

**Senator Daniel R. Liljenquist** proposes the following substitute bill:

**MEDICAID REFORM**

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Daniel R. Liljenquist**

House Sponsor: John Dougall

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**LONG TITLE**

**General Description:**

This bill amends the Medical Assistance Act and the Budgetary Procedures Act.

**Highlighted Provisions:**

This bill:

- ▶ requires the Department of Health to develop a proposal to modify the Medicaid program in a way that maximizes replacement of the fee-for-service delivery model

with one or more risk-based delivery models;

- ▶ specifies criteria for the proposal;

- ▶ requires the department, to the extent possible, to develop the proposal with the input of stakeholder groups representing those who will be affected by the proposal.

- ▶ requires the department to report to the Legislature on the development of the proposal;

- ▶ requires the department to submit a request to the Centers for Medicare and Medicaid Services for waivers from federal law to implement the proposal;

- ▶ directs the department to implement the proposal in the fiscal year following the fiscal year in which the waivers are approved;

- ▶ provides definitions;

- ▶ creates the Medicaid Growth Reduction and Budget Stabilization Account restricted



- 26 account;
- 27       ▶ specifies conditions under which Medicaid growth savings shall be transferred or
- 28 appropriated to the account;
- 29       ▶ provides that Medicaid growth savings not transferred into the account shall be
- 30 included in the base budget for the second following fiscal year;
- 31       ▶ specifies the priority of the account's claim on General Fund revenue surplus;
- 32       ▶ specifies how money in the account may be used;
- 33       ▶ makes conforming amendments; and
- 34       ▶ makes technical corrections.

35 **Money Appropriated in this Bill:**

36 None

37 **Other Special Clauses:**

38 None

39 **Utah Code Sections Affected:**

40 AMENDS:

- 41       **63J-1-312**, as renumbered and amended by Laws of Utah 2009, Chapter 183
- 42       **63J-1-314**, as last amended by Laws of Utah 2009, Chapter 389 and renumbered and
- 43 amended by Laws of Utah 2009, Chapter 183
- 44       **63M-1-905**, as last amended by Laws of Utah 2010, Chapters 245 and 278

45 ENACTS:

- 46       **26-18-405**, Utah Code Annotated 1953
- 47       **63J-1-315**, Utah Code Annotated 1953



49 *Be it enacted by the Legislature of the state of Utah:*

50 Section 1. Section **26-18-405** is enacted to read:

51 **26-18-405. Waivers to maximize replacement of fee-for-service delivery model.**

52 (1) The department shall develop a proposal to amend the state plan for the Medicaid  
53 program in a way that maximizes replacement of the fee-for-service delivery model with one or  
54 more risk-based delivery models.

55 (2) The proposal shall:

56 (a) restructure the program's provider payment provisions to reward health care

57 providers for delivering the most appropriate services at the lowest cost and in ways that,  
58 compared to services delivered before implementation of the proposal, maintain or improve  
59 recipient health status;

60 (b) restructure the program's cost sharing provisions and other incentives to reward  
61 recipients for personal efforts to:

62 (i) maintain or improve their health status; and

63 (ii) use providers that deliver the most appropriate services at the lowest cost;

64 (c) identify the evidence-based practices and measures, risk adjustment methodologies,  
65 payment systems, funding sources, and other mechanisms necessary to reward providers for  
66 delivering the most appropriate services at the lowest cost, including mechanisms that:

67 (i) pay providers for packages of services delivered over entire episodes of illness  
68 rather than for individual services delivered during each patient encounter; and

69 (ii) reward providers for delivering services that make the most positive contribution to  
70 a recipient's health status;

71 (d) limit total annual per-patient-per-month expenditures for services delivered through  
72 fee-for-service arrangements to total annual per-patient-per-month expenditures for services  
73 delivered through risk-based arrangements covering similar recipient populations and services;  
74 and

75 (e) limit the rate of growth in per-patient-per-month General Fund expenditures for the  
76 program to the rate of growth in General Fund expenditures for all other programs, when the  
77 rate of growth in the General Fund expenditures for all other programs is greater than zero.

78 (3) To the extent possible, the department shall develop the proposal with the input of  
79 stakeholder groups representing those who will be affected by the proposal.

