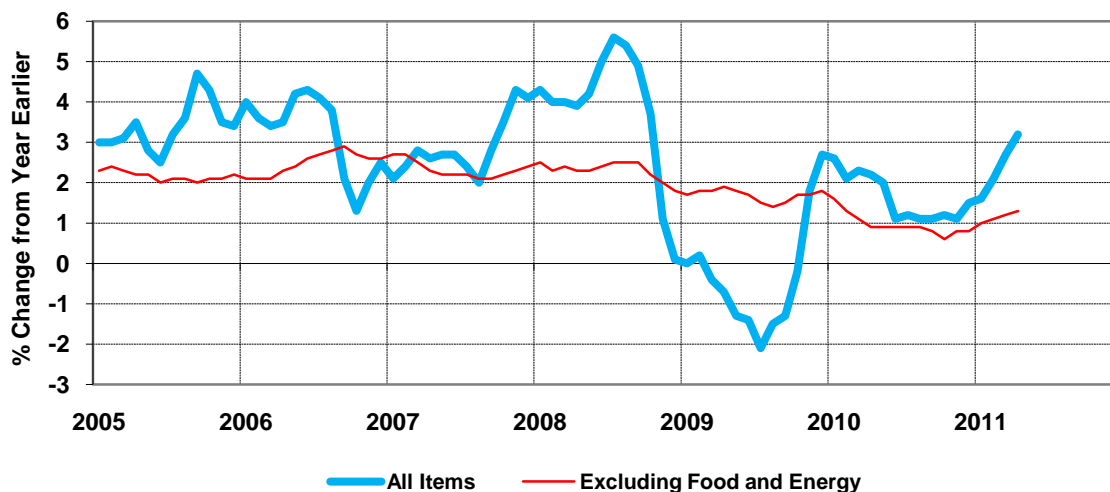


Employment nationwide has risen 1.8 million (1.4%) since the low point in February 2010, but remains nearly 7.0 million (5.0%) below the peak in January 2008. Incomes of consumers have been supported by increases in average hours worked as well as by modestly higher hourly pay. Replacement needs are also contributing to increased spending on motor vehicles and other durable goods. But higher gasoline prices, driven by Mideast turmoil on top of strong world demand for petroleum, has eroded household discretionary incomes that would otherwise be available for spending on other goods and services.

Housing markets generally remain very weak, with new home sales and construction far below peak levels in past years. Nationwide indexes of housing prices have turned down more sharply this year and are around levels of 2002-2003.¹ Conditions vary widely among local markets. Residential markets remain burdened by foreclosures and other distressed sales, and buying is constrained by much tougher underwriting standards than during the housing boom in the last decade.

Business investment in equipment and software has continued to grow vigorously. In contrast, business investment in structures has remained weak, with declining investment in most areas except for the mining industry, which includes oil and gas exploration and development. Inventory rebuilding accounted for well over half of the economy's growth during the first year of recovery but now appears to have largely run its course. Inventories were cut sharply during the recession.

Chart 2: Consumer Price Index



Export growth has also contributed importantly to demand for U.S. goods and services in the economic recovery. Growing American exports reflect the recoveries in most foreign developed economies and expansion in many less developed economies.

¹ Nationwide measures of home prices include indexes from the Federal Housing Finance Agency and from Standard & Poor's (the Case-Shiller Home Price Indices).

As the U.S. economy has recovered following the recession, demand in this country for imports from abroad has been rising again.

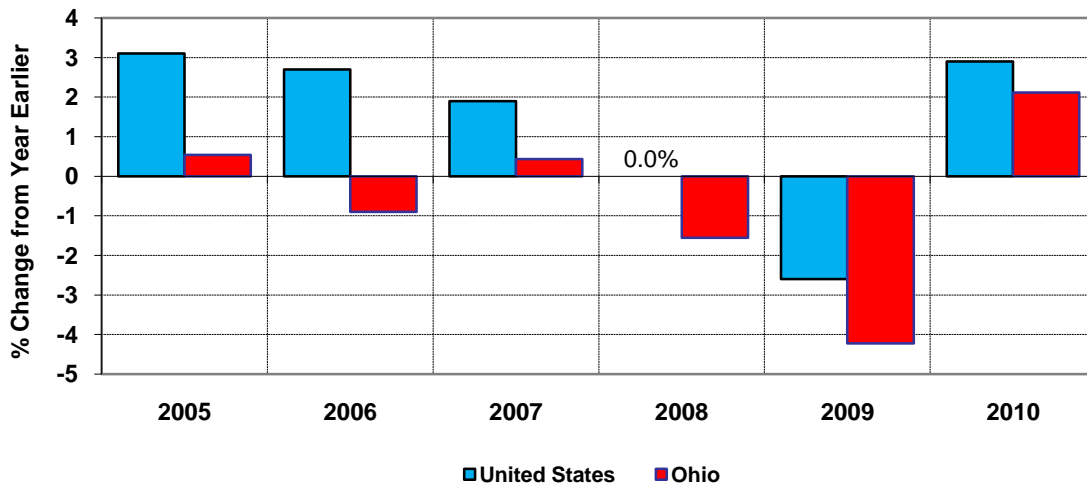
Though inflation has turned higher this year, with substantial productive resources still idle, including unemployed labor resources as well as plant and equipment, finished goods and services inflation is expected to slow. Wage inflation remains low. However, commodity price inflation has risen, reflecting growing demand around the world and, in the case of petroleum, concerns about supply disruptions resulting from Middle East instability. Consumer prices for gasoline and other energy products have consequently been pushed higher. Recent trends in consumer prices for all items, and excluding food and energy which tend to be more volatile, are shown in Chart 2.

U.S. monetary policy has held short-term interest rates at very low levels, keeping the target short-term interest rate, the federal funds rate, in a range of 0% to 0.25%. In addition, the Federal Reserve System has been buying U.S. Treasury notes and bonds to keep longer-term interest rates low. This policy initiative, begun last fall, is expected to be completed this month.

