



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

March 12, 2019

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 following amendment to SB99, the 2019-2020 Operations Appropriation Bill for the Arkansas Department of Human Services – Division of Medical Services.

Please amend SECTION 4. APPROPRIATION – GRANTS as follows:

ITEM NO.		FISCAL YEAR 2019-2020
(02)	HOSPITAL AND MEDICAL SERVICES	6,573,710,120
	TOTAL AMOUNT APPROPRIATED	<u>\$8,223,225,008</u>
		<u>6,490,292,292</u>
		<u>\$8,139,807,180</u>

This will allow the Division of Medical Services to reallocate appropriation to multiple programs.

I respectfully request the following amendment to HB1155, the 2019-2020 Appropriation Bill for the Arkansas Department of Human Services – Medicaid Expansion Program.

Please amend SECTION 6. APPROPRIATION – MEDICAL SERVICES – MEDICAID EXPANSION PROGRAM GRANTS as follows:

ITEM NO.		FISCAL YEAR 2019-2020
(01)	HOSPITAL AND MEDICAL SERVICES	22,459,186
	TOTAL AMOUNT APPROPRIATED	<u>\$31,442,860</u>
		<u>99,027,014</u>
		<u>\$108,010,688</u>

This will provide additional appropriation for the program to support carryover of tobacco settlement funding.

I respectfully request the following amendments to HB1154, the 2019-2020 Operations Appropriation Bill for the Arkansas Department of Human Services – Division of Provider Services and Quality Assurance.

Please insert the following SECTION and renumber accordingly.

SECTION X. APPROPRIATION – PROVIDER SERVICES GRANTS. There is hereby appropriated, to the Department of Human Services – Division of Provider Services and Quality Assurance, to be payable from the paying account as determined by the Chief Fiscal Officer of the State, for grant payments of the Department of Human Services – Division of Provider Services and Quality Assurance for the fiscal year ending June 30, 2020, the following:

<u>ITEM NO.</u>	<u>FISCAL YEAR</u> <u>2019-2020</u>
<u>(01) PROVIDER SERVICES GRANTS AND AID</u>	<u>\$400,000</u>

This will allow the Division of Provider Services and Quality Assurance to continue utilizing the appropriation, which was established in Fiscal Year 2019.

Please transfer the following sections from HB1154 to SB99, the 2019-2020 Appropriation Bill for the Arkansas Department of Human Services – Division of Medical Services, and amend and renumber the sections accordingly:

SECTION 4. APPROPRIATION – NURSING HOME CLOSURE COSTS

<u>ITEM NO.</u>	<u>FISCAL YEAR</u> <u>2019-2020</u>
<u>(01) EXPENSES</u>	<u>\$50,000</u> <u>\$1,000,000</u>

SECTION 5. APPROPRIATION – LONG-TERM CARE FACILITY RECEIVERSHIP

<u>ITEM NO.</u>	<u>FISCAL YEAR</u> <u>2019-2020</u>
<u>(01) EXPENSES</u>	<u>\$100,000</u>

SECTION 6. APPROPRIATION – NURSING HOME QUALITY GRANTS

ITEM NO.		FISCAL YEAR 2019-2020
(01) NURSING HOME QUALITY GRANTS AND AID	\$1,000,000	<u>\$4,000,000</u>

This will allow the Division of Medical Services to utilize existing appropriation while ensuring appropriate matching funds are fully received.

I respectfully request the following amendment to HB1153, the 2019-2020 Operations Appropriation Bill for the Arkansas Department of Human Services – Division of County Operations.

Please amend SECTION 3. APPROPRIATION – OPERATIONS as follows:

ITEM NO.		FISCAL YEAR 2019-2020
(06) DATA PROCESSING SERVICES	7,090,177	<u>9,590,177</u>
TOTAL AMOUNT APPROPRIATED	\$132,550,188	<u>\$135,050,188</u>

This will allow the Division of County Operations to accommodate increased information technology services and expenses.

I respectfully request the following amendment to HB1156, the 2019-2020 Appropriation Bill for the Arkansas Department of Human Services – Director’s Office.

Please amend SECTION 1. REGULAR SALARIES – OPERATIONS as follows:

Item Class No. Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2019-2020
(2) L023N	DHS DEPUTY DIRECTOR	2 3	GRADE SE03
	MAX. NO. OF EMPLOYEES	701 702	

This will provide for three (3) DHS Deputy Director positions.

I respectfully request the following amendment to SB103, the 2019-2020 Appropriation Bill for the Arkansas Department of Human Services – Division of Child Care and Early Childhood Education.

Please amend SECTION 5. APPROPRIATION - CHILD CARE GRANTS as follows:

ITEM NO.	FISCAL YEAR	
	2019-2020	
(01) CHILD CARE GRANT/AIDS	\$44,306,047	<u>\$39,306,047</u>

The will allow the Division of Child Care and Early Childhood Education to reallocate appropriation to Division of Youth Services operational and program needs as specified below.

I respectfully request the following amendments to SB100, the 2019-2020 Appropriation Bill for the Arkansas Department of Human Services – Division of Youth Services.

Please amend SECTION 3. APPROPRIATION – OPERATIONS as follows:

ITEM NO.	FISCAL YEAR	
	2019-2020	
(05) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	<u>2,603,006</u>	<u>4,603,006</u>
TOTAL AMOUNT APPROPRIATED	<u>\$7,377,018</u>	<u>\$9,377,018</u>

This will allow the Division of Youth Services to enhance their data reporting and information system needs.

