

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1007 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Veterans' Home			
Salaries and wages	\$7,678,757	\$7,975,737	\$296,980
Operating expenses	2,635,427	2,711,704	76,277
Capital assets	329,754	329,754	
Total all funds	<u>\$10,643,938</u>	<u>\$11,017,195</u>	<u>\$373,257</u>
Less estimated income	<u>7,318,664</u>	<u>7,971,123</u>	<u>652,459</u>
General fund	<u>\$3,325,274</u>	<u>\$3,046,072</u>	<u>(\$279,202)</u>
FTE	88.01	89.41	1.40
Department of Veterans Affairs			
Veterans' affairs administration	\$529,898	\$524,292	(\$5,606)
Total all funds	<u>\$529,898</u>	<u>\$524,292</u>	<u>(\$5,606)</u>
Less estimated income	<u>43,935</u>	<u>43,494</u>	<u>(441)</u>
General fund	<u>\$485,963</u>	<u>\$480,798</u>	<u>(\$5,165)</u>
FTE	5.00	5.00	0.00
DHS - Program and Policy			
Grants - Medical Assistance		\$302,510	\$302,510
Total all funds	<u>\$0</u>	<u>\$302,510</u>	<u>\$302,510</u>
Less estimated income	<u>0</u>	<u>205,586</u>	<u>205,586</u>
General fund	<u>\$0</u>	<u>\$96,924</u>	<u>\$96,924</u>
FTE	0.00	0.00	0.00
Bill Total			
Total all funds	\$11,173,836	\$11,843,997	\$670,161
Less estimated income	<u>7,362,599</u>	<u>8,220,203</u>	<u>857,604</u>
General fund	<u>\$3,811,237</u>	<u>\$3,623,794</u>	<u>(\$187,443)</u>
FTE	93.01	94.41	1.40

House Bill No. 1007 - Office of Management and Budget - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Grants			\$385,373	\$385,373
Total all funds	<u>\$0</u>	<u>\$0</u>	<u>\$385,373</u>	<u>\$385,373</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$0</u>	<u>\$385,373</u>	<u>\$385,373</u>
FTE	0.00	0.00	0.00	0.00

Department No. 110 - Office of Management and Budget - Detail of Senate Changes

	Provides Funding For Grants to Private Pay Veterans¹	Total Senate Changes
Grants	\$385,373	\$385,373
Total all funds	\$385,373	\$385,373
Less estimated income	0	0
General fund	\$385,373	\$385,373
FTE	0.00	0.00

¹ Provides funding to the Office of Management and Budget for grants to private pay veterans with long-term health care needs residing at the Veterans' Home.

House Bill No. 1007 - Office of Management and Budget - Conference Committee Action**House Bill No. 1007 - Veterans' Home - House Action**

	Executive Budget	House Changes	House Version
Salaries and wages	\$7,678,757	(\$373,994)	\$7,304,763
Operating expenses	2,635,427	(110,000)	2,525,427
Capital assets	329,754		329,754
Total all funds	\$10,643,938	(\$483,994)	\$10,159,944
Less estimated income	7,318,664	178,371	7,497,035
General fund	\$3,325,274	(\$662,365)	\$2,662,909
FTE	88.01	(0.60)	87.41

Department No. 313 - Veterans' Home - Detail of House Changes

	Increases Funding and Changes Funding Source¹	Removes Funding for Information Technology Position²	Removes FIE and Funding for Chief Financial Officer³	Removes Recommended Salary Increase⁴	Decreases Funding for Salaries⁵	Decreases Funding for Operating Line Item⁶
Salaries and wages	\$100,000	(\$91,483)	(\$110,027)	(\$72,484)	(\$200,000)	
Operating expenses						(110,000)
Capital assets						
Total all funds	\$100,000	(\$91,483)	(\$110,027)	(\$72,484)	(\$200,000)	(\$110,000)
Less estimated income	200,000	0	0	(21,629)	0	0
General fund	(\$100,000)	(\$91,483)	(\$110,027)	(\$50,855)	(\$200,000)	(\$110,000)
FTE	0.00	0.00	(0.60)	0.00	0.00	0.00

	Total House Changes
Salaries and wages	(\$373,994)
Operating expenses	(110,000)
Capital assets	
Total all funds	(\$483,994)
Less estimated income	178,371
General fund	(\$662,365)
FTE	(0.60)

¹ This amendment provides a funding source switch from general fund moneys to special funds. The Veterans' Home is to consider methods to increase revenue from basic care services to generate the additional special funds. In addition, the salaries and wages line item is increased by \$100,000.

