



OFFICE OF MANAGEMENT & BUDGET


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MEMORANDUM

To: The Honorable Marvin L. Abney, Chairman, House Finance Committee
The Honorable Ryan W. Pearson, Chairman, Senate Finance Committee

From: Joseph Codega Jr., Budget Officer 

Date: May 20, 2022

Subject: Amendments to FY 2023 Appropriations Act (22-H-7123)

The Governor requests that several amendments be made to the FY 2022 Appropriations Act that seek to reflect the relevant forecasted expenditures for the Executive Office of Health and Human Services Medical Assistance Program, Behavioral Healthcare, Developmental Disabilities and Hospitals Development Disabilities Program and Department of Human Services Cash Assistance Program as adopted by the May 2022 Caseload Estimating Conference.

Additional adjustments for other budget areas not under the purview of the Caseload Estimating Conference are also requested in order to reflect an additional quarter of enhanced Federal Medical Assistance Percentage (FMAP).

On March 18, 2020, the President signed into law the Families First Coronavirus Response Act (FFCRA), which provided a temporary 6.2 percentage point enhancement to each qualifying state's Federal Medical Assistance Percentage (FMAP) effective January 1, 2020, and extending through the last day of the calendar quarter in which the public health emergency declared by the Secretary of Health and Human Services for COVID-19 terminates.

As of this writing, federal authorizations have signaled their intent for the PHE to remain in effect through the end of the first quarter of FY 2023.

Furthermore, the amendment includes adjustments to the budget of the Department of Elementary and Secondary Education to reflect updated student enrollment data.

A description of each amendment requested is provided below.

If you have any questions regarding these amendments, please feel free to call me or my staff at 222-6300.

JC:23-Amend-14
Attachments

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
James E. Thorsen, Director of Administration
Brian Daniels, Director, Office of Management and Budget

ARTICLE 1, RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2023

SECTION 1, APPROPRIATIONS IN SUPPORT OF FY 2023

Executive Office of Health and Human Services

Increase General Revenues Managed Care – Medical Assistance Program, Page 14, Line 24 by \$12,683,100 from \$382,344,923 to \$395,028,023. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Decrease General Revenues Hospitals – Medical Assistance Program, Page 14, Line 25 by \$12,750,800 from \$98,302,406 to \$85,551,606. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Decrease General Revenues Nursing Facilities – Medical Assistance Program, Page 14, Line 29 by \$2,880,782 from \$140,848,657 to \$137,967,875. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Increase General Revenues Home and Community Based Services – Medical Assistance Program, Page 14, Line 30 by \$1,004,907 from \$44,861,679 to \$45,866,586. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Increase General Revenues Other Services – Medical Assistance Program, Page 14, Line 31 by \$10,323,024 from \$133,013,828 to \$143,336,852. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Decrease General Revenues Pharmacy – Medical Assistance Program, Page 14, Line 32 by \$250,985 from \$87,032,570 to \$87,283,555. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Decrease General Revenues Rhydy Health – Medical Assistance Program, Page 14, Line 33 by \$16,764,356 from \$234,553,510 to \$217,789,154. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Increase Federal Funds Managed Care – Medical Assistance Program, Page 15, Line 1 by \$48,717,060 from \$488,134,078 to \$536,851,138. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Increase Federal Funds Hospitals – Medical Assistance Program, Page 15, Line 2 by \$6,636,696 from \$121,357,824 to \$127,994,520. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Increase Federal Funds Nursing Facilities – Medical Assistance Program, Page 15, Line 3 by \$7,041,977 from \$166,614,030 to \$173,656,007. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Increase Federal Funds Home and Community Based Services – Medical Assistance Program, Page 15, Line 4 by \$4,695,093 from \$53,068,203 to \$57,763,296. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Increase Federal Funds Other Services – Medical Assistance Program, Page 15, Line 5 by \$128,316,209 from \$726,255,819 to \$854,572,028. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Increase Federal Funds Pharmacy – Medical Assistance Program, Page 15, Line 6 by \$549,015 from (\$432,570) to \$116,445. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Decrease Federal Funds Rhody Health – Medical Assistance Program, Page 15, Line 7 by \$3,910,404 from \$275,637,516 to \$271,727,112. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Decrease Restricted Receipts – Medical Assistance Program, Page 15, Line 9 by \$205,000 from \$39,576,847 to \$39,781,847. This adjustment aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-EOHHS1).

Department of Human Services

Decrease General Revenues in the Supplemental Security Income Program, Page 19, Line 13, by \$641,352 from \$18,527,352 to \$17,886,000. This adjustment aligns the level of financing within this category of Cash Assistance expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-DHS1).

Decrease General Revenues in the Rhode Island Works Program, Page 19, Line 15, by \$116,646 from \$8,798,583 to \$8,681,937. This adjustment aligns the level of financing within this category of Cash Assistance expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-DHS1).

Decrease Federal Funds in the Rhode Island Works Program, Page 19, Line 16, by \$11,178,679 from \$103,597,843 to \$92,419,164. This adjustment aligns the level of financing within this category of Cash Assistance expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference. This amendment supersedes adjustments made in GBAs 3 and 5 which included the following: (1) an increase of \$3,737,235 to correct for a reduction made to the DHS COVID CCAP account aligning the budget to the November 2021 Caseload Estimating Conference adopted estimate plus applicable Governor recommended initiatives, and (2), an increase of \$2,024,638 to return the TANF account to the level adopted at the November 2021 Caseload Estimating Conference (23-DHS1).

