

1st Sub. H.B. 417

FEDERAL GRANTS MANAGEMENT AMENDMENTS

HOUSE FLOOR AMENDMENTS

AMENDMENT 2

MARCH 2, 2018 9:51 AM

Representative **Francis D. Gibson** proposes the following amendments:

1. *Page 1, Lines 17 through 19:*

17 procedures under the Federal Funds Procedures Act; and
18 {→ amends provisions related to the Medicaid Growth Reduction and Stabilization
19 Account; and }

2. *Page 2, Line 29:*

29 {~~63J-1-315, as last amended by Laws of Utah 2016, Chapter 183~~}

3. *Page 6, Line 159 through Page 9, Line 252:*

159 {~~Section 3. Section 63J-1-315 is amended to read:~~
160 ~~63J-1-315. Medicaid Growth Reduction and Budget Stabilization Account--~~
161 ~~Transfers of Medicaid growth savings-- Base budget adjustments.~~
162 ~~(1) As used in this section:~~
163 ~~(a) "Department" means the Department of Health created in Section 26-1-4.~~
164 ~~(b) "Division" means the Division of Health Care Financing created within the~~
165 ~~department under Section 26-18-2.1.~~
166 ~~(c) "General Fund revenue surplus" means a situation where actual General Fund~~
167 ~~revenues collected in a completed fiscal year exceed the estimated revenues for the General~~
168 ~~Fund for that fiscal year that were adopted by the Executive Appropriations Committee of the~~
169 ~~Legislature.~~
170 ~~(d) "Medicaid growth savings" means the Medicaid growth target minus Medicaid~~
171 ~~program expenditures, if Medicaid program expenditures are less than the Medicaid growth~~
172 ~~target.~~
173 ~~(e) "Medicaid growth target" means Medicaid program expenditures for the previous~~
174 ~~year multiplied by 1.08.~~
175 ~~(f) "Medicaid program" is as defined in Section 26-18-2.~~
176 ~~(g) "Medicaid program expenditures" means total state revenue expended for the~~
177 ~~Medicaid program from the General Fund, including restricted accounts within the General~~
178 ~~Fund, during a fiscal year.~~
179 ~~(h) "Medicaid program expenditures for the previous year" means total state revenue~~
180 ~~expended for the Medicaid program from the General Fund, including restricted accounts~~
181 ~~within the General Fund, during the fiscal year immediately preceding a fiscal year for which~~

182 Medicaid program expenditures are calculated:

183 ——— (i) "Operating deficit" means that, at the end of the fiscal year, the unassigned fund
184 balance in the General Fund is less than zero.

185 ——— (j) "State revenue" means revenue other than federal revenue.

186 ——— (k) "State revenue expended for the Medicaid program" includes money transferred or
187 appropriated to the Medicaid Growth Reduction and Budget Stabilization Account only to the
188 extent the money is appropriated for the Medicaid program by the Legislature.

189 ——— (2) There is created within the General Fund a restricted account to be known as the
190 Medicaid Growth Reduction and Budget Stabilization Account.

191 ——— (3) (a) (i) Except as provided in Subsection (6), if, at the end of a fiscal year, there is a
192 General Fund revenue surplus, the Division of Finance shall transfer an amount equal to
193 Medicaid growth savings from the General Fund to the Medicaid Growth Reduction and
194 Budget Stabilization Account.

195 ——— (ii) If the amount transferred is reduced to prevent an operating deficit, as provided in
196 Subsection (6), the Legislature shall include, to the extent revenue is available, an amount
197 equal to the reduction as an appropriation from the General Fund to the account in the base
198 budget for the second fiscal year following the fiscal year for which the reduction was made.

199 ——— (b) If, at the end of a fiscal year, there is not a General Fund revenue surplus, the
200 Legislature shall include, to the extent revenue is available, an amount equal to Medicaid
201 growth savings as an appropriation from the General Fund to the account in the base budget for
202 the second fiscal year following the fiscal year for which the reduction was made.