80 (4) No later than June 1, 2011, the department shall submit a written report on the  
81 development of the proposal to the Legislature's Executive Appropriations Committee, Social  
82 Services Appropriations Subcommittee, and Health and Human Services Interim Committee.

83 (5) No later than July 1, 2011, the department shall submit to the Centers for Medicare  
84 and Medicaid Services within the United States Department of Health and Human Services a  
85 request for waivers from federal statutory and regulatory law necessary to implement the  
86 proposal.

87 (6) After the request for waivers has been made, and prior to its implementation, the

88 department shall report to the Legislature in accordance with Section 26-18-3 on any  
89 modifications to the request proposed by the department or made by the Centers for Medicare  
90 and Medicaid Services.

91 (7) The department shall implement the proposal in the fiscal year that follows the  
92 fiscal year in which the United States Secretary of Health and Human Services approves the  
93 request for waivers.

94 Section 2. Section **63J-1-312** is amended to read:

95 **63J-1-312. Establishing a General Fund Budget Reserve Account -- Providing for**  
96 **deposits and expenditures from the account -- Providing for interest generated by the**  
97 **account.**

98 (1) As used in this section:

99 (a) "Education Fund budget deficit" means a situation where appropriations made by  
100 the Legislature from the Education Fund for a fiscal year exceed the estimated revenues  
101 adopted by the Executive Appropriations Committee of the Legislature for the Education Fund  
102 in that fiscal year.

103 (b) "General Fund appropriations" means the sum of the spending authority for a fiscal  
104 year that is:

105 (i) granted by the Legislature in all appropriation acts and bills; and

106 (ii) identified as coming from the General Fund.

107 (c) "General Fund budget deficit" means a situation where General Fund appropriations  
108 made by the Legislature for a fiscal year exceed the estimated revenues adopted by the  
109 Executive Appropriations Committee of the Legislature for the General Fund in that fiscal year.

110 (d) "General Fund revenue surplus" means a situation where actual General Fund  
111 revenues collected in a completed fiscal year exceed the estimated revenues for the General  
112 Fund for that fiscal year that were adopted by the Executive Appropriations Committee of the  
113 Legislature.

114 (e) "Operating deficit" means that, at the end of the fiscal year, the [~~unreserved and~~  
115 ~~undesignated~~] unassigned fund balance in the General Fund is less than zero.

116 (2) There is created within the General Fund a restricted account to be known as the  
117 General Fund Budget Reserve Account, which is designated to receive the legislative  
118 appropriations, investment earnings, and the surplus revenue required to be deposited into the

119 account by this section.

120 (3) (a) (i) Except as provided in Subsection (3)(a)(ii), at the end of any fiscal year in  
121 which the Division of Finance, in consultation with the Legislative Fiscal Analyst and in  
122 conjunction with the completion of the annual audit by the state auditor, determines that there  
123 is a General Fund revenue surplus, the Division of Finance shall transfer 25% of the General  
124 Fund revenue surplus to the General Fund Budget Reserve Account.

125 (ii) If the transfer of 25% of the General Fund revenue surplus to the General Fund  
126 Budget Reserve Account would cause the balance in the account to exceed 6% of General Fund  
127 appropriations for the fiscal year in which the revenue surplus occurred, the Division of  
128 Finance shall transfer only those funds necessary to ensure that the balance in the account  
129 equals 6% of General Fund appropriations for the fiscal year in which the General Fund  
130 revenue surplus occurred.

131 (iii) The Division of Finance shall calculate the amount to be transferred under this  
132 Subsection (3)(a):

133 (A) after making the transfer of General Fund revenue surplus to the Medicaid Budget  
134 Stabilization Restricted Account, as provided in Section 63J-1-315;

135 [~~(A)~~] (B) before transferring from the General Fund revenue surplus any other year-end  
136 contingency appropriations, year-end set-asides, or other year-end transfers required by law;  
137 and

138 [~~(B)~~] (C) excluding the investment earnings for the fiscal year and excluding any direct  
139 legislative appropriation made to the General Fund Budget Reserve Account for the fiscal year.

