



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
BUDGET OFFICE
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Memorandum

To: The Honorable Raymond E. Gallison, Jr.
Chairman, House Finance Committee

The Honorable Daniel DaPonte
Chairman, Senate Finance Committee

From: Thomas A. Mullaney *Thomas A. Mullaney*
Executive Director/State Budget Officer

Date: May 13, 2015

Subject: Amendment #2 to FY 2016 Appropriations Act (15-H-5900)

The Governor requests that several amendments be made to the FY 2016 Appropriations Act, which was submitted to the General Assembly on March 12, 2015. The amendments include changes to appropriation amounts in Article 1, Relating to Making Appropriations in Support of FY 2016, and Article 10, Relating to Making Revised Appropriations in Support of FY 2015. This amendment is in addition to amendments submitted April 24, 2015 and contains those changes specifically attributable to the May 4th Caseload Estimating Conference and the outcome of the Reinventing Medicaid Workgroup process.

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

TAM:15-Amend-18
Attachments

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Michael DiBiase, Director of Administration
Jonathan Womer, Director of Management and Budget
Gregory Stack, Supervising Budget Analyst
Daniel Orgel, Supervising Budget Analyst

Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals

Decrease General Revenues – Services for the Developmentally Disabled, Page 19, Line 15 by \$2,000,000 from \$114,123,111 to \$112,123,111. This decrease represents provisions set forth in *The Reinventing Medicaid Act of 2015* (as detailed within the *Initial Report of the Working Group to Reinvent Medicaid*) pertaining to the conversion of RICLAS group homes to private sector operations.

Decrease Federal Funds – Services for the Developmentally Disabled, Page 19, Line 16 by \$2,025,765 million from \$113,792,233 to \$111,766,468. This decrease represents provisions set forth in *The Reinventing Medicaid Act of 2015* (as detailed within the *Initial Report of the Working Group to Reinvent Medicaid*) pertaining to the conversion of RICLAS group homes to private sector operations.

Increase General Revenues – Hospital and Community Rehabilitative Services, Page 20, Line 3 by \$1,850,000 from \$51,525,550 to \$53,375,550. This increase represents the net effect of two adjustments: (1) A decrease of \$150,000 for the consolidation of laundry services at Eleanor Slater Hospital, and (2) an increase of \$2,000,000 to redirect FY 2016 Medicaid program innovation savings from the Governor's original submission to the RICLAS Program.

Increase Federal Funds – Hospital and Community Rehabilitative Services, Page 20, Line 4 by \$1,875,765 from \$50,596,704 to \$52,472,469. This increase represents the net effect of two adjustments: (1) A decrease of \$150,000 for the consolidation of laundry services at Eleanor Slater Hospital, and (2) an increase of \$2,025,765 to redirect FY 2016 Medicaid program innovation savings from the Governor's original submission to the RICLAS Program.