² This amendment removes the funding for an information management analyst position. The FTE for the position is maintained and may be funded from other sources from within the budget.

³ This amendment removes a 0.6 FTE and funding for the chief financial officer position. A vacant 0.6 nurse position was reclassified to a chief financial officer position. The Veterans' Home was using other vacancies to apply toward the remaining 0.4 FTE needed for the chief financial officer position.

⁴ This amendment removes the Governor's recommendation for state employee salary increases. The full funding of employee health insurance coverage as provided for in the executive budget recommendation is retained.

⁵ This amendment decreases funding for salaries and wages.

⁶ This amendment decreases funding for operating expenses.

House Bill No. 1007 - Veterans' Home - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$7,678,757	\$7,304,763	\$100,844	\$7,405,607
Operating expenses	2,635,427	2,525,427	105,591	2,631,018
Capital assets	329,754	329,754		329,754
Total all funds	<u>\$10,643,938</u>	<u>\$10,159,944</u>	\$206,435	<u>\$10,366,379</u>
Less estimated income	7,318,664	7,497,035	(426,780)	<u>7,070,255</u>
General fund	<u>\$3,325,274</u>	<u>\$2,662,909</u>	\$633,215	<u>\$3,296,124</u>
FTE	88.01	87.41	1.60	89.01

Department No. 313 - Veterans' Home - Detail of Senate Changes

	Adds Funding For Salaries and FTE's¹	Increases Funding For Operating Costs²	Changes Funding Source³	Reduces Recommended Funding For Health Insurance⁴	Reduces Funding for Information Technology Costs⁵	Total Senate Changes
Salaries and wages	\$111,474			(\$10,630)		\$100,844
Operating expenses		105,795			(204)	105,591
Capital assets						
Total all funds	\$111,474	\$105,795	\$0	(\$10,630)	(\$204)	\$206,435
Less estimated income	0	0	(424,200)	(2,580)	0	(426,780)
General fund	\$111,474	\$105,795	\$424,200	(\$8,050)	(\$204)	\$633,215
FTE	1.60	0.00	0.00	0.00	0.00	1.60

¹ Increases the salaries and wages line item and provides for an accounting manager position and restores a .6 FTE nursing position.

² Restores \$105,795 of the reduction made in the House for operating expenses.

³ Restores \$424,200 of the general fund reduction made by the House and reduces other funds by the same amount. This adjustment is based on a schedule from the Office of Management of Budget, projecting the funding needed for operations of the Veterans' Home during the 2003-05 biennium.

⁴ Reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

⁵ This amendment reduces funding for information technology by \$204 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 4 percent.

The Senate added intent language that the governing board of the Administrative Committee on Veterans' Affairs may adjust FTE positions, subject to the availability of funds, at the Veterans' Home.

The Senate provided for line item transfer authority during the 2001-03 biennium within existing appropriation authority for implementing technology and telecommunications changes.

The Senate provided the Veterans' Home an exemption from the moratorium on expansion of skilled nursing care bed capacity for the conversion of up to 18 basic care beds to skilled care beds and provides an appropriation to the Department of Human Services for additional related Medicaid reimbursement costs to the Veterans' Home.

The Senate removed the requirement for periodic reports to the Budget Section on the status of the Administrative Committee on Veterans' Affairs progress in developing and implementing a strategic plan for the Veterans' Home.

The Senate provides an appropriation to the Department of Human Services to provide a separate payment rate class for the Veterans' Home and provides an appropriation to the Department of Human Services for the Medicaid reimbursement costs.

The Senate provides an appropriation to the Office of Management and Budget for grants to private pay veterans with long-term health care needs residing at the Veterans' Home. This amount is based on the current 5,666 private pay bed days per year at the Veterans' Home and additional per resident fees of \$31.19 because of the rate class change.