140 (b) (i) Except as provided in Subsection (3)(b)(ii), in addition to Subsection (3)(a)(i), if  
141 a General Fund revenue surplus exists and if, within the last 10 years, the Legislature has  
142 appropriated any money from the General Fund Budget Reserve Account that has not been  
143 replaced by appropriation or as provided in this Subsection (3)(b), the Division of Finance shall  
144 transfer up to 25% more of the General Fund revenue surplus to the General Fund Budget  
145 Reserve Account to replace the amounts appropriated, until direct legislative appropriations, if  
146 any, and transfers from the General Fund revenue surplus under this Subsection (3)(b) have  
147 replaced the appropriations from the account.

148 (ii) If the transfer under Subsection (3)(b)(i) would cause the balance in the account to  
149 exceed 6% of General Fund appropriations for the fiscal year in which the revenue surplus

150 occurred, the Division of Finance shall transfer only those funds necessary to ensure that the  
151 balance in the account equals 6% of General Fund appropriations for the fiscal year in which  
152 the revenue surplus occurred.

153 (iii) The Division of Finance shall calculate the amount to be transferred under this  
154 Subsection (3)(b):

155 (A) after making the transfer of General Fund revenue surplus to the Medicaid Budget  
156 Stabilization Restricted Account, as provided in Section 63J-1-315;

157 ~~[(A)]~~ (B) before transferring from the General Fund revenue surplus any other year-end  
158 contingency appropriations, year-end set-asides, or other year-end transfers required by law;  
159 and

160 ~~[(B)]~~ (C) excluding the investment earnings for the fiscal year and excluding any direct  
161 legislative appropriation made to the General Fund Budget Reserve Account for the fiscal year.

162 (c) For appropriations made by the Legislature to the General Fund Budget Reserve  
163 Account, the Division of Finance shall treat those appropriations, unless otherwise specified in  
164 the appropriation, as replacement funds for appropriations made from the account if funds were  
165 appropriated from the General Fund Budget Reserve Account within the past 10 years and have  
166 not yet been replaced.

167 ~~[(4)(a) If, at the close of any fiscal year, there appear to be insufficient monies to pay~~  
168 ~~additional debt service for any bonded debt authorized by the Legislature, the Division of~~  
169 ~~Finance may hold back from any General Fund revenue surplus monies sufficient to pay the~~  
170 ~~additional debt service requirements resulting from issuance of bonded debt that was~~  
171 ~~authorized by the Legislature.]~~

172 ~~[(b) The Division of Finance may not spend the hold back amount for debt service~~  
173 ~~under Subsection (4)(a) unless and until it is appropriated by the Legislature.]~~

174 ~~[(c) If, after calculating the amount for transfers to the General Fund Budget Reserve~~  
175 ~~Account, the remaining General Fund revenue surplus is insufficient to cover the hold back for~~  
176 ~~debt service required by Subsection (4)(a), the Division of Finance shall reduce the transfer to~~  
177 ~~the General Fund Budget Reserve Account by the amount necessary to cover the debt service~~  
178 ~~hold back.]~~

179 ~~[(d) Notwithstanding Subsection (3), the Division of Finance shall hold back the~~  
180 ~~General Fund balance for debt service authorized by this Subsection (4) before making any~~

181 ~~transfers to the General Fund Budget Reserve Account or any other designation or allocation of~~  
 182 ~~General Fund revenue surplus.]~~

183 ~~[(5) Notwithstanding Subsection (3), if, at the end of a fiscal year, the Division of~~  
 184 ~~Finance determines that an operating deficit exists and that holding back the transfers to the~~  
 185 ~~State Disaster Recovery Restricted Account under Section 63J-1-314 does not eliminate the~~  
 186 ~~operating deficit, the Division of Finance may reduce the transfer to the General Fund Budget~~  
 187 ~~Reserve Account by the amount necessary to eliminate the operating deficit.]~~

188 ~~[(6)]~~ (4) The Legislature may appropriate [~~monies~~] money from the General Fund  
 189 Budget Reserve Account only to:

190 (a) resolve a General Fund budget deficit, for the fiscal year in which the General Fund  
 191 budget deficit occurs;

192 (b) pay some or all of state settlement agreements approved under Title 63G, Chapter  
 193 10, State Settlement Agreements Act;

194 (c) pay retroactive tax refunds; or

195 (d) resolve an Education Fund budget deficit.

