

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4

# A Bill

HOUSE BILL 1117

5 By: Joint Budget Committee  
6

## For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR THE MEDICAID  
9 TOBACCO SETTLEMENT PROGRAM FOR THE DEPARTMENT OF  
10 HUMAN SERVICES FOR THE FISCAL YEAR ENDING JUNE 30,  
11 2024; AND FOR OTHER PURPOSES.  
12  
13

## Subtitle

14 AN ACT FOR THE DEPARTMENT OF HUMAN  
15 SERVICES - MEDICAID TOBACCO SETTLEMENT  
16 PROGRAM APPROPRIATION FOR THE 2023-2024  
17 FISCAL YEAR.  
18  
19  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. REGULAR SALARIES - COUNTY OPERATIONS - MEDICAID TOBACCO  
24 SETTLEMENT PROGRAM. There is hereby established for the Department of Human  
25 Services - Division of County Operations - Medicaid Tobacco Settlement  
26 Program for the 2023-2024 fiscal year, the following maximum number of  
27 regular employees.  
28

Item	Class	Title	Maximum No. of Employees	Maximum Annual
				Salary Rate Fiscal Year
				2023-2024
33	(1)	M037C PROGRAM ELIGIBILITY SUPERVISOR	5	GRADE GS07
34	(2)	M066C PROGRAM ELIGIBILITY SPECIALIST	30	GRADE GS06
35	(3)	C062C LOCAL OFFICE ADMINISTRATIVE ASSISTANT	<u>5</u>	GRADE GS03
36	MAX. NO. OF EMPLOYEES		40	



SECTION 2. REGULAR SALARIES - MEDICAL SERVICES - MEDICAID TOBACCO SETTLEMENT PROGRAM. There is hereby established for the Department of Human Services - Division of Medical Services - Medicaid Tobacco Settlement Program for the 2023-2024 fiscal year, the following maximum number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2023-2024
(1)	G152C	DHS PROGRAM MANAGER	<u>1</u>	GRADE GS08
		MAX. NO. OF EMPLOYEES	1	

SECTION 3. REGULAR SALARIES - PROVIDER SERVICES AND QUALITY ASSURANCE - MEDICAID TOBACCO SETTLEMENT PROGRAM. There is hereby established for the Department of Human Services - Division of Provider Services and Quality Assurance - Medicaid Tobacco Settlement Program for the 2023-2024 fiscal year, the following maximum number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2023-2024
(1)	L038C	REGISTERED NURSE	1	GRADE MP01
(2)	G129C	DHS/DCO PROGRAM MANAGER	1	GRADE GS08
(3)	M037C	PROGRAM ELIGIBILITY SUPERVISOR	2	GRADE GS07
(4)	M066C	PROGRAM ELIGIBILITY SPECIALIST	14	GRADE GS06
(5)	C062C	LOCAL OFFICE ADMINISTRATIVE ASSISTANT	<u>1</u>	GRADE GS03
		MAX. NO. OF EMPLOYEES	19	

SECTION 4. APPROPRIATION - COUNTY OPERATIONS - MEDICAID TOBACCO SETTLEMENT PROGRAM. There is hereby appropriated, to the Department of Human Services, to be payable from the Medicaid Expansion Program Account, for personal services and operating expenses of the Department of Human Services - Division of County Operations - Medicaid Tobacco Settlement Program for the

1 fiscal year ending June 30, 2024, the following:

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3 ITEM	FISCAL YEAR
4 <u>NO.</u>	<u>2023-2024</u>
5 (01) REGULAR SALARIES	\$1,675,081
6 (02) PERSONAL SERVICES MATCHING	677,544
7 (03) MAINT. & GEN. OPERATION	
8 (A) OPER. EXPENSE	197,197
9 (B) CONF. & TRAVEL	0
10 (C) PROF. FEES	0
11 (D) CAP. OUTLAY	0
12 (E) DATA PROC.	0
13 (04) DATA PROCESSING SERVICES	<u>50,000</u>
14 TOTAL AMOUNT APPROPRIATED	<u><u>\$2,599,822</u></u>

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16 SECTION 5. APPROPRIATION - MEDICAL SERVICES - MEDICAID TOBACCO  
 17 SETTLEMENT PROGRAM. There is hereby appropriated, to the Department of Human  
 18 Services, to be payable from the Medicaid Expansion Program Account, for  
 19 personal services and operating expenses of the Department of Human Services  
 20 - Division of Medical Services - Medicaid Tobacco Settlement Program for the  
 21 fiscal year ending June 30, 2024, the following:

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23 ITEM	FISCAL YEAR
24 <u>NO.</u>	<u>2023-2024</u>
25 (01) REGULAR SALARIES	\$54,725
26 (02) PERSONAL SERVICES MATCHING	20,009
27 (03) MAINT. & GEN. OPERATION	
28 (A) OPER. EXPENSE	9,484
29 (B) CONF. & TRAVEL	2,000
30 (C) PROF. FEES	0
31 (D) CAP. OUTLAY	0
32 (E) DATA PROC.	<u>0</u>
33 TOTAL AMOUNT APPROPRIATED	<u><u>\$86,218</u></u>

