

REPORT OF CONFERENCE COMMITTEE

MR. SPEAKER AND MADAM PRESIDENT:

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

H. B. No. 1563: 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, 2006, and ending June 30, 2007.....
15 \$ 99,475,793.00.

16 **SECTION 2.** The following sum, or so much thereof as may be
17 necessary, is hereby appropriated out of any money in the State
18 Treasury to the credit of the Medical Care Fund created by Section
19 43-13-143, Mississippi Code of 1972, for the purpose of providing
20 medical assistance under the Mississippi Medicaid Law for the
21 fiscal year beginning July 1, 2006, and ending June 30, 2007.....
22 \$ 290,875,942.00.

23 **SECTION 3.** The following sum, or so much thereof as may be
24 necessary, is hereby appropriated out of any money in any special
25 fund in the State Treasury to the credit of the Governor's Office
26 - Division of Medicaid which is comprised of special source funds
27 collected by or otherwise available to the commission, for the

28 purpose of providing medical assistance under the Mississippi
29 Medicaid Law and defraying the expenses of the administration of
30 such law, for the fiscal year beginning July 1, 2006, and ending
31 June 30, 2007..... \$ 3,417,611,321.00.

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

34 **SECTION 4.** The following sum, or so much thereof as may be
35 necessary, is hereby appropriated out of any money in the State
36 Treasury to the credit of the Health Care Expendable Fund, for the
37 purpose of defraying the expenses of the Governor's Office -
38 Division of Medicaid for the fiscal year beginning July 1, 2006,
39 and ending June 30, 2007..... \$ 107,836,907.00.

40 The above funds shall be allocated as follows:

41	CHIP Program at 200% level of poverty...	\$ 4,877,497.00
42	Eyeglasses for adults.....	\$ 1,184,535.00
43	Home and Community Waiver Program.....	\$ 3,341,086.00
44	Disabled worker buy-in to the Medicaid	
45	program.....	\$ 1,278,601.00
46	Dental fee increase.....	\$ 1,532,928.00
47	Miscellaneous.....	\$ 209,036.00
48	Medical Services Program Matching Funds.	\$ 95,413,224.00

49 It is the intention of the Legislature that funds may be
50 shifted among the above allocated line items where needed in the
51 discretion of the Executive Director of the Division of Medicaid.

52 **SECTION 5.** Of the funds appropriated under the provisions of
53 Sections 1, 2, 3 and 4, not more than the amounts set forth below
54 shall be expended for the respective major objects or purposes of
55 expenditure:

56 MAJOR OBJECTS OF EXPENDITURE:

57 Personal Services:

58	Salaries, Wages and Fringe Benefits..	\$ 45,525,327.00
59	Travel and Subsistence.....	1,282,556.00

60	Contractual Services.....	116,809,000.00
61	Commodities.....	2,567,500.00
62	Capital Outlay:	
63	Other Than Equipment.....	0.00
64	Equipment.....	2,714,000.00
65	Subsidies, Loans and Grants.....	<u>3,746,901,580.00</u>
66	Total.....	\$ 3,915,799,963.00

67 FUNDING:

68	General Funds.....	\$ 99,475,793.00
69	Special Funds.....	<u>3,816,324,170.00</u>
70	Total.....	\$ 3,915,799,963.00

71 AUTHORIZED POSITIONS:

72	Permanent: Full Time.....	1,066
73	Part Time.....	0
74	Time-Limited: Full Time.....	0
75	Part Time.....	0

76 Funds are provided herein to adjust the Variable Compensation
77 Plan to ensure that all full-time employees receive a pay increase
78 equal to the realignment component of the Variable Compensation
79 Plan or Fifteen Hundred Dollars (\$1,500.00), whichever is greater,
80 with not more than one-half (1/2) to be awarded on July 1, 2006,
81 with the remainder to be awarded on January 1, 2007.

82 With the funds herein appropriated, it is the intention of
83 the Legislature that it shall be the agency's responsibility to
84 make certain that funds required to be appropriated for "Personal
85 Services" for Fiscal Year 2008 do not exceed Fiscal Year 2007
86 funds appropriated for that purpose, unless programs or positions
87 are added to the agency's Fiscal Year 2008 budget by the
88 Mississippi Legislature. Based on data provided by the
89 Legislative Budget Office, the State Personnel Board shall
90 determine and publish the projected annual cost to fully fund all
91 appropriated positions in compliance with the provisions of this

92 act. It shall be the responsibility of the agency head to insure
93 that no single personnel action increases this projected annual
94 cost and/or the Fiscal Year 2007 appropriation for "Personal
95 Services" when annualized, with the exception of escalated funds.
96 If, at the time the agency takes any action to change "Personal
97 Services," the State Personnel Board determines that the agency
98 has taken an action which would cause the agency to exceed this
99 projected annual cost or the Fiscal Year 2007 "Personal Services"
100 appropriated level, when annualized, then only those actions which
101 reduce the projected annual cost and/or the appropriation
102 requirement will be processed by the State Personnel Board until
103 such time as the requirements of this provision are met.

104 Any transfers or escalations shall be made in accordance with
105 the terms, conditions and procedures established by law or
106 allowable under the terms set forth within this act. The State
107 Personnel Board shall not escalate positions without written
108 approval from the Department of Finance and Administration. The
109 Department of Finance and Administration shall not provide written
110 approval to escalate any funds for salaries and/or positions
111 without proof of availability of new or additional funds above the
112 appropriated level.

