

**Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.**

1 State of Arkansas *As Engrossed: S3/23/07 S3/27/07 S3/28/07 S3/29/07*

2 86th General Assembly

# A Bill

3 Regular Session, 2007

SENATE BILL 223

4

5 By: Joint Budget Committee

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

9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL  
10 SERVICES AND OPERATING EXPENSES FOR THE  
11 DEPARTMENT OF HEALTH AND HUMAN SERVICES -  
12 DIVISION OF MEDICAL SERVICES FOR THE BIENNIAL  
13 PERIOD ENDING JUNE 30, 2009; AND FOR OTHER  
14 PURPOSES.

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## **Subtitle**

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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established for the Department of Health and Human Services - Division of Medical Services for the 2007-2009 biennium, the following maximum number of regular employees whose salaries shall be governed by the provisions of the Uniform Classification and Compensation Act (Arkansas Code §§21-5-201 et seq.), or its successor, and all laws amendatory thereto. Provided, however, that any position to which a specific maximum annual salary is set out herein in dollars, shall be exempt from the provisions of said Uniform Classification and Compensation Act. All persons occupying positions authorized herein are hereby governed by the provisions of the Regular Salaries Procedures and Restrictions Act (Arkansas Code §21-5-101), or its successor.



				Maximum	Maximum Annual	
				No. of	Salary Rate	
	Item	Class		Employees	Fiscal Years	
	No.	Code	Title		2007-2008	
					2008-2009	
6	(1)		DIRECTOR OF PHARMACY	2	\$128,249	\$130,804
7	(2)		REGISTERED PHARMACIST II	4	\$107,234	\$109,378
8	(3)	9985	DHS DEP DIR MEDICAL SERVICES	1	\$102,712	\$104,766
9	(4)	9411	DHS/DMS ASSISTANT DIRECTOR - FISCAL	1	\$95,750	\$97,665
10	(5)	8965	DHS/DMS ADD - MEDICAL SERVICES	2	\$85,642	\$87,354
11	(6)	8938	DHS/DMS ASST DEP DIR LONG TRM CARE	1	\$85,642	\$87,354
12	(7)	004Z	HLTH POLICY ADMINISTRATOR	1	GRADE	26
13	(8)	022Z	DHS/DCO CHIEF PROGRAM ADMR	6	GRADE	26
14	(9)	023Z	DHS/DCO ASST CHIEF PROGRAM ADMR	8	GRADE	25
15	(10)	118Z	DHS NURSING SERVICES ADMINISTRATOR	2	GRADE	25
16	(11)	923Z	DHS PRGM ADMINISTRATOR	11	GRADE	23
17	(12)	R184	NURSING SERVICES UNIT MANAGER	1	GRADE	23
18	(13)	X338	ENGINEER, PE	2	GRADE	22
19	(14)	D066	SYSTEMS COORDINATION ANALYST II	1	GRADE	22
20	(15)	D124	LEAD PROGRAMMER/ANALYST	1	GRADE	22
21	(16)	L078	NURSE SUPERVISOR	1	GRADE	22
22	(17)	L082	NURSING SERVICES SPECIALIST	13	GRADE	21
23	(18)	L106	PHYSICAL THERAPY SUPV	1	GRADE	21
24	(19)	L030	DIETARY SERVICES DIRECTOR	1	GRADE	21
25	(20)	697Z	DHS PRGM MANAGER	11	GRADE	21
26	(21)	A251	SR AUDITOR	10	GRADE	21
27	(22)	D036	SR PROGRAMMER/ANALYST	1	GRADE	21
28	(23)	Q046	MEDICARE/MEDICAID SURVEY SPECIALIST	20	GRADE	20
29	(24)	R145	DHS PROGRAM COORDINATOR	5	GRADE	20
30	(25)	R266	MANAGEMENT PROJECT ANALYST II	10	GRADE	20
31	(26)	A250	JR AUDITOR	1	GRADE	20
32	(27)	L070	NURSE II	10	GRADE	20
33	(28)	M088	SOCIAL WORKER II	3	GRADE	20
34	(29)	M116	UTILIZATION REVIEW NURSE	60	GRADE	20
35	(30)	M027	DHS/DCO COUNTY SUPV II	1	GRADE	20
36	(31)	L028	DIETICIAN	3	GRADE	19

