

By: Senator(s) Gordon

To: Appropriations

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3220

1 AN ACT TO AMEND SECTION 5 OF HOUSE BILL NO. 1794, 2002
2 REGULAR SESSION, TO CHANGE THE PROVISION THAT PROHIBITS THE
3 DIVISION OF MEDICAID FROM EXPENDING MORE THAN 25% OF ITS
4 APPROPRIATED FUNDS DURING ANY QUARTER OF FISCAL YEAR 2003 TO A 50%
5 SEMI-ANNUAL LIMITATION ON THE EXPENDITURE OF FUNDS; AND FOR
6 RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** Section 5 of House Bill No. 1794, 2002 Regular
9 Session, is amended as follows:

10 Section 5. Of the funds appropriated under the provisions of
11 Sections 1, 2, 3 and 4, not more than the amounts set forth below
12 shall be expended for the respective major objects or purposes of
13 expenditure:

14 MAJOR OBJECTS OF EXPENDITURE:

15 Personal Services:

16	Salaries, Wages and Fringe Benefits.. \$	21,173,577.00
17	Travel and Subsistence.....	504,406.00
18	Contractual Services.....	64,201,878.00
19	Commodities.....	560,400.00

20 Capital Outlay:

21	Other Than Equipment.....	0.00
22	Equipment.....	720,000.00
23	Subsidies, Loans and Grants.....	<u>2,791,432,447.00</u>
24	Total.....	\$ 2,878,592,708.00

25 FUNDING:

26	General Funds.....	\$ 246,826,757.00
27	Special Funds.....	<u>2,631,765,951.00</u>
28	Total.....	\$ 2,878,592,708.00

29 AUTHORIZED POSITIONS:



30	Permanent:	Full Time.....	615
31		Part Time.....	0
32	Time-Limited:	Full Time.....	1
33		Part Time.....	0

34 Provided, however, that the Department of Finance and
35 Administration shall not transfer and the Governor's Office -
36 Division of Medicaid shall not expend or make obligations for
37 medical services in an amount exceeding fifty percent (50%) of the
38 funds provided under the provisions of this act plus a contingency
39 amount not to exceed twenty percent (20%) of the semi-annual
40 allotment during Fiscal Year 2003. Provided further, that in no
41 event shall the Governor's Office - Division of Medicaid make any
42 obligations for medical services which exceed the total level of
43 funds appropriated in this act, and the Executive Director of the
44 Division of Medicaid shall ensure complete compliance with Section
45 43-13-117, Mississippi Code of 1972, by instituting cost
46 containment measures or by discontinuing authorized Medicaid
47 programs to the extent allowed under federal law.

48 Funds are provided herein to adjust the Variable Compensation
49 Plan to ensure that all full-time employees receive a pay increase
50 equal to fifty percent (50%) of the realignment component of the
51 Variable Compensation Plan or Six Hundred Dollars (\$600.00),
52 whichever is greater, beginning on January 1, 2003.

53 With the funds herein appropriated, it is the intention of
54 the Legislature that it shall be the agency's responsibility to
55 make certain that funds required to be appropriated for "Personal
56 Services" for Fiscal Year 2004 do not exceed Fiscal Year 2003
57 funds appropriated for that purpose, unless programs, positions or
58 pay increases are added to the agency's budget by the Mississippi
59 Legislature. Based on data provided by the Legislative Budget
60 Office, the State Personnel Board shall, on July 1, 2002, publish
61 separate annual projection reports, based on July 1, 2002, data,
62 for the period of July 1, 2002, through December 31, 2002, and



63 January 1, 2003, through June 30, 2003, that project the annual
64 cost to fully fund all appropriated positions in compliance with
65 the provisions of this act. It shall be the responsibility of the
66 agency head to ensure that no single personnel action increases
67 this projected cost and/or the Fiscal Year 2003 appropriation for
68 "Personal Services," as annualized on a semiannual basis in
69 accordance with the provisions of this act. If, at the end of any
70 calendar month, the State Personnel Board determines that the
71 agency has taken action(s) which would cause the agency to exceed
72 this projected annual cost or the Fiscal Year 2003 "Personal
73 Services" appropriated level, when annualized in compliance with
74 the provisions of this act, then only those actions which reduce
75 the projected annual cost and/or the appropriation requirement
76 will be processed by the State Personnel Board until such time as
77 the requirements of this provision are met.

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

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

84 **SECTION 2.** This act shall take effect and be in force from
85 and after July 1, 2002.