ARTICLE 10, RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2015

SECTION 1, REVISED APPROPRIATIONS IN SUPPORT OF FY 2015

Executive Office of Health and Human Services

Decrease Managed Care General Revenues – Medical Assistance Program, Page 135, Line 23 by \$5,915,691 from \$309,150,615 to \$303,234,924. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Hospitals General Revenues – Medical Assistance Program, Page 135, Line 24 by \$1,299,220 from \$107,887,427 to \$106,588,207. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Increase Nursing Facilities General Revenues – Medical Assistance Program, Page 135, Line 25 by \$2,248,650 from \$87,947,200 to \$90,195,850. This increase aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Increase Home and Community Based Services General Revenues – Medical Assistance Program, Page 135, Line 26 by \$1,373,991 from \$33,605,009 to \$34,979,000. This increase aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Other Services General Revenues – Medical Assistance Program, Page 135, Line 27 by \$1,741,121 from \$44,307,721 to \$42,566,600. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Pharmacy General Revenues – Medical Assistance Program, Page 135, Line 28 by \$2,814,717 from \$53,084,569 to \$50,269,852. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Rhody Health General Revenues – Medical Assistance Program, Page 135, Line 29 by \$8,562,595 from \$276,764,150 to \$268,201,555. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Managed Care Federal Funds – Medical Assistance Program, Page 135, Line 31 by \$8,084,309 from \$327,349,385 to \$319,265,076. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Hospitals Federal Funds – Medical Assistance Program, Page 135, Line 32 by \$1,300,780 from \$108,235,008 to \$106,934,228. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Increase Nursing Facilities Federal Funds – Medical Assistance Program, Page 135, Line 33 by \$2,251,350 from \$88,052,800 to \$90,304,150. This increase aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Home and Community Based Services Federal Funds – Medical Assistance Program, Page 135, Line 34 by \$1,673,991 from \$36,694,991 to \$35,021,000. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Other Services Federal Funds – Medical Assistance Program, Page 136, Line 1 by \$117,258,879 from \$598,177,279 to \$480,918,400. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Pharmacy Federal Funds – Medical Assistance Program, Page 136, Line 2 by \$2,137,788 from \$1,012,277 to \$(1,125,511). This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Rhody Health Federal Funds – Medical Assistance Program, Page 136, Line 3 by \$9,537,405 from \$281,035,850 to \$271,498,445. This decrease aligns the level of financing within this category of Medicaid expenditure with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Department of Human Services

Decrease General Revenues – Supplemental Security Income Program, Page 139, Line 19 by \$226,804 from \$18,460,200 to \$18,233,396. This adjustment aligns the level of program financing with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Decrease Federal Funds – Rhode Island Works Program, Page 139, Line 25 by \$1,518,705 from \$76,417,804 to \$74,899,099. This decrease aligns the level of financing within this program of cash assistance with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Increase General Public Assistance General Revenues – State Funded Programs, Page 139, Line 29 by \$29,243 from \$1,626,107 to \$1,655,350. This increase aligns the level of financing within this program of cash assistance with caseloads as adopted by the May 2015 Caseload Estimating Conference. There are two components to this adjustment: (1) an upward revision of \$25,792 within the standard GPA general revenue account; and (2) an upward revision of \$3,451 within the GPA Medical “CNOM” account relative to the original recommended level.

Increase Federal Funds – State Funded Programs, Page 139, Line 31 by \$3,458 from \$268,087,307 to \$268,090,765. This increase aligns the level of financing within the GPA Medical “CNOM” program with caseloads as adopted by the May 2015 Caseload Estimating Conference.

Summary of Governor's Article 10, Section 1 Amendments to FY 2015 Supplemental (15-H-5900)

Department/Item	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total
Supplemental FY 2015 Recommend (Gov's Original Recommendation)	3,488,381,635	3,140,495,914	278,214,301	1,932,393,542	8,839,485,392
April Amendments submitted April 24, 2015	16,796	3,697,100	(213,750)	-	3,500,146
New Total	3,488,398,431	3,144,193,014	278,000,551	1,932,393,542	8,842,985,538
May Amendments					
Executive Office of Health and Human Services					
May Caseload Estimating Conference- Medical Assistance	(16,710,703)	(137,741,802)	-	-	(154,452,505)
Department of Human Services					
May Caseload Estimating Conference- Cash Assistance	(197,561)	(1,515,247)	-	-	(1,712,808)
Total - Governor's May Amendments to FY 2015 Supplemental	(16,908,264)	(139,257,049)	-	-	(156,165,313)
Total - Recommended Expenditures	3,471,490,167	3,004,935,965	278,000,551	1,932,393,542	8,686,820,225

Governor's Article 10, Section I Amendments to FY 2015 Supplemental Appropriations (15-H-5900)

