2020 ADvancing States Economic Survey
Survey Summary

• Administered Fall 2020 and will be updated quarterly
• 30 states responded
  – Aging Only Agency: 13 responses
  – Medicaid Only Agency: 2 responses
  – Combined Aging and Medicaid: 11 responses
  – Other: 3 responses
State Budget Shortfalls: FY2020

6. Did your state experience a shortfall during FY2020 for the entire state budget?

** Shortfalls ranged from $500k to $4.5 billion
Agency Budgets: FY2020 vs FY2019

8. What happened to your agency's state appropriations (not Federal funding) during FY2020 compared to FY2019?

- 31% increased by 0-5%
- 17% increased by 5-10%
- 3% increased by 10-20%
- 3% increased by greater than 20%
- 7% decreased by 0-5%
- 3% decreased by 5-10%
- 3% decreased by 10-20%
- 31% remained the same
FY2020: Administrative or Programmatic Changes

9. Did your agency make any administrative or programmatic changes during FY2020 due to reductions in state appropriations?

- 83% No
- 17% Yes
13. Is your state projecting a shortfall during FY2021 for the entire state budget?

- Many estimates are unknown
- Available estimates varied, some examples include:
  - About 10% (UT)
  - 20% (WY)
  - $5 million (WV)
  - $100 million (MO)
  - $1 billion (MI)
  - $3 billion (CO)
  - $54.3 billion (CA)
15. What happened to your agency's state appropriations (not Federal funding) during FY2021 compared to FY2019?

- 39% Remained the same
- 11% Decreased by 0-5%
- 4% Decreased by 5-10%
- 4% Increased by 10-20%
- 25% Increased by 0-5%
- 14% Increased by 5-10%
- 4% Increased by greater than 20%
16. Did your agency already make any administrative or programmatic changes during FY2021 due to reductions in state appropriations?
The Other Shoe Hasn’t Dropped…Yet

FY2020: State Deficits

70% No
30% Yes

FY2021: Projected Deficits

35% No
65% Yes
Takeaways

• States are in very different places in terms of their fiscal health, but the general projections for FY21 are challenging
• Most responding states avoided significant reductions thus far
• Action at the Federal level is critical moving forward:
  – FFCRA (Medicaid FMAP increase) and CARES Act (OAA Appropriations, State/Local relief, workforce and business relief, etc) likely prevented significant programmatic reductions
  – Much of this funding has already expired or will expire at the end of the calendar year
  – With Senate control undecided, size and timing of future relief is uncertain
• The next set of quarterly data will be informative of potential state actions
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