

By: Representatives White, Sykes

To: Appropriations

HOUSE BILL NO. 801

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,  
2 TO EXTEND THE DATE OF THE REPEALER ON CERTAIN PROVISIONS RELATING  
3 TO THE HEALTH CARE EXPENDABLE FUND; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 43-13-407, Mississippi Code of 1972, is  
6 amended as follows:

7 43-13-407. (1) In accordance with the purposes of this  
8 article, there is established in the State Treasury the Health  
9 Care Expendable Fund, into which shall be transferred from the  
10 Health Care Trust Fund the following sums:

11 (a) In fiscal year 2005, Four Hundred Fifty-six Million  
12 Dollars (\$456,000,000.00);

13 (b) In fiscal year 2006, One Hundred Eighty-six Million  
14 Dollars (\$186,000,000.00);

15 (c) In fiscal year 2007, One Hundred Eighty-six Million  
16 Dollars (\$186,000,000.00);

17 (d) In fiscal year 2008, One Hundred Six Million  
18 Dollars (\$106,000,000.00);



19                   (e) In fiscal year 2009, Ninety-two Million Two Hundred  
20 Fifty Thousand Dollars (\$92,250,000.00);

21                   (f) In the fiscal year beginning after the calendar  
22 year in which none of the amount of the annual tobacco settlement  
23 installment payment will be deposited into the Health Care  
24 Expendable Fund as provided in subsection (3) (d) of this section,  
25 and in each fiscal year thereafter, a sum equal to the average  
26 annual amount of the dividends, interest and other income,  
27 including increases in value of the principal, earned on the funds  
28 in the Health Care Trust Fund during the preceding four (4) fiscal  
29 years.

30                   (2) In any fiscal year in which interest, dividends and  
31 other income from the investment of the funds in the Health Care  
32 Trust Fund are not sufficient to fund the full amount of the  
33 annual transfer into the Health Care Expendable Fund as required  
34 in subsection (1) (f) of this section, the State Treasurer shall  
35 transfer from tobacco settlement installment payments an amount  
36 that is sufficient to fully fund the amount of the annual  
37 transfer.

38                   (3) Beginning with calendar year 2009, at the time that the  
39 State of Mississippi receives the tobacco settlement installment  
40 payment for each calendar year, the State Treasurer shall deposit  
41 the following amounts of each of those installment payments into  
42 the Health Care Expendable Fund:



(a) In calendar years 2009 and 2010, the total amount of the installment payment;

(b) In calendar year 2011, the amount of the installment payment less Ten Million Dollars (\$10,000,000.00);

(c) In calendar years 2012, 2013 and 2014, the total amount of the installment payment;

(d) In calendar year 2015, and each calendar year thereafter, the total amount of the installment payment.

(4) (a) In addition to any other sums required to be transferred from the Health Care Trust Fund to the Health Care Expendable Fund, the sum of One Hundred Twelve Million Dollars (\$112,000,000.00) shall be transferred from the Health Care Trust Fund to the Health Care Expendable Fund in fiscal year 2011.

(b) In addition to any other sums required to be transferred from the Health Care Trust Fund to the Health Care Expendable Fund, the sum of Fifty-six Million Two Hundred Sixty-three Thousand Four Hundred Thirty-eight Dollars (\$56,263,438.00) shall be transferred from the Health Care Trust Fund to the Health Care Expendable Fund during fiscal year 2012.

(c) In addition to any other sums required to be transferred from the Health Care Trust Fund to the Health Care Expendable Fund, the sum of Ninety-seven Million Four Hundred Fifty Thousand Three Hundred Thirty-two Dollars (\$97,450,332.00) shall be transferred from the Health Care Trust Fund to the Health Care Expendable Fund during fiscal year 2013.



68           (d) In addition to any other sums required to be  
69 transferred from the Health Care Trust Fund to the Health Care  
70 Expendable Fund, the sum of Twenty-three Million One Hundred  
71 Thousand Dollars (\$23,100,000.00) shall be transferred from the  
72 Health Care Trust Fund to the Health Care Expendable Fund during  
73 fiscal year 2014.

74           (e) The State Fiscal Officer shall transfer the entire  
75 balance in the Health Care Trust Fund to the Health Care  
76 Expendable Fund during fiscal year 2015.

77           (5) If Medicaid expenditures are projected to exceed the  
78 amount of funds appropriated to the Division of Medicaid in any  
79 fiscal year in excess of the expenditure reductions to providers,  
80 funds shall be transferred by the State Fiscal Officer from the  
81 Health Care Trust Fund into the Health Care Expendable Fund and  
82 then to the Governor's Office, Division of Medicaid, in the amount  
83 and at such time as requested by the Governor to reconcile the  
84 deficit.

85           (6) All income from the investment of the funds in the  
86 Health Care Expendable Fund shall be credited to the account of  
87 the Health Care Expendable Fund. Any funds in the Health Care  
88 Expendable Fund at the end of a fiscal year shall not lapse into  
89 the State General Fund. Any funds appropriated from the Health  
90 Care Expendable Fund that are unexpended at the end of a fiscal  
91 year shall lapse into the Health Care Expendable Fund.



92           (7) The funds in the Health Care Expendable Fund shall be  
93 available for expenditure under specific appropriation by the  
94 Legislature beginning in fiscal year 2000, and shall be expended  
95 exclusively for health care purposes.

96           (8) The provisions of subsection (1) of this section may not  
97 be changed in any manner except upon amendment to that subsection  
98 by a bill enacted by the Legislature with a vote of not less than  
99 three-fifths (3/5) of the members of each house present and  
100 voting.

101           (9) If the State Treasurer, in consultation with the  
102 Executive Director of the Department of Finance and  
103 Administration, determines that there is a need to borrow funds to  
104 offset any temporary cash-flow deficiencies in the Health Care  
105 Expendable Fund created in this section, the Treasurer may borrow  
106 those funds from any state-source special funds in the State  
107 Treasury in amounts that can be repaid from the Health Care  
108 Expendable Fund during the fiscal year in which the funds are  
109 borrowed. The State Treasurer shall immediately notify the  
110 Legislative Budget Office and the Department of Finance and  
111 Administration of each transfer into and out of the Health Care  
112 Expendable Fund.

113           (10) No later than September 30, 2011, the State Treasurer  
114 shall transfer from the Health Care Expendable Fund to the Health  
115 Care Trust Fund an amount equivalent to the unencumbered ending  
116 cash balance of the Health Care Expendable Fund as of June 30,



117 2011, less Three Million Eight Hundred Forty Thousand Dollars  
118 (\$3,840,000.00).

119 (11) Subsections (1), (2), (3), (5), (6) and (7) of this  
120 section shall stand repealed on July 1, \* \* \* 2022.

121 **SECTION 2.** This act shall take effect and be in force from  
122 and after July 1, 2019.