196 ~~[(7)]~~ (5) Interest generated from investments of money in the General Fund Budget  
 197 Reserve Account shall be deposited into the General Fund.

198 Section 3. Section **63J-1-314** is amended to read:

199 **63J-1-314. Deposits related to the Disaster Recovery Funding Act.**

200 (1) As used in this section, "operating deficit" means that, at the end of the fiscal year,  
 201 the [~~unreserved and undesignated~~] unassigned fund balance in the General Fund is less than  
 202 zero.

203 (2) Except as provided under Subsection (3), [~~beginning with the fiscal year ending~~  
 204 ~~June 30, 2007,~~] at the end of each fiscal year and after the transfer of surplus General Fund  
 205 revenues has been made to the Medicaid Budget Stabilization Restricted Account, as provided  
 206 in Section 63J-1-315, and the General Fund Budget Reserve Account, as provided in Section  
 207 63J-1-312, the Division of Finance shall deposit an amount into the State Disaster Recovery  
 208 Restricted Account, created in Section 53-2-403, calculated by:

209 (a) determining the amount of surplus General Fund revenues after the transfer to the  
 210 Medicaid Budget Stabilization Restricted Account under Section 63J-1-315 and the General  
 211 Fund Budget Reserve Account under Section 63J-1-312 [~~that is unrestricted and undesignated~~];

212 (b) calculating an amount equal to the lesser of:

213 (i) 25% of the amount determined under Subsection (2)(a); or

214 (ii) 6% of the total of the General Fund appropriation amount for the fiscal year in  
215 which the surplus occurs; and

216 (c) adding to the amount calculated under Subsection (2)(b) an amount equal to the  
217 lesser of:

218 (i) 25% more of the amount described in Subsection (2)(a); or

219 (ii) the amount necessary to replace, in accordance with this Subsection (2)(c), any  
220 amount appropriated from the State Disaster Recovery Restricted Account within 10 fiscal  
221 years before the fiscal year in which the surplus occurs if:

222 (A) a surplus exists; and

223 (B) the Legislature appropriates money from the State Disaster Recovery Restricted  
224 Account that is not replaced by appropriation or as provided in this Subsection (2)(c).

225 (3) Notwithstanding Subsection (2)[~~-(a)-if~~], if at the end of a fiscal year, the Division  
226 of Finance determines that an operating deficit exists, the [~~Division of Finance~~] division shall  
227 reduce the transfer to the State Disaster Recovery Restricted Account by the amount necessary  
228 to eliminate the operating deficit[~~;-and~~].

229 [~~(b) for FY 2008-09 and FY 2009-10 only, the Division of Finance shall suspend the~~  
230 ~~deposit provided under Subsection (2) to the State Disaster Recovery Restricted Account~~  
231 ~~created under Section 53-2-403.~~]

232 Section 4. Section **63J-1-315** is enacted to read:

233 **63J-1-315. Medicaid Growth Reduction and Budget Stabilization Restricted**  
234 **Account --Transfers of Medicaid growth savings -- Base budget adjustments.**

235 (1) As used in this section:

236 (a) "Department" means the Department of Health created in Section 26-1-4.

237 (b) "Division" means the Division of Health Care Financing created within the  
238 department under Section 26-18-2.1.

239 (c) "General Fund revenue surplus" means a situation where actual General Fund  
240 revenues collected in a completed fiscal year exceed the estimated revenues for the General  
241 Fund for that fiscal year that were adopted by the Executive Appropriations Committee of the  
242 Legislature.



243 (d) "Medicaid growth savings" means the Medicaid growth target minus Medicaid  
244 program expenditures, if Medicaid program expenditures are less than the Medicaid growth  
245 target.

246 (e) "Medicaid growth target" means Medicaid program expenditures for the previous  
247 year multiplied by 1.08.

248 (f) "Medicaid program" is as defined in Section 26-18-2.

249 (g) "Medicaid program expenditures" means total state revenue expended for the  
250 Medicaid program from the General Fund, including restricted accounts within the General  
251 Fund, during a fiscal year.

252 (h) "Medicaid program expenditures for the previous year" means total state revenue  
253 expended for the Medicaid program from the General Fund, including restricted accounts  
254 within the General Fund, during the fiscal year immediately preceding a fiscal year for which  
255 Medicaid program expenditures are calculated.

