

STATEMENT OF PURPOSE

RS32575 / H0345

The Medicaid Reform and Cost-Containment Act strengthens Idaho's Medicaid program by controlling cost, ensuring its long-term sustainability, protecting rural healthcare access, and implementing necessary safeguards against fraud and abuse. By requiring legislative oversight of Medicaid waivers and amendments, this legislation ensures that critical safety net providers, including rural emergency hospitals and community-based clinics, continue to serve Idaho's most vulnerable populations.

This act prioritizes cost containment by establishing sideboards on Medicaid expansion to maintain fiscal responsibility while ensuring resources are directed to those most in need. Furthermore, it provides a trigger for cost management if Medicaid is changed at the federal level. By balancing healthcare access with financial accountability, this legislation keeps Idaho's Medicaid program sustainable, efficient, and focused on delivering high-quality care while preventing unnecessary dependency on government services.

FISCAL NOTE

The Act includes one-time development costs for waivers and ongoing implementation costs if approved. These are offset by ongoing savings from the bill, including the removal of primary care case management and increased patient cost-sharing in line with other states. While the timing with which these are implemented will depend on federal approval, it is anticipated that the state will see net savings of \$15.9 million total fund savings (\$5.3 million general fund) in FY 2026, and \$27.2 million total fund savings (\$9.0 million general fund) in FY 2027 and annually thereafter. The state can reasonably expect that, if approved, the longer-term Medicaid waivers will generate additional cost savings on top of these projections.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).