LEGISLATURE OF THE STATE OF IDAHO

Sixty-eighth Legislature First Regular Session - 2025

IN THE SENATE

SENATE BILