

Fiscal Impact of Losing Federal Medicaid Funding

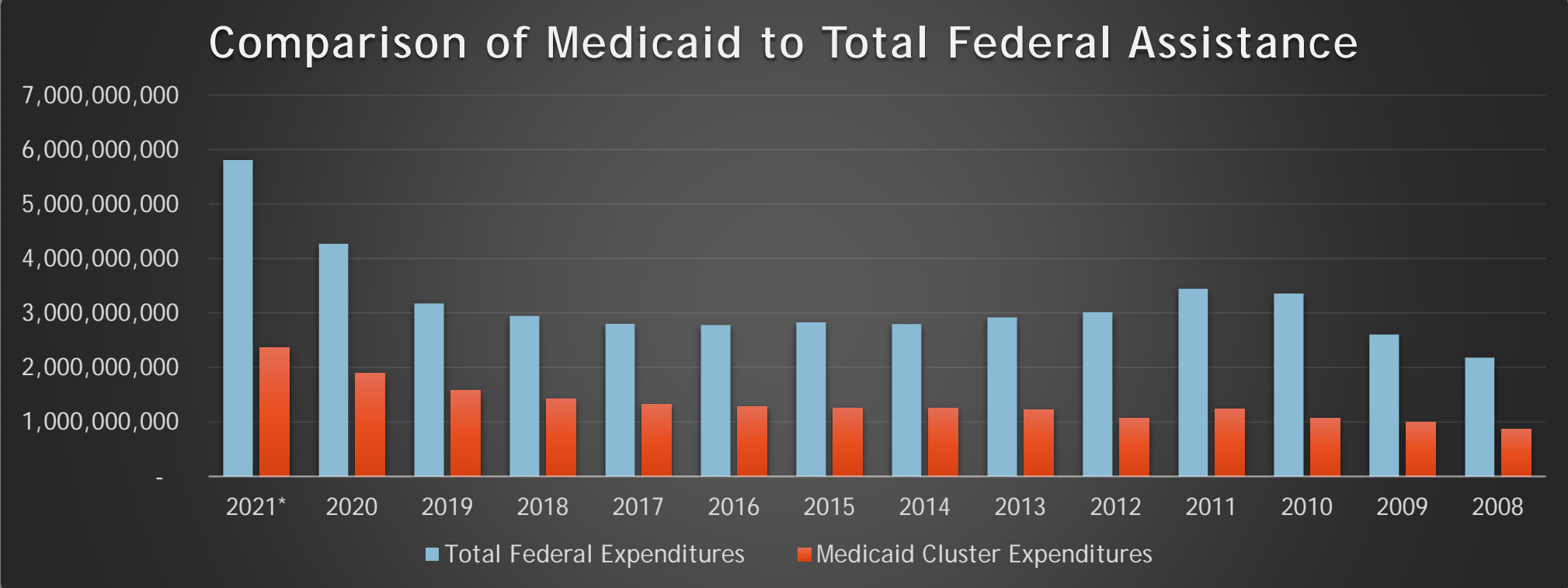
Committee on Federalism

September 22, 2021

Federal Guidance Applicable to Idaho's Federal Assistance through the Medicaid Program Cluster