Ohio

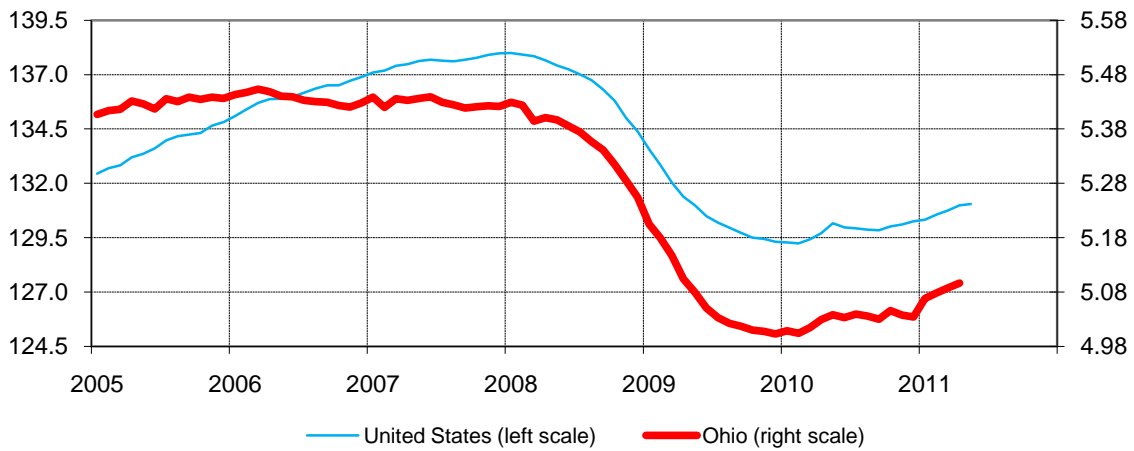
Annual changes in Ohio real GDP compared with those for the U.S. are shown in Chart 3. Real GDP has risen more slowly in Ohio than nationwide, or declined more sharply, every year since 1998, with the exception of 2002. Although real GDP nationwide has recovered to its previous peak, real GDP in Ohio has not. State gross domestic product historical figures are published by the source agency, the U.S. Bureau of Economic Analysis (BEA), only annually. Quarterly estimates up to the present and forecasts are provided by Global Insight.

Chart 3: Real Gross Domestic Product



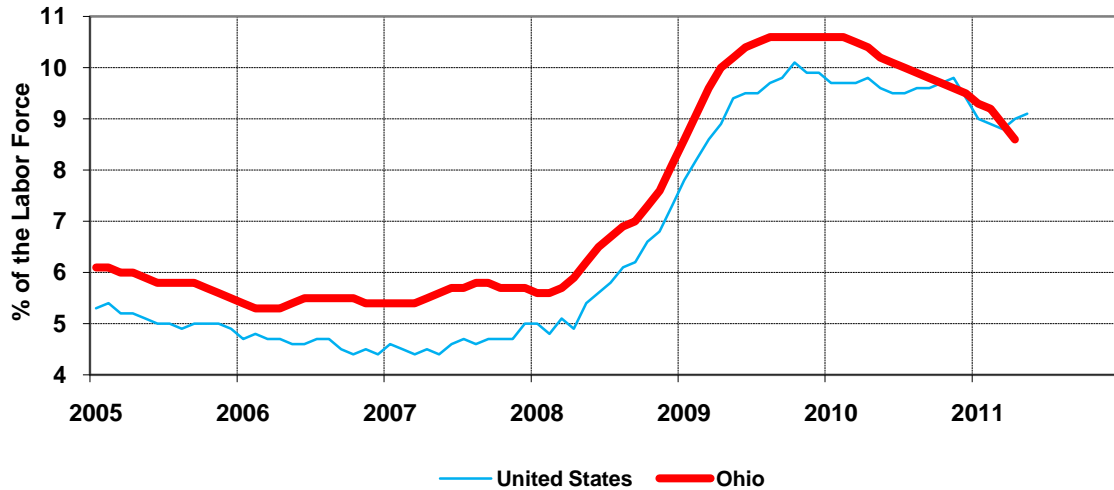
Nonfarm payroll employment in Ohio, compared with the U.S., is shown in Chart 4. Ohio nonfarm payroll employment in April was 93,300 (1.9%) higher than at the business cycle low point in December 2009, but remained about 325,000 (6.0%) below its level in December 2007, at the business cycle peak, and 541,000 (9.6%) lower than its all-time peak in 2000. U.S. payroll employment in May, as noted above, was 1.8 million (1.4%) higher than at its cyclical low point in February 2010, but it edged up only slightly (by 54,000, less than 0.1%) from April to May. Ohio employment growth may also slow.

**Chart 4: Total Nonfarm Payroll Employment
Millions, Seasonally Adjusted**



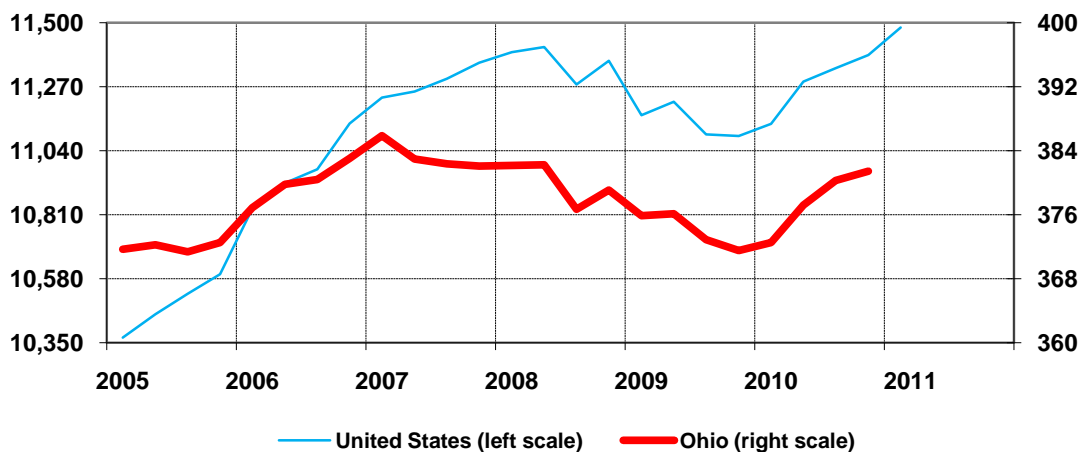
Ohio's statewide unemployment rate, the number of people not employed and actively seeking work as a percent of the labor force, declined to 8.6% in April, its lowest level since January 2009, as shown in Chart 5. The U.S. unemployment rate declined to 8.8% in March, lowest since March 2009, but rose to 9.0% in April and 9.1% in May as additional people sought work. Ohio's unemployment rate in April was lower than the average nationwide. As the chart shows, in most months in recent years, the unemployment rate in Ohio was above the national average.

