

Exhibit No. 54Amendments to House Bill No. 2  
3rd Reading CopyDate 3-21-11Bill No. HB2

Requested by Senator Dave Lewis

For the Senate Finance and Claims Committee

Prepared by Kris Wilkinson  
March 21, 2011 (4:01pm)

1. Page B-4, line 2.

**Strike:** "61,200,962 62,750,080" [general fund FY 12 FY 13]**Insert:** "60,935,780 62,484,898" [general fund FY 12 FY 13]**Strike:** "165,451,895 165,825,968" [federal special fund FY 12 FY 13]**Insert:** "160,421,396 160,163,010 " [federal special fund FY 12 FY 13]

2. Page B-4, line 3.

**Strike:** "30,755,347 30,910,949" [state special fund FY 12 FY 13]**Insert:** "27,620,974 27,394,949" [state special fund FY 12 FY 13]

3. Page B-4.

**Following:** line 8**Insert:** "b. County Nursing Home Intergovernmental Transfer (IGT)  
(Restricted)"**Insert:** "3,134,373 3,516,000" [state special fund FY 12 FY 13]**Insert:** "6,136,181 6,746,699" [federal special fund FY 12 FY 13]

4. Page B-5.

**Following:** line 5**Insert:** "County Nursing Home Intergovernmental Transfer (IGT) may be used as one-time-only payments to nursing homes based on the number of medicaid services provided. State special revenue in County Nursing Home IGT may be expended only after the office of budget and program planning has certified that the department has collected from participating counties the amount necessary to make one-time-only payments to nursing homes and to fund the base budget in the nursing facility program and the community services program at the level of \$564,785 state special revenue each year of the biennium and \$1,105,682 federal funds in FY 2012 and \$1,083,741 in FY 2013."

- END -

Explanation - This amendment adds a line item and associated

language to HB 2 for the intergovernmental transfer program and corrects funding associated with the transfers. Total funds allocated to IGT do not change with this amendment. However, the amendment corrects funding for the various sources within the allocation saving \$530,364 in general fund over the biennium. IGT revenue is used as state match to draw down additional federal funds to augment payments to nursing homes for Medicaid eligible services. Intergovernmental transfers are considered one-time-only funding as the rate increases generated through the process continue only so long as counties participate and federal regulations allow the funding mechanism to be used.

Items 1 & 2 removes the IGT total funding from the overall budget of Senior and Long-term Care to allow a line item to be created. Item 1 reduces general fund by \$265,182 each year of the biennium that was inadvertently included in the budget for IGT transfers and decreases federal funds by \$455,582 in FY 2012 and \$474,051 in FY 2013 to align the funding with the correct FMAP percentages. Item 2 increases state special by \$720,762 in FY 2012 and \$739,233 in FY 2013.

Item 3 creates a line item for IGT transfers and designates the funding as one-time-only. State special revenues increase as federal regulations related to limits on the Medicare upper payment limits changed allowing IGT state special revenue increases averaging \$9.60 a day.

Item 4 provides for language associated with the line item in the bill.