1	(32)	R332	DHS POLICY DEVELOPMENT COORD	5	GRADE 19
2	(33)	X358	HLTH FACILITY SURVEYOR	2	GRADE 19
3	(34)	R048	BUDGET SPECIALIST	1	GRADE 19
4	(35)	R084	DHS STAFF SUPERVISOR	4	GRADE 19
5	(36)	M154	DHS FIELD REPRESENTATIVE	8	GRADE 19
6	(37)	D129	DP COORDINATOR	1	GRADE 18
7	(38)	M078	DHS/DEMS SUPERVISOR	2	GRADE 18
8	(39)	R010	ADMINISTRATIVE ASSISTANT II	16	GRADE 17
9	(40)	R110	MEDICAL PROGRAM REPRESENTATIVE	3	GRADE 17
10	(41)	R162	STATISTICIAN/STATISTICIAN II	1	GRADE 17
11	(42)	X352	HLTH CARE ANALYST II	20	GRADE 17
12	(43)	M149	YOUTH SERVICES WORKER I	1	GRADE 15
13	(44)	K011	ADMINISTRATIVE OFFICE SUPERVISOR	1	GRADE 15
14	(45)	D005	COMPUTER OPERATOR II	1	GRADE 15
15	(46)	A108	ACCOUNTING TECHNICIAN II	3	GRADE 15
16	(47)	K041	EXECUTIVE SECY/ADMINISTRATIVE SECY	7	GRADE 14
17	(48)	K117	MEDICAL OR LEGAL SECRETARY	6	GRADE 14
18	(49)	K153	SECRETARY II	11	GRADE 13
19	(50)	K039	DOCUMENT EXAMINER II	<u>15</u>	GRADE 12
20			MAX. NO. OF EMPLOYEES	303	

21

22 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for the  
 23 Department of Health and Human Services - Division of Medical Services for  
 24 the 2007-2009 biennium, the following maximum number of part-time or  
 25 temporary employees, to be known as "Extra Help", payable from funds  
 26 appropriated herein for such purposes: seven (7) temporary or part-time  
 27 employees, when needed, at rates of pay not to exceed those provided in the  
 28 Uniform Classification and Compensation Act, or its successor, or this act  
 29 for the appropriate classification.

30

31 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated, to  
 32 the Department of Health and Human Services - Division of Medical Services,  
 33 to be payable from the paying account as determined by the Chief Fiscal  
 34 Officer of the State, for personal services and operating expenses of the  
 35 Department of Health and Human Services - Division of Medical Services -  
 36 Operations for the biennial period ending June 30, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) REGULAR SALARIES	\$ 13,077,624	\$ 13,341,592
(02) EXTRA HELP	126,892	126,892
(03) PERSONAL SERVICES MATCHING	3,990,060	4,044,462
(04) OVERTIME	5,000	5,000
(05) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	3,152,863	3,152,863
(B) CONF. & TRAVEL	235,840	235,840
(C) PROF. FEES	355,132	355,132
(D) CAP. OUTLAY	195,000	195,000
(E) DATA PROC.	0	0
(06) DATA PROCESSING SERVICES	<u>119,800</u>	<u>119,800</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 21,258,211</u>	<u>\$ 21,576,581</u>