Increase General Revenues in Other Programs, Page 19, Line 19, by \$ 558,876 from \$788,244 to \$1,347,120. This adjustment aligns the level of financing within this category of Cash Assistance expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference. This amendment also makes the addition of \$90,000 for hardship contingency payments. This amendment supersedes adjustments made in GBA 5 (23-DHS1).

Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals

Decrease General Revenues, Page 20, Line 15, by \$11,399,467 to \$172,695,632. This adjustment aligns the level of financing within this category of BHDDH Developmental Disabilities expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-BHDDH1).

Increase Federal Funds, Page 20, Line 30, by \$1,815,905 to \$207,986,763. This adjustment aligns the level of financing within this category of BHDDH Developmental Disabilities expenditure with caseloads as adopted by the May 2022 Caseload Estimating Conference (23-BHDDH1).

To reflect the rebased estimates from the May 2022 Caseload Estimating Conference of the community-based department of behavioral healthcare, developmental disabilities and hospitals (BHDDH) developmental disability private provider and self-directed consumer direct care service worker raise and associated payroll cost: Page 20, Line 16 replace \$16,060,471 with \$15,170,870 and Page 20, Line 31 replace \$18,998,405 with \$19,105,835.

Department of Elementary and Secondary Education

Decrease General Revenue for Education Aid, Page 24 Line 9 by \$4,595,657 from \$1,045,656,782 to \$1,041,061,125. This adjustment aligns the level of financing for the education aid funding formula to reflect updated student enrollment numbers submitted by the department in March 2022. (23-RIDE1)

Maintain General Revenue for Central Falls School District, Page 24 Line 26, at \$48,702,745. This is a zero-sum amendment that shifts funding between line sequences to align the level of financing for the education aid funding formula to reflect updated student enrollment numbers submitted by the department in March 2022. (23-RIDE2)

Increase General Revenue for Davies Career and Technical School by \$118,583, Page 23 Line 17 from \$15,414,314 to \$15,532,897. This adjustment aligns the level of financing for the education aid funding formula to reflect updated student enrollment numbers submitted department in March 2022. (23-RIDE3)

Increase General Revenue for Metropolitan Career and Technical School by \$125,639, Page 24 Line 2 from \$9,479,298 to \$9,604,937. This adjustment aligns the level of financing for the education aid funding formula to reflect updated student enrollment numbers submitted department in March 2022. (23-RIDE4)

Decrease General Revenue for Education Aid, Page 24, Line 9 by \$537,655 from \$1,045,656,782 to \$1,045,119,127. \$839,952 was originally allocated in 22-H-7123 to correct for a calculation error in the education aid funding formula that occurred in FY 2022, as RIGL §16-7-20 requires that any miscalculation in formula aid be repaid in the subsequent fiscal year. A subsequent Governor's Budget Amendment (GBA 5) shifted the repayment of the miscalculated formula aid from FY 2023 to FY 2022. However, due to the hold harmless

provision included in Article 1 of 22-H-7123, the shift of the repayment of the miscalculation to FY 2022 results in a general revenue increase in FY 2023, which totaled \$689,834 and was included in GBA 5. Following the March student enrollment data update from the department, the amount needed in FY 2023 to account for the hold harmless associated with the shift described above totals \$152,179, a \$537,655 decrease compared to GBA 5. This amendment represents that \$537,655 decrease, and, when taken together with GBA 5 23-RIDE2, totals a \$689,834 decrease compared to general revenue for Education Aid included on Page 24, Line 9 (23-RIDE5).

Summary of Governor's Article 1 Amendments to FY 2023 Appropriations Act (22-H-7123)

	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total	Amendment Code (23-AGENCY#)
FY 2023 Expenditures (Original Governor's Recommend)	4,731,312,148	5,311,039,436	432,230,976	2,350,432,468	12,825,015,028	
March 3, 2022 Amendments	(1,215,113)	4,324,634	(27,219,536)	228,000	(23,882,015)	
April 22, 2022 Amendments	2,391,317	3,588,866	736,767	2,895,000	9,611,950	
April 29, 2022 Opioid Amendments	-	-	20,288,596	-	20,288,596	
May 4, 2022 COVID Budget Amendments	-	33,417,510	15,422,857	-	48,840,367	
May 2022 CEC Amendments						
Executive Office of Health and Human Services						
Reconcile to May 2022 CEC Adopted Estimates: Medical Assistance	(8,133,922)	192,045,646	(205,000)	-	183,706,724	23-EOHHS1
Department of Human Services						
Reconcile to May 2022 CEC Adopted Estimates: Cash Assistance	(199,122)	(11,178,679)	-	-	(11,377,801)	23-DHS1
Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals						
Reconcile to May 2022 CEC Adopted Estimates: Private Services for Individuals with Developmental Disabilities	(11,399,467)	1,815,905			(9,583,562)	23-BHDDH1
Department of Elementary and Secondary Education						
Funding Formula - March Enrollment Update (Education Aid)	(4,595,657)				(4,595,657)	23-RIDE1
Funding Formula - March Enrollment Update (Central Falls)	[\$955,631]				[\$955,631]	23-RIDE2
Funding Formula - March Enrollment Update (Davies)	118,583				118,583	23-RIDE3
Funding Formula - March Enrollment Update (Met)	125,639				125,639	23-RIDE4
Updated AEWAV - Post-March-Update	(537,655)				(537,655)	23-RIDE5
Total	(24,621,601)	182,682,872	(205,000)	-	157,856,271	
Grand Total	4,707,866,751	5,535,053,318	441,254,660	2,353,555,468	13,037,730,197	