

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING MEDICAID RESERVE FUNDING LAWS;
5 ESTABLISHING THE MEDICAID STABILIZATION RESERVE ACCOUNT; PROVIDING LIMITATIONS ON
6 APPROPRIATIONS FROM AND USE OF THE ACCOUNT; PROVIDING AN APPROPRIATION; AMENDING
7 SECTION 53-6-151, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY
8 DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11
12 **Section 1.** Section 53-6-151, MCA, is amended to read:

13 **"53-6-151. Medicaid stabilization reserve account.** (1) There is a medicaid stabilization reserve
14 account in the state special revenue fund provided for in 17-2-102. ~~Money in the account must be used by the~~
15 ~~department for medicaid benefits after June 30, 2011.~~

16 (2) The purpose of the medicaid stabilization reserve account is to mitigate expenditure reductions
17 pursuant to 17-7-140 for the medicaid program by providing state medicaid matching funds when a revenue
18 shortfall is expected.

19 (3) At the completion of each fiscal year, the entire amount of any state general fund
20 appropriations for medicaid that would otherwise revert to the general fund must be transferred to this account.

21 (4) The provisions of subsection (3) do not apply in a fiscal year in which reductions required by
22 17-7-140 occur or if a transfer pursuant to subsection (3) would require reductions pursuant to 17-7-140.

23 (5) If a reduction to the medicaid program is proposed pursuant to 17-7-140, the governor may
24 submit a budget amendment for authority to use funds in this account to reduce or eliminate the proposed
25 reductions to state medicaid matching funds.

26 (6) (a) Funds from this account may not be appropriated unless the budget director certifies a
27 projected general fund budget deficit pursuant to 17-7-140.

28 (b) Funds may only be appropriated by the legislature for state medicaid matching funds.