	Page No./ Line No.	FY 2015 Original Supplemental Submittal	Governor's April Amendments	Governor's May Amendments	FY 2015 Supplemental Recommend
Office of Health and Human Services					
Medical Assistance					
General Revenues					
Managed Care	Page 135, Line 23	309,150,615		(5,915,691)	303,234,924
Hospitals	Page 135, Line 24	107,887,427		(1,299,220)	106,588,207
Nursing Facilities	Page 135, Line 25	87,947,200		2,248,650	90,195,850
Home and Community Based Services	Page 135, Line 26	33,605,009		1,373,991	34,979,000
Other Services	Page 135, Line 27	44,307,721		(1,741,121)	42,566,600
Pharmacy	Page 135, Line 28	53,084,569		(2,814,717)	50,269,852
Rhody Health	Page 135, Line 29	276,764,150		(8,562,595)	268,201,555
Federal Funds					
Managed Care	Page 135, Line 31	327,349,385		(8,084,309)	319,265,076
Hospitals	Page 135, Line 32	108,235,008		(1,300,780)	106,934,228
Nursing Facilities	Page 135, Line 33	88,052,800		2,251,350	90,304,150
Home and Community Based Services	Page 135, Line 34	36,694,991		(1,673,991)	35,021,000
Other Services	Page 136, Line 1	598,177,279		(117,258,879)	480,918,400
Pharmacy	Page 136, Line 2	1,012,277		(2,137,788)	(1,125,511)
Rhody Health	Page 136, Line 3	281,035,850		(9,537,405)	271,498,445
Total - Medical Assistance	Page 136, Line 6	2,382,919,281		(154,452,505)	2,228,466,776
Grand Total- Office of Health and Human Services	Page 136, Line 8	2,518,592,148		(154,452,505)	2,364,139,643
Department of Human Services					
Supplemental Security Income Program					
General Revenues	Page 139, Line 19	18,460,200		(226,804)	18,233,396
Total- Supplemental Security Income Program	Page 139, Line 21	18,460,200		(226,804)	18,233,396
Rhode Island Works					
Federal Funds	Page 139, Line 25	76,417,804		(1,518,705)	74,899,099
Total- Rhode Island Works	Page 139, Line 26	86,086,439		(1,518,705)	84,567,734
State Funded Programs					
General Revenues					
General Public Assistance	Page 139, Line 29	1,626,107		29,243	1,655,350
Federal Funds	Page 139, Line 31	268,087,307		3,458	268,090,765
Total- State Funded Programs	Page 139, Line 32	269,713,414		32,701	269,746,115
Grand Total - Human Services	Page 140, Line 7	627,883,574	50,000	(1,712,808)	626,220,766
Statewide Totals					
General Revenues	Page 155, Line 24	3,488,381,635	16,796	(16,908,264)	3,471,490,167
Federal Funds	Page 155, Line 25	3,140,495,914	3,697,100	(139,257,049)	3,004,935,965
Restricted Receipts	Page 155, Line 26	278,214,301	(213,750)	-	278,000,551
Other Funds	Page 155, Line 27	1,932,393,542	-	-	1,932,393,542
Statewide Grand Total	Page 155, Line 28	8,839,485,392	3,500,146	(156,165,313)	8,686,820,225

Governor's Article 10 May Amendments to FY 2015 Supplemental Appropriations (15-H-5900)

