

IN THE SENATE

SENATE BILL NO. 1190

BY FINANCE COMMITTEE

AN ACT

1 APPROPRIATING MONEYS TO THE DEPARTMENT OF HEALTH AND WELFARE FOR THE MEDICAL
2 ASSISTANCE SERVICES DIVISION FOR FISCAL YEAR 2014; LIMITING THE NUMBER
3 OF AUTHORIZED FULL-TIME EQUIVALENT POSITIONS; PROVIDING FOR GENERAL
4 FUND TRANSFERS TO THE COOPERATIVE WELFARE FUND; DIRECTING EXPENDITURES
5 FOR TRUSTEE AND BENEFIT PAYMENTS; PROVIDING LEGISLATIVE INTENT FOR
6 PROGRAM INTEGRITY; REQUIRING MONTHLY MEDICAID TRACKING REPORTS; PRO-
7 VIDING FOR TRANSFERS IN ADDITION TO TEN PERCENT FOR MEDICAL ASSISTANCE
8 SERVICES FOR THE COORDINATED, ENHANCED, AND BASIC MEDICAID PLANS, AND
9 THE MEDICAID ADMINISTRATION AND MEDICAL MANAGEMENT PROGRAM; CLARIFY-
10 ING FUNDING FOR MEDICAID READINESS; PROVIDING LEGISLATIVE INTENT FOR
11 MEDICAL ASSISTANCE SERVICES FOR REPORTING THE IMPLEMENTATION OF HOUSE
12 BILL NO. 260, AS ENACTED BY THE FIRST REGULAR SESSION OF THE SIXTY-FIRST
13 IDAHO LEGISLATURE; REQUIRING QUARTERLY REPORTS ON MEDICAID MANAGED
14 CARE IMPLEMENTATION; AND PROVIDING GUIDANCE FOR EMPLOYEE COMPENSATION.
15

16 Be It Enacted by the Legislature of the State of Idaho:

17 SECTION 1. There is hereby appropriated to the Department of Health and
18 Welfare, the following amounts to be expended according to the designated
19 programs and expense classes, from the listed funds for the period July 1,
20 2013, through June 30, 2014:

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	FOR TRUSTEE AND BENEFIT PAYMENTS	TOTAL
25 I. MEDICAID ADMINISTRATION AND MEDICAL MGMT:				
26 FROM:				
27 Cooperative Welfare (General)				
28 Fund	\$5,341,300	\$7,514,000	\$469,200	\$13,324,500
29 Idaho Health Insurance Access Card				
30 Fund		152,000		152,000
31 Cooperative Welfare (Dedicated)				
32 Fund	10,600	9,083,800		9,094,400
33 Cooperative Welfare (Federal)				
34 Fund	<u>9,373,800</u>	<u>43,561,400</u>	<u>1,638,600</u>	<u>54,573,800</u>
35 TOTAL	\$14,725,700	\$60,311,200	\$2,107,800	\$77,144,700

	FOR	FOR	FOR	
	PERSONNEL	OPERATING	TRUSTEE AND	
	COSTS	EXPENDITURES	BENEFIT	TOTAL
			PAYMENTS	
1				
2				
3				
4				
5	II. COORDINATED MEDICAID PLAN:			
6	FROM:			
7	Cooperative Welfare (General)			
8	Fund		\$81,517,000	\$81,517,000
9	Hospital Assessment			
10	Fund		15,135,300	15,135,300
11	Cooperative Welfare (Dedicated)			
12	Fund		213,400	213,400
13	Cooperative Welfare (Federal)			
14	Fund		<u>226,667,800</u>	<u>226,667,800</u>
15	TOTAL		\$323,533,500	\$323,533,500
16	III. ENHANCED MEDICAID PLAN:			
17	FROM:			
18	Cooperative Welfare (General)			
19	Fund		\$284,491,300	\$284,491,300
20	Idaho Health Insurance Access Card			
21	Fund		1,524,200	1,524,200
22	Hospital Assessment			
23	Fund		4,406,400	4,406,400
24	Cooperative Welfare (Dedicated)			
25	Fund		157,252,700	157,252,700
26	Cooperative Welfare (Federal)			
27	Fund		<u>652,650,100</u>	<u>652,650,100</u>
28	TOTAL		\$1,100,324,700	\$1,100,324,700
29	IV. BASIC MEDICAID PLAN:			
30	FROM:			
31	Cooperative Welfare (General)			
32	Fund		\$98,136,400	\$98,136,400
33	Idaho Health Insurance Access Card			
34	Fund		2,166,100	2,166,100
35	Hospital Assessment			
36	Fund		10,458,300	10,458,300
37	Cooperative Welfare (Dedicated)			
38	Fund		1,833,900	1,833,900

			FOR	
	FOR	FOR	TRUSTEE AND	
	PERSONNEL	OPERATING	BENEFIT	
	COSTS	EXPENDITURES	PAYMENTS	TOTAL
5	Cooperative Welfare (Federal)			
6	Fund		<u>410,584,900</u>	<u>410,584,900</u>
7	TOTAL		\$523,179,600	\$523,179,600
8	GRAND TOTAL	\$14,725,700	\$60,311,200	\$1,949,145,600
			\$2,024,182,500	

9 SECTION 2. FTP AUTHORIZATION. In accordance with Section 67-3519,
10 Idaho Code, the Department of Health and Welfare is authorized no more than
11 two hundred five and forty-nine hundredths (205.49) full-time equivalent
12 positions for the Medical Assistance Services Division at any point during
13 the period July 1, 2013, through June 30, 2014, unless specifically autho-
14 rized by the Governor. The Joint Finance-Appropriations Committee will be
15 notified promptly of any increased positions so authorized.