203 ——— (c) Subsections (3)(a) and (3)(b) apply only to the fiscal year in which the department
204 implements the proposal developed under Section 26-18-405 to reduce the long-term growth in
205 state expenditures for the Medicaid program, and to each fiscal year after that year.

206 ——— (4) The Division of Finance shall calculate the amount to be transferred under
207 Subsection (3):

208 ——— (a) before transferring revenue from the General Fund revenue surplus to:

209 ——— (i) the General Fund Budget Reserve Account under Section 63J-1-312;

210 ——— (ii) the Wildland Fire Suppression Fund created in Section 65A-8-204, as described in
211 Section 63J-1-314; and

212 ——— (iii) the State Disaster Recovery Restricted Account under Section 63J-1-314;

213 ——— (b) before earmarking revenue from the General Fund revenue surplus to the Industrial
214 Assistance Account under Section 63N-3-106; and

215 ——— (c) before making any other year-end contingency appropriations, year-end set-asides,
216 or other year-end transfers required by law.

217 ——— (5) (a) If, at the close of any fiscal year, there appears to be insufficient money to pay
218 additional debt service for any bonded debt authorized by the Legislature, the Division of
219 Finance may hold back from any General Fund revenue surplus money sufficient to pay the
220 additional debt service requirements resulting from issuance of bonded debt that was
221 authorized by the Legislature.

222 ~~—— (b) The Division of Finance may not spend the hold back amount for debt service~~
223 ~~under Subsection (5)(a) unless and until it is appropriated by the Legislature.~~
224 ~~—— (c) If, after calculating the amount for transfer under Subsection (3), the remaining~~
225 ~~General Fund revenue surplus is insufficient to cover the hold back for debt service required by~~
226 ~~Subsection (5)(a), the Division of Finance shall reduce the transfer to the Medicaid Growth~~
227 ~~Reduction and Budget Stabilization Account by the amount necessary to cover the debt service~~
228 ~~hold back.~~
229 ~~—— (d) Notwithstanding Subsections (3) and (4), the Division of Finance shall hold back~~
230 ~~the General Fund balance for debt service authorized by this Subsection (5) before making any~~
231 ~~transfers to the Medicaid Growth Reduction and Budget Stabilization Account or any other~~
232 ~~designation or allocation of General Fund revenue surplus.~~
233 ~~—— (6) Notwithstanding Subsections (3) and (4), if, at the end of a fiscal year, the Division~~
234 ~~of Finance determines that an operating deficit exists and that holding back earmarks to the~~
235 ~~Industrial Assistance Account under Section 63N-3-106, transfers to the Wildland Fire~~
236 ~~Suppression Fund and State Disaster Recovery Restricted Account under Section 63J-1-314,~~
237 ~~transfers to the General Fund Budget Reserve Account under Section 63J-1-312, or earmarks~~
238 ~~and transfers to more than one of those accounts, in that order, does not eliminate the operating~~
239 ~~deficit, the Division of Finance may reduce the transfer to the Medicaid Growth Reduction and~~
240 ~~Budget Stabilization Account by the amount necessary to eliminate the operating deficit.~~
241 ~~—— (7) The Legislature may appropriate money from the Medicaid Growth Reduction and~~
242 ~~Budget Stabilization Account only:~~
243 ~~—— (a) if Medicaid program expenditures for the fiscal year for which the appropriation is~~
244 ~~made are estimated to be 108% or more of Medicaid program expenditures for the previous~~
245 ~~year; [and]~~
246 ~~—— (b) for the Medicaid program[.]; and~~
247 ~~—— (c) if non-state government entities are unable to repay federal funds relating to the~~
248 ~~Nursing Care Facility Non-State Government-Owned Upper Payment Limit program.~~
249 ~~—— (8) The Division of Finance shall deposit interest or other earnings derived from~~
250 ~~investment of Medicaid Growth Reduction and Budget Stabilization Account money into the~~
251 ~~General Fund.}~~

252 Section {4} 3 . Section 63J-5-102 is amended to read:

4. Page 12, Line 347:

347 Section {5} 4 . Section 63J-5-206 is amended to read:

5. Page 12, Line 364:

364 Section {6} 5 . Effective date.