House Bill No. 1007 - Veterans' Home - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Salaries and wages	\$7,678,757	\$7,304,763	\$670,974	\$7,975,737	\$7,405,607	\$570,130
Operating expenses	2,635,427	2,525,427	186,277	2,711,704	2,631,018	80,686
Capital assets	329,754	329,754		329,754	329,754	
Total all funds	<u>\$10,643,938</u>	<u>\$10,159,944</u>	<u>\$857,251</u>	<u>\$11,017,195</u>	<u>\$10,366,379</u>	<u>\$650,816</u>
Less estimated income	7,318,664	7,497,035	474,088	7,971,123	7,070,255	900,868
General fund	<u>\$3,325,274</u>	<u>\$2,662,909</u>	<u>\$383,163</u>	<u>\$3,046,072</u>	<u>\$3,296,124</u>	<u>(\$250,052)</u>
FTE	88.01	87.41	2.00	89.41	89.01	0.40

Department No. 313 - Veterans' Home - Detail of Conference Committee Changes

	Changes Funding Source¹	Reduces Recommended Funding For Health Insurance²	Reduces Funding for Information Technology Costs³	Increases Funding for Additional Skilled Care Beds	Provides for Additional FTE's⁴	Adds Funding for Salaries⁵
Salaries and wages		(\$10,630)		\$570,130		\$111,474
Operating expenses			(6,302)	86,784		
Capital assets						
Total all funds	<u>\$0</u>	<u>(\$10,630)</u>	<u>(\$6,302)</u>	<u>\$656,914</u>	<u>\$0</u>	<u>\$111,474</u>
Less estimated income	(174,200)	(2,580)	(6,046)	656,914	0	0
General fund	<u>\$174,200</u>	<u>(\$8,050)</u>	<u>(\$256)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$111,474</u>
FTE	0.00	0.00	0.00	0.00	2.00	0.00

	Increases Funding for Operating Costs⁶	Total Conference Committee Changes
Salaries and wages		\$670,974
Operating expenses	105,795	186,277
Capital assets		
Total all funds	<u>\$105,795</u>	<u>\$857,251</u>
Less estimated income	0	474,088
General fund	<u>\$105,795</u>	<u>\$383,163</u>
FTE	0.00	2.00

¹ The Conference Committee amendment restores \$174,200 of the general fund reduction made by the House and reduces other funds by the same amount. The Senate had provided for a funding source switch of \$424,200, or \$250,000 more than the Conference Committee amendment.

² Reduces the funding for state employee health insurance premiums from \$493 to \$488.70 per month.

³ This amendment reduces funding for information technology by \$256 from the general fund and \$6,046 from special funds, which represents a reduction in information technology funding from the general fund and special funds of approximately 5 percent.

⁴ The Conference Committee provided authorization for two additional FTE positions within existing spending authority.

⁵ Increases funding for salaries and wages.

⁶ Restores \$105,795 of the reduction made in the House for operating expenses.

The Conference Committee added language authorizing the governing board of the Veterans' Home to add two FTE positions during the 2001-03 biennium, subject to the availability of funds.

The Conference Committee provided for line item transfer authority of up to \$150,000 during the 2001-03 biennium within existing appropriation authority for implementing technology and telecommunications changes.

The Conference Committee provides for the purchase of eight skilled care beds by the Department of Human Services, which are to be transferred to the Veterans' Home. The Conference Committee also provided an appropriation to the Department of Human Services for additional related Medicaid reimbursement costs to the Veterans' Home.

The Conference Committee provided that periodic reports to the Budget Section on the status of developing and implementing a strategic plan for the Veterans' Home be made by the Veterans' Home governing board, rather than the Administrative Committee on Veterans' Affairs.

The Conference Committee provided for a Legislative Council study of the desirability and feasibility of implementing a separate rate class for the Veterans' Home.

House Bill No. 1007 - Department of Veterans Affairs - House Action

	Executive Budget	House Changes	House Version
Veterans' affairs administration	\$529,898	(\$4,505)	\$525,393
Total all funds	\$529,898	(\$4,505)	\$525,393
Less estimated income	43,935	(338)	43,597
General fund	\$485,963	(\$4,167)	\$481,796
FTE	5.00	0.00	5.00

Department No. 321 - Department of Veterans Affairs - Detail of House Changes

	Removes Recommended Salary Increase¹	Total House Changes
Veterans' affairs administration	(\$4,505)	(\$4,505)
Total all funds	(\$4,505)	(\$4,505)
Less estimated income	(338)	(338)
General fund	(\$4,167)	(\$4,167)
FTE	0.00	0.00

¹ This amendment removes the Governor's recommendation for state employee salary increases. The full funding of employee health insurance coverage as provided for in the executive budget recommendation is retained.