Chart 5: Unemployment Rate



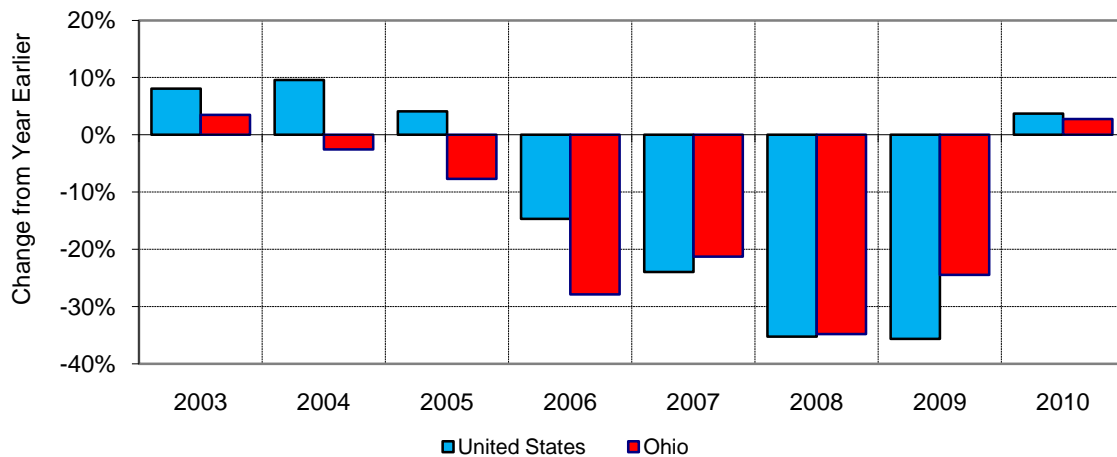
Personal income has been growing in the nation and Ohio since the end of 2009, as shown in Chart 6. Both series in the chart are deflated using the national personal consumption expenditures deflator. State personal income is published with a lag by the source agency, BEA, and is shown in the chart through the 2010 fourth quarter. Ohio personal income rose 3.9% from the low point in the fourth quarter of 2009 to the latest quarter, measured in dollars, and by 2.7% after adjustment for inflation. U.S. real personal income rose at about the same rate during this period, and increased further in the first quarter of 2011, as the chart indicates.

**Chart 6: Personal Income
Billions of 2005 Dollars**



Residential building activity fell in Ohio for six years through 2009 before edging up last year, as indicated by construction permits for new privately owned units, shown in Chart 7. In the U.S., housing construction activity fell for four years through 2009, then also rose last year. Residential building activity remains at low levels in Ohio and around the country. Housing prices in Ohio, as reported by the Federal Housing Finance Agency, peaked in 2006, fell through 2008, flattened in 2009, then resumed declining in 2010 and 2011. On average, home prices in Ohio were about 15% lower in the first quarter than at the peak, and were continuing to decline.

Chart 7: New Privately Owned Housing Units Authorized by Building Permits



Economic Forecasts

The predictions for the economic outlook in the tables that follow are from Global Insight's baseline forecasts released in May 2011. Economic forecasting is inherently uncertain, and projections may turn out to be too optimistic or too pessimistic. LSC's forecasts for state tax revenues, based in part on some of the variables provided by Global Insight, could in consequence also be either too high or too low.

Years shown in the tables are calendar years. Quarterly changes, the first line in each table, are from the preceding quarter. Changes shown in the second line compare average values for the four quarters ending in the second calendar quarter, coinciding with Ohio's fiscal year, with average values for the four quarters one year earlier. The unemployment rate tables show average unemployment rates for the quarters indicated (first line) and for the four quarters ending in the second quarter (second line).

U.S. Gross Domestic Product

Real GDP nationwide is projected to grow in the FY 2012-FY 2013 biennium at about a 2.9% annual rate on average. In the seven quarters of the economic recovery to date, through the first quarter of this year, U.S. real GDP growth averaged 2.8% at an annual rate.

U.S. Real GDP Growth

Forecast	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	-----percent change at annual rate-----											
Global Insight	1.8	3.3	3.2	3.8	2.6	2.3	2.7	3.0	2.0	3.3	3.2	3.0
Global Insight		2.7				3.0				2.7		

Ohio Gross Domestic Product

Economic growth in Ohio is expected to continue through 2013 but at a somewhat slower rate than nationwide. Predicted growth of real GDP in Ohio averages 2.5% at an annual rate during the eight quarters of the next biennium, somewhat less than growth for the nation.

Ohio Real GDP Growth

Forecast	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	-----percent change at annual rate-----											
Global Insight	3.4	3.0	3.0	3.2	2.5	1.9	2.2	2.5	1.9	2.9	2.5	2.5
Global Insight		2.7				2.9				2.3		

U.S. Inflation

In Global Insight's May baseline forecast, the recent upturn in inflation proves short-lived, and the rate of increase in consumer prices falls back under 2% per year.

U.S. Consumer Price Index Inflation

Forecast	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	-----percent change at annual rate-----											
Global Insight	5.2	4.3	2.0	0.8	1.7	1.3	2.4	2.0	2.0	1.9	1.9	2.1
Global Insight		2.0				2.6				1.9		

U.S. Personal Income

Nationwide personal income growth averages 4.1% at an annual rate during the FY 2012-FY 2013 biennium. These growth rates are based on the dollar amounts of income, not adjusted for inflation. Weakness in the first quarter of 2012, and strong growth in this year's first quarter, reflect a one-year, two percentage point reduction in the individual portion of Social Security taxes, which is subtracted in calculating personal income in the national income and product accounts.

U.S. Personal Income Growth

Forecast	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	-----percent change at annual rate-----											
Global Insight	8.3	4.9	4.5	4.6	1.0	4.4	4.6	4.8	3.9	5.0	4.8	4.9
Global Insight		4.4				4.6				4.1		

Ohio Personal Income

Income to persons who reside in Ohio also grows through 2013, but trails growth of personal income nationwide. Projected modest income growth reflects further increases in employment and average pay.

Ohio Personal Income Growth

Forecast	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	-----percent change at annual rate-----											
Global Insight	8.8	4.7	3.6	3.7	0.1	3.9	3.9	4.1	3.4	4.3	3.8	3.9
Global Insight		4.4				4.0				3.4		

U.S. Unemployment Rate

The forecast continues to show unemployment nationwide declining gradually during the forecast period. As noted above, the national unemployment rate fell to 8.8% in March, lowest since March 2009, but then rose to 9.0% in April and 9.1% in May. The decline in unemployment resumes in the second half of 2011 when Global Insight is forecasting stronger growth than in the first half.

U.S. Unemployment Rate												
Forecast	2011				2012				2013			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
	-----percent of the labor force-----											
Global Insight	8.9	8.9	8.7	8.5	8.4	8.3	8.2	8.1	8.0	7.9	7.7	7.6
Global Insight		9.2				8.5				8.1		

Ohio Unemployment Rate

The unemployment rate in Ohio fell to 8.6% in April, below the U.S. rate. In the forecast, a lower unemployment rate in Ohio than nationwide is seen as an anomaly. The unemployment in Ohio is projected to exceed the national rate in future quarters, and to fall slowly through the end of 2013.

