



State Programs Affected by Medicaid Eligibility Expansion

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June 17, 2019

Cost Offsets & Legislative Action

- Costs and cost offsets addressed by the Legislature for FY 2020, and estimated costs and cost offsets for FY 2021 were calculated based on language in Proposition 2
- Cost and cost offsets were for the equivalent of 6 months of services in FY 2020
- No program was penalized or forced to reduce services



State Agencies Directly Affected by Expansion

- Department of Health & Welfare
 1. Adult Mental Health
 2. Community Hospitalization
 3. Substance Abuse Treatment & Prevention
 4. Physical Health Services
 5. Medicaid
 6. Self-Reliance Operations
- Department of Correction
 1. Community-Based Substance Abuse Treatment Services
 2. Medical Services (for Inpatient Hospitalization)
- Judicial Branch
 - Community-Based Substance Abuse Treatment Services
- Catastrophic Health Care Cost Program



Department of Health & Welfare (1&2)

1. Adult Mental Health Program \$↓
 - Estimated 93% of probationers/parolees receiving mental health services will be eligible for Medicaid through expansion (§19-2524(3)(g), I.C.)
 - Behavioral Health Community Crisis Centers will be able to bill Medicaid (and private insurance) more easily using a per member visitation model
 - More contracted physicians and prescribed medication will be reimbursed/covered through Medicaid
 - For the Division, \$4.2 million FY 2020 General Fund Base reduction. (S1173)
 - The same amount is expected to be removed for FY 2021
2. Community Hospitalization Program \$↓
 - Institutions for Mental Disease (IMD) facilities will be able to bill Medicaid for individuals also diagnosed with a substance abuse disorder
 - The state is also seeking a waiver to allow for this billing
 - \$1,000,000 from the General Fund was removed from the FY 2020 Base (S1173)
 - The same amount is expected to be removed for FY 2021



Department of Health & Welfare (3&4)

3. Substance Abuse Treatment and Prevention Program \$↓

- Estimated 93% of clientele will be eligible for Medicaid through expansion
- \$1.2 million from the General Fund was removed from the program's appropriation Base for 6 months of services in FY 2020 (\$1173)
 - Additional funding is anticipated for removal for FY 2021; amount TBD

4. Physical Health Services Program \$↓↑

- Idahoans with AIDS that will now be eligible for Medicaid through Expansion will have many of their services paid for through Medicaid. Currently, services are provided in the AIDS Drug Assistance Program (ADAP) and the Ryan White AIDS Awareness federal grants
- \$401,000 from the General Fund was replaced with dedicated receipt funds (\$1184)
 - An additional \$400,000 from the General Fund is expected to be replaced in FY 2021



Department of Health & Welfare (5&6)

5. Medicaid Division \$↑

- \$754,300 (all funds) was appropriated to the Medicaid Administration Program to oversee and implement expansion; includes equivalent funding for 3.0 FTP
- Expansion Medicaid Plan Program was established – A 4th trustee and benefit payments program (\$1171)
 - \$197,636,700 (all funds) was appropriated to cover 6 months of estimated payments (\$19,763,700 from state funds)
- \$1,157,600 (all funds) was appropriated to implement the added requirements in S1204aa,aaH (\$1214)

6. Self-Reliance Operations Program \$↑

- Determines the eligibility for the Exchange and Medicaid
- Will need to reprogram the state's eligibility system
- Appropriation was not adjusted for FY2020; due to cost allocation but will be evaluated as expansion is implemented (\$1174)
- \$1,453,000 (all funds) was appropriated to implement the added requirements in S1204aa,aaH (\$1214)



Department of Correction

1. Community-Based Substance Abuse Treatment Services Program \$↓

- Estimated 93% of community-based inmates will be eligible for Medicaid through expansion
 - \$2,759,000 was removed (\$1,719,900 General Fund and \$1,039,100 Millennium Income Fund) (S1162)
 - The same amount is expected to be removed for FY 2021

2. Medical Services Program for Inpatient Hospitalization \$↓

- IDOC and DHW estimated that about 93% of inmates who receive inpatient services in the community, but still in custody, would be Medicaid eligible through expansion, therefore reducing the per-diem paid to the private medical services provider
 - \$1,581,000 removed for FY 2020 for 6 months of est. payments (S1162)
 - The same amount is expected to be removed for FY 2021



Judicial Branch

- General Fund moneys used for services provided by the problem solving drug courts can be reduced; estimated 93% of this population will be Medicaid eligible through expansion
- Court staff have not yet provided information on the estimated Medicaid expansion population
- \$913,100 was reduced from the ongoing FY 2020 Base and added back as “onetime” (\$1164) \$-
 - The appropriation change from ongoing to onetime will allow the courts to collect this information for the 2020 session without reducing services
 - A similar amount is estimated to be removed for FY 2021



Catastrophic Health Care Cost Program (CAT Fund)

- Savings/cost avoidance in the CAT Fund should be realized for Idahoans who are eligible for Medicaid through expansion
- Expansion alone will not guarantee savings/cost avoidance in the program
 - Medically Indigent is defined as “ability to repay within 5 years”
 - Individuals are no longer required to purchase health insurance
- Legislature added \$2,000,000 of onetime funding for FY 2019/ FY 2020 to the \$10 million base \$↑
 - This program will need to be evaluated each session to determine actual impacts of expansion on the CAT Program



Waivers

- The approval status of the four waivers in S1204aa,aaH could change which programs are affected and by what amount
- Additional estimates cannot be calculated until Idaho receives approval/non-approval from the federal government for waivers and until eligible individuals begin making choices



Other State Entities That may be Affected by Expansion

- Department of Health and Welfare
 - Indirect Support Services, Child Welfare, Licensing & Certification, other programs
- Public Health Districts
 - Providing primary care services
- Medical Boards
 - More providers needing licensure
- Idaho State Tax Commission
 - Depends on the “choice waiver” approval
- Higher Education
 - Work and/or education requirements; Health Education / Residency Programs
- Department of Labor
 - Work requirements and job training
- Office of the Attorney General
 - Litigation, Waiver challenges
- Department of Juvenile Corrections
 - Parents/caregiver improved health could reduce juvenile crimes
- Department of Insurance



Questions

Health & Human Services Agencies

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