

**REPORT OF CONFERENCE COMMITTEE**

**MR. SPEAKER AND MR. PRESIDENT:**

**We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:**

H.B. No. 1617: Appropriation; Governors Office - Division of Medicaid.

**We, therefore, respectfully submit the following report and recommendation:**

- 1. That the Senate recede from its Amendment No. 1.**
- 2. That the House and Senate adopt the following amendment:**

**Amend by striking all after the enacting clause and inserting in lieu thereof the following:**

7           SECTION 1. The following sum, or so much thereof as may be  
8 necessary, is hereby appropriated out of any money in the State  
9 General Fund not otherwise appropriated, to the Governor's Office  
10 - Division of Medicaid for the purpose of providing medical  
11 assistance under the Mississippi Medicaid Law and defraying the  
12 expenses of the administration of such law, as provided in Section  
13 43-13-101 et seq., Mississippi Code of 1972, for the fiscal year  
14 beginning July 1, 1999, and ending June 30, 2000.....  
15 ..... \$    195,269,945.00.

16           None of the funds appropriated in Sections 1, 2, 3 or 4 shall  
17 be used to fund any capitated rate health care contract nor for  
18 services provided under a capitated rate health care plan outside  
19 of the ten (10) counties where capitated managed care presently  
20 exists.

21           SECTION 2. The following sum, or so much thereof as may be  
22 necessary, is hereby appropriated out of any money in the State  
23 Treasury to the credit of the Medical Care Fund created by Section  
24 43-13-143, Mississippi Code of 1972, for the purpose of providing  
25 medical assistance under the Mississippi Medicaid Law for the  
26 fiscal year beginning July 1, 1999, and ending June 30, 2000.....  
27 ..... \$    236,419,670.00.

28           SECTION 3. The following sum, or so much thereof as may be  
29 necessary, is hereby appropriated out of any money in any special

30 fund in the State Treasury to the credit of the Governor's Office  
31 - Division of Medicaid which is comprised of special source funds  
32 collected by or otherwise available to the commission, for the  
33 purpose of providing medical assistance under the Mississippi  
34 Medicaid Law and defraying the expenses of the administration of  
35 such law, for the fiscal year beginning July 1, 1999, and ending  
36 June 30, 2000..... \$ 1,749,497,875.00.

37 Prior period recovery of funds may be maintained and expended  
38 by the division when the recovery is received or finalized.

39 SECTION 4. The following sum, or so much thereof as may be  
40 necessary, is hereby appropriated out of any money in the State  
41 Treasury to the credit of the Health Care Expendable Fund, created  
42 under House Bill No. 519, 1999 Regular Session, for the purpose of  
43 defraying the expenses of the Governor's Office - Division of  
44 Medicaid for the fiscal year beginning July 1, 1999, and ending  
45 June 30, 2000..... \$ 27,830,000.00.

46 The above funds shall be allocated as follows:

47 CHIP Program at 200% level of poverty.....\$7,500,000.00  
48 Eyeglasses for adults.....\$1,700,000.00  
49 Home and Community Waiver Program.....\$4,795,000.00  
50 Drug purchases up to 150% of the  
51 poverty level.....\$9,500,000.00  
52 Disabled worker buy-in to the Medicaid  
53 program.....\$1,835,000.00  
54 Dental fee increase.....\$2,200,000.00  
55 Miscellaneous.....\$ 300,000.00

56 SECTION 5. Of the funds appropriated under the provisions of  
57 Sections 1, 2, 3 and 4, not more than the amounts set forth below  
58 shall be expended for the respective major objects or purposes of  
59 expenditure:

60 MAJOR OBJECTS OF EXPENDITURE:

61 Personal Services:

62 Salaries, Wages and Fringe Benefits.. \$ 19,213,110.00  
63 Travel and Subsistence..... 605,000.00  
64 Contractual Services..... 56,264,000.00

65 Commodities..... 609,000.00  
66 Capital Outlay:  
67 Other Than Equipment..... 0.00  
68 Equipment..... 3,224,000.00  
69 Subsidies, Loans and Grants..... 2,129,102,380.00  
70 Total..... \$ 2,209,017,490.00

71 FUNDING:

72 General Funds..... \$ 197,769,945.00  
73 Special Funds..... 2,011,247,545.00  
74 Total..... \$ 2,209,017,490.00

75 AUTHORIZED POSITIONS:

76 Permanent: Full Time. . . . . 511  
77 Part Time. . . . . 0  
78 Time-Limited: Full Time. . . . . 0  
79 Part Time. . . . . 0

80 From the funds provided in the budget category "Personal  
81 Services: Salaries, Wages and Fringe Benefits," funds may be  
82 expended for the following purposes, in compliance with the  
83 policies established by the State Personnel Board and any  
84 conditions placed on such expenditures:

85 (a) The components of the Variable Compensation Plan  
86 shall be maintained within the constraints of the funds  
87 appropriated herein.

