

FY10 Emergency Supp – July 29, 2009
Outside Section Summary

Massachusetts Commission for the Deaf and Hard of Hearing Emergency Interpreter Referral Fees (Section 3)

- This section allows the Commission for the Deaf and Hard of Hearing to impose program fees.
- MCD does not currently have a fee system established, but the inclusion of this section would permit the agency to establish such a system, which would potentially allow the emergency after-hours interpreter services program to sustain itself.
- This section was included in the Senate budget as an alternate source of funding to the direct appropriation provided in the House budget.
- The Conference Committee report included \$165K in direct funding but no authority to impose fees.
- Giving the department this authority now will allow them to explore options for fees in time for next year's budget, with the possibility of decreasing the state's obligation.

Comptroller Cost Avoidance (Section 4)

- This section expands the ability of the Comptroller to enter into cost avoidance contracts in order to achieve savings to the General Fund.
- Currently departments can enter into cost avoidance contracts to take advantage of economies of scale. In many instances a larger contract among many departments is cheaper compared to instances where departments enter into individual contracts of their own.
- Departments also have the ability to hire third parties to review and audit transactions, with many cases of overpayment being found.
- Currently, these cost avoidance revenues remain at the department level, rewarding the departments for reducing costs. This section requires that these revenues be transferred into the General Fund, potentially gaining money for general spending by the state.

Bicycle Language – Technical Fix (Sections 5, 6, 34)

- Language was passed in the last FY09 emergency supp which intended to change the effective date of section 11C of chapter 85 of the General Laws, which allows a police officer to issue a ticket to a bicyclist that violates a traffic law and refuses to state his name/address or states a false name/address. The effective date of this section was inadvertently left out.
- Therefore these sections seek to rectify this by repealing the current section 11C (if this is not done then failure to issue tickets prior to this date would be in violation of the law), adding the exact same section back in (as section 11E), and adding in the effective date such that the new section 11E of chapter 85 will take effect on January 1, 2011.

Operating with a Suspended License and Without Insurance – Technical Fix (Section 7)

- The budget amended sections 23 and 34J of section 90 by making the penalty for a first offense operating a motor vehicle after revocation or suspension of a

license and operation of a motor vehicle without liability insurance punishable by a fine only and not imprisonment. By doing so, a first offense under these sections became a civil motor vehicle infraction under chapter 90C, and not a criminal offense.

- However, while the first offense for operating after suspension or revocation of a license is now a civil infraction, it is still an arrestable offense without a warrant pursuant to section 21 of chapter 90. Therefore clarifying language to the definition of “civil motor vehicle infraction” is needed.
- This section exempts sections 23 and 34J of chapter 90 from the definition of “civil motor vehicle infraction”.

DOR/Religious Exemption Language (Section 8)

- This section would allow the Department of Revenue (DOR) and the Division of Health Care Finance and Policy (DHCFP) to conduct data matches to administer the religious exemption to the law requiring all persons to have health insurance.
- DHCFP would only disclose to DOR whether a health care provider has submitted data indicating that it has provided health care services to an individual claiming a religious exemption during the relevant tax year.

Employer Health Insurance Responsibility Disclosure (HIRD) Form (Sections 9, 10, 11)

- These sections allow the Commonwealth Health Insurance Connector Authority to access information on the Employer HIRD form so the Connector can see which employers offer health insurance, and which do not, to assist the Connector in determining who is eligible for Commonwealth Care.
- The Division of Health Unemployment Assistance, the Department of Health Care Finance and Policy and the Connector will now be able to share employer HIRD information.

Edward M. Kennedy Institute (Section 12)

- This section allows the University of Massachusetts to expend appropriated funds for the Edward M. Kennedy Institute, to be established at the University of Massachusetts, Boston.

Pension Commission Reporting Date Extension (Section 13)

- This section amends the pension reform law by extending the deadline from September 1, 2009 to November 1, 2009 for the special commission studying the Massachusetts contributory retirement systems to report its findings to the Legislature.

Restoration of \$100K earmark to fund ABCC Sting Grants (Section 14)

- This line item funds overtime cost associated with liquor enforcement programs through the Alcoholic Beverage Control Commission aimed at preventing underage drinking and preventing the sale of alcoholic beverages to intoxicated individuals and those driving.
- The conference committee included a \$100K earmark in the ABCC line item to fund these grants. In previous budgets the grants were funded through a separate line item at \$350K.

- Restoring \$100K will allow these enforcement programs to continue, albeit with the number of grants being reduced.