Department	RIFANS Account	RIFANS Natural	Original FY 2015 Recommend	May FY 2015 Amendments	New Total
Executive Office of Health and Human Services	2001101	651230	288,569,966	(5,206,102)	283,363,864
Executive Office of Health and Human Services	2001103	651230	13,508,693	(437,698)	13,070,995
Executive Office of Health and Human Services	2001104	651230	1,994,300	(421,547)	1,572,753
Executive Office of Health and Human Services	2001105	651230	3,738,430	650,069	4,388,499
Executive Office of Health and Human Services	2001107	651230	615,630	(500,413)	115,217
Executive Office of Health and Human Services	2007101	651230	287,398,503	(4,860,517)	282,537,986
Executive Office of Health and Human Services	2007102	651230	26,175,025	(398,474)	25,776,551
Executive Office of Health and Human Services	2007103	651230	1,996,694	(422,052)	1,574,642
Executive Office of Health and Human Services	2007104	651230	3,742,919	650,850	4,393,769
Executive Office of Health and Human Services	2007107	651230	6,400,156	(2,553,101)	3,847,055
Executive Office of Health and Human Services	2007108	651230	616,370	(501,015)	115,355
Executive Office of Health and Human Services	2002101	651230	27,070,573	(1,204,277)	25,866,296
Executive Office of Health and Human Services	2002104	651230	497,202	(94,943)	402,259
Executive Office of Health and Human Services	2008101	651230	27,103,077	(1,205,723)	25,897,354
Executive Office of Health and Human Services	2008104	651230	497,799	(95,057)	402,742
Executive Office of Health and Human Services	2004101	651230	20,207,763	(1,637,872)	18,569,891
Executive Office of Health and Human Services	2004102	651230	60,000	(25,000)	35,000
Executive Office of Health and Human Services	2004103	651230	2,523,410	(108,388)	2,415,022
Executive Office of Health and Human Services	2004104	651230	21,170,618	(129,055)	21,041,563
Executive Office of Health and Human Services	2004106	651230	345,930	159,194	505,124
Executive Office of Health and Human Services	2010101	651230	30,844,754	(1,639,839)	29,204,915
Executive Office of Health and Human Services	2010102	651230	2,526,440	(108,518)	2,417,922
Executive Office of Health and Human Services	2010103	651230	23,696,038	(129,209)	23,566,829
Executive Office of Health and Human Services	2010105	651230	539,100,000	(114,500,000)	424,600,000
Executive Office of Health and Human Services	2010106	651230	1,235,760	(612,756)	623,004
Executive Office of Health and Human Services	2010107	651230	774,287	(268,557)	505,730
Executive Office of Health and Human Services	2003101	651230	80,035,685	3,186,442	83,222,127
Executive Office of Health and Human Services	2003102	651230	7,911,515	(937,792)	6,973,723
Executive Office of Health and Human Services	2003103	651230	33,049,288	1,373,991	34,423,279
Executive Office of Health and Human Services	2009101	651230	80,131,785	3,190,269	83,322,054
Executive Office of Health and Human Services	2009102	651230	7,921,015	(938,919)	6,982,096
Executive Office of Health and Human Services	2009103	651230	36,138,603	(1,673,991)	34,464,612
Executive Office of Health and Human Services	2005101	651230	2,620,500	(2,531,669)	88,831
Executive Office of Health and Human Services	2005102	651240	50,464,069	(283,048)	50,181,021
Executive Office of Health and Human Services	2011101	651230	1,012,277	(2,137,788)	(1,125,511)
Executive Office of Health and Human Services	2006101	651230	108,117,389	(5,606,163)	102,511,226
Executive Office of Health and Human Services	2006103	651230	137,765,061	(2,956,432)	134,808,629
Executive Office of Health and Human Services	2012101	651230	106,341,459	(5,593,323)	100,748,136
Executive Office of Health and Human Services	2012103	651230	2,774,375	(979,016)	1,795,359
Executive Office of Health and Human Services	2012104	651230	137,801,716	(2,965,066)	134,836,650
Department of Human Services	2400115	651250	1,281,328	(194,696)	1,086,632
Department of Human Services	2385101	651120	18,460,200	(226,804)	18,233,396
Department of Human Services	2400101	651120	29,797,049	(1,187,115)	28,609,934
Department of Human Services	2400103	654120	2,000	(1,400)	600
Department of Human Services	2400107	651120	28,000	(8,500)	19,500
Department of Human Services	2400114	651120	3,508,890	(1,185,110)	2,323,780
Department of Human Services	2400112	651250	10,414,902	1,058,116	11,473,018
Department of Human Services	2405101	651120	1,623,800	25,792	1,649,592
Department of Human Services	2405103	651230	2,307	3,451	5,758
Department of Human Services	2425103	651230	2,307	3,458	5,765