



Arkansas House Newsletter

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DHS Updates Medicaid Shortfall in Budget Hearings

The Arkansas Legislative Council and Joint Budget Committee heard more details about the expected shortfall in Medicaid on Tuesday morning.

DHS Director John Selig and Medicaid Director Andy Allison told committee members the agency is expected to have a \$138 million Medicaid shortfall for fiscal year 2014. The \$138 million projection is after the agency subtracts executive recommendations of a \$90 million increase from General Revenue and \$70 million from the General Improvement Fund.

For Fiscal Year 2015, the estimated shortfall is \$75 million. That projection includes an increase of \$222 million from General Revenue and another \$70 million from the General Improvement Fund.

If the executive recommendations are not included the projected shortfall would be \$298 million the first year and \$367 million in FY 2015.

DHS also outlined the agency's proposed cuts to several services currently being offered.

The Department of Finance and Administration is expected to release the Governor's Balanced Budget Proposal Thursday at 9am.