Ohio Unemployment Rate												
Forecast	2011				2012				2013			
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
	-----percent of the labor force-----											
Global Insight	9.2	9.0	8.9	8.8	8.7	8.6	8.5	8.4	8.4	8.3	8.1	8.0
Global Insight		9.4				8.7				8.4		

REVENUE FORECASTS

The LSC baseline forecasts for FY 2012 and FY 2013 assume the current statutory tax structure, including tax changes enacted in the budget bill for the current biennium, H.B. 1 of the 128th General Assembly. Personal income tax rates receive their fifth and final H.B. 66 cut for tax year (TY) 2011, i.e., the reduction in income tax rates that was delayed until TY 2011 by H.B. 318 of the 128th General Assembly, and tax brackets are indexed for inflation beginning TY 2010. In FY 2012, the GRF begins to receive a share of the commercial activity tax (CAT), receiving 5.3% of receipts in FY 2012 and 10.6% in FY 2013. Distributions of GRF tax revenues to the Public Library Fund (PLF) are assumed to return to the formula established by H.B. 119 of the 127th General Assembly starting in FY 2012, increasing the PLF share from 1.97% to 2.22% of revenues, and decreasing the share retained in the GRF accordingly (i.e., from 94.35% to 94.1%). And credits under the personal income tax for military retirement pay, established by H.B. 372 of the 127th General Assembly, and for eligible historical preservation projects, established by H.B. 149 of the 126th General Assembly and amended by H.B. 554 of the 127th General Assembly, are also incorporated into the forecasts.

GRF tax revenue under current law is forecast to increase by \$386.2 million (2.2%) in FY 2012. Growth in income tax receipts is held to 1.3% due to the final reduction in income tax rates. Growth is expected to return for most tax revenue sources, as the economy is forecast to continue its recovery. The cigarette tax is one notable exception, as it is expected to continue its steady decline. A projected decline in kilowatt hour tax revenues is due to the growing share of PLF receipts, half of which are debited against this tax, rather than to any changes in its tax base or rates. Revenue from the corporate franchise tax and the estate tax is projected to decline as well, after substantial increases in FY 2011, portions of which are believed to be unsustainable. LSC also forecasts revenue from earnings on investments and from license fees, which are projected to total \$77.3 million in FY 2012.

GRF tax revenue under current law is forecast to increase by \$932.1 million (5.1%) in FY 2013. Growth in revenue from the income tax is projected to accelerate to 6.9% as the effects of economic recovery are no longer diluted by reductions in tax rates. Other taxes are expected to exhibit moderate revenue growth, again with the notable exception of the tax on cigarettes and other tobacco products, and the kilowatt hour tax. Earnings on investments and license revenue are forecast to total \$107.7 million in FY 2013.

Compared with the FY 2010-FY 2011 biennium, GRF tax revenue for the FY 2012-FY 2013 biennium is forecast to be \$3.20 billion (9.4%) higher. The following tables provide overviews of GRF receipts from taxes and from state sources including earnings on investments and receipts from charges for licenses and fees.

As indicated earlier, a portion of CAT receipts is to be deposited into the GRF beginning in FY 2012. The CAT is projected to raise \$78.2 million in FY 2012 and \$158.9 million in FY 2013 for the GRF. However, current law requires the GRF to make up any CAT shortfalls if the CAT does not generate enough receipts to make required reimbursement payments for schools and local governments for the reductions and phase-out of local taxes on most tangible personal property. Reimbursement payments required GRF subsidies in FY 2009 and FY 2010. GRF subsidies will be required for FY 2011 as well. Based on CAT revenue projections, GRF subsidies for reimbursement payments are expected to continue in the next biennium.

**FY 2011 Revenue Estimate Comparison
(\$ in millions)**

GRF	March 2011	June 2011	Change
TAX REVENUE			
Auto Sales	\$950.0	\$965.0	\$15.0
Nonauto Sales & Use	\$6,524.1	\$6,584.9	\$60.8
Total Sales & Use Taxes	\$7,474.1	\$7,549.9	\$75.8
Personal Income	\$7,806.9	\$8,183.5	\$376.6
Commercial Activity	\$0.0	\$0	\$0
Corporate Franchise	\$160.0	\$232.5	\$72.5
Public Utility	\$142.7	\$125.3	(\$17.4)
Kilowatt Hour Excise	\$161.3	\$151.6	(\$9.7)
Foreign Insurance	\$254.0	\$256.0	\$2.0
Domestic Insurance	\$206.0	\$190.0	(\$16.0)
Business & Property	\$26.7	\$24.0	(\$2.7)
Cigarette	\$851.6	\$850.0	(\$1.6)
Alcoholic Beverage	\$56.0	\$56.0	\$0
Liquor Gallonage	\$37.0	\$37.5	\$0.5
Estate	\$60.0	\$71.4	\$11.4
Total Tax Revenue	\$17,236.3	\$17,727.8	\$491.5
NONTAX STATE-SOURCE REVENUE			
Earnings on Investments	\$9.1	\$7.1	(\$2.0)
Licenses and Fees	\$68.5	\$60.5	(\$8.0)

Baseline Revenue Forecast Comparison, FY 2012-FY 2013
(\$ in millions)

GRF	FY 2012			FY 2013		
	March 2011	June 2011	Change	March 2011	June 2011	Change
TAX REVENUE						
Auto Sales	\$983.5	\$1,002.9	\$19.4	\$983.5	\$1,022.3	\$38.8
Nonauto Sales & Use	\$6,744.5	\$6,813.6	\$69.1	\$7,012.9	\$7,076.7	\$63.7
Total Sales & Use Taxes	\$7,728.0	\$7,816.5	\$88.5	\$7,996.4	\$8,099.0	\$102.5
Personal Income	\$8,103.1	\$8,288.1	\$185.0	\$8,743.4	\$8,856.8	\$113.4
Commercial Activity	\$77.9	\$78.2	\$0.3	\$159.7	\$158.9	(\$0.9)
Corporate Franchise	\$165.0	\$208.3	\$43.3	\$172.0	\$224.1	\$52.1
Public Utility	\$153.3	\$122.9	(\$30.4)	\$159.8	\$127.0	(\$32.8)
Kilowatt Hour Excise	\$139.2	\$131.2	(\$8.0)	\$132.2	\$126.5	(\$5.7)
Foreign Insurance	\$258.0	\$268.0	\$10.0	\$268.0	\$279.0	\$11.0
Domestic Insurance	\$209.0	\$195.0	(\$14.0)	\$216.0	\$199.0	(\$17.0)
Business & Property	\$27.0	\$24.3	(\$2.7)	\$27.4	\$24.6	(\$2.8)
Cigarette	\$820.4	\$818.6	(\$1.8)	\$788.7	\$786.6	(\$2.1)
Alcoholic Beverage	\$56.3	\$56.3	\$0	\$56.5	\$56.5	\$0
Liquor Gallonage	\$37.9	\$38.0	\$0.1	\$39.0	\$38.5	(\$0.5)
Estate	\$67.4	\$68.6	\$1.2	\$68.6	\$69.8	\$1.2
Total Tax Revenue	\$17,842.6	\$18,114.0	\$271.4	\$18,827.8	\$19,046.1	\$218.4
NONTAX STATE-SOURCE REVENUE						
Earnings on Investments	\$13.1	\$14.0	\$0.9	\$38.9	\$41.9	\$3.0
Licenses and Fees	\$70.6	\$63.3	(\$7.3)	\$73.0	\$65.8	(\$7.2)