16 SECTION 3. GENERAL FUND TRANSFERS. As appropriated, the State Con-
17 troller shall make transfers from the General Fund to the Cooperative
18 Welfare Fund, periodically, as requested by the director of the Department
19 of Health and Welfare and approved by the Board of Examiners.

20 SECTION 4. TRUSTEE AND BENEFIT PAYMENTS. Notwithstanding the pro-
21 visions of Section 67-3511, Idaho Code, funds budgeted in the trustee and
22 benefit payments expenditure class shall not be transferred to any other
23 expense classes during fiscal year 2014.

24 SECTION 5. PROGRAM INTEGRITY. Notwithstanding any other provisions of
25 law, it is hereby declared to be the intent of the Legislature that the De-
26 partment of Health and Welfare shall be required to provide those services
27 authorized or mandated by law in each program, only to the extent of funding
28 and available resources appropriated for each budgeted program.

29 SECTION 6. MEDICAID TRACKING REPORT. The Department of Health and Wel-
30 fare, Medical Assistance Services Division and Indirect Support Services
31 Division, shall deliver on a monthly basis to the Legislative Services Of-
32 fice and the Division of Financial Management a report that compares the
33 Medicaid budget as appropriated, distributed by month for the year, to ac-
34 tual expenditures and remaining forecasted expenditures for the year. The
35 report shall also include a forecast, updated monthly, of the next fiscal
36 year's anticipated trustee and benefit expenditures. The format of the
37 report, and the information included therein, shall be determined by the
38 Legislative Services Office and the Division of Financial Management.

39 SECTION 7. TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions
40 of Section 67-3511, Idaho Code, funding provided for the trustee and bene-
41 fit payments expenditure class in the Medical Assistance Services Division

1 may be transferred in excess of ten percent (10%) among the Coordinated Med-
2 icaid Plan, Enhanced Medicaid Plan, Basic Medicaid Plan, and Medicaid Ad-
3 ministration and Medical Management Program, but shall not be transferred to
4 any other budgeted programs or expenditure classes within the Department of
5 Health and Welfare during fiscal year 2014.

6 SECTION 8. MEDICAID READINESS. It is the intent of the Legislature that
7 funding provided for the Medicaid Readiness project in fiscal year 2014 sup-
8 port only the "mandatory" changes to the Medicaid program that are required
9 by the Affordable Care Act. Funding for the Medicaid Readiness project
10 should not be construed as acceptance nor rejection of the "optional" ex-
11 pansion of the Medicaid program as identified in the June 28, 2012 Supreme
12 Court Ruling in the case of National Federation of Independent Business v.
13 Sebelius, Secretary of Health and Human Services.

14 SECTION 9. REPORTING ON IMPLEMENTATION OF HOUSE BILL NO. 260 OF 2011.
15 The Medical Assistance Services Division shall report on a quarterly basis
16 the status of the implementation of House Bill No. 260, as enacted by the
17 First Regular Session of the Sixty-first Idaho Legislature, to the Legisla-
18 tive Services Office and the Division of Financial Management. The report
19 shall, at a minimum, include benefit modification implementation updates on
20 both long-term and short-term changes, and actual cost savings realized as a
21 result of those changes compared to estimated savings for each modification.
22 The format of the report, and information contained therein, shall be deter-
23 mined by the Legislative Services Office and the Division of Financial Man-
24 agement.

25 SECTION 10. MEDICAID MANAGED CARE IMPLEMENTATION. The Division of Med-
26 ical Assistance Services shall provide quarterly reports to the Division of
27 Financial Management and the Legislative Services Office on progress in in-
28 tegrating managed care approaches into the state Medicaid system. The for-
29 mat of the report, and information contained therein, shall be determined by
30 the Legislative Services Office and the Division of Financial Management.

31 SECTION 11. EMPLOYEE COMPENSATION. The Legislature finds that invest-
32 ing in state employee compensation should remain a high priority even in
33 tough economic times, and therefore strongly encourages agency directors,
34 institution executives and the Division of Financial Management to approve
35 the use of salary savings to provide either one-time or ongoing merit in-
36 creases for deserving employees, and also target employees who are below
37 policy compensation. Such salary savings could result from turnover and
38 attrition, or be the result of innovation and reorganization efforts that
39 create savings. Such savings should be reinvested in employees. Agencies
40 are cautioned to use one-time funding for one-time payments and ongoing
41 funding for permanent pay increases.