

1 HB370
2 149878-4
3 By Representatives Wren, Clouse and Barton
4 RFD: Ways and Means General Fund
5 First Read: 28-FEB-13

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ENGROSSED

A BILL
TO BE ENTITLED
AN ACT

Relating to the Alabama Medicaid Agency; to place a funding cap on the amount of State General Fund dollars which can be appropriated annually to the Alabama Medicaid Agency.
BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Notwithstanding any other provision of the law to the contrary, there is hereby imposed a 10 year funding cap on the amount appropriated to the Alabama Medicaid Agency from the State General Fund. The funding cap shall be effective on the first day of the fiscal year ending on September 30, 2017. The initial funding cap shall be a negative 1 percent growth in the amount expended by the Alabama Medicaid Agency in fiscal year 2016 for state share exclusive of provider contributions, drug rebates and other revenue sources from outside the State General Fund. The cap shall be adjusted each fiscal year thereafter by the percentage growth in the United States healthcare inflation rate as calculated by the United States Bureau of Labor Statistics minus 1 percent.

The Medicaid funding cap does not include increases in the program due to changes in the federal matching rate,

1 reduction in provider assessments, growth in Medicaid
2 recipients or unfunded mandates from the federal government.

3 Section 2. This act shall become effective
4 immediately upon its passage and approval by the Governor or
5 its otherwise becoming law.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Ways and Means
General Fund..... 28-FEB-13

Read for the second time and placed
on the calendar with 1 substitute
and..... 20-MAR-13

Read for the third time and passed
as amended..... 23-APR-13
Yeas 71, Nays 28, Abstains 0

Jeff Woodard
Clerk