Baseline Revenue Forecasts, FY 2012-FY 2013
 (\$ in millions)

GRF	FY 2010 Actuals	FY 2011 June Estimate	Growth Rate	FY 2012 June Forecast	Growth Rate	FY 2013 June Forecast	Growth Rate
TAX REVENUE							
Auto Sales	\$882.9	\$965.0	9.3%	\$1,002.9	3.9%	\$1,022.3	1.9%
Nonauto Sales & Use	\$6,194.5	\$6,584.9	6.3%	\$6,813.6	3.5%	\$7,076.7	3.9%
Total Sales & Use Taxes	\$7,077.4	\$7,549.9	6.7%	\$7,816.5	3.5%	\$8,099.0	3.6%
Personal Income	\$7,247.2	\$8,183.5	12.9%	\$8,288.1	1.3%	\$8,856.8	6.9%
Commercial Activity	\$0.0	\$0.0	--	\$78.2	--	\$158.9	103.1%
Corporate Franchise	\$141.7	\$232.5	64.0%	\$208.3	-10.4%	\$224.1	7.6%
Public Utility	\$136.7	\$125.3	-8.3%	\$122.9	-1.9%	\$127.0	3.3%
Kilowatt Hour Excise	\$156.3	\$151.6	-3.0%	\$131.2	-13.5%	\$126.5	-3.6%
Foreign Insurance	\$250.8	\$256.0	2.1%	\$268.0	4.7%	\$279.0	4.1%
Domestic Insurance	\$161.7	\$190.0	17.5%	\$195.0	2.6%	\$199.0	2.1%
Business & Property	\$27.3	\$24.0	-11.9%	\$24.3	1.3%	\$24.6	1.2%
Cigarette	\$886.9	\$850.0	-4.2%	\$818.6	-3.7%	\$786.6	-3.9%
Alcoholic Beverage	\$56.1	\$56.0	-0.2%	\$56.3	0.5%	\$56.5	0.4%
Liquor Gallonage	\$36.5	\$37.5	2.6%	\$38.0	1.3%	\$38.5	1.3%
Estate	\$55.0	\$71.4	29.8%	\$68.6	-3.9%	\$69.8	1.7%
Total Tax Revenue	\$16,233.6	\$17,727.8	9.2%	\$18,114.0	2.2%	\$19,046.1	5.1%
NONTAX STATE-SOURCE REVENUE							
Earnings on Investments	\$28.8	\$7.1	-75.4%	\$14.0	97.2%	\$41.9	199.3%
Licenses and Fees	\$66.2	\$60.5	-8.6%	\$63.3	4.6%	\$65.8	3.9%

The following pages provide more details regarding the updates in the forecasts of individual taxes. The focus of these pages is on changes in the forecasts since March. A more complete description of each tax, tax base, tax rate, methodology, and other forecasting details can be found in LSC's March Forecast of GRF Revenues and Public Assistance Expenditures available at www.lsc.state.oh.us/fiscal/revenueforecasts/forecasts129/staterevenue129.html.

Sales and Use Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$7,424.5	\$7,614.1	\$7,112.8	\$7,077.4	\$7,474.1	\$7,728.0	\$7,996.4
Growth	0.8%	2.9%	-6.6%	-0.5%	5.6%	3.4%	3.5%
						<i>June</i>	
Revenue	\$7,424.5	\$7,614.1	\$7,112.8	\$7,077.4	\$7,549.9	\$7,816.5	\$8,099.0
Growth	0.8%	2.9%	-6.6%	-0.5%	6.7%	3.5%	3.6%
						<i>Difference</i>	
					\$75.8	\$88.5	\$102.6

Receipts from the sales and use tax are estimated to be \$7,549.9 million in FY 2011, \$75.8 million (1.0%) more than the March estimate. Estimated FY 2011 receipts were adjusted based on receipts through May. Economic indicators underlying this revision improved in the most recent forecasts. For the upcoming biennium, receipts from the tax are forecast to be \$191.1 million (1.2%) more than the March forecast due to higher levels of employment and incomes than projected in the earlier forecasts.

Auto Sales and Use Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
Revenue	\$921.5	\$943.5	\$873.6	\$882.9	\$950.0	<i>March</i> \$983.5	\$983.5
Growth	-1.6%	2.4%	-7.4%	1.1%	7.6%	3.5%	0.0%
Revenue	\$921.5	\$943.5	\$873.6	\$882.9	\$965.0	<i>June</i> \$1,002.9	\$1,022.3
Growth	-1.6%	2.4%	-7.4%	1.1%	9.3%	3.9%	1.9%
						<i>Difference</i>	
					\$15.0	\$19.4	\$38.8

Receipts from the auto sales and use tax are estimated to be \$965.0 million in FY 2011, \$15.0 million (1.6%) above the March estimate, based on actual receipts through May. Increases in the auto taxable base are expected to continue into the next biennium, though at a more moderate pace. For the upcoming biennium, receipts from the auto sales and use tax are forecast to be \$58.2 million (3.0%) more than the March forecast. The revision reflects in part an assumed benign interest rate environment in FY 2013.

Nonauto Sales and Use Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$6,502.9	\$6,670.7	\$6,239.2	\$6,194.5	\$6,524.1	\$6,744.5	\$7,012.9
Growth	1.1%	2.6%	-6.5%	-0.7%	5.3%	3.4%	4.0%
						<i>June</i>	
Revenue	\$6,502.9	\$6,670.7	\$6,239.2	\$6,194.5	\$6,584.9	\$6,813.6	\$7,076.7
Growth	1.1%	2.6%	-6.5%	-0.7%	6.3%	3.5%	3.9%
						<i>Difference</i>	
					\$60.8	\$69.1	\$63.8

Receipts from the nonauto sales and use tax are estimated to be \$6,584.9 million in FY 2011, \$60.8 million (0.9%) more than the March estimate. Estimated FY 2011 receipts were adjusted based on receipts through May. Taxable spending is expected to continue to grow in the next biennium as the economy continues to expand. For the upcoming biennium, receipts from the tax are forecast to be \$132.9 million (1.0%) more than the March forecast.

