

SENATE BILL 23 of the Second Extraordinary Session
By McNally

AN ACT to amend Tennessee Code Annotated, Title 9, Chapter 6, regarding increase in medical assistance costs and appropriations for operating costs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 6, is amended by adding the following as a new section.

(a) For any law enacted after the effective date of this act, which results in a net increase in the state share of the cost of medical assistance provided through the Medicaid or TennCare programs authorized under Tennessee Code Annotated, Title 71, Chapter 5, Part 1, there shall be appropriated from recurring revenues the estimated state share of the operating cost of such law.

(b) 'Operating costs' as referred to in subsection (a) means all costs other than capital outlay costs.

(c) The amount of appropriations made under subsections (a) and (d) shall be equal to the amounts reflected in fiscal notes prepared by the staff of the fiscal review committee. For purposes of subsection (a), such cost shall be the operating cost, in current dollars, of the highest of the next five (5) years commencing after the effective date of any law described in the subsection (a) enacted after the date this act becomes effective.

(d) Prior to submission of the budget for fiscal years beginning after 1999-2000, estimates of any appropriations made under subsection (a) may be adjusted to determine the

amount of appropriations of recurring revenues to be repeated for the ensuing fiscal year. If no adjustment is made, then the amount of appropriations previously made shall be repeated.

(e) Appropriations made under the provisions of this section shall be place in a reserve to be used only for the following purposes:

- (1) Appropriation for one-time non-recurring health related expenditures;
- (2) Increasing the reserve for revenue fluctuation; or,

(f) Any law enacted without the funding required by this section shall be null and void unless such funding is appropriated in the general appropriation act.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.