

Recommendation: Add a budget program in the Medicaid budget entitled “Medicaid Non-service Expenses” and move costs from non-service categories to this budget program.

I move to change the existing Other Optional Services and Pharmacy budgetary programs within the Medicaid Optional Services line item to become three programs: (1) Other Optional Services, (2) Pharmacy, and (3) Non-service Expenses. These changes are shown below. This change will take effect for FY 2011 and the Department of Health will submit their budget under this new structure for the next General Session. I also authorize staff to make technical adjustments to reflect further committee action that changes the money allocated to these programs.

	<u>Currently:</u>		<u>New Programs:</u>	
Program:		Other Optional Services		Other Optional Services
General Fund	\$	11,101,000	General Fund	\$ 4,455,800
Federal Funds	\$	104,780,800	Federal Funds	\$ 22,059,200
Dedicated Credits Revenue	\$	4,017,600	Dedicated Credits Revenue	\$ 4,017,600
GFR - Nursing Care Facilities Account	\$	200,000	GFR - Nursing Care Facilities Account	\$ 200,000
Transfers	\$	904,500	Transfers	\$ 904,500
Transfers - Human Services	\$	1,019,500	Transfers - Human Services	\$ 1,019,500
Transfers - Intergovernmental	\$	26,388,800	Transfers - Intergovernmental	\$ 26,388,800
Transfers - Within Agency	\$	436,300	Transfers - Within Agency	\$ 436,300
Transfers - Workforce Services	\$	8,400	Transfers - Workforce Services	\$ 8,400
Total	\$	148,856,900	Total	\$ 59,490,100
Program:		Pharmacy		Pharmacy
General Fund	\$	44,469,100	General Fund	\$ 20,358,000
Federal Funds	\$	64,538,700	Federal Funds	\$ 64,538,700
Dedicated Credits Revenue	\$	60,996,800	Dedicated Credits Revenue	\$ 60,996,800
Total	\$	170,004,600	Total	\$ 145,893,500
			Non-service Expenses	
			General Fund	\$ 30,756,300
			Federal Funds	\$ 82,721,600
			Total	\$ 113,477,900
Total Both Programs	\$	318,861,500	Total Both Programs	\$ 318,861,500