

**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. 1734: Appropriation; Governor's 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, 2004, and ending June 30, 2005 .....  
15 ..... \$     247,025,158.00.

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, 2004, and ending June 30, 2005.....  
22 ..... \$     280,014,150.00.

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, 2004, and ending  
31 June 30, 2005..... \$ 3,191,184,287.00.

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, 2004,  
39 and ending June 30, 2005 ..... \$ 167,273,753.00.

40 The above funds shall be allocated as follows:

41	CHIP Program at 200% level of poverty...	\$ 6,214,717.00
42	Eyeglasses for adults.....	\$ 1,509,288.00
43	Home and Community Waiver Program.....	\$ 4,257,081.00
44	Disabled worker buy-in to the Medicaid	
45	program.....	\$ 1,629,144.00
46	Dental fee increase.....	\$ 1,953,197.00
47	Miscellaneous.....	\$ 266,345.00
48	Medical Services Program Matching Funds.	\$151,443,981.00

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 ..	\$ 44,946,529.00
59	Travel and Subsistence.....	1,118,135.00

60	Contractual Services .....	108,668,695.00
61	Commodities .....	2,140,626.00
62	Capital Outlay:	
63	Other Than Equipment .....	0.00
64	Equipment .....	2,112,000.00
65	Subsidies, Loans and Grants.....	<u>3,726,511,363.00</u>
66	Total.....	\$ 3,885,497,348.00
67	FUNDING:	
68	General Funds .....	\$ 247,025,158.00
69	Special Funds .....	<u>3,638,472,190.00</u>
70	Total.....	\$ 3,885,497,348.00

71 AUTHORIZED POSITIONS:

72	Permanent: Full Time .....	915
73	Part Time .....	0
74	Time-Limited: Full Time .....	69
75	Part Time .....	0

76 With the funds herein appropriated, it is the intention of  
77 the Legislature that it shall be the agency's responsibility to  
78 make certain that funds required to be appropriated for "Personal  
79 Services" for Fiscal Year 2006 do not exceed Fiscal Year 2005  
80 funds appropriated for that purpose, unless programs or positions  
81 are added to the agency's Fiscal Year 2006 budget by the  
82 Mississippi Legislature. Based on data provided by the  
83 Legislative Budget Office, the State Personnel Board shall  
84 determine and publish the projected annual cost to fully fund all  
85 appropriated positions in compliance with the provisions of this  
86 act. It shall be the responsibility of the agency head to insure  
87 that no single personnel action increases this projected annual  
88 cost and/or the Fiscal Year 2005 appropriation for "Personal  
89 Services" when annualized, with the exception of escalated funds.  
90 If, at the time the agency takes any action to change "Personal  
91 Services," the State Personnel Board determines that the agency

92 has taken an action which would cause the agency to exceed this  
93 projected annual cost or the Fiscal Year 2005 "Personal Services"  
94 appropriated level, when annualized, then only those actions which  
95 reduce the projected annual cost and/or the appropriation  
96 requirement will be processed by the State Personnel Board until  
97 such time as the requirements of this provision are met.

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

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

111 **SECTION 6.** It is the intention of the Legislature that the  
112 Governor's Office - Division of Medicaid shall maintain complete  
113 accounting and personnel records related to the expenditure of all  
114 funds appropriated under this act and that such records shall be  
115 in the same format and level of detail as maintained for Fiscal  
116 Year 2004. It is further the intention of the Legislature that  
117 the agency's budget request for Fiscal Year 2006 shall be  
118 submitted to the Joint Legislative Budget Committee in a format  
119 and level of detail comparable to the format and level of detail  
120 provided during the Fiscal Year 2005 budget request process.

121 **SECTION 7.** In compliance with the "Mississippi Performance  
122 Budget and Strategic Planning Act of 1994," it is the intent of  
123 the Legislature that the funds provided herein shall be utilized

124 in the most efficient and effective manner possible to achieve the  
125 intended mission of this agency. Based on the funding authorized,  
126 this agency shall make every effort to attain the targeted  
127 performance measures provided below:

	FY2005
<u>Performance Measures</u>	<u>Target</u>
Administrative Services	
Admin as a Percent of Total Budget (%)	3.5
Medical Services	
Recipients (Persons)	695,000
Recipients in Managed Care (Persons)	0
Primary Care Physicians (Persons)	8,400

136 A reporting of the degree to which the performance targets  
137 set above have been or are being achieved shall be provided in the  
138 agency's budget request submitted to the Joint Legislative Budget  
139 Committee for Fiscal Year 2006.

140 **SECTION 8.** It is the intention of the Legislature that the  
141 Executive Director of the Division of Medicaid may authorize  
142 increases in any major objects of expenditures in total amounts  
143 not to exceed twenty-five percent (25%) of the appropriated amount  
144 of each major object of expenditure, provided that other major  
145 objects of expenditure are decreased by a corresponding dollar  
146 amount.

147 **SECTION 9.** Of the funds appropriated under the provisions of  
148 Section 3, Five Million Dollars (\$5,000,000.00) shall be derived  
149 from the Budget Contingency Fund created in Section 27-103-301,  
150 Mississippi Code of 1972.

151 **SECTION 10.** It is the intention of the Legislature that an  
152 amount not to exceed Fifty Thousand Dollars (\$50,000.00)  
153 appropriated in this act may be used to realign existing  
154 positions.

155           **SECTION 11.** The money herein appropriated shall be paid by  
156 the State Treasurer out of any money in the State Treasury to the  
157 credit of the proper fund or funds as set forth in this act, upon  
158 warrants issued by the State Fiscal Officer; and the State Fiscal  
159 Officer shall issue his warrants upon requisitions signed by the  
160 proper person, officer or officers, in the manner provided by law.

161           **SECTION 12.** This act shall take effect and be in force from  
162 and after July 1, 2004.

CONFEREES FOR THE HOUSE

X (SIGNED)  
Johnny W. Stringer

X (SIGNED)  
D. Stephen Holland

X (SIGNED)  
Leonard Morris

CONFEREES FOR THE SENATE

X (SIGNED)  
Jack Gordon

X (SIGNED)  
Travis L. Little

X (SIGNED)  
Terry C. Burton