

Committee approves 'starting point' budget; Bentley said that version is unacceptable

By Mary Sell Montgomery Bureau | Posted: Thursday, February 25, 2016 12:15 am

MONTGOMERY — A Senate committee approved a General Fund budget Wednesday that lawmakers are calling a starting point.

Gov. Robert Bentley, meanwhile, said he will veto it if that version comes to his desk.

“They know I’m not going to sign it,” Bentley said of lawmakers drafting the budget. “They’ve told me that this is a vehicle that they’re going to try to pass out, pass it to the House.

“This is not going to be the final budget that will come out. If it is, it’s unacceptable and I certainly will veto it, and they know it.”

Lawmakers can override a governor’s veto with a simple majority vote.

The budget approved in committee basically level-funds state agencies, including Medicaid. It nixes Bentley’s planned transfer of about \$181 million from the state education budget to the General Fund.

“I thought it was important to get a budget moving that reflected where we are,” Senate General Fund budget chairman Trip Pittman, R-Daphne, said about the state’s fiscal situation.

He said a serious conversation about Medicaid funding is also needed.

About level funding for most agencies, Pittman said: “I don’t think the other agencies in government can be funded at 10 percent less than what they are now.”

The heads of the state departments of mental health and human resources both spoke to the need for increased funding within their agencies, and the importance of Medicaid to them.

The budget is about \$104 million less than the \$1.9 billion Bentley proposed. Medicaid would get about \$100 million less than Bentley wanted, receiving the same amount in fiscal 2017 as this fiscal year, \$685 million.

Medicaid Commissioner Stephanie Azar said that would “cripple” the agency. She said Medicaid would have to cut non-mandated services, such as outpatient dialysis.

Bentley said Medicaid really needs about \$157 million more in fiscal 2017.

“If it’s less than a \$100 million increase, it’s totally unacceptable,” he said. “We would not be able to institute our (regional care organizations), which (lawmakers) passed and I signed.”

The regional care organizations have been in the works for several years and later this year are supposed to switch Medicaid from a fee-for-service model to a less costly managed-care model.

The Senate version of the budget does not include a raise for state employees.

Senate President Pro Tem Del Marsh, R-Anniston, said the budget will be voted on in the Senate today.

Bentley said the Legislature is in the same position with the budget now that it was in last year.

“They’re going to have to come up with a way to fund this,” Bentley said.