

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Second Extraordinary Session, 1992**  
4 **By: *Joint Budget Committee***

**Call Item 3**

# **A Bill**

**HOUSE BILL 1010**

## **For An Act To Be Entitled**

8 "AN ACT TO PROVIDE FOR THE DISTRIBUTION OF "NEW REVENUES"  
9 TO BE USED TO PROVIDE FINANCIAL RELIEF TO THE ARKANSAS  
10 DEPARTMENT OF HUMAN SERVICES FOR THE MEDICAID PROGRAM FOR  
11 THE REMAINDER OF THE BIENNIAL PERIOD ENDING JUNE 30, 1993,  
12 AND FOR THE TRANSFER OF REVENUES TO THE GRANTS FUND  
13 ACCOUNT OF THE DEPARTMENT OF HUMAN SERVICES FUND; AND FOR  
14 OTHER PURPOSES."

## **Subtitle**

16  
17 "AN ACT TO PROVIDE FINANCIAL RELIEF TO THE ARKANSAS STATE  
18 MEDICAID PROGRAM."

19  
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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22 SECTION 1. On the last day of each month commencing with the first  
23 month following the effective date of this Act, and for the remainder of the  
24 biennial period ending June 30, 1993, the State Treasurer, prior to making the  
25 transfers provided for in Act 1 of the Second Extraordinary Session of 1989,  
26 and transfers provided for in Act 10 of 1991, shall also deduct from said "Net  
27 General Revenue" such amounts as are determined and certified to by the Chief  
28 Fiscal Officer of the State to be "New Revenue". "New Revenue" shall consist  
29 of that amount of General Revenue which was received during the month due  
30 solely to enactments of the Seventy-Eighth General Assembly meeting in Second  
31 Extraordinary Session.

32 (A) The State Treasurer shall transfer such "New Revenue" to the Grants  
33 Fund Account of the Department of Human Services Fund until there has been  
34 transferred a total of \$34,300,000 for the fiscal year ending June 30, 1993 or  
35 as much thereof as may become available. The funds so transferred shall be

1 used to supplement other funds as may be made available for the Arkansas  
2 Medicaid program and shall not be used to supplant such other funds nor shall  
3 the funds so transferred be used for any other purpose.

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5 SECTION 2. In order to provide supplemental funds during the fiscal  
6 year ending June 30, 1993 for the Arkansas Medicaid program as operated by the  
7 Department of Human Services and to do so from monies which were unanticipated  
8 by the various state agencies and programs when they completed their financial  
9 plans for the current fiscal year due to the release of the escrow account in  
10 Pledger v. Brunner and Lay, Inc. 308 Ark. 512 (1992), the State Treasurer  
11 shall transfer the sum of \$9,148,325.25 or so much thereof and at such times  
12 as may be certified as being necessary by the Chief Fiscal Officer, from the  
13 General Revenue Fund Account of the State Apportionment Fund to the Grants  
14 Fund Account of the Department of Human Services Fund. The funds so  
15 transferred shall be used to supplement other funds as may be made available  
16 for the Arkansas Medicaid program and shall not be used to supplant such other  
17 funds nor shall the funds so transferred be used for any other purpose.

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19 SECTION 3. Notwithstanding any other provision in federal law or  
20 departmental commitment which may exist to the contrary, the Department of  
21 Human Services shall not increase any reimbursement rate to any provider or  
22 provider groups supported in whole or in part by funds administered by the  
23 Department of Human Services, nor shall it adopt any other rule, regulation,  
24 or amendment to the Arkansas State Medicaid Plan that would result in an  
25 obligation of the general revenues of the State, without first seeking and  
26 receiving the approval of the Governor and Chief Fiscal Officer of the State.

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28 SECTION 4. LEGISLATIVE INTENT. It is the intent of the General  
29 Assembly that any funds disbursed under the authority of the appropriations  
30 contained in this Act shall be in compliance with the stated reasons for which  
31 this Act was adopted, as evidenced by the Agency Requests, Executive  
32 Recommendations and Legislative Recommendations contained in the budget  
33 manuals prepared by the Department of Finance and Administration, letters, or  
34 summarized oral testimony in the official minutes of the Arkansas Legislative  
35 Council or Joint Budget Committee which relate to its passage and adoption.

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1 SECTION 5. CODE. All provisions of this Act of a general and permanent  
2 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
3 Code Revision Commission shall incorporate the same in the Code.

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5 SECTION 6. SEVERABILITY. If any provision of this Act or the  
6 application thereof to any person or circumstance is held invalid, such  
7 invalidity shall not affect other provisions or applications of the Act which  
8 can be given effect without the invalid provision or application, and to this  
9 end the provisions of this Act are declared to be severable.

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11 SECTION 7. GENERAL REPEALER. All laws and parts of laws in conflict  
12 with this Act are hereby repealed.

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14 SECTION 8. EMERGENCY CLAUSE. It is hereby found and determined by the  
15 Seventy-Eighth General Assembly meeting in extraordinary session, that the  
16 State of Arkansas must provide adequate health care to its indigent citizens,  
17 that if immediate measures are not taken, many Arkansans will be irreversibly  
18 emotionally and physically damaged by the removal of health care measures as  
19 provided under provisions of title XIX of the Social Security Act, for the  
20 state Medicaid Program and that it is in the interests of the people of the  
21 State of Arkansas to provide for these measures. Therefore, an emergency is  
22 hereby declared to exist and this Act being necessary for the immediate  
23 preservation of the public peace, health and safety shall be in full force and  
24 effect from and after its passage and approval.

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*/s/John E. Miller*

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