

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

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8 SYNOPSIS: This bill would place a funding cap on the  
9 amount of State General Fund dollars which shall be  
10 appropriated annually to the Alabama Medicaid  
11 Agency, it would also place a spending cap on the  
12 per member per month rate for services provided to  
13 Medicaid recipients.

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15 A BILL  
16 TO BE ENTITLED  
17 AN ACT

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19 Relating to the Alabama Medicaid Agency; to place a  
20 funding cap on the amount of State General Fund dollars which  
21 shall be appropriated annually to the Alabama Medicaid Agency;  
22 to place a cap on the per member per month rate for services  
23 provided to Medicaid recipients.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Notwithstanding any other provision of  
26 the law to the contrary, there is hereby imposed a 10 year  
27 funding cap on the amount appropriated to the Alabama Medicaid

1 Agency from the State General Fund that is contingent on the  
2 passage of legislation, which if enacted during the 2013  
3 Regular Legislative Session, would established a network of  
4 Patient Care Case Management (PCCM) Networks across the state.

5 The funding cap shall be effective beginning in the  
6 fiscal year ending September 30, 2017 or the first fiscal year  
7 following the full implementation of PCCM Networks across the  
8 state. The initial cap shall be a negative 1 percent growth in  
9 the amount appropriated to the Alabama Medicaid Agency in  
10 fiscal year 2016 and .05 percent on the amount appropriated  
11 for each fiscal year thereafter. The Medicaid funding cap does  
12 not include increases in the program due to unfunded mandates  
13 from the federal government or the growth in Medicaid  
14 recipients. In addition to the State General Fund Funding cap,  
15 there is hereby levied a cap on the per member per year rate  
16 for services provided to Medicaid recipients. The Alabama  
17 Medicaid Agency shall devise a formula to ensure that at least  
18 45% of the savings that are achieved in reaching the State  
19 General Fund funding cap are from programmatic enhancements  
20 implemented through the establishment of PCCMs throughout the  
21 state. This formula shall not include savings that may be  
22 achieved through any possible long term care restructuring  
23 that may be implemented from recommendations of the Long Term  
24 Care Task Force established by legislation enacted during the  
25 2013 Regular Legislative Session. In addition, any  
26 programmatic changes implemented to achieve the 10 year  
27 funding cap must be approved by the Permanent Joint Medicaid

1       Committee established during the 2013 Regular Legislative  
2       Session.

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