House Bill No. 1007 - Department of Veterans Affairs - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Veterans' affairs administration	\$529,898	\$525,393	(\$1,004)	\$524,389
Total all funds	\$529,898	\$525,393	(\$1,004)	\$524,389
Less estimated income	43,935	43,597	(103)	43,494
General fund	\$485,963	\$481,796	(\$901)	\$480,895
FTE	5.00	5.00	0.00	5.00

Department No. 321 - Department of Veterans Affairs - Detail of Senate Changes

	Reduces Recommended Funding For Health Insurance¹	Reduces Funding for Information Technology Costs²	Total Senate Changes
Veterans' affairs administration	(\$619)	(\$385)	(\$1,004)
Total all funds	(\$619)	(\$385)	(\$1,004)
Less estimated income	(103)	0	(103)
General fund	(\$516)	(\$385)	(\$901)
FTE	0.00	0.00	0.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

² This amendment reduces funding for information technology by \$385 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 4 percent.

House Bill No. 1007 - Department of Veterans Affairs - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Veterans' affairs administration	\$529,898	\$525,393	(\$1,101)	\$524,292	\$524,389	(\$97)
Total all funds	\$529,898	\$525,393	(\$1,101)	\$524,292	\$524,389	(\$97)
Less estimated income	43,935	43,597	(103)	43,494	43,494	0
General fund	\$485,963	\$481,796	(\$998)	\$480,798	\$480,895	(\$97)
FTE	5.00	5.00	0.00	5.00	5.00	0.00

Department No. 321 - Department of Veterans Affairs - Detail of Conference Committee Changes

	Reduces Recommended Funding For Health Insurance¹	Reduces Funding for Information Technology Costs²	Total Conference Committee Changes
Veterans' affairs administration	(\$619)	(\$482)	(\$1,101)
Total all funds	(\$619)	(\$482)	(\$1,101)
Less estimated income	(103)	0	(103)
General fund	(\$516)	(\$482)	(\$998)
FTE	0.00	0.00	0.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$493 to \$488.70 per month.

² This amendment reduces funding for information technology by \$482 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 5 percent.

House Bill No. 1007 - DHS - Program and Policy - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Grants - Medical Assistance			\$1,142,388	\$1,142,388
Total all funds	\$0	\$0	\$1,142,388	\$1,142,388
Less estimated income	0	0	776,367	776,367
General fund	\$0	\$0	\$366,021	\$366,021
FTE	0.00	0.00	0.00	0.00

Department No. 328 - DHS - Program and Policy - Detail of Senate Changes

	Provides Medicaid Reimbursement Funding¹	Total Senate Changes
Grants - Medical Assistance	\$1,142,388	\$1,142,388
Total all funds	\$1,142,388	\$1,142,388
Less estimated income	776,367	776,367
General fund	\$366,021	\$366,021
FTE	0.00	0.00

¹ This amendment provides an appropriation to the Department of Human Services relating to Medicaid reimbursement to the Veterans' Home as follows:

Nursing home rate class change

General fund	\$215,438
Federal funds	<u>456,965</u>
Total	\$672,403

Addition of nursing home beds	
General fund	\$150,583
Federal funds	<u>319,402</u>
Total	\$469,985

House Bill No. 1007 - DHS - Program and Policy - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Grants - Medical Assistance			\$302,510	\$302,510	\$1,142,388	(\$839,878)
Total all funds	\$0	\$0	\$302,510	\$302,510	\$1,142,388	(\$839,878)
Less estimated income	0	0	205,586	205,586	776,367	(570,781)
General fund	\$0	\$0	\$96,924	\$96,924	\$366,021	(\$269,097)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 328 - DHS - Program and Policy - Detail of Conference Committee Changes

	Provides Medicaid Reimbursement Funding ¹	Total Conference Committee Changes
Grants - Medical Assistance	\$302,510	\$302,510
Total all funds	\$302,510	\$302,510
Less estimated income	205,586	205,586
General fund	\$96,924	\$96,924
FTE	0.00	0.00

¹ This amendment provides an appropriation to the Department of Human Services relating to Medicaid reimbursement to the Veterans' Home for the addition of an additional eight nursing home beds as follows:

Addition of nursing home beds	
General fund	\$96,924
Federal funds	<u>205,586</u>
Total	\$302,510

House Bill No. 1007 - Other Changes - House Action

Section 3 provides for a performance audit of the Department of Veterans' Affairs and the Administrative Committee on Veterans' Affairs during the 2003-05 biennium.

Section 4 provides for the Administrative Committee on Veterans' Affairs to develop and implement a strategic plan for the Veterans' Home and to present status reports to the Budget Section.