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35 SECTION 6. APPROPRIATION - MEDICAL SERVICES - MEDICAID TOBACCO  
 36 SETTLEMENT PROGRAM GRANTS. There is hereby appropriated, to the Department

1 of Human Services, to be payable from the Medicaid Expansion Program Account,  
 2 for grant payments of the Department of Human Services - Division of Medical  
 3 Services - Medicaid Tobacco Settlement Program Grants for the fiscal year  
 4 ending June 30, 2024, the following:

6 ITEM	FISCAL YEAR
7 <u>NO.</u>	<u>2023-2024</u>
8 (01) HOSPITAL AND MEDICAL SERVICES	\$160,426,470
9 (02) PRESCRIPTION DRUGS	<u>9,543,457</u>
10 TOTAL AMOUNT APPROPRIATED	<u>\$169,969,927</u>

11  
 12 SECTION 7. APPROPRIATION - PROVIDER SERVICES AND QUALITY ASSURANCE -  
 13 MEDICAID TOBACCO SETTLEMENT PROGRAM. There is hereby appropriated, to the  
 14 Department of Human Services, to be payable from the Medicaid Expansion  
 15 Program Account, for personal services and operating expenses of the  
 16 Department of Human Services - Division of Provider Services and Quality  
 17 Assurance - Medicaid Tobacco Settlement Program for the fiscal year ending  
 18 June 30, 2024, the following:

20 ITEM	FISCAL YEAR
21 <u>NO.</u>	<u>2023-2024</u>
22 (01) REGULAR SALARIES	\$841,440
23 (02) PERSONAL SERVICES MATCHING	332,775
24 (03) MAINT. & GEN. OPERATION	
25 (A) OPER. EXPENSE	98,598
26 (B) CONF. & TRAVEL	0
27 (C) PROF. FEES	0
28 (D) CAP. OUTLAY	0
29 (E) DATA PROC.	<u>0</u>
30 TOTAL AMOUNT APPROPRIATED	<u>\$1,272,813</u>

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 32 SECTION 8. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 19-12-  
 33 112, concerning the creation of the Medicaid Expansion Program Account and  
 34 resulting from Initiated Act 1 of 2000, is amended to add an additional  
 35 subsection to codify special language in appropriation acts to read as  
 36 follows:

1       (e)(1) The Chief Fiscal Officer of the State shall establish separate  
2 paying accounts for the Medicaid Expansion Program to be used exclusively to  
3 draw down federal funds associated with the federal share of expenditures and  
4 for the state share of expenditures transferred from the Medicaid Expansion  
5 Program Account or for any other appropriate state matching funds.

6       (2) The Medicaid Expansion Program, established by Initiated Act 1  
7 of 2000 and enacted in the Tobacco Settlement Proceeds Act, § 19-12-101 et  
8 seq., is a separate and distinct component of the Arkansas Medicaid Program,  
9 administered by the Department of Human Services and established under § 19-  
10 12-116(b)(1).

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12       SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
13 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ACCOUNTS.  
14 Such appropriations and fund accounts as may be necessary to administer the  
15 provisions of this act shall be established on the books of the Chief Fiscal  
16 Officer of the State, State Treasurer, and the Auditor of the State.

17       The provisions of this section shall be in effect only from July 1, ~~2022~~  
18 ~~2023~~ through June 30, ~~2023~~ 2024.

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20       SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
21 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

22 POSITIONS. (a) Nothing in this act shall be construed as a commitment of the  
23 State of Arkansas or any of its agencies or institutions to continue funding  
24 any position paid from the proceeds of the Tobacco Settlement in the event  
25 that Tobacco Settlement funds are not sufficient to finance the position.

26       (b) State funds will not be used to replace Tobacco Settlement funds when  
27 such funds expire, unless appropriated by the General Assembly and authorized  
28 by the Governor.

29       (c) A disclosure of the language contained in (a) and (b) of this Section  
30 shall be made available to all new hire and current positions paid from the  
31 proceeds of the Tobacco Settlement by the Tobacco Settlement Commission.

32       (d) Whenever applicable the information contained in (a) and (b) of this  
33 Section shall be included in the employee handbook and/or Professional  
34 Services Contract paid from the proceeds of the Tobacco Settlement.

35       The provisions of this section shall be in effect only from July 1, ~~2022~~  
36 ~~2023~~ through June 30, ~~2023~~ 2024.

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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. TRANSFER  
4 RESTRICTIONS. The appropriations provided in this act shall not be  
5 transferred under the provisions of Arkansas Code 19-4-522, but only as  
6 provided by this act.

