

1 **JOINT RULES RESOLUTION ON MEDICAID FUNDING**

2 **REPORT**

3 2016 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Dean Sanpei**

6 Senate Sponsor: Lyle W. Hillyard

8 **LONG TITLE**

9 **General Description:**

10 This joint rules resolution amends joint legislative rules related to the executive
11 appropriations hearing reports.

12 **Highlighted Provisions:**

13 This joint rules resolution:

- 14 ▶ requires the Executive Appropriations Committee to hear a report related to
- 15 Medicaid accountable care organizations and related issues by a certain date; and
- 16 ▶ makes technical changes.

17 **Special Clauses:**

18 None

19 **Legislative Rules Affected:**

20 AMENDS:

21 **JR3-2-402**

23 *Be it resolved by the Legislature of the state of Utah:*

24 Section 1. **JR3-2-402** is amended to read:

25 **JR3-2-402. Executive appropriations -- Duties -- Base budgets.**

26 (1) As used in this rule:

27 (a) "Base budget" means amounts appropriated by the Legislature for each item of
28 appropriation for the current fiscal year that:

29 (i) are not designated as one-time in an appropriation, regardless of whether the

30 appropriation is covered by ongoing or one-time revenue sources; and
31 (ii) were not vetoed by the governor, unless the Legislature overrode the veto.
32 (b) "Base budget" includes:
33 (i) any changes to those amounts approved by the Executive Appropriations
34 Committee; and
35 (ii) amounts appropriated for debt service.
36 (2) (a) The Executive Appropriations Committee shall meet no later than the third
37 Wednesday in December to:
38 (i) direct staff as to what revenue estimate to use in preparing budget
39 recommendations, to include a forecast for federal fund receipts;
40 (ii) consider treating above-trend revenue growth as one-time revenue for major tax
41 types;
42 (iii) hear a report on the historical, current, and anticipated status of the following:
43 (A) debt;
44 (B) long term liabilities;
45 (C) contingent liabilities;
46 (D) General Fund borrowing;
47 (E) reserves;
48 (F) fund balances;
49 (G) nonlapsing appropriation balances;
50 (H) cash funded infrastructure investment; and
51 (I) changes in federal funds paid to the state;
52 (iv) hear a report on:
53 (A) the next fiscal year base budget appropriation for Medicaid accountable care
54 organizations according to Section [26-18-405.5](#);
55 (B) an explanation of program funding needs;
56 (C) estimates of overall medical inflation in the state; and
57 (D) mandated program changes and their estimated cost impact on Medicaid

58 accountable care organizations;

59 [~~(iv)~~] (v) decide whether to set aside special allocations for the end of the session,
60 including allocations:

61 (A) to address any anticipated reduction in the amount of federal funds paid to the
62 state; and

63 (B) of one-time revenue to pay down debt and other liabilities;

64 [~~(v)~~] (vi) approve the appropriate amount for each subcommittee to use in preparing its
65 budget;

66 [~~(vi)~~] (vii) set a budget figure; and

67 [~~(vii)~~] (viii) adopt a base budget in accordance with Subsection (2)(b) and direct the
68 legislative fiscal analyst to prepare one or more appropriations acts appropriating one or more
69 base budgets for the next fiscal year.

70 (b) In a base budget adopted under Subsection (2)(a), appropriations from the General
71 Fund, the Education Fund, and the Uniform School Fund shall be set as follows:

72 (i) if the next fiscal year ongoing revenue estimates set under Subsection (2)(a)(i) are
73 equal to or greater than the current fiscal year ongoing appropriations, the new fiscal year base
74 budget is not changed;

75 (ii) if the next fiscal year ongoing revenue estimates set under Subsection (2)(a)(i) are
76 less than the current fiscal year ongoing appropriations, the new fiscal year base budget is
77 reduced by the same percentage that projected next fiscal year ongoing revenue estimates are
78 lower than the total of current fiscal year ongoing appropriations;

79 (iii) in making a reduction under Subsection (2)(b)(ii), appropriated debt service shall
80 not be reduced, and other ongoing appropriations shall be reduced, in an amount sufficient to
81 make the total ongoing appropriations, including the unadjusted debt service, equal to the
82 percentage calculated under Subsection (2)(b)(ii); and

83 (iv) the new fiscal year base budget shall include an appropriation to the Department of
84 Health for Medicaid accountable care organizations in the amount required by Section
85 [26-18-405.5](#).

86 (c) The chairs of each appropriation subcommittee are invited to attend this meeting.

87 (3) Appropriations subcommittees may not meet while the Senate or House is in
88 session without special leave from the speaker of the House and the president of the Senate.

89 (4) All proposed items of expenditure to be included in the appropriations bills shall be
90 submitted to one of the subcommittees named in [JR3-2-302](#) for consideration and
91 recommendation.

92 (5) (a) After receiving and reviewing subcommittee reports, the Executive
93 Appropriations Committee may refer the report back to an appropriations subcommittee with
94 any guidelines the Executive Appropriations Committee considers necessary to assist the
95 subcommittee in producing a balanced budget.

96 (b) The subcommittee shall meet to review the new guidelines and report the
97 adjustments to the chairs of the Executive Appropriations Committee as soon as possible.

98 (6) (a) After receiving the reports, the Executive Appropriations Committee chairs will
99 report them to the Executive Appropriations Committee.

100 (b) That committee shall:

101 (i) make any further adjustments necessary to balance the budget; and

102 (ii) complete all decisions necessary to draft the final appropriations bill no later than
103 the 39th day of the annual general session.