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

258 (j) "State revenue" means revenue other than federal revenue.

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

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

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

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

272 (b) If, at the end of a fiscal year, there is not a General Fund revenue surplus, the  
273 Legislature shall include, to the extent revenue is available, an amount equal to Medicaid

274 growth savings as an appropriation from the General Fund to the account in the base budget for  
275 the second fiscal year following the fiscal year for which the reduction was made.

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

279 (4) The Division of Finance shall calculate the amount to be transferred under  
280 Subsection (3):

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

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

283 (ii) the State Disaster Recovery Restricted Account under Section 63J-1-314;

284 (b) before earmarking revenue from the General Fund revenue surplus to the Industrial  
285 Assistance Account under Section 63M-1-905; and

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

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

293 (b) The Division of Finance may not spend the hold back amount for debt service  
294 under Subsection (5)(a) unless and until it is appropriated by the Legislature.

295 (c) If, after calculating the amount for transfer under Subsection (3), the remaining  
296 General Fund revenue surplus is insufficient to cover the hold back for debt service required by  
297 Subsection (5)(a), the Division of Finance shall reduce the transfer to the Medicaid Growth  
298 Reduction and Budget Stabilization Account by the amount necessary to cover the debt service  
299 hold back.

300 (d) Notwithstanding Subsections (3) and (4), the Division of Finance shall hold back  
301 the General Fund balance for debt service authorized by this Subsection (5) before making any  
302 transfers to the Medicaid Growth Reduction and Budget Stabilization Account or any other  
303 designation or allocation of General Fund revenue surplus.

304 (6) Notwithstanding Subsections (3) and (4), if, at the end of a fiscal year, the Division

305 of Finance determines that an operating deficit exists and that holding back earmarks to the  
 306 Industrial Assistance Account under Section ~~H~~→ [63J-1-314] 63M-1-905 ←~~H~~ , transfers to the  
 306a State Disaster  
 307 Recovery Restricted Account under Section 63J-1-314, transfers to the General Fund Budget  
 308 Reserve Account under Section 63J-1-312, or earmarks and transfers to more than one of those  
 309 accounts, in that order, does not eliminate the operating deficit, the Division of Finance may  
 310 reduce the transfer to the Medicaid Growth Reduction and Budget Stabilization Account by the  
 311 amount necessary to eliminate the operating deficit.

312 (7) The Legislature may appropriate money from the Medicaid Growth Reduction and  
 313 Budget Stabilization Account only:

314 (a) if Medicaid program expenditures for the fiscal year for which the appropriation is  
 315 made are estimated to be 108% or more of Medicaid program expenditures for the previous  
 316 year; and

317 (b) for the Medicaid program.

318 (8) The Division of Finance shall deposit interest or other earnings derived from  
 319 investment of Medicaid Growth Reduction and Budget Stabilization Account money into the  
 320 General Fund.

321 Section 5. Section **63M-1-905** is amended to read:

322 **63M-1-905. Loans, grants, and assistance -- Repayment -- Earned credits.**

323 (1) (a) A company that qualifies under Section 63M-1-906 may receive loans, grants,  
 324 or other financial assistance from the Industrial Assistance Account for expenses related to  
 325 establishment, relocation, or development of industry in Utah.

326 (b) A company creating an economic impediment that qualifies under Section  
 327 63M-1-908 may in accordance with this part receive loans, grants, or other financial assistance  
 328 from the restricted account for the expenses of the company creating an economic impediment  
 329 related to:

330 (i) relocation to a rural area in Utah of the company creating an economic impediment;  
 331 and

332 (ii) the siting of a replacement company.

333 (c) An entity offering an economic opportunity that qualifies under Section 63M-1-909  
 334 may:

335 (i) receive loans, grants, or other financial assistance from the restricted account for

336 expenses related to the establishment, relocation, retention, or development of industry in the  
337 state; and

338 (ii) include infrastructure or other economic development precursor activities that act  
339 as a catalyst and stimulus for economic activity likely to lead to the maintenance or  
340 enlargement of the state's tax base.

341 (2) (a) Subject to Subsection (2)(b), the administrator has authority to determine the  
342 structure, amount, and nature of any loan, grant, or other financial assistance from the restricted  
343 account.

