

Amend **CSHB 1** as follows:

In Article II, add the following language to the appropriately numbered rider under the appropriations to the Department of Health (page II-36):

44. Children with Special Health Care Needs.

a. Amounts appropriated above to the Department of Health in Strategy D.1.3, Special Needs Children may only be transferred to Strategy E.2.1, Support of Indigent Health Services, to the Health and Human Services Commission Strategy B.2.4, Premium: Children/Medically Needy. Transfers to the Health and Human Services Commission from Department of Health Strategy D.1.3. may only be made if General Revenue is made available by CSHCN-eligible children becoming eligible for Medicaid. Any transfers pursuant to this provision are subject to prior notification to the Legislative Budget Board and the Governor that such a transfer is to take place. Funds may not be transferred from the D.1.3, Special Needs Children, if such a transfer would result in a loss of, or reduction in, services, or a loss of, or reduction in, persons otherwise eligible for CSHCN services. Notwithstanding any other provisions contained in this Act, no transfers shall be made out of Strategy D.1.1, Women and Children's Health Services. Further, the department shall make expenditures from Strategy D.1.3, Special Needs Children, from state funds in proportion to the source of funds budgeted for the strategy. The department shall report quarterly on compliance with this provision to the Legislative Budget Board and the Governor. The Comptroller of Public Accounts shall monitor compliance with these provisions and establish additional procedures, if necessary.

b. The Department of Health shall evaluate actuarial projections and projected expenditures for the Children with Special Health Care Needs program on a quarterly basis. If the department makes a finding of fact that projected expenditures are less than projected available appropriations for that fiscal year, the department shall first report this finding and related analysis to the Legislative Budget Board and Governor at least 30 days prior

to adding clients from the waiting list to the program rolls. The department should add clients from the waiting list in order that projected expenditures equal projected available appropriations for that fiscal year.