

**For Immediate Release**

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Medicaid Executive Director, Rica Lewis-Payton, released the following information regarding the Medicaid appropriations for FY' 02 and FY'03 in response to a letter from the Lt. Governor and the Speaker of the House.

	FY'02	FY'03
State Appropriation	\$249,486,308	\$246,826,757
Healthcare Expendable	31,930,000	31,930,000
Tobacco Funds	108,270,642	100,000,000
Budget Contingency Fund	29,500,000	3,017,795
<b>Total (Actual State Dollars)</b>	<b>\$419,186,950</b>	<b>\$381,774,552</b>
Estimated Savings (HB 1200)	8,000,000	40,200,000
Estimated Savings (SB 2189)		3,600,000
<b>Total (with savings)</b>	<b>\$427,186,950</b>	<b>\$425,574,552</b>

The actual dollars appropriated for the program is less in FY'03 than they were in FY'02. The savings as a result of a closed formulary are not included since it is unclear at this point that the Medicaid program can go to a closed formulary as outlined in SB 2189 and still receive federal match dollars.

“Under no circumstances does the money add up. The Chairmen of both appropriating committees stated on the floor that the current Medicaid budget is \$120 million short for 2003. This means a \$480 million of health care lost to the people of Mississippi,” said Rica Lewis-Payton, Executive Director Governors Office Division of Medicaid.

“Even under the most liberal estimates the program will suffer a \$82 million shortfall which will mean \$360 million in cuts,” said Rica Lewis-Payton. “With only \$49.5 million available in cuts from services other than nursing homes and prescription drugs, this still leaves at least \$300 million in cuts that must be made.”

“The only choice, under the law, as pointed out by Attorney General Mike Moore, will be to cut those optional services, said Lewis-Payton.

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