SECTION 4. APPROPRIATION - GRANTS. There is hereby appropriated, to the Department of Health and Human Services - Division of Medical Services, to be payable from the paying account as determined by the Chief Fiscal Officer of the State, for grant payments of the Department of Health and Human Services - Division of Medical Services - Grants for the biennial period ending June 30, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) PRIVATE NURSING HOME CARE	\$ 584,223,887	\$ 627,094,449
(02) INFANT INFIRMARY	20,625,291	21,338,175
(03) PUBLIC NURSING HOME CARE	163,716,511	170,497,211
(04) PRESCRIPTION DRUGS	400,917,328	440,746,167
(05) HOSPITAL AND MEDICAL SERVICES	2,681,042,388	2,897,206,587
(06) CHILD AND FAMILY LIFE INSTITUTE	2,100,000	2,100,000
(07) ARKIDS B PROGRAM	<u>101,926,951</u>	<u>116,703,139</u>
TOTAL AMOUNT APPROPRIATED	<u>\$3,954,552,356</u>	<u>\$4,275,685,728</u>

SECTION 5. APPROPRIATION - NURSING HOME CLOSURE COSTS. There is hereby appropriated, to the Department of Health and Human Services - Division of

1 Medical Services, to be payable from the Long-Term Care Trust Fund, for the  
 2 payment of relocation costs of residents in long-term care facilities,  
 3 maintenance and operation of a facility pending correction of deficiencies or  
 4 closure, and reimbursement of residents for personal funds lost for the  
 5 biennial period ending June 30, 2009, the following:

6

7 ITEM	FISCAL YEARS	
8 <u>NO.</u>	<u>2007-2008</u>	<u>2008-2009</u>
9 (01) EXPENSES	<u>\$ 50,000</u>	<u>\$ 50,000</u>

10

11 SECTION 6. APPROPRIATION - LONG-TERM CARE FACILITY RECEIVERSHIP. There is  
 12 hereby appropriated, to the Department of Health and Human Services -  
 13 Division of Medical Services, to be payable from the Long Term Care Facility  
 14 Receivership Fund Account, for the payment of expenses of long-term care  
 15 facility receivers as authorized by law of the Department of Health and Human  
 16 Services - Division of Medical Services - Long-Term Care Facility  
 17 Receivership for the biennial period ending June 30, 2009, the following:

18

19 ITEM	FISCAL YEARS	
20 <u>NO.</u>	<u>2007-2008</u>	<u>2008-2009</u>
21 (01) EXPENSES	<u>\$ 100,000</u>	<u>\$ 100,000</u>

22

23 SECTION 7. APPROPRIATION - NURSING HOME QUALITY GRANTS. There is hereby  
 24 appropriated, to the Department of Health and Human Services - Division of  
 25 Medical Services, to be payable from the Long-Term Care Trust Fund, for  
 26 Nursing Home Quality Grants of the Department of Health and Human Services -  
 27 Division of Medical Services - Nursing Home Quality Grants for the biennial  
 28 period ending June 30, 2009, the following:

29

30 ITEM	FISCAL YEARS	
31 <u>NO.</u>	<u>2007-2008</u>	<u>2008-2009</u>
32 (01) NURSING HOME QUALITY GRANTS AND AID	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

33

34 SECTION 8. APPROPRIATIONS - ALCOHOL AND DRUG ABUSE PREVENTION. There is  
 35 hereby appropriated to the Department of Health and Human Services - Division  
 36 of Medical Services, to be payable from the paying account as determined by

1 the Chief Fiscal Officer of the State, to be used in the event that any  
 2 future State of Arkansas Medicaid plan, federal or state legislation, or  
 3 Medicaid waiver allows for substance abuse services to be billed to Medicaid,  
 4 for the biennial period ending June 30, 2009, the following:

5

ITEM	FISCAL YEARS	
NO.	2007-2008	2008-2009
(01) FUTURE MEDICAID WAIVERS FOR SUBSTANCE		
ABUSE SERVICES	<u>\$ 1,250,000</u>	<u>\$ 1,250,000</u>

10

11 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
 13 DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human  
 14 Services Grants Fund Account shall be used for the following grant programs  
 15 to consist of general revenues and any other nonfederal funds, as may be  
 16 appropriated by the General Assembly:

- 17 (i) Children’s Medical Services;
- 18 (ii) Food Stamp Employment and Training Program;
- 19 (iii) Aid to the Aged, Blind, and Disabled;
- 20 (iv) Transitional Employment Assistance Program;
- 21 (v) Private nursing home care;
- 22 (vi) Infant Infirmary - nursing home care;
- 23 (vii) Public Nursing Home Care;
- 24 (viii) Prescription Drugs;
- 25 (ix) Hospital and Medical Services;
- 26 (x) Child and Family Life Institute;
- 27 (xi) Community Services Block Grant;
- 28 (xii) ARKIDSFIRST;
- 29 (xiii) Child Health Management Services;
- 30 (xiv) Child Care Grant; and
- 31 (xv) Prescription Drug Elderly

32

33 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 34 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
 35 SERVICES - CARRY FORWARD. The unexpended balances in appropriations made  
 36 from federal funds, for Medical Services, as provided for in this Act on June

1 30, ~~2006~~ 2008 shall be carried forward and made available for expenditures  
2 for the same purpose for the fiscal year ending June 30, ~~2007~~ 2009.

3 Any carry forward of unexpended balance of appropriation and/or funding as  
4 authorized herein, may be carried forward under the following conditions:

5  
6 (1) Prior to June 30, 2008 the Agency shall by written statement set forth  
7 its reason(s) for the need to carry forward said appropriation and/or funding  
8 to the Department of Finance and Administration Office of Budget;

9  
10 (2) The Department of Finance and Administration Office of Budget shall  
11 report to the Arkansas Legislative Council all amounts carried forward from  
12 the first fiscal year of the biennium to the second fiscal year of the  
13 biennium by the September Arkansas Legislative Council or Joint Budget  
14 Committee meeting in the second fiscal year of the biennial period which  
15 report shall include the name of the Agency, Board, Commission or Institution  
16 and the amount of the appropriation and/or funding carried forward from the  
17 first fiscal year to the second fiscal year, the program name or line item,  
18 the funding source of that appropriation and a copy of the written request  
19 set forth in (1) above;

20  
21 (3) Each Agency, Board, Commission or Institution shall provide a written  
22 report to the Arkansas Legislative Council or Joint Budget Committee  
23 containing all information set forth in item (2) above, along with a written  
24 statement as to the current status of the project, contract, purpose etc. for  
25 which the carry forward was originally requested no later than thirty (30)  
26 days prior to the time the Agency, Board, Commission or Institution presents  
27 its budget request to the Arkansas Legislative Council/Joint Budget  
28 Committee; and

29  
30 (4) Thereupon, the Department of Finance and Administration shall include all  
31 information obtained in item (3) above in the biennial budget manuals and/or  
32 a statement of non-compliance by the Agency, Board, Commission or  
33 Institution.

34  
35 The provisions of this section shall be in effect only from July 1, ~~2005~~  
36 2007 through June 30, ~~2007~~ 2009.

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2 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
3 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
4 SERVICES - CHILD AND FAMILY LIFE INSTITUTE. The Child Health and Family Life  
5 Institute shall be administered under the direction of Arkansas Children's  
6 Hospital. Arkansas Children's Hospital shall enter into a cooperative  
7 agreement and/or contract with the University of Arkansas for Medical  
8 Sciences - Department of Pediatrics for services required in delivering the  
9 programs of the Child Health and Family Life Institute. Utilizing a  
10 multidisciplinary collaboration of professionals, the Child Health and Family  
11 Life Institute shall provide a statewide effort to explore, develop and  
12 evaluate new and better ways to address medically, socially and economically  
13 interrelated health and developmental needs of children with special health  
14 care needs and their families. The Child Health and Family Life Institute's  
15 priorities shall include, but are not limited to, wellness and prevention,  
16 screen and diagnosis, treatment and intervention, training and education and  
17 research and evaluation.

18 Arkansas Children's Hospital and the University of Arkansas for Medical  
19 Sciences-Department of Pediatrics shall make annual reports to the Arkansas  
20 Legislative Council on all matters of funding, existing programs and services  
21 offered through the Child Health and Family Life Institute.