Personal Needs Allowance (Section 15)

- This section restores a Governor veto of the Personal Needs Allowance (PNA) from \$65.00 to \$69.68 in the MassHealth Long Term Care line item (4000-0600). The cost of this increase is \$3M.
- This will allow seniors in nursing homes and rest homes have access to money to spend on personal needs goods like toiletries and snacks.

Chronic Disease Hospital Rate Methodology (Section 16)

- The section restores language vetoed by the Governor in the MassHealth Fee-for-Service line item (4000-0700) by providing that a pediatric rehabilitative facility maintain funding reflective of its cost of care.
- It also provides language allowing a pediatric rehabilitative facility to be fairly reimbursed for care provided by the facility and thus continue to provide care to these patients.
- Currently these types of facilities are reimbursed as if they treat adults; however, because their patients are children with higher acuity, their reimbursement rates were lower than they should be, and thus this language addresses this discrepancy.

Essential Community Provider Trust Fund Increase (Section 17)

- This section restores the Governor's veto of the Essential Community Provider Trust Fund (ECPTF) appropriation from \$20M to \$22.5M in the MassHealth Fee-for-Service line item (4000-0700).
- The ECPTF provides grants to financially distressed hospitals and community health centers that provide care in medically underserved areas.
- Some of the ECPTF grants will be eligible for Federal Financial Participation (FFP) thus providing some additional revenue to the State.

Department of Youth Services Line Item Language Change (Section 18)

- This section mandate that DYS utilize SOPS for their pharmacy services.
- This will allow the state to leverage economies of scale to drive down drug costs.

Snow and Ice Deficiency Spending (Section 19)

- This section allows Mass. Highway to spend up to \$50M into deficiency for snow and ice removal expenditures, which include the purchase of materials and the payment of vendors.
- Late payment of snow and ice vendors had been a problem for the Commonwealth due to the propensity to under fund the account annually. A typical year requires spending of around \$75M-80M on snow and ice removal, yet the account was has generally been funded at or around \$20M.
- In FY09, the legislature allowed Mass. Highway to spend into deficiency up to \$50M. The legislature then appropriated the funding later on.
- This allowed vendors to be paid on time. In addition, the legislature passed timely supplemental funding that ensured timely payment after \$50M threshold was reached.
- For FY10, \$58M has been made available for snow and ice removal. Without providing the ability to spend into deficiency, vendors could refuse to provide

snow and ice removal services once the account is exhausted, potentially causing a public safety issue in the event of a winter storm.

Massachusetts Office of Travel and Tourism Language Change (Section 20)

- This section amends the FY10 GAA by inserting language into line item 7007-0900 to make the Pioneer Valley Visitors and Tourist Information Center in Greenfield eligible to receive a portion of the \$1M earmark for visitor information centers.
- In the FY09 GAA, there were two separate earmarks for visitor information centers. One earmark was for the Pioneer Valley Visitors and Tourist Information Center in Greenfield, which was originally funded at \$80K and 9C'd to \$40K.
- The other earmark was \$1M for the highway information centers operating year-round on state highways and federally-assisted highways, and the visitor information centers on Boston Common and the Prudential Center, both in the city of Boston, and the Adams Visitor Center in Adams.
- The FY10 budget includes only the second earmark for the year-round centers at \$1M, leaving the Pioneer Valley Visitors and Tourist Information Center in Greenfield ineligible for this funding.
- Adopting this outside section will provide necessary funding to run the Pioneer Valley Visitors and Tourist Information Center in Greenfield, in addition to the year-round centers. This outside section will allow the continuation of funding from FY09 to FY10.

Sex Offender Registry Board (Section 21)

- This section directs sex offender registry fees to the sex offender registry board.
- The FY10 budget conference committee report directs the fees to the Massachusetts Office of Victim Assistance.
- The Massachusetts Office of Victim Assistance and the Sex Offender Registry Board have since agreed to allow the funds to remain with the board.
- The language will eliminate inconvenient annual intergovernmental service agreements between the Sex Offender Registry (SOR) and the Massachusetts Office of Victim Assistance (MOVA).

Section Offender Registry Board (Section 22)

- This section strikes the words "Massachusetts office for victim assistance" and replaces it with "Sex Offender Registry Board" in line item 8000-0125.

Department of Fire Services Line Item Language Change (Section 23)

- This section reinstates conference committee line item language.
- This language allows for the Boston fire department training academy to receive \$1.75M, the Norfolk county regional fire and rescue center to receive \$100K and the Boston, Cambridge and Everett Hazardous Materials teams to receive \$500K.
- This account is entirely assessed.

