

FY 2011-12 SUPPLEMENTAL APPROPRIATIONS
Summary: As Passed by the House
House Bill 5014 (H-1)



Director: Mary Ann Cleary
Deputy Director: Kyle I. Jen

	Executive*		House		Senate	
Budget Area	Gross	GF/GP	Gross	GF/GP	Gross	GF/GP
Community Health	\$320,446,100	\$168,691,100	\$320,446,100	\$168,691,100		
Human Services	0	0	0	0		
TOTAL	\$320,446,100	\$168,691,100	\$320,446,100	\$168,691,100		

*Reflects State Budget Office supplemental requests 2012-1 and 2012-2.

OVERVIEW

In letters dated September 13 and October 6, the State Budget Office requested FY 2011-12 supplemental appropriations totaling \$320.4 million Gross and \$168.7 million GF/GP. See item 2 below for an explanation of the bulk of the increase in GF/GP appropriations and associated revenue. Additionally, \$615,000 would be unappropriated and reappropriated in the Human Services budget to allow certain adjustments to be made to boilerplate provisions in that budget.

House Bill 5014 (H-1) reflects the SBO requests in their entirety, with a technical modification in the Human Services section, and includes an additional boilerplate repealer in the Legislature budget.

FY 2011-12 Appropriation Items:

COMMUNITY HEALTH

1. Electronic Health Record Incentive Program

Creates a new appropriation line within the Medical Services Administration unit entitled Electronic Health Record Incentive Program. The appropriated amount of \$119.4 million Gross (\$1.4 million GF/GP) will fund the first full-year of the State's electronic health record (EHR) incentive program. A supplemental appropriation of \$82.1 million Gross (\$1.5 million GF/GP) was made for this purpose in the FY 2010-11 budget. The Department of Community Health will provide incentive payments to eligible professionals, eligible hospitals and critical access hospitals as they adopt, implement, upgrade or demonstrate meaningful use of certified EHR technology. An EHR is an electronic record of patient health information generated by one or more encounters in any care delivery setting. The EHR incentive program is expected to be active for the next 10 years. (SBO request 2012-1)

	<u>Executive</u>	<u>House</u>	<u>Senate</u>
Gross	\$119,388,800	\$119,388,800	
Federal	117,989,900	117,989,900	
GF/GP	\$1,398,900	\$1,398,900	

2. Use Tax On Medicaid Managed Care

Corrects the FY 2011-12 budget authorization included in PA 63 of 2011 for the Department of Community Health relating to subsequent passage of the health insurance claims assessment (HICA) bills, PA 141 and PA 142 of 2011, which will replace the existing Use Tax. Rather than four quarters of HICA revenue authorization as originally appropriated, this adjustment acknowledges an extension of two quarters of Use Tax revenue authorization and the removal of one quarter of HICA revenue authorization. The Use Tax generates additional General Fund revenue which is not currently appropriated within the Department of Community Health budget. (SBO request 2012-2)

Gross	\$201,057,300	\$201,057,300
Federal	132,979,300	132,979,300
Restricted	(99,214,200)	(99,214,200)
GF/GP	\$167,292,200	\$167,292,200

FY 2011-12 Appropriation Items:**Executive****House****Senate****HUMAN SERVICES****3. Foster Care Payments**

Shifts \$615,000 from foster care payments line item into a new line also named foster care payments. New foster care payments line item can be used to provide reimbursement to Indian tribal governments for foster care expenditures as required by boilerplate included in this supplemental. Boilerplate section was inadvertently removed from the FY 2011-12 Executive budget recommendation and the Legislature concurred with the Executive. Original SBO requested the shift to the Child Care Fund, but SBO has since requested the funding shift to the foster care payments line. (SBO request 2012-1)

	Gross	\$0	\$0
Federal		0	0
GF/GP		\$0	\$0

FY 2011-12 Boilerplate Items:**Executive****House****Senate****HUMAN SERVICES****1. Indian Tribal Government Foster Care Reimbursement**

Requires reimbursement to Indian Tribal governments for 50% of foster care expenditures not otherwise eligible for federal funding. (SBO request 2012-1)

Included	Sec. 301
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2. Repealer - Ten-Day Burial Billing Requirement

Repeals section 614 from Article X of Public Act 63 of 2011 (House Bill 4526). Section allows providers of indigent burial services to bill DHS for reimbursement for up to ten business days after the service. If not repealed, section would require DHS to continue both the old indigent burial program and the new indigent burial program. Legislative intent was to eliminate old indigent burial program. (SBO request 2012-1)

Included	Enacting Sec. 1
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LEGISLATURE**3. Repealer - National Association Dues**

Repeals section 603 from Article VIII of Public Act 63 of 2011 (House Bill 4526). Section specifies that the appropriation for National Association Dues is to be distributed by the Legislative Council and, if funding is available, \$51,000 shall be paid to the National Conference of Commissioners on Uniform State Laws.

Not Included	Enacting Sec. 1
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