

The Commonwealth of Massachusetts

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE
STATE HOUSE, BOSTON 02133, March 13, 1972.

To the Honorable Senate and House of Representatives:

Pursuant to General Laws Chapter 7, Section 4, I am submitting herewith legislation to continue in effect the law authorizing the advancement of certain appropriated funds to the Department of Public Welfare. The purpose of the legislation will be accomplished by postponing Section 4 of Chapter 800 of the Acts of 1969 as said section was amended by Chapter 471 of the Acts of 1971. The 1969 Act placed a time limit on the advancement of funds from the State Treasury for the payment of providers' services under the medicaid program.

General Laws Chapter 18, Section 17 permits the Comptroller to authorize the advancement from the State Treasury of funds appropriated to the Department of Public Welfare and further authorizes that Department to process welfare claims and make payments for both public assistance and medical services. The 1969 Act, however, imposed a time limit of July 1, 1971, beyond which date advances could not be made to the Department of Public Welfare for payments to providers of services under the medicaid program. The 1971 Act extended the time limit from July 1, 1971 to April 1, 1972.

Unless legislation such as I am proposing is enacted, the responsibility for the payment of bills from medicaid vendors will place a substantial workload on the Comptroller's Division for which it is not adequately staffed.

I have been advised by the Department of Public Welfare that approximately ten million such vouchers are being paid annually. By contrast, the Comptroller's office now processes only about 600,000 payments annually. It is clear that if the present bill payment procedure is terminated, the Comptroller's office would require massive staffing augmentation on an emergency basis, and the transition would seriously interrupt the progress that has been made by the Department of Public Welfare in the expediting payments to

medicaid vendors. I am advised, furthermore, that there is doubt as to the availability of federal financial participation in the payment process if it is transferred out of the Department of Public Welfare. The permanent solution to the payments problem, in my view, is that which has been initiated by the Department of Public Welfare, and which is being supported strongly by the U. S. Department of Health, Education and Welfare: namely, the development of the new computerized financial management control system. Enactment of the proposed legislation will give that system a chance to come into operation, and to prove itself one way or the other.

Accordingly, I recommend that you consider the attached legislation before the end of March, and urge your approval of it.

Respectfully submitted,

ROBERT L. YASI

Commissioner of Administration

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-Two.

AN ACT DEFERRING THE EFFECTIVE DATE OF THE LAW PROHIBITING THE ADVANCEMENT OF APPROPRIATED FUNDS TO THE DEPARTMENT OF PUBLIC WELFARE FOR PAYMENTS TO PROVIDERS OF MEDICAID SERVICES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 The second paragraph of section 4 of chapter 800 of the acts
2 of 1969, as amended by chapter 471 of the acts of 1971, is
3 hereby further amended by striking out, in lines 1 and 2, the
4 words "April the first, nineteen hundred and seventy-two" and
5 inserting in place thereof the words: — July the first, nineteen
6 hundred and seventy-three.

The first part of the report deals with the general conditions of the country and the progress of the various branches of industry and commerce. It is followed by a detailed account of the operations of the different departments of the Government, and a summary of the state of the public accounts. The report concludes with a statement of the measures proposed for the improvement of the country and the advancement of the people.

The second part of the report contains a detailed account of the operations of the different departments of the Government, and a summary of the state of the public accounts. It is followed by a statement of the measures proposed for the improvement of the country and the advancement of the people.