Correct FY10 GAA Section 2B Preamble (Section 24)

- This section makes a technical correction to the preamble of section 2B of the FY10 GAA. The preamble currently mistakenly references federal grants in section 2C.

- This correction to a technical error needs to be made to accurately reflect section 2B.

Local Aid Technical Correction (Section 25, 26, 27, 28)

- These sections make technical corrections to Section 3 of the FY10 GAA to ensure that 4 municipalities receive the level of funding intended by the budget conference committee.
- These sections cost a total of \$63K.
- Changes to these figures ensure that the legislature's commitment that no city or town would be cut by more than 15% from their FY09 Section 3 funding levels is honored.

Commonwealth Care Trust Fund Transfer Amount Change (Section 29)

- This section would increase the amount transferred to the Commonwealth Care Trust Fund (CCTF) by \$40M to \$631M to reflect the additional \$40M provided to fund healthcare services to Aliens With Special Status.
- The Conference Committee adopted language originating in the Senate budget that eliminated Commonwealth Care benefits to AWSS in order to save \$132M.
- The Governor returned this section with an amendment (attachment L) that sought to restore the Commonwealth Care benefits with \$70M, presumably through benefit reductions and lower rates to managed care organizations.
- This \$40M could allow the administration to develop an adequate coverage plan for this population. If the amount is inadequate there is additional language included allowing for this amount to be transferred to the Health Safety Net Trust Fund.
- Some advocates believe simply eliminating coverage to this population could cost the state, though the Health Safety Net trust Fund, an additional \$87M.

Healthcare Contribution Program (Section 30)

- This section requires the State Board of Retirement to establish a healthcare contribution program, which would be available to certain employees who are eligible for superannuation retirement.
- An eligible employee who applies between the effective date of this act and October 1, 2009 would be offered an 85/15 healthcare contribution ratio. For any employee applying after October 1, 2009 for retirement beginning no later than January 1, 2010, the contribution ratio would be 80/20.
- This section also specifies how positions vacated by employees taking advantage of this program would be filled, all of which aim to save the Commonwealth money, and it specifies that employees taking advantage of the program must agree to four installments paid over two and one half years to receive accrued vacation time and unused sick time.

Transfer of Master Settlement Agreement Revenues to the General Fund Technical Correction (Section 31)

- This section requires that all revenues from the tobacco master settlement received by the Comptroller be deposited into the Healthcare Security Trust and subsequently transfers these revenues from the Healthcare Security Trust to the General Fund.

- The conference committee estimated \$292M will be collected in MSA revenues in FY10.
- This section needs to be included to have a balanced FY10 budget but was left out as an oversight during conference committee.
- In recent years the Legislature has routinely made this transfer to balance the budget.

Aliens With Special Status (AWSS) Eligibility (Section 32)

- This section modifies the Governor's amendment to the budget (attachment L) that restored funding for Commonwealth Care health services to aliens with special status for \$70M.
- The section reduces the amount to \$40M and provides that HHS, A&F and the board of the Commonwealth Health Insurance Connector Authority develop a health plan for this population.
- The section also allows the Secretary of A&F to transfer the \$40M to the Health Safety Net Trust Fund if the Connector, HHS and A&F are unable to establish or designate a health insurance plan under this section.
- This section will save the Commonwealth from spending an additional \$87M in the Health Safety Net Trust Fund.

Secretary of State Fund Transfer (Section 33)

- This section would allow the Comptroller to transfer \$252K from the Secretary of State's elections division line item to a Secretary of State trust account.
- The federal government set up a trust account under the Secretary of State known as Help America Vote Act Trust Fund.
- The HAVA trust account receives federal funding, which the Secretary of State is allowed to use on replacing and repairing outdated voting machines.
- The Secretary of State is required to provide matching funds specifically for the purposes outlined in the Help America Vote Act and is required to deposit these funds in the HAVA trust account.
- The state cannot receive the federal funds unless the funds from the elections division are deposited into the HAVA trust account.
- The secretary of state will be able to receive \$4.8M in federal funding if the \$252K is deposited into the HAVA trust account.
- With the upcoming election year in FY10, it would benefit the secretary of state to be able to utilize the \$4.8M for the election year.
- This section will allow the secretary of state to partially fund the FY10 election with federal funding, which will also benefit the general fund, since the elections division will not require as much funding from the general fund.