

# **WEST VIRGINIA LEGISLATURE**

**2020 REGULAR SESSION**

**Committee Substitute**

**for**

**Senate Bill 633**

SENATORS CARMICHAEL (MR. PRESIDENT) AND PREZIOSO

(BY REQUEST OF THE EXECUTIVE)

[Originating in the Committee on Finance; reported on

February 21, 2020]



1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
2 designated §9-5-28, relating generally to creating in the State Treasury a special account  
3 known as Medicaid Families First Reserve Fund; specifying moneys that may be  
4 deposited in fund; providing for expenditures from fund; and authorizing investments.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 5. MISCELLANEOUS PROVISIONS.**

**§9-5-28. Medicaid Families First Reserve Fund.**

1 (a) There is hereby created in the State Treasury a special account, designated the  
2 Medicaid Families First Reserve Fund, which is an interest- and earnings-accumulating account  
3 administered by the Secretary of the Department of Health and Human Resources in accordance  
4 with the provisions of this section.

5 (b) The Medicaid Families First Reserve Fund shall initially consist of \$150 million  
6 transferred from excess state funds accumulated in the Medical Services Fund established in §9-  
7 4-2 of this code, the Medical Services Trust Fund established in §9-4A-2a of this code, and the  
8 Medicaid State Share Fund established in §11-27-32 of this code, or a combination thereof, as of  
9 June 30, 2020. The Medicaid Families First Reserve Fund may also consist of moneys  
10 appropriated by the Legislature, income from investment of moneys held in the fund, and all other  
11 sums available for deposit to the account, public or private. Any balance remaining in the Medicaid  
12 Families First Reserve Fund at the end of the fiscal year does not revert to the General Revenue  
13 Fund but remains in the fund and may be used in a manner consistent with this section. In no  
14 event may any federal Medicaid reimbursement dollars be deposited in the Medicaid Families  
15 First Reserve Fund.

16 (c) For fiscal years beginning on or after July 1, 2020, the Secretary of the Department of  
17 Health and Human Resources, with the written approval of the Governor, may transfer additional  
18 moneys to the Medicaid Families First Reserve Fund from the balances in the Medical Services  
19 Fund, Medical Services Trust Fund, and Medicaid State Share Fund.

20 (d) The Legislature, may authorize transfers of moneys from the Medicaid Families First  
21 Reserve Fund to stabilize the state's Medicaid Program.

22 (e) The Medicaid Families First Reserve Fund may be invested in the manner permitted  
23 by §12-6-8 of this code and the Secretary of the Department of Health and Human Resources  
24 may contract with the West Virginia Investment Management Board, or the West Virginia Board  
25 of Treasury Investments, for any services with respect to fund investments that the secretary  
26 considers necessary.

NOTE: The purpose of this bill is to create the Medicaid Families First Reserve Fund as a special revenue account in the State Treasury. The bill provides for funding of the Fund and for expenditures of moneys in the fund to stabilize the State's Medicaid program.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.