

DHS – Division of Medical Services (0755)
Fiscal Year 2025
Legislative Recommendation

The Division is responsible for administering the Medicaid program, which includes the Child Health Insurance Program (S-CHIP). The Medicaid program includes Hospital & Medical Services, Public and Private Nursing Home Care, Prescription Drugs, ARHome and ARKids First.

TOTAL APPROPRIATION

Appropriation		2023-2024	2024-2025
		Authorized	Legislative
4KS	Nursing Home Quality	\$4,000,000	\$4,000,000
876	Nursing Home Closure Costs	\$4,500,000	\$4,500,000
878	Long Term Care Facility Receivership	\$100,000	\$100,000
896	DHS–Admin Paying Account	\$12,841,803	\$12,482,031
897*	DHS-Grants Paying Account	\$9,707,876,505	\$10,156,006,345
898*	DHS-Grants Paying Account	\$222,217,791	\$222,217,791
Total		\$9,951,536,099	\$10,398,806,167

* Items are listed in a single appropriation section in the bill.

FUNDING SOURCES

Funding Sources		%
Fund Balance	4000005	0.71
General Revenue	4000010	14.72
Federal Revenue	4000020	81.76
Trust Fund	4000050	0.01
Drug Rebates	4000200	0.91
Hospital Assessment Fee	4000281	0.97
ICF/MR Provider Fee	4000282	0.02
Insurance Premium Tax	4000298	0.48
Quality Assurance Fee	4000395	0.80
Reallocation of Resources	4000410	0.00
Transfer from Medicaid Match	4000550	0.13
Transfer to General Education	4000630	-0.26
Transfer to Medicaid	4000655	-0.72
Various Program Support	4000730	0.28
Total Funds		100.00

CHANGE LEVEL REQUESTS

Developmental Disabilities Services—Administrative Paying (Appropriation 896)

Commitment Item		2023-2024	2024-2025	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$6,527,589	\$6,166,219	(\$361,370)
5010003	Personal Services Matching	\$2,257,092	\$2,258,690	\$1,598
Total		\$12,841,803	\$12,482,031	(\$359,772)

- Changes due to position decrease made in earlier reallocations.

DHS—Grants Paying Account (Appropriation 897)

Commitment Item		2023-2024	2024-2025	
		Authorized	Legislative	Change Level
5100004	Hospital and Medical Services	\$8,034,125,877	\$8,356,005,717	\$321,879,840
5100004	Prescription Drugs	\$509,386,547	\$585,636,547	\$76,250,000
5100004	Private Nursing Home Care	\$957,142,061	\$1,007,142,061	\$50,000,000
Total		\$9,707,876,505	\$10,156,006,345	\$448,129,840

- Hospital Medical Services and Private Nursing Home Care increases made to better align with the Medicaid biennium forecast.
- Prescription Drug increase due to transfer from the Hospital and Medical Services line item to properly expense funds for Part D Drug Benefits Clawback.

POSITIONS

Total Authorized Positions FY2025: 92

Total Authorized Positions FY2025: 96

Increase / (Decrease): (4)

Extra Help Positions FY2025: 10

SPECIAL LANGUAGE CHANGES

****CODE AMENDMENT**** Adds a new section of code address redetermination and transition coverage for postpartum mothers on Medicaid.

****New**** MEDICAID PROGRAM TRUST FUND DISTRIBUTION AND BALANCE REPORT. Requires DHS to report on transfers made from the Medicaid Program Trust Fund and its subfunds to Paying Accounts to fund expenditures of the Medicaid Program and details the frequency and components of the required report.