22 The provisions of this section shall be in effect only from July 1, ~~2005~~  
23 2007 through June 30, ~~2007~~ 2009.

24  
25 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
26 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
27 SERVICES - PHARMACEUTICAL DISPENSING FEE SURVEY. No more than two years prior  
28 to making any changes to the current pharmaceutical dispensing fee, the State  
29 shall conduct an independent survey utilizing generally accepted accounting  
30 principles, to determine the cost of dispensing a prescription by pharmacists  
31 in Arkansas. Only factors relative to the cost of dispensing shall be  
32 surveyed. These factors shall not include actual acquisition costs or average  
33 profit or any combination of actual acquisition costs or average profit. The  
34 survey results shall be the basis for establishing the dispensing fee paid to  
35 participating pharmacies in the Medicaid prescription drug program in  
36 accordance with Federal requirements. The dispensing fee shall be no lower

1 than the cost of dispensing as determined by the survey. Nothing in this  
2 section shall be construed to prohibit the State from increasing the  
3 dispensing fee at any time.

4 The provisions of this section shall be in effect only from July 1,  
5 ~~2005~~2007 through June 30, ~~2007~~2009.

6  
7 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
9 SERVICES GENERAL MEDICAID RATE METHODOLOGY PROVISIONS. (a) Rates established  
10 by the Division of Medical Services for the services or programs covered by  
11 this Act shall be calculated by the methodologies approved by the Centers for  
12 Medicare and Medicaid Services (CMS). The Division of Medical Services shall  
13 have the authority to reduce or increase rates based on the approved  
14 methodology. Further, the Division of Medical Services shall have the  
15 authority to increase or decrease rates for good cause including, but not  
16 limited to: (1) identification of provider(s) who can render needed services  
17 of equal quality at rates less than traditionally charged and who meet the  
18 applicable federal and state laws, rules and regulations pertaining to the  
19 provision of a particular service, (2) identification that a provider or  
20 group of providers has consistently charged rates to the Arkansas Medicaid  
21 Program greater than to other purchasers of medical services of similar size,  
22 (3) the Division determines that there has been significant changes in the  
23 technology or process by which services are provided by a provider or group  
24 of providers which has affected the costs of providing services, or (4) a  
25 severe economic downturn in the Arkansas economy which has affected the  
26 overall state budget of the Division of Medical Services.

27 The Division of Medical Services shall make available to requesting  
28 providers, the CMS's inflationary forecasts (CMS Market Basket Index). Rates  
29 established with cost of living increases based on the CMS Market Basket  
30 Index or other indices will be adjusted annually except when the state budget  
31 does not provide sufficient appropriation and funding to affect the change or  
32 portion thereof.

33 (b) Any rate methodology changes proposed by the Division of Medical Services  
34 both of a general and specific nature, shall be subject to prior review by  
35 the Legislative Council or Joint Budget Committee.

36 The provisions of this section shall be in effect only from July 1, ~~2005~~

1 2007 through June 30, ~~2007~~ 2009.

2

3 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
4 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND  
5 USAGE AUTHORIZED. The Arkansas Children's Hospital may request the  
6 Department of Health and Human Services - Division of Medical Services to  
7 retain in the Department of Human Services Grant Fund account an amount not  
8 to exceed \$2,100,000 each fiscal year from funds made available by this Act  
9 for the Child and Family Life Institute, Section 4, item number 06 to be used  
10 to match federal funds used for supplemental Medicaid payments to Arkansas  
11 Children's Hospital. These retained funds shall not be recovered for transfer  
12 to the General Revenue Allotment Reserve Fund.

