

“We have been saying for almost a year now that our state agencies would be facing shortfalls due to a national recession and overly optimistic revenue projections. Along with 45 other states in the nation, Mississippi is experiencing revenue collections below the targeted amounts.

“The possibility of an \$8 million shortfall in the Department of Human Services was brought about by \$4 million in cuts due to below-estimate revenue collections, as well as \$4 million owed to DHS by Medicaid for contract services. The funds owed by Medicaid could not be paid until the resolution of House Bill 1200, which set the actual shortfall at the amount already cut of \$4 million.

“I have been discussing with the Governor’s Office other possibilities for making sure services offered to the people of Mississippi through the Department of Human Services continued uninterrupted.

“I consulted with the attorney general’s office as to whether the state fiscal officer could restore funds to an agency budget. The attorney general’s office agreed this could be done.

“As the state fiscal officer, I have been looking at several options, within our authority, to ensure the services provided to the people of Mississippi continue uninterrupted. The governor, at this time, has not ordered the restoration of any funds. A restoration of funds was inadvertently made to the DHS budget and that correction will be made.”