



**STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR**

January 24, 2023

Senator Jonathan Dismang, Co-Chair
Representative Lane Jean, Co-Chair
Joint Budget Committee
Arkansas General Assembly
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

Attached you will find my recommendations for supplemental appropriations for Fiscal Year 2023. Each item includes a detailed justification of the request along with a line-item breakdown.

I respectfully request your approval of these requests and their introduction as Joint Budget Committee bills at the proper time during the 94th General Assembly.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sarah Sanders".

Sarah Huckabee Sanders

Enclosure



SUPPLEMENTAL APPROPRIATION REQUESTS

Fiscal Year 2023

Sarah Huckabee Sanders
Governor, State of Arkansas

Robert Brech
Administrator, Office of Budget
Department of Finance and Administration

1509 West 7th Street, Room 402
Little Rock, Arkansas 72201
501-682-1941

dfa.arkansas.gov/budget

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**SUPPLEMENTAL APPROPRIATION AND FUNDING
AGENCY REQUESTS AND EXECUTIVE RECOMMENDATIONS
2023 Fiscal Year**

AGENCY/PROGRAM	Agency Request			Executive Recommendation		
	POS.	APPRO.	GEN. REV. FUNDING	POS.	APPRO.	GEN. REV. FUNDING
REQUESTS REQUIRING AN EXECUTIVE RECOMMENDATION:						
<u>GENERAL REVENUE FUND ACCOUNTS</u>						
Corrections, Arkansas Department of Inmate Care and Custody		\$ 5,000,000			\$ 5,000,000	
SUBTOTAL		\$ 5,000,000	\$0		\$5,000,000	\$0
REQUESTS REQUIRING AN EXECUTIVE RECOMMENDATION:						
<u>NON-GENERAL REVENUE FUND ACCOUNTS</u>						
Finance and Administration, Arkansas Department of Miscellaneous Transfers - Overtime		\$ 2,000,000			\$ 2,000,000	
Miscellaneous Federal Programs		750,000,000			750,000,000	
Human Services, Arkansas Department of Hospital and Medical Services		450,000,000			450,000,000	
SUBTOTAL		\$ 1,202,000,000	\$0		\$1,202,000,000	\$0
TOTAL		\$ 1,207,000,000	\$ -	\$-	\$ 1,207,000,000	\$ -

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Arkansas Department of Corrections- Division of Correction

Program Title: Inmate Care and Custody

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: x

Other Funding Amount Requested: _____ None: x

Source of Other Funding: _____

Accounting Information:

Business Area: 0480 Funds Center: 509 Fund: HCA0100 Functional Area: SFTY

	Authorized FY23	Supplemental Request FY23	Executive Recommendation
Regular Salaries	173,879,782		
Number of Positions	4,446		
Extra Help	100,000		
Number of Positions	170		
Personal Services Matching	66,450,957		
Overtime	7,050,000	5,000,000	5,000,000
Operating Expenses	52,276,498		
Conference & Travel Expenses	155,398		
Jail Contracts	1,533,000		
Professional Fees	743,084		
Capital Outlay	972,098		
Holiday Compensation	5,500,000		
Energy Savings & Efficiencies	1,431,465		
Total	310,092,282	5,000,000	5,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
9 (04)	203

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Additional overtime appropriation is necessary due to unforeseen and unbudgeted issues that have occurred due to the COVID-19 Pandemic, resulting in staff shortages and an increase need for overtime. The Division of Correction will need additional overtime appropriation to continue operating in a safe and effective manner.

Impact if Not Approved:

Due to staffing levels if overtime is not available it could affect the safety and security of the Division of Correction facilities.

Alternatives:

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.

SUPPLEMENTAL APPROPRIATION REQUEST FORM

Agency: Department of Human Services - Division of Medical Services

Program Title: Hospital and Medical Services / Medicaid

Appropriation only: X Yes No

General Revenue Funding Amount Requested: _____ None: X

Other Funding Amount Requested: _____ None: X

Source of Other Funding: _____

Accounting Information:

Business Area: 0710 Funds Center: 897 Fund: PWD8600 Functional Area: HHS

	Authorized FY23	Supplemental Request FY23	Executive Recommendation
Regular Salaries			
Number of Positions			
Extra Help			
Number of Positions			
Personal Services Matching			
Operating Expenses			
Conference & Travel Expenses			
Grants/Aid	7,164,918,094	450,000,000	450,000,000
Professional Fees			
Capital Outlay			
Total	7,164,918,094	450,000,000	450,000,000

IGS Approval (if applicable) _____ Date _____ Items requested for information technology must be in compliance with Technology Plans as submitted to IGS.

Supplemental Personnel Positions Requested:

Position Title	Class Code	Grade	Line Item Maximum	# of Positions Requested
Total Positions Requested				-

Current Authorization(s):

Section	Act
4 (02)	213 of 2022

Summary of Request and Statement of Need: (If IT related reference the location/number in the agency's IT Plan)

Due to the extended public health emergency, Medicaid enrollment has increased by 217,000 individuals since March 2020 (23.5%) and has observed large increases in overall spend due to increased member months on capitation programs and increased volume on fee for service (FFS) spend.

Impact if Not Approved:

Medicaid will not have the spending authority to payout medical claims and capitation payments to our providers and carriers.

Alternatives:

No known alternatives.

Executive Recommendation:

The Executive Recommendation provides for the Agency Request.