Please amend SECTION 6. APPROPRIATION – COMMUNITY SERVICES as follows:

ITEM NO.	FISCAL YEAR	
	2019-2020	
(01) COMMUNITY SERVICES	<u>\$16,971,100</u>	<u>\$17,821,100</u>

This will allow the Division of Youth Services to enhance diversion, family/community evaluations, and treatment monitoring.

Please amend SECTION 8. APPROPRIATION – RESIDENTIAL SERVICES as follows:

ITEM NO.	FISCAL YEAR	
	2019-2020	
(01) RESIDENTIAL SERVICES	<u>\$27,612,244</u>	<u>\$29,762,244</u>

Senator Larry Teague, Co-Chair
Representative Lane Jean, Co-Chair
Page 5

The will allow the Division of Youth Services to enhance behavior health clinicians, PASSE care coordination, and group home expansion services.

I respectfully request the following amendments to SB102, the 2019-2020 Appropriation Bill for the Arkansas Department of Human Services – Division of Aging, Adult, and Behavioral Health Services.

Please amend the following section as follows:

“SECTION 11. APPROPRIATION – ARKANSAS SENIOR OLYMPICS. There is hereby appropriated, to the Department of Human Services – Division of Aging, Adult, and Behavioral Health Services, to be payable from the ~~Aging and Adult Services Fund Account~~ Behavioral Health Services Fund Account, for matching funds for the Arkansas Senior Olympics of the Department of Human Services – Division of Aging, Adult, and Behavioral Health Services for the fiscal year ending June 30, 2020, the following:”

This will allow the Division of Aging, Adult, and Behavioral Health Services to continue to provide general revenue funding to the Arkansas Senior Olympics Program in a lump sum once the Arkansas Sports Organization certifies its two-to-one state/local matching funds.

Please insert the following SECTION and renumber accordingly.

SECTION X. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY FORWARD – COMMUNITY BASED CRISIS INTERVENTION. Any unexpended balance of funds allocated for Community Based Crisis Intervention in the Department of Human Services – Division of Aging, Adult and Behavioral Health Services from the Behavioral Health Services Fund Account which remain at the close of each state fiscal year shall be carried forward to the next state fiscal year to be used for the same intent and purposes as set forth in law. Any carry forward of unexpended balance of funding as authorized herein, may be carried forward under the following conditions:

(1) Prior to June 30, 2020 the Agency shall by written statement set forth its reason(s) for the need to carry forward said funding to the Department of Finance and Administration Office of Budget;

(2) The Department of Finance and Administration Office of Budget shall report to the Arkansas Legislative Council all amounts carried forward by the September Arkansas Legislative Council or Joint Budget Committee meeting which report shall include the name of the Agency, Board, Commission or Institution and the amount of the funding carried forward, the program name or line item, the funding source of that appropriation and a copy of the written request

set forth in (1) above;

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

(4) Thereupon, the Department of Finance and Administration shall include all information obtained in item (3) above in the budget manuals and/or a statement of non-compliance by the Agency, Board, Commission or Institution. The provisions of this section shall be in effect only from July 1, 2019 through June 30, 2020.

This language will allow the agency to carry forward any unexpended funds allocated for the Community Based Crisis Intervention Centers.

Please insert the following SECTION and renumber accordingly.

SECTION X. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY FORWARD – COMMUNITY BASED CRISIS INTERVENTION. Immediately upon the effective date of this Act, any unexpended balance of funds allocated for Community Based Crisis Intervention in the Department of Human Services – Division of Aging, Adult and Behavioral Health Services from the Behavioral Health Services Fund Account which remain at the close of each state fiscal year shall be carried forward to the next state fiscal year to be used for the same intent and purposes as set forth in law. Any carry forward of unexpended balance of funding as authorized herein, may be carried forward under the following conditions:

(1) Prior to June 30, 2019 the Agency shall by written statement set forth its reason(s) for the need to carry forward said funding to the Department of Finance and Administration Office of Budget;

(2) The Department of Finance and Administration Office of Budget shall report to the Arkansas Legislative Council all amounts carried forward by the September Arkansas Legislative Council or Joint Budget Committee meeting which report shall include the name of the Agency, Board, Commission or Institution and the amount of the funding carried forward, the program name or line item, the funding source of that appropriation and a copy of the written request set forth in (1) above;

(3) Each Agency, Board, Commission or Institution shall provide a written report to the Arkansas Legislative Council or Joint Budget Committee containing

Senator Larry Teague, Co-Chair
Representative Lane Jean, Co-Chair
Page 7

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

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


The provisions of this section shall be in effect only from July 1, 2018 through June 30, 2019.

Please amend the emergency clause as follows:

SECTION X. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2019 is essential to the operation of the agency for which the appropriations in this Act are provided; with the exception that Section X in this Act shall be in full force and effect from and after the date of its passage and approval, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2019, with the exception that Section X in this Act shall be in full force and effect from and after the date of its passage and approval, could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2019; with the exception that Section X of this Act shall be in full force and effect from and after the date of its passage and approval.

This language will allow the agency to carry forward any unexpended funds allocated for the Community Based Crisis Intervention Centers with effective date upon approval of the Act for Fiscal Year 2019.

I appreciate your consideration of this matter.

Sincerely,


Asa Hutchinson

AH:db:ey