

By: Senator(s) White (5th)

To: Public Health and Welfare; Appropriations

SENATE BILL NO. 2450

1 AN ACT TO AMEND SECTIONS 43-13-407 AND 43-13-405, MISSISSIPPI
2 CODE OF 1972, TO DIRECT THE STATE TREASURER TO TRANSFER \$3 MILLION
3 OF THE 2002 TOBACCO SETTLEMENT INSTALLMENT PAYMENT, AND ANNUALLY
4 THEREAFTER, INTO THE HEALTH CARE EXPENDABLE FUND TO BE
5 APPROPRIATED FOR THE MISSISSIPPI MEDICAID ASSISTANCE PROGRAM TO
6 PROVIDE CARE EXCLUSIVELY TO PATIENTS WITH ALZHEIMER'S DISEASE; AND
7 FOR RELATED PURPOSES.

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

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

11 43-13-407. (1) In accordance with the purposes of this
12 article, there is established in the State Treasury the Health
13 Care Expendable Fund, into which shall be transferred from the
14 Health Care Trust Fund the following sums:

15 (a) In fiscal year 2000, Fifty Million Dollars
16 (\$50,000,000.00);

17 (b) In fiscal year 2001, Fifty-five Million Dollars
18 (\$55,000,000.00);

19 (c) In fiscal year 2002, Sixty Million Five Hundred
20 Thousand Dollars (\$60,500,000.00);

21 (d) In fiscal year 2003, Sixty-six Million Five Hundred
22 Fifty Thousand Dollars (\$66,550,000.00);

23 (e) In fiscal year 2004 and each subsequent fiscal
24 year, a sum equal to the average annual amount of the income from
25 the investment of the funds in the Health Care Trust Fund since
26 July 1, 1999.

27 (2) In any fiscal year in which interest and dividends from
28 the investment of the funds in the Health Care Trust Fund are not
29 sufficient to fund the full amount of the annual transfer into the



30 Health Care Expendable Fund as required in subsection (1) of this
31 section, the State Treasurer shall transfer from tobacco
32 settlement installment payments an amount that is sufficient to
33 fully fund the amount of the annual transfer.

34 (3) The State Treasurer shall transfer Three Million Dollars
35 (\$3,000,000.00) of the 2002 tobacco settlement installment
36 payment, and from subsequent annual installment payments, into the
37 Health Care Expendable Fund, and said monies shall be appropriated
38 by the Legislature to the Medicaid assistance program to provide
39 care exclusively to patients with Alzheimer's disease. Said funds
40 shall be utilized to fund Alzheimer's patient care in at least one
41 (1) nursing home in each of the three (3) Mississippi Supreme
42 Court districts, to be designated by the State Department of
43 Health, at a rate of Thirty Thousand Dollars (\$30,000.00) annually
44 per bed.

45 (4) All income from the investment of the funds in the
46 Health Care Expendable Fund shall be credited to the account of
47 the Health Care Expendable Fund. Any funds in the Health Care
48 Expendable Fund at the end of a fiscal year shall not lapse into
49 the State General Fund.

50 (5) The funds in the Health Care Expendable Fund shall be
51 available for expenditure pursuant to specific appropriation by
52 the Legislature beginning in fiscal year 2000, and shall be
53 expended exclusively for health care purposes.

54 **SECTION 2.** Section 43-13-405, Mississippi Code of 1972, is
55 amended as follows:

56 43-13-405. (1) In accordance with the purposes of this
57 article, there is established in the State Treasury the Health
58 Care Trust Fund, into which shall be deposited Two Hundred Eighty
59 Million Dollars (\$280,000,000.00) of the funds received by the
60 State of Mississippi as a result of the tobacco settlement as of
61 the end of fiscal year 1999, and all tobacco settlement
62 installment payments made in subsequent years for which the use or



63 purpose for expenditure is not restricted by the terms of the
64 settlement, except as otherwise provided in Sections 43-13-407(2)
65 and 43-13-407(3). All income from the investment of the funds in
66 the Health Care Trust Fund shall be credited to the account of the
67 Health Care Trust Fund. The funds in the Health Care Trust Fund
68 at the end of a fiscal year shall not lapse into the State General
69 Fund.

70 (2) The Health Care Trust Fund shall remain inviolate and
71 shall never be expended, except as provided in this article. The
72 Legislature shall appropriate from the Health Care Trust Fund such
73 sums as are necessary to recoup any funds lost as a result of any
74 of the following actions:

75 (a) The federal Health Care Finance Administration, or
76 other agency of the federal government, is successful in recouping
77 tobacco settlement funds from the State of Mississippi;

78 (b) The federal share of funds for the support of the
79 Mississippi Medicaid Program is reduced directly or indirectly as
80 a result of the tobacco settlement;

81 (c) Federal funding for any other program is reduced as
82 a result of the tobacco settlement; or

83 (d) Tobacco cessation programs are mandated by the
84 federal government or court order.

85 **SECTION 3.** This act shall take effect and be in force from
86 and after its passage.

