

STATEMENT OF PURPOSE

RS31728 / S1456

This appropriation to the Department of Health and Welfare for the Division of Medicaid provides a \$277,954,700 reduction to the FY 2024 budget, of which \$92,807,600 is from the General Fund. Contributing factors to the lower-than-anticipated costs include the end of the public health emergency, and drops in utilization and enrollment.

This appropriation to the Department of Health and Welfare for the Division of Medicaid provides enhancements to the FY 2025 maintenance budget that include nondiscretionary adjustments, new staff division-wide, provider rate adjustments, intermediate care facility rate adjustments, an MMIS vendor increase, funding for personal care services case management, MMIS procurement year 2, an Idaho Millennium Income Fund offset for claims payments, and the additional 2% CEC. Additionally, this bill provides reappropriation authority. This bill also provides adjustments to the FY 2024 appropriation for the Division of Medicaid. Looking at Table 2 below, adjustments include a onetime forecasted recession, an ongoing reduction related to the end of an electronic records incentive program, and adjustments to the Hospital Assessment Fund. Overall, the total FY 2025 appropriation for the Division of Medicaid represents 0.6% increase over the FY 2024 Original Appropriation.

FISCAL NOTE

This appropriation provides an additional \$253,212,900 to the maintenance appropriation provided to the Department of Health and Welfare for the Division of Medicaid found in Senate Bill 1268. Table 1 shows incremental adjustments to the budget found in the bill, of which the ongoing increase is \$120,834,900, and \$132,378,000 is onetime. Table 2 shows all the adjustments leading to the FY 2025 Total. The total budget for the Division of Medicaid is \$4,710,390,700. Additionally Table 2 shows the mid-year adjustments to the FY 2024 budget for the Division of Medicaid. The total decrease to the FY 2024 budget is \$125,556,800.

Table 1	FTP	Gen	Ded	Fed	Total
Nondiscretionary Adjustments	0.00	58,331,400	65,983,000	(86,220,100)	38,094,300
1. New Staff Division Wide	24.50	1,536,800	0	1,662,500	3,199,300
6. Provider Rate Adjustments	0.00	12,257,800	0	53,601,400	65,859,200
10. ICF Rate Adjustment	0.00	2,053,300	0	4,260,200	6,313,500
16. MMIS Current Vendor Annual Incr.	0.00	561,400	0	2,245,400	2,806,800
20. Personal Care Services Case Mgmt	0.00	1,200,000	0	3,000,000	4,200,000
22. MMIS Procurement Year 2	0.00	0	13,237,800	119,140,200	132,378,000
48. Medicaid Claims Payments	0.00	(12,000,000)	12,000,000	0	0
Add'l 2% Chg in Employee Compensation	0.00	129,100	1,500	231,200	361,800
FY 2025 Budget Enhancements	24.50	64,069,800	91,222,300	97,920,800	253,212,900
% Chg from FY 2025 Maintenance	11.5%	7.5%	13.8%	3.3%	5.7%

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Table 2	FTP	Gen	Ded	Fed	Total
FY 2024 Original Appropriation	213.00	856,366,900	690,218,500	3,137,075,400	4,683,660,800
1. Forecasted Onetime Recission	0.00	(92,807,600)	0	(185,147,100)	(277,954,700)
3. Electronic Records Incentive Prgm.	0.00	(69,600)	0	(17,032,500)	(17,102,100)
4. Hospital Assessment Fund	0.00	0	45,600,000	123,900,000	169,500,000
FY 2024 Total Appropriation	213.00	763,489,700	735,818,500	3,058,795,800	4,558,104,000
Removal of Onetime Expenditures	0.00	(30,000)	(30,212,400)	(179,231,800)	(209,474,200)
Base Adjustments	0.00	92,807,600	(45,600,000)	61,247,100	108,454,700
FY 2025 Base	213.00	856,267,300	660,006,100	2,940,811,100	4,457,084,500
Personnel Benefit Costs	0.00	(41,500)	(200)	(63,700)	(105,400)
Statewide Cost Allocation	0.00	7,100	0	7,400	14,500
1% Chg in Employee Compensation	0.00	81,000	0	103,200	184,200
FY 2025 Program Maintenance - SB 1268	213.00	856,313,900	660,005,900	2,940,858,000	4,457,177,800
FY 2025 Budget Enhancements	24.50	64,069,800	91,222,300	97,920,800	253,212,900
FY 2025 Total	237.50	920,383,700	751,228,200	3,038,778,800	4,710,390,700
Chg from FY 2024 Orig Approp	24.50	64,016,800	61,009,700	(98,296,600)	26,729,900
% Chg from FY 2024 Orig Approp.	11.5%	7.5%	8.8%	(3.1%)	0.6%

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