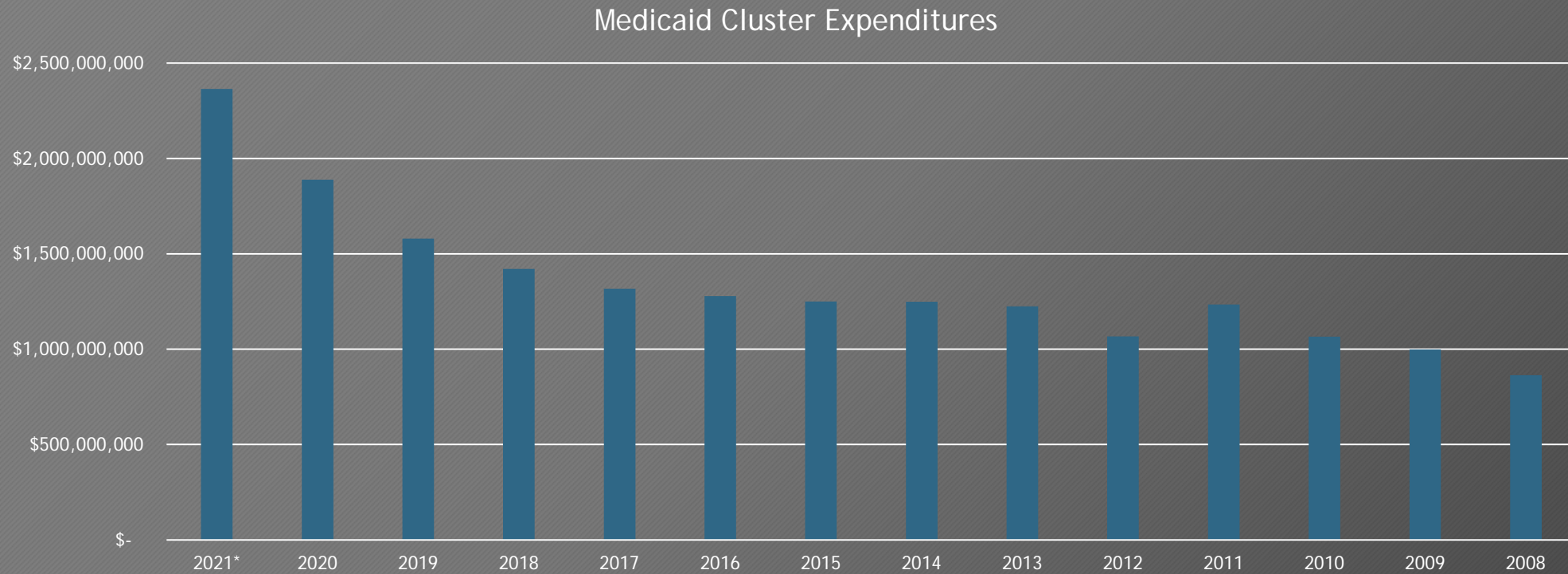
- Covid-19 Action Plan ([Whitehouse.gov/covidplan](https://www.whitehouse.gov/covidplan))
 - Requiring COVID-19 vaccinations for over 17 million health care workers
 - The Centers for Medicare & Medicaid Services (CMS) are taking action to require COVID-19 vaccinations for workers in most health care settings that receive Medicare or Medicaid reimbursement
 - Includes, but is not limited to, hospitals, dialysis facilities, ambulatory surgical settings, home health agencies, staff not involved in direct patient care, and individuals providing services under arrangements
- CMS is using its authority to establish vaccine requirements for all providers and suppliers that participate in the Medicare and Medicaid programs ([cms.gov](https://www.cms.gov))
 - Interim Final Rule with comment period will be issued in October ([cms.gov](https://www.cms.gov))
 - Interim Final Rules typically are used when an agency doesn't publish a proposed rule for comment first, but may accept comment after issuance
 - If they do it this way, Interim Final Rules are usually effective no sooner than 30 days after publication in the Federal Register (CFR) unless good cause is found by the agency to issue with an immediate effective date

Federal Expenditures Over Time



Source: Statewide Single Audit Schedule of Expenditures of Federal Assistance
*2021 is unaudited financial data from LBO and state closing packages

Medicaid Program Cluster Spending Over Time



Source: Statewide Single Audit Schedule of Expenditures of Federal Assistance
*2021 is unaudited information from LBO

Increases in Overall Federal Spending and Specific to the Medicaid Program Cluster

- Fiscal Year 2020 increased by approximately \$1 billion
 - Mainly due to CARES Act funding provided to the Department of Labor Unemployment Insurance Program (\$483 million)
 - Approximately \$65 million in Coronavirus Relief Fund (CRF) federal expenditures, primarily through the Idaho Rebound Grants for Small Businesses (\$57 million) administered by the Idaho State Tax Commission
 - Approximately \$300 million in the Medicaid Program that includes a half year of Medicaid expansion costs (\$200 million) and the remainder could be a combination of increased Federal Medical Assistance Percentage (FMAP) authorized in March 2020 due to the pandemic and/or increased utilization
- Fiscal year 2021 unaudited Medicaid Program Cluster expenditures are approximately \$475 million more than fiscal year 2020 expenditures but also include a full year of Medicaid Expansion (which is reimbursed at 90%)

Questions

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