7 The provisions of this section shall be in effect only from July 1, ~~2022~~  
8 2023 through June 30, ~~2023~~ 2024.

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10 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
11 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFERS  
12 OF APPROPRIATIONS. In the event the amount of any of the budget  
13 classifications of maintenance and general operation in this act are found by  
14 the administrative head of the agency to be inadequate, then the agency head  
15 may request, upon forms provided for such purpose by the Chief Fiscal Officer  
16 of the State, a modification of the amounts of the budget classification. In  
17 that event, he shall set out on the forms the particular classifications for  
18 which he is requesting an increase or decrease, the amounts thereof, and his  
19 reasons therefor. In no event shall the total amount of the budget exceed  
20 either the amount of the appropriation or the amount of the funds available,  
21 nor shall any transfer be made from the capital outlay or data processing  
22 subclassifications unless specific authority for such transfers is provided  
23 by law, except for transfers from capital outlay to data processing when  
24 determined by the Division of Information Systems that data processing  
25 services for a state agency can be performed on a more cost-efficient basis  
26 by the Division of Information Systems than through the purchase of data  
27 processing equipment by that state agency. In considering the proposed  
28 modification as prepared and submitted by each state agency, the Chief Fiscal  
29 Officer of the State shall make such studies as he deems necessary. The Chief  
30 Fiscal Officer of the State shall, after obtaining the approval of the  
31 Legislative Council or Joint Budget Committee, approve the requested transfer  
32 if in his opinion it is in the best interest of the state.

33 Upon determination by the Secretary of the Department of Human Services  
34 that a Reallocation of Resources is necessary for the effective operation of  
35 the Medicaid Tobacco Settlement Program Grants, the Secretary, with the  
36 approval of the Governor, shall have the authority to request from the Chief

1 Fiscal Officer of the State a transfer of Appropriation. This transfer  
2 authority applies only to the Medicaid Tobacco Settlement Program Grants  
3 appropriation section of this Act between the Hospital and Medical Services  
4 line item and the Prescription Drugs line item. The limitation restrictions  
5 applicable to the Department Reallocation of Resources authority applies to  
6 this section.

7 The General Assembly has determined that the agency in this act could be  
8 operated more efficiently if some flexibility is given to that agency and  
9 that flexibility is being accomplished by providing authority to transfer  
10 between certain items of appropriation made by this act. Since the General  
11 Assembly has granted the agency broad powers under the transfer of  
12 appropriations, it is both necessary and appropriate that the General  
13 Assembly maintain oversight of the utilization of the transfers by requiring  
14 prior approval of the Legislative Council or Joint Budget Committee in the  
15 utilization of the transfer authority. Therefore, the requirement of approval  
16 by the Legislative Council or Joint Budget Committee is not a severable part  
17 of this section. If the requirement of approval by the Legislative Council or  
18 Joint Budget Committee is ruled unconstitutional by a court of competent  
19 jurisdiction, this entire section is void.

20 The provisions of this section shall be in effect only from July 1, ~~2022~~  
21 2023 through June 30, ~~2023~~ 2024.

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23 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
24 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

25 COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act  
26 shall be limited to the appropriation for such agency and funds made  
27 available by law for the support of such appropriations; and the restrictions  
28 of the State Purchasing Law, the General Accounting and Budgetary Procedures  
29 Law, the Regular Salary Procedures and Restrictions Act, or their successors,  
30 and other fiscal control laws of this State, where applicable, and  
31 regulations promulgated by the Department of Finance and Administration, as  
32 authorized by law, shall be strictly complied with in disbursement of said  
33 funds.

34 The provisions of this section shall be in effect only from July 1, ~~2022~~  
35 2023 through June 30, ~~2023~~ 2024.

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1 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
2 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
3 LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds  
4 disbursed under the authority of the appropriations contained in this act  
5 shall be in compliance with the stated reasons for which this act was  
6 adopted, as evidenced by Initiated Act 1 of 2000, the Agency Requests,  
7 Executive Recommendations and Legislative Recommendations contained in the  
8 budget manuals prepared by the Department of Finance and Administration,  
9 letters, or summarized oral testimony in the official minutes of the Arkansas  
10 Legislative Council or Joint Budget Committee which relate to its passage and  
11 adoption.

12 The provisions of this section shall be in effect only from July 1, ~~2022~~  
13 2023 through June 30, ~~2023~~ 2024.

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15 SECTION 15. EMERGENCY CLAUSE. It is found and determined by the  
16 General Assembly, that the Constitution of the State of Arkansas prohibits  
17 the appropriation of funds for more than a one (1) year period; that the  
18 effectiveness of this Act on July 1, 2023 is essential to the operation of  
19 the agency for which the appropriations in this Act are provided, and that in  
20 the event of an extension of the legislative session, the delay in the  
21 effective date of this Act beyond July 1, 2023 could work irreparable harm  
22 upon the proper administration and provision of essential governmental  
23 programs. Therefore, an emergency is hereby declared to exist and this Act  
24 being necessary for the immediate preservation of the public peace, health  
25 and safety shall be in full force and effect from and after July 1, 2023.