344 (b) Loans made under Subsection (2)(a) shall be structured so the intended repayment  
345 or return to the state, including cash or credit, equals at least the amount of the assistance  
346 together with an annual interest charge as negotiated by the administrator.

347 (c) Payments resulting from grants awarded from the restricted account shall be made  
348 only after the administrator has determined that the company has satisfied the conditions upon  
349 which the payment or earned credit was based.

350 (3) (a) (i) Except as provided in Subsection (3)(b), the administrator may provide for a  
351 system of earned credits that may be used to support grant payments or in lieu of cash  
352 repayment of a restricted account loan obligation.

353 (ii) The value of the credits described in Subsection (3)(a)(i) shall be based on factors  
354 determined by the administrator, including:

355 (A) the number of Utah jobs created;

356 (B) the increased economic activity in Utah; or

357 (C) other events and activities that occur as a result of the restricted account assistance.

358 (b) (i) The administrator shall provide for a system of credits to be used to support  
359 grant payments or in lieu of cash repayment of a restricted account loan when loans are made to  
360 a company creating an economic impediment.

361 (ii) The value of the credits described in Subsection (3)(b)(i) shall be based on factors  
362 determined by the administrator, including:

363 (A) the number of Utah jobs created;

364 (B) the increased economic activity in Utah; or

365 (C) other events and activities that occur as a result of the restricted account assistance.

366 (4) (a) A cash loan repayment or other cash recovery from a company receiving

367 assistance under this section, including interest, shall be deposited into the restricted account.

368 (b) The administrator and the Division of Finance shall determine the manner of  
369 recognizing and accounting for the earned credits used in lieu of loan repayments or to support  
370 grant payments as provided in Subsection (3).

371 (5) (a) (i) At the end of each fiscal year, the [~~unrestricted, undesignated~~] General Fund  
372 revenue surplus balance after the transfers of surplus of General Fund revenues described in  
373 this Subsection (5)(a) shall be earmarked to the Industrial Assistance Account in an amount  
374 equal to any credit that has accrued under this part.

375 (ii) The earmark under Subsection (5)(a)(i) shall be capped at \$50,000,000, at which  
376 time no subsequent contributions may be made and any interest accrued above the \$50,000,000  
377 cap shall be deposited into the General Fund.

378 (b) The earmark required by Subsection (5)(a) shall be made after the transfer of  
379 surplus General Fund revenues is made:

380 (i) to the Medicaid Growth Reduction and Budget Stabilization Restricted Account, as  
381 provided in Section 63J-1-315;

382 [~~(i)~~] (ii) to the General Fund Budget Reserve Account, as provided in Section  
383 63J-1-312; and

384 [~~(ii) beginning with the fiscal year ending June 30, 2007]~~

385 (iii) to the State Disaster Recovery Restricted Account, as provided in Section  
386 63J-1-314.

387 (c) These credit amounts may not be used for purposes of the restricted account as  
388 provided in this part until appropriated by the Legislature.

# FISCAL NOTE

S.B. 180 2nd Sub. (Salmon)

SHORT TITLE: Medicaid Reform

SPONSOR: Liljenquist, D.

2011 GENERAL SESSION, STATE OF UTAH

## STATE GOVERNMENT (UCA 36-12-13(2)(b))

This bill costs the Department of Health \$4,400 one-time General Fund and \$4,400 one-time federal funds in FY 2011 for staff time to prepare a waiver, get input from stakeholder groups, and prepare a report for the Legislature. The magnitude of savings or costs for the bill will depend upon federal approval as well as what is included in the waiver proposal.

This bill creates the Medicaid Growth Reduction and Budget Stabilization Account. Deposits to the account will depend upon budget surpluses and Medicaid program expenditures.

## STATE BUDGET DETAIL TABLE

	FY 2011	FY 2012	FY 2013
Revenue	\$0	\$0	\$0
Expenditure:			
General Fund, One-Time	\$4,400	\$0	\$0
Federal Funds	\$4,400	\$0	\$0
Total Expenditure	\$8,800	\$0	\$0
Net Impact, All Funds (Rev.-Exp.)	(\$8,800)	\$0	\$0
Net Impact, General/Education Funds	(\$4,400)	\$0	\$0

## LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

## DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.