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

117 **SECTION 6.** It is the intention of the Legislature that the
118 Governor's Office - Division of Medicaid shall maintain complete
119 accounting and personnel records related to the expenditure of all
120 funds appropriated under this act and that such records shall be
121 in the same format and level of detail as maintained for Fiscal
122 Year 2006. It is further the intention of the Legislature that
123 the agency's budget request for Fiscal Year 2008 shall be

124 submitted to the Joint Legislative Budget Committee in a format
125 and level of detail comparable to the format and level of detail
126 provided during the Fiscal Year 2007 budget request process.

127 **SECTION 7.** In compliance with the "Mississippi Performance
128 Budget and Strategic Planning Act of 1994," it is the intent of
129 the Legislature that the funds provided herein shall be utilized
130 in the most efficient and effective manner possible to achieve the
131 intended mission of this agency. Based on the funding authorized,
132 this agency shall make every effort to attain the targeted
133 performance measures provided below:

134	FY2007
135 <u>Performance Measures</u>	<u>Target</u>
136 Administrative Services	
137 Admin as a Percent of Total Budget (%)	4.26
138 Medical Services	
139 Recipients (Persons)	674,000

140 A reporting of the degree to which the performance targets
141 set above have been or are being achieved shall be provided in the
142 agency's budget request submitted to the Joint Legislative Budget
143 Committee for Fiscal Year 2008.

144 **SECTION 8.** It is the intention of the Legislature that the
145 Executive Director of the Division of Medicaid may authorize
146 increases in any major objects of expenditures in total amounts
147 not to exceed twenty-five percent (25%) of the appropriated amount
148 of each major object of expenditure, provided that other major
149 objects of expenditure are decreased by a corresponding dollar
150 amount. It is further the intention of the Legislature that any
151 transfers made under the provision of this paragraph shall be of
152 an emergency nature and that in no case shall the transfers be
153 made which substantially alter the legislative intent for the
154 various programs as set forth in the original appropriations made
155 under this act. However, no transfers shall be authorized which

156 increase the major object of expenditure "Salaries, Wages and
157 Fringe Benefits."

158 **SECTION 9.** Of the funds appropriated under the provisions of
159 Section 2, Forty-nine Million Four Hundred Thirty-six Thousand
160 Eight Hundred Forty-six Dollars (\$49,436,846.00) shall be derived
161 from the Budget Contingency Fund, as created in Section
162 27-103-301, Mississippi Code of 1972, for the purpose of matching
163 available federal funds.

164 **SECTION 10.** It is the intention of the Legislature that
165 whenever two (2) or more bids are received by this agency for the
166 purchase of commodities or equipment, and whenever all things
167 stated in such received bids are equal with respect to price,
168 quality and service, the Mississippi Industries for the Blind
169 shall be given preference. A similar preference shall be given to
170 the Mississippi Industries for the Blind whenever purchases are
171 made without competitive bids.

172 **SECTION 11.** Of the funds appropriated in Sections 1, 2, 3
173 and 4, an additional amount not less than Two Hundred Fifty
174 Thousand Dollars (\$250,000.00) shall be expended in the Home and
175 Community Based Waiver Program over and above the amount expended
176 in Fiscal Year 2006.

177 **SECTION 12.** In addition to all other sums herein
178 appropriated, Three Million Dollars (\$3,000,000.00), or so much
179 thereof as may be necessary, is hereby appropriated out of any
180 money in the State General Fund not otherwise appropriated, to
181 fund a temporary program to provide nonemergency transportation to
182 locations for necessary dialysis services for end stage renal
183 disease patients who are sixty-five (65) years of age or older or
184 are disabled as determined under Section 1614(a)(3) of the federal
185 Social Security Act, as amended, whose income did not exceed One
186 Hundred Thirty-five percent (135%) of the nonfarm official poverty
187 level as defined by the Office of Management and Budget, and whose

188 resources did not exceed those established by the division as of
189 December 31, 2005, whose eligibility was covered under the former
190 category of eligibility known as PLADs (Poverty Level Aged and
191 Disabled), which shall take effect and be in force from and after
192 passage through June 30, 2007.

193 **SECTION 13.** In the event that funding is available from
194 sources set forth in the above sections, and with the approval of
195 all applicable state and federal agencies, the division may
196 establish a program to provide for physician retention
197 supplemental Medicaid payments for physicians in hospitals located
198 in counties which have been declared a disaster area as a result
199 of Hurricane Katrina. The division may make additional Medicaid
200 reimbursement to physicians who meet all requirements of this
201 physician retention program, as established by the division.

202 **SECTION 14.** The money herein appropriated shall be paid by
203 the State Treasurer out of any money in the State Treasury to the
204 credit of the proper fund or funds as set forth in this act, upon
205 warrants issued by the State Fiscal Officer; and the State Fiscal
206 Officer shall issue his warrants upon requisitions signed by the
207 proper person, officer or officers, in the manner provided by law.

208 **SECTION 15.** This act shall take effect and be in force from
209 and after July 1, 2006, with the exception of Section 12 which
210 shall take effect and be in force from and after its passage.

CONFEREES FOR THE HOUSE

X (SIGNED)
Stringer

X (SIGNED)
Holland

X (SIGNED)
Read

CONFEREES FOR THE SENATE

X (SIGNED)
Gordon

X (SIGNED)
Little

X (SIGNED)
Burton