13

14 SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE  
16 PLAN. The State Plan must include the provision of EPSDT services as those  
17 services are defined in §1396d(r). See §§ 1396a(a)(10)(A), 1396d(a)(4)(B);  
18 see also 1396a(a)(43). Section 1396d(r) lists in detail the screening  
19 services, vision services, dental services, and hearing services that the  
20 State Plan must expressly include, but with regard to treatment services, it  
21 states that EPSDT means "[s]uch other necessary health care, diagnostic  
22 services, treatment, and other measures described in subsection (a) of this  
23 section to correct or ameliorate defects and physical and mental illnesses  
24 and conditions discovered by the screening services, whether or not such  
25 services are covered under the State plan." 42 U.S.C. § 1396d(r)(5) (emphasis  
26 added). Reading §1396a, § 1396d(a), and § 1396d(r) together, we believe that  
27 the State Plan need not specifically list every treatment service conceivably  
28 available under the EPSDT mandate.

29 The State Plan, however, must pay part or all of the cost of treatments to  
30 ameliorate conditions discovered by the screening process when those  
31 treatments meet. The definitions set forth in § 1396a. See § 1396d(r)(5);  
32 see also §§ 1396a(a)(10), 1396a (a)(43), and 1396d(a)(4)(B). The Arkansas  
33 State Plan states that the "State will provide other health care described in  
34 [42 U.S.C. 1396d(a)] that is found to be medically necessary to correct or  
35 ameliorate defects and physical and mental illnesses and conditions  
36 discovered by the screening services, even when such health care is not

1 otherwise covered under the State Plan." See State Plan Under Title XIX of  
2 the Social Security Act Medical Assistance Program, State Of Arkansas at §  
3 4.b. This provision Meets the EPSDT mandate of the Medicaid Act.  
4 We affirm the district court's decision to the extent that it holds that a  
5 Medicaid-Eligible individual has a federal right to early intervention day  
6 treatment when a physician recommends such treatment. Section 1396d(r)(5)  
7 states that EPSDT includes any treatments or measures outlined in § 1396d(a).  
8 There are twenty-seven sub-parts to § 1396d(a), and we find that sub-part  
9 (a)(13), in particular, when read with the other sections of the Medicaid Act  
10 listed above, mandates that early intervention day treatment be provided when  
11 it is prescribed by a physician. See 42 U.S.C. § 1396d(a)(13) (defining  
12 medical assistance reimbursable by Medicaid as "other diagnostic, screening,  
13 preventive, and rehabilitative services, including any medical or remedial  
14 services recommended by a physician...for the maximum reduction of physical  
15 and mental disability and restoration of an individual to the best possible  
16 functional level"). Therefore, after CHMS clinic staff perform a diagnostic  
17 evaluation of an eligible child, if the CHMS physician prescribes early  
18 intervention day treatment as a service that would lead to the maximum  
19 reduction of medical and physical disabilities and restoration of the child  
20 to his or her best possible functional level, the Arkansas State Plan must  
21 reimburse the treatment. Because CHMS clinics are the only providers of  
22 early intervention day treatment, Arkansas must reimburse those clinics.

23  
24 *SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS*  
25 *CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUNDING*  
26 *TRANSFERS. (1) Effective July 1, 2007, the Chief Fiscal Officer of the State*  
27 *shall transfer on his or her books and those of the State Treasurer and*  
28 *Auditor of the State the balance in the Department of Human Services Grants*  
29 *Fund Account solely from monies generated by the additional tax imposed by*  
30 *Arkansas Code 26-57-1102 to the University of Arkansas Medical Center Fund.*  
31 *(2) Effective July 1, 2007, the Chief Fiscal Officer of the State shall*  
32 *transfer on his or her books and those of the State Treasurer and Auditor of*  
33 *the State the sum of one million and fifty thousand dollars (\$1,050,000) from*  
34 *the Arkansas Rx Program Fund to the Mental Health Services Fund Account of*  
35 *the Department of Health and Human Services-Division of Behavioral Health*  
36 *Services, for the express purpose of funding Children's Behavioral Health*

1 Services and transfer the remaining fund balance to the University of  
2 Arkansas Medical Center Fund.

3  
4 SECTION 17. Arkansas Code § 26-57-1103, concerning the Deposit of general  
5 revenues, is amended to read as follows:

6 26-57-1103. Deposit of general revenues.

