



STATE OF ARKANSAS
 ASA HUTCHINSON
 GOVERNOR

January 9, 2018

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

Dear Co-Chairs:

I respectfully request the introduction of the following amendment to the 2018-2019 Operations Appropriation for the Department of Human Services – Division of Medical Services.

Please amend SECTION 4. APPROPRIATION- GRANTS as follows:

ITEM NO.		FISCAL YEAR 2018-2019
(02) HOSPITAL AND MEDICAL SERVICES	\$7,019,281,760	<u>\$6,573,710,120</u>
(03) PRESCRIPTION DRUGS	\$561,705,798	<u>\$529,386,547</u>
TOTAL AMOUNT APPROPRIATED	\$8,687,504,204	<u>\$8,209,613,313</u>

This amendment reduces the level of appropriation by \$477 million due to savings from the Medicaid program transformation and efficiencies, increases in Medicaid program integrity, and reductions in the number of individuals enrolled in Medicaid programs.

I appreciate your consideration of this matter.

Sincerely,

Asa Hutchinson

AH:db:jc