Personal Income Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$8,885.4	\$9,114.7	\$7,628.0	\$7,247.2	\$7,806.9	\$8,103.1	\$8,743.4
Growth	1.1%	2.6%	-16.3%	-5.0%	7.7%	3.8%	7.9%
						<i>June</i>	
Revenue	\$8,885.4	\$9,114.7	\$7,628.0	\$7,247.2	\$8,183.5	\$8,288.1	\$8,856.8
Growth	1.1%	2.6%	-16.3%	-5.0%	12.9%	1.3%	6.9%
						<i>Difference</i>	
					\$376.6	\$185.0	\$113.4

Receipts from the personal income tax are estimated to be \$8,183.5 million in FY 2011, \$376.6 million (4.8%) more than the March estimate. Estimated FY 2011 receipts were adjusted based on receipts through May. Taxable income is expected to continue to grow in the next biennium as the economy continues to expand, though growth from FY 2011 to FY 2012 is restrained due to the scheduled reduction in income tax rates in current law. For the upcoming biennium, receipts from the tax are forecast to be \$298.4 million (1.8%) more than the March forecast.

Commercial Activity Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
All Funds Revenue	\$595.0	\$963.7	\$1,175.8	\$1,341.6	\$1,429.8	\$1,469.5	\$1,507.0
Growth	117.6%	62.0%	22.0%	14.1%	6.6%	2.8%	2.6%
GRF Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$77.9	\$159.7
						<i>June</i>	
All Funds Revenue	\$595.0	\$963.7	\$1,175.8	\$1,341.6	\$1,434.0	\$1,475.5	\$1,498.7
Growth	117.6%	62.0%	22.0%	14.1%	6.9%	2.9%	1.6%
GRF Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$78.2	\$158.9
						<i>Difference</i>	
All Funds					\$4.2	\$6.0	(\$8.3)
GRF Share					\$0.0	\$0.3	(\$0.8)

Receipts from the CAT are estimated to be \$1,434.0 million in FY 2011, \$4.2 million (0.3%) more than the March estimate. The FY 2011 estimate was adjusted based on actual receipts through May 2011. For the upcoming biennium, all funds receipts from the CAT are forecast to be \$2.3 million (0.1%) less than the March estimate due to changes in the industrial production index in the most recent projections. FY 2012 receipts increased \$6.0 million (0.4%), while FY 2013 receipts decreased by \$8.3 million (0.6%). The revised forecast increases GRF receipts by \$0.3 million in FY 2012 and decreases them by \$0.8 million in FY 2013.

Corporate Franchise Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$1,076.5	\$753.5	\$520.8	\$141.7	\$160.0	\$165.0	\$172.0
Growth	2.0%	-30.0%	-30.9%	-72.8%	12.9%	3.1%	4.2%
						<i>June</i>	
Revenue	\$1,076.5	\$753.5	\$520.8	\$141.7	\$232.5	\$208.3	\$224.1
Growth	2.0%	-30.0%	-30.9%	-72.8%	64.1%	-10.4%	7.6%
						<i>Difference</i>	
					\$72.5	\$43.3	\$52.1

Receipts from the corporate franchise tax are estimated to be \$232.5 million in FY 2011, \$72.5 million (45.3%) more than the March estimate. Estimated FY 2011 receipts were adjusted based on actual receipts through May. The large increase in receipts over the prior year is believed to be due, in part, to recent higher capital requirements for banks which resulted in a boost to the tax base. For the upcoming biennium, receipts from the tax are increased by \$95.4 million (28.3%) when compared to the March forecast.

Public Utility Excise Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$160.2	\$157.7	\$184.5	\$136.7	\$142.7	\$153.3	\$159.8
Growth	-9.0%	-1.6%	17.0%	-25.9%	4.4%	7.4%	4.2%
						<i>June</i>	
Revenue	\$160.2	\$157.7	\$184.5	\$136.7	\$125.3	\$122.9	\$127.0
Growth	-9.0%	-1.6%	17.0%	-25.9%	-8.3%	-1.9%	3.3%
						<i>Difference</i>	
					(\$17.4)	(\$30.4)	(\$32.8)

Receipts from the public utility excise tax are estimated to be \$125.3 million in FY 2011, \$17.4 million (12.2%) less than the March estimate. Estimated FY 2011 receipts were adjusted based on receipts through May. The natural gas price forecast, a principal driver of the public utility excise tax forecast, was revised downward, resulting in a downward revision of the public utility excise tax forecast. For the upcoming biennium, receipts from the tax are forecast to be \$63.2 million (20.2%) less than the March forecast.

Kilowatt Hour Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$326.9	\$231.2	\$135.9	\$156.3	\$161.3	\$139.2	\$132.2
Growth	0.5%	-29.3%	-41.2%	15.0%	3.2%	-13.7%	-5.0%
						<i>June</i>	
Revenue	\$326.9	\$231.2	\$135.9	\$156.3	\$151.6	\$131.2	\$126.5
Growth	0.5%	-29.3%	-41.2%	15.0%	-3.0%	-13.5%	-3.6%
						<i>Difference</i>	
					(\$9.7)	(\$8.0)	(\$5.7)

Half of the share of GRF tax revenue that is transferred to the Public Library Fund (PLF) is debited against this tax source for accounting purposes. The forecast for the biennium assumes that the PLF share of GRF tax revenue is 2.22% as provided by section 131.51 of the Revised Code, rather than 1.97% as provided in temporary law for the current biennium (section 381.20 of H.B. 1 of the 128th General Assembly). Increases in revenue from all GRF tax sources increase the amount debited against this tax, which accounts for the decreases forecast in FY 2012 and FY 2013. The updated forecast decreases estimated revenues in the next biennium by \$13.7 million (5.0%), compared to the March forecast.

Foreign Insurance Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$256.2	\$267.3	\$249.2	\$250.8	\$254.0	\$258.0	\$268.0
Growth	3.0%	4.3%	-6.8%	0.6%	1.3%	1.6%	3.9%
						<i>June</i>	
Revenue	\$256.2	\$267.3	\$249.2	\$250.8	\$256.0	\$268.0	\$279.0
Growth	3.0%	4.3%	-6.8%	0.6%	2.1%	4.7%	4.1%
						<i>Difference</i>	
					\$2.0	\$10.0	\$11.0

Revenue from the tax fell sharply in FY 2009 due to the recent recession, and was essentially flat through FY 2010. Revenue from this tax depends on overall economic conditions and on interest rates. Insurance companies derive revenue from both the premiums they collect and the interest earned from investing those premiums. The FY 2011 estimate was adjusted to reflect actual performance of the tax through May 2011. The revised forecast reflects more recent projections for the variables utilized in the forecasting models. For the upcoming biennium, receipts are forecast to be \$21.0 million (4.0%) higher than the March forecast.