88 (b) Funds are provided to adjust the Variable  
89 Compensation Plan, including realignment, to ensure that all  
90 full-time employees with at least six (6) months of continuous  
91 current service, as of June 30, 1999, receive an increase of One  
92 Thousand Five Hundred Dollars (\$1,500.00). Funds are provided to  
93 adjust critical job classes up to an additional One Thousand  
94 Dollars (\$1,000.00).

95 (c) If an employee is currently at or above the end  
96 salary for his or her job classification, then the increase shall  
97 be built into the employee's base salary. To be eligible for any  
98 increase authorized in this section, employees may not have a  
99 current performance rating below "meets expectations" as of the

100 effective date of the increase. Employees who subsequently  
101 receive a performance rating of "meets expectations" or above  
102 during Fiscal Year 2000 shall receive the salary increase  
103 effective the date of the rating.

104 It is the agency's responsibility to make certain that funds  
105 required to be appropriated for "Personal Services" for Fiscal  
106 Year 2001 do not exceed Fiscal Year 2000 funds appropriated for  
107 that purpose unless programs or positions are added to the  
108 agency's budget by the Mississippi Legislature.

109 Any transfers or escalations shall be made in accordance with  
110 the terms, conditions and procedures established by law.

111 No general funds authorized to be expended herein shall be  
112 used to replace federal funds and/or other special funds which are  
113 being used for salaries authorized under the provisions of this  
114 act and which are withdrawn and no longer available.

115 It is the intent of the Legislature that the Health-Max  
116 Program be expanded statewide.

117 SECTION 6. In compliance with the "Mississippi Performance  
118 Budget and Strategic Planning Act of 1994," it is the intent of  
119 the Legislature that the funds provided herein shall be utilized  
120 in the most efficient and effective manner possible to achieve the  
121 intended mission of this agency. Based on the funding authorized,  
122 this agency shall make every effort to attain the targeted  
123 performance measures provided below:

	FY00
<u>Performance Measures</u>	<u>Target</u>
Administrative Services	
Administration as a percent of total budget	3.91
Medical Services	
Recipients (persons)	555,000
Recipients in managed care	210,000
Primary care physicians	5,200

132 A reporting of the degree to which the performance targets  
133 set above have been or are being achieved shall be provided in the  
134 agency's budget request submitted to the Joint Legislative Budget

135 Committee for Fiscal Year 2001.

136 SECTION 7. Funds are provided in this act for the  
137 reallocation of the following positions not to exceed Five Hundred  
138 Fifty-three Thousand Eight Hundred Twenty-seven Dollars  
139 (\$553,827.00):

140 24 Office Manager I to Secretary Principal  
141 1 Nurse IV to Division Director I  
142 1 Personnel Officer I to Personnel Officer II  
143 2 Bureau Director I to Bureau Director II  
144 2 Division Director II to Bureau Director II  
145 5 Division Director II to Bureau Director I  
146 3 Division Director II to Bureau Director, Deputy  
147 1 Personnel Director, Mod Agency to Bureau Director I  
148 2 Operations Management Analyst to Division Director I

149 In addition to the reallocation authorized above and the  
150 salary adjustments in Section 5, it is the intention of the  
151 Legislature that the 3 Bureau Director, Deputy shall be increased  
152 an additional fifteen percent (15%) of total salary.

153 SECTION 8. Of the funds provided herein, Eleven Million Four  
154 Hundred Thousand Two Hundred Dollars (\$11,400,200.00) is provided  
155 to match federal funds for the State Child Health Insurance  
156 Program (SCHIP).

157 SECTION 9. None of the funds appropriated herein shall be  
158 expended until the Executive Director of the Division of Medicaid  
159 submits a waiver request to the Federal Health Care Finance  
160 Authority for an Assisted Living Program.

161 SECTION 10. The money herein appropriated shall be paid by  
162 the State Treasurer out of any money in the State Treasury to the  
163 credit of the proper fund or funds as set forth in this act, upon  
164 warrants issued by the State Fiscal Officer; and the State Fiscal  
165 Officer shall issue his warrants upon requisitions signed by the  
166 proper person, officer or officers, in the manner provided by law.

167 SECTION 11. This act shall take effect and be in force from  
168 and after July 1, 1999.  
169

CONFEREES FOR THE HOUSE:

X  
Charlie Capps, Jr.

X  
D. Stephen Holland

X  
Mary Ann Stevens

CONFEREES FOR THE SENATE:

X  
Dick Hall

X  
Jack Gordon

X  
Terry C. Burton