

STATEMENT OF PURPOSE

RS25505

This is the fiscal year 2018 Original Appropriation and fiscal year 2017 supplemental appropriation bill for the Idaho Department of Health and Welfare for the Medicaid Division.

For fiscal year 2018, it appropriates \$531,903,900 from the General Fund, \$328,070,300 from dedicated funds, and \$1,425,334,400 from federal funds, for a total of \$2,285,308,600 and 216 FTP. The fiscal year 2018 portion includes adjustments for employee benefit costs, statewide cost allocation, annualizations, cybersecurity insurance, and an ongoing 3% merit-based increase in employee compensation for permanent employees to be distributed at the discretion of the director. Also included is \$53,726,600 for nondiscretionary adjustments that include changes for caseload, utilization, and the federal match (FMAP). This bill includes three sections of department-wide intent language and five sections of division-specific intent language for fiscal year 2018.

The bill contains four line items. Line item 5 provides \$654,100 to continue with the implementation of the federally required financial reporting system called Transformed Medicaid Statistical Information System (TMSIS). Line item 14 adds an additional position to the Estate Recovery Program. Line item 28 add an additional Early Periodic Screening, Diagnosis and Treatment (EPSDT) benefit position. The EPSDT program allows a child under 21 to receive medically necessary services that exceed the limits of the Idaho Medicaid plan; including dental, mental health, developmental, and specialty services. The final line item reduces \$100,000 of ongoing appropriation for services being requested in another Health and Welfare program. The line item related to the Jeff D lawsuit settlement will be handled in a separate JFAC action.

The fiscal year 2017 adjustments include adding five new positions for services related to the K.W. vs Armstrong lawsuit settlement and for changes in the Home and Community Based Services Program. This bill also includes an additional \$10,000,000 for receipt authority that is to be used in lieu of General Funds when applicable. This bill reduces the fiscal year 2017 appropriation by \$22,600,000 with \$6,461,700 from the General Fund; for reductions in hospital costs and contractual savings to the Non-Emergency Medical Services Program. Finally, the bill includes an additional \$200,000 to improve the Non-Emergency Medical Services Program, which may include trainings and an external audit of the program; there is intent language included for this purpose.

FISCAL NOTE

	FTP	Gen	Ded	Fed	Total
FY 2017 Original Appropriation	209.00	519,607,200	303,144,800	1,411,052,500	2,233,804,500
1. KW Lawsuit Compliance	2.00	186,600	0	186,600	373,200
2. Home and Community Based Services	3.00	84,200	0	84,100	168,300
5. MMIS Contract Operations: T-MSIS	0.00	0	0	0	0
7. Evaluation of Inpatient Hospital Svcs	0.00	0	0	0	0
8. Non Emergency Medical Transportation	0.00	100,000	0	100,000	200,000

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9. Additional Receipt					
Authority	0.00	0	10,000,000	0	10,000,000
1. Hospital Cost Settlement					
Rescission	0.00	(6,063,100)	0	(15,136,900)	(21,200,000)
2. NEMT Rescission	0.00	(398,600)	0	(1,001,400)	(1,400,000)
FY 2017 Total Appropriation	214.00	513,516,300	313,144,800	1,395,284,900	2,221,946,000
Noncognizable Funds and Transfers	0.00	114,000	0	0	114,000
FY 2017 Estimated Expenditures	214.00	513,630,300	313,144,800	1,395,284,900	2,222,060,000
Removal of One-Time Expenditures	0.00	(392,300)	0	(1,295,400)	(1,687,700)
Base Adjustments	0.00	2,760,100	0	7,125,900	9,886,000
FY 2018 Base	214.00	515,998,100	313,144,800	1,401,115,400	2,230,258,300
Benefit Costs	0.00	62,200	0	97,600	159,800
Statewide Cost Allocation	0.00	1,400	0	1,500	2,900
Annualizations	0.00	47,200	0	47,200	94,400
Change in Employee Compensation	0.00	152,400	0	236,500	388,900
Nondiscretionary Adjustments	0.00	15,565,500	14,925,500	23,235,600	53,726,600
FY 2018 Program Maintenance	214.00	531,826,800	328,070,300	1,424,733,800	2,284,630,900
2. Jeff D Settlement	0.00	0	0	0	0
5. MMIS Contract Operations: T-MSIS	0.00	65,400	0	588,700	654,100
7. Provider Enrollment Improvements	0.00	0	0	0	0
12. Financial Manager Position	0.00	0	0	0	0
14. Estate Recovery Position	1.00	26,000	0	26,100	52,100
28. EPSDT Requests - New Position	1.00	34,500	0	34,500	69,000
49. Remove Current Funding for HQPC	0.00	(50,000)	0	(50,000)	(100,000)
Cybersecurity Insurance	0.00	1,200	0	1,300	2,500
FY 2018 Total	216.00	531,903,900	328,070,300	1,425,334,400	2,285,308,600
Chg from FY 2017 Orig Approp	7.00	12,296,700	24,925,500	14,281,900	51,504,100
% Chg from FY 2017 Orig Approp.	3.3%	2.4%	8.2%	1.0%	2.3%

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