Domestic Insurance Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$169.5	\$154.6	\$155.3	\$161.7	\$206.0	\$209.0	\$216.0
Growth	-0.5%	-8.8%	0.5%	4.1%	27.4%	1.5%	3.3%
						<i>June</i>	
Revenue	\$169.5	\$154.6	\$155.3	\$161.7	\$190.0	\$195.0	\$199.0
Growth	-0.5%	-8.8%	0.5%	4.1%	17.5%	2.6%	2.1%
						<i>Difference</i>	
					(\$16.0)	(\$14.0)	(\$17.0)

The growth in tax revenue in FY 2010 was due to an expansion of the tax base enacted in H.B. 1 of the 128th General Assembly. H.B. 1 subjected premiums paid by Medicaid health insuring corporations to the tax. The base expansion was effective October 1, 2009, meaning that it had some impact in FY 2010, but FY 2011 is the first full year it is in effect. The increase in revenues shown for FY 2011 is primarily attributable to the full phase-in of the base expansion. The FY 2011 estimate was revised to reflect the amount of tax liability certified by the Department of Insurance to the Treasurer of State for the most recent tax year.

Revenues from this tax are influenced by overall economic conditions and by interest rates. Insurance companies derive revenue from both the premiums they collect and the interest earned from investing those premiums. The revised forecast reflects more recent projections for the variables utilized in the forecasting models. For the upcoming biennium, receipts are forecast to be \$31.0 million (7.3%) less than the March forecast.

Dealers in Intangibles Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$20.8	\$22.3	\$25.1	\$27.3	\$26.7	\$27.0	\$27.4
Growth	8.9%	7.2%	12.6%	8.8%	-2.0%	1.1%	1.5%
						<i>June</i>	
Revenue	\$20.8	\$22.3	\$25.1	\$27.3	\$24.0	\$24.3	\$24.6
Growth	8.9%	7.2%	12.6%	8.8%	-11.9%	1.3%	1.2%
						<i>Difference</i>	
					(\$2.7)	(\$2.7)	(\$2.8)

Receipts from the dealers in intangibles tax are estimated to be \$24.0 million in FY 2011, \$2.7 million (10.1%) less than the March estimate. Tax liabilities for this tax are certified in May each year, and FY 2011 certifications indicate that more refunds than expected were made under the tax. For the upcoming biennium, receipts from the dealers in intangibles tax are forecast to be \$5.5 million (10.1%) less than the March forecast.

Cigarette and Other Tobacco Products Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$986.6	\$950.9	\$924.8	\$886.9	\$851.6	\$820.4	\$788.7
Growth	-9.0%	-3.6%	-2.8%	-4.1%	-4.0%	-3.7%	-3.9%
						<i>June</i>	
Revenue	\$986.6	\$950.9	\$924.8	\$886.9	\$850.0	\$818.6	\$786.6
Growth	-9.0%	-3.6%	-2.8%	-4.1%	-4.2%	-3.7%	-3.9%
						<i>Difference</i>	
					(\$1.6)	(\$1.8)	(\$2.1)

Receipts from the cigarette and other tobacco products tax are estimated to be \$850.0 million in FY 2011, \$1.6 million (0.2%) below the March estimate. Estimated FY 2011 receipts were adjusted based on actual receipts through May. For the upcoming biennium, receipts from the tax are forecast to be \$3.9 million (0.2%) less than the March forecast.

Alcoholic Beverage Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$56.3	\$56.8	\$57.1	\$56.1	\$56.0	\$56.3	\$56.5
Growth	-2.1%	0.9%	0.4%	-1.8%	-0.2%	0.5%	0.4%
						<i>June</i>	
Revenue	\$56.3	\$56.8	\$57.1	\$56.1	\$56.0	\$56.3	\$56.5
Growth	-2.1%	0.9%	0.4%	-1.8%	-0.2%	0.5%	0.4%
						<i>Difference</i>	
					\$0.0	\$0.0	\$0.0

The forecast for alcoholic beverage tax is unchanged from the March forecast.

Liquor Gallonage Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$34.3	\$35.0	\$35.9	\$36.5	\$37.0	\$37.9	\$39.0
Growth	2.7%	2.0%	2.6%	1.7%	1.2%	2.4%	2.9%
						<i>June</i>	
Revenue	\$34.3	\$35.0	\$35.9	\$36.5	\$37.5	\$38.0	\$38.5
Growth	2.7%	2.0%	2.6%	1.7%	2.6%	1.3%	1.3%
						<i>Difference</i>	
					\$0.5	\$0.1	(\$0.5)

Receipts from the liquor gallonage tax are estimated to be \$37.5 million in FY 2011, \$0.5 million (1.4%) more than the March estimate. The FY 2011 estimate and the biennium forecast were adjusted based on actual receipts through May 2011. For the upcoming biennium, receipts from the alcoholic beverage tax are forecast to be \$0.4 million (0.5%) below the March forecast.

Estate Tax

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$72.1	\$61.4	\$64.4	\$55.0	\$60.0	\$67.4	\$68.6
Growth	33.4%	-14.9%	5.0%	-14.6%	9.0%	12.3%	1.8%
						<i>June</i>	
Revenue	\$72.1	\$61.4	\$64.4	\$55.0	\$71.4	\$68.6	\$69.8
Growth	33.4%	-14.9%	5.0%	-14.6%	29.8%	-3.9%	1.7%
						<i>Difference</i>	
					\$11.4	\$1.2	\$1.2

Estimated receipts for FY 2011 were adjusted based on actual receipts through May. Estate tax revenues in FY 2012 and FY 2013 are expected to decrease slightly below the FY 2011 amount. The estate tax is a volatile revenue source. Estate tax receipts vary from year to year because they depend on the net taxable value of a decedent's estate at the time of death, which closely tracks financial market conditions, and the time of settlement made to each county probate court.

Earnings on Investments

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$176.2	\$169.6	\$137.5	\$28.8	\$9.1	\$13.1	\$38.9
Growth	64.2%	-3.8%	-18.9%	-79.1%	-68.4%	44.0%	196.9%
						<i>June</i>	
Revenue	\$176.2	\$169.6	\$137.5	\$28.8	\$7.1	\$14.0	\$41.9
Growth	64.2%	-3.8%	-18.9%	-79.1%	-75.3%	97.2%	199.3%
						<i>Difference</i>	
					(\$2.0)	\$0.9	\$3.0

In FY 2011, earnings on investments are estimated to decrease to \$7.1 million from \$28.8 million in FY 2010 because of decreasing interest rates on short and medium-term investment instruments and lower estimated fund balances than in previous fiscal years. In FY 2012 and FY 2013, both interest rates and estimated fund balances are expected to rise. Baseline earnings on investments in the next biennium are estimated to be \$3.9 million (7.5%) higher than the March forecast. The calculations for the baseline forecast were based on interest rate estimates and the estimated state funds balance that will be available for investment.