7 (a) Notwithstanding Acts 2001 (1st Ex. Sess.), No. 2, § 11, beginning July  
8 1, 2005, twenty-nine percent (29%) of all moneys collected from the  
9 additional tax levied in §§ 26-57-1101 and 26-57-1102 shall be deposited in  
10 the State Treasury as special revenue and distributed as follows:

11 (1) ~~Except as provided in subsection (b) of this section, twenty~~ Twenty-  
12 five percent (25%) shall be credited to the Arkansas Rx Program Fund  
13 University of Arkansas Medical Center Fund;

14 (2) Eight and one-third percent (81/3%) shall be credited to the Breast  
15 Cancer Control Fund;

16 (3) Eight and one-third percent (81/3%) shall be credited to the Breast  
17 Cancer Research Fund;

18 (4) Eight and one-third percent (81/3%) shall be credited to the  
19 Miscellaneous Agencies Fund Account for the Arkansas Prostate Cancer  
20 Foundation; and

21 (5) Fifty percent (50%) shall be credited to the Aging and Adult  
22 Services Fund Account of the Department of Human Services Fund to be used to  
23 assist the Meals-on-Wheels Program.

24 ~~(b) If the Director of the Department of Health and Human Services and the~~  
25 ~~Director of the Department of Finance and Administration certify that the~~  
26 ~~amount of fees estimated to be paid by qualified residents during a fiscal~~  
27 ~~year pursuant to § 20-76-515 and credited to the Arkansas Rx Program Fund is~~  
28 ~~sufficient to fully support the costs and expenses of the Arkansas Rx Program~~  
29 ~~for that fiscal year, the additional tax distributed under subdivision (a)(1)~~  
30 ~~of this section shall instead be distributed for that fiscal year as follows:~~

31 ~~(1) Twelve and one half percent (12.5%) shall be credited to the Breast~~  
32 ~~Cancer Control Fund; and~~

33 ~~(2) Twelve and one half percent (12.5%) shall be credited to the Breast~~  
34 ~~Cancer Research Fund.~~

35  
36 SECTION 18. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized

1 by this act shall be limited to the appropriation for such agency and funds  
2 made available by law for the support of such appropriations; and the  
3 restrictions of the State Procurement Law, the General Accounting and  
4 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
5 Procedures and Restrictions Act, or their successors, and other fiscal  
6 control laws of this State, where applicable, and regulations promulgated by  
7 the Department of Finance and Administration, as authorized by law, shall be  
8 strictly complied with in disbursement of said funds.

9  
10 SECTION 19. LEGISLATIVE INTENT. It is the intent of the General Assembly  
11 that any funds disbursed under the authority of the appropriations contained  
12 in this act shall be in compliance with the stated reasons for which this act  
13 was adopted, as evidenced by the Agency Requests, Executive Recommendations  
14 and Legislative Recommendations contained in the budget manuals prepared by  
15 the Department of Finance and Administration, letters, or summarized oral  
16 testimony in the official minutes of the Arkansas Legislative Council or  
17 Joint Budget Committee which relate to its passage and adoption.

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19 SECTION 20. EMERGENCY CLAUSE. It is found and determined by the General  
20 Assembly, that the Constitution of the State of Arkansas prohibits the  
21 appropriation of funds for more than a two (2) year period; that the  
22 effectiveness of this Act on July 1, 2007 is essential to the operation of  
23 the agency for which the appropriations in this Act are provided, and that in  
24 the event of an extension of the Regular Session, the delay in the effective  
25 date of this Act beyond July 1, 2007 could work irreparable harm upon the  
26 proper administration and provision of essential governmental programs.  
27 Therefore, an emergency is hereby declared to exist and this Act being  
28 necessary for the immediate preservation of the public peace, health and  
29 safety shall be in full force and effect from and after July 1, 2007.

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31 /s/ Joint Budget Committee  
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