Licenses and Fees

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Revenue	\$77.7	\$67.7	\$65.8	\$66.2	\$68.5	\$70.6	\$73.0
Growth	5.2%	-12.9%	-2.7%	0.6%	3.5%	3.1%	3.4%
						<i>June</i>	
Revenue	\$77.7	\$67.7	\$65.8	\$66.2	\$60.5	\$63.3	\$65.8
Growth	5.2%	-12.9%	-2.7%	0.6%	-8.6%	4.6%	3.9%
						<i>Difference</i>	
					(\$8.0)	(\$7.3)	(\$7.2)

The FY 2011 estimate was revised downward due to lower year-to-date receipts through May. The revenue projections for FY 2012 and FY 2013 are based on expected growth in Ohio's gross state product, which is a measure of a state's total output, and do not reflect any fee changes that may occur over the next biennium. Compared to the March forecast, receipts from licenses and fees are decreased by \$14.5 million (10.1%).

MEDICAID EXPENDITURE FORECASTS

The revised all-fund baseline Medicaid forecast is \$14.74 billion in FY 2012 and \$15.77 billion in FY 2013, \$117 million and \$25 million lower than the March forecast, respectively. The state share is \$43 million lower in FY 2012 and \$9 million lower in FY 2013. The changes to the updated forecast generally reflect the additional or updated data from September 2010 to March 2011, and an updated forecast of the number of unemployed Ohioans from Global Insight. Global Insight decreased their forecast of the number of unemployed Ohioans by an average of 27,000 per quarter from the first quarter of 2010 to the third quarter of 2012 in its updated forecast.

The total Medicaid caseload is now forecast to be about 40,000 lower in FY 2012 and 34,000 in FY 2013. The forecast for the Covered Family and Children (CFC) caseload was revised downward in light of caseload data for the months of September 2010 through March 2011. The caseload number during the months of September 2010 through March 2011 was 18,000 (1.1%) less per month, on average, than the March forecast. Inclusion of this additional data in the statistical model, together with an updated forecast of the number of unemployed Ohioans from Global Insight, account for the decrease in the CFC caseload forecast for the biennium.

The forecast for the Aged, Blind, and Disabled (ABD) caseload was revised upward primary due to the increase in the dual eligible (eligible for both Medicaid and Medicare) caseload forecast. The dual eligible average monthly caseload is forecast to be 4,500 more in FY 2012 and 9,900 more in FY 2013 than was forecast in March. The increase was due to a reconsideration of the impact of the Medicare Improvements for Patients and Providers Act of 2008 on dual eligibles.

Another change worth noting affects the allocation of Medicaid costs across categories of service as well as the bottom line. LSC's baseline forecast uses the managed care penetration rates based on the past six months of experience. The penetration rates for the past six months were about one percentage point higher each for the ABD and the CFC population than the March forecast.

Medicaid Expenditure Forecast

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
Expenditures	\$10,830	\$10,766	\$12,212	\$12,533	\$13,852	\$14,857	\$15,792
Growth	1.7%	-0.6%	13.4%	2.6%	10.5%	7.3%	6.3%
						<i>March</i>	
Expenditures	\$10,830	\$10,766	\$12,212	\$12,533	\$13,838	\$14,740	\$15,767
Growth	1.7%	-0.6%	13.4%	2.6%	10.4%	6.5%	7.0%
						<i>June</i>	
						<i>Difference</i>	
					-\$14	-\$117	-\$25
					-0.1%	-0.8%	-0.2%

**Medicaid Expenditure Forecast by Service Category
(Millions of Dollars)**

	FY 2011	FY 2012			FY 2013		
	Estimated Disbursement	March Forecast	June Forecast	Difference	March Forecast	June Forecast	Difference
Nursing Facilities	\$2,684	\$2,686	\$2,687	\$0	\$2,678	\$2,676	(\$2)
ICFs/MR	\$506	\$591	\$594	\$3	\$543	\$545	\$2
Inpatient	\$1,059	\$1,117	\$1,043	(\$73)	\$1,152	\$1,095	(\$56)
Outpatient	\$449	\$450	\$430	(\$20)	\$459	\$439	(\$20)
Physicians	\$342	\$342	\$337	(\$5)	\$561	\$559	(\$2)
Prescription Drugs	\$1,690	\$1,836	\$1,829	(\$7)	\$1,967	\$2,003	\$36
Ohio Home Care Waiver	\$329	\$339	\$339	\$0	\$357	\$357	\$0
Managed Care - ABD	\$1,453	\$1,579	\$1,599	\$20	\$1,706	\$1,728	\$22
Managed Care - CFC	\$3,551	\$3,952	\$3,898	(\$54)	\$4,247	\$4,204	(\$43)
Medicare Buy-In	\$404	\$450	\$455	\$4	\$477	\$487	\$10
All Other	\$1,184	\$1,235	\$1,252	\$17	\$1,341	\$1,377	\$36
Medicare Part D	\$188	\$280	\$278	(\$2)	\$305	\$297	(\$8)
Total Expenditures	\$13,838	\$14,857	\$14,740	(\$117)	\$15,792	\$15,767	(\$25)
Percentage Difference				-0.8%			-0.2%
State Share*				(\$43)			(\$9)

* Assumes an FMAP of 63.61% for FY 2012 and 64.08% for FY 2013.

Total Medicaid Caseload

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Caseload	1,757,518	1,780,564	1,878,395	2,038,707	2,174,902	2,253,658	2,281,730
Growth	0.4%	1.3%	5.5%	8.5%	6.7%	3.6%	1.3%
						<i>June</i>	
Caseload	1,757,518	1,780,564	1,878,395	2,038,707	2,153,120	2,213,656	2,247,467
Growth	0.4%	1.3%	5.5%	8.5%	5.6%	2.8%	1.5%
						<i>Difference</i>	
					-21,782	-40,002	-34,263
					-1.0%	-1.8%	-1.5%

CFC Medicaid Caseload

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Caseload	1,311,274	1,322,984	1,410,651	1,551,378	1,659,993	1,726,750	1,748,826
Growth	-0.2%	0.9%	6.6%	10.0%	7.0%	4.0%	1.3%
						<i>June</i>	
Caseload	1,311,274	1,322,984	1,410,651	1,551,381	1,638,848	1,682,744	1,705,623
Growth	-0.2%	0.9%	6.6%	10.0%	5.6%	2.7%	1.4%
						<i>Difference</i>	
					-21,145	-44,006	-43,203
					-1.3%	-2.6%	-2.5%

ABD Medicaid Caseload

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate	FY 2012 Forecast	FY 2013 Forecast
						<i>March</i>	
Caseload	446,244	457,580	467,744	487,326	514,909	526,908	532,904
Growth	2.5%	2.5%	2.2%	4.2%	5.7%	2.3%	1.1%
						<i>June</i>	
Caseload	446,244	457,580	467,744	487,329	514,271	530,912	541,844
Growth	2.5%	2.5%	2.2%	4.2%	5.5%	3.2%	2.1%
						<i>Difference</i>	
					-638	4,004	8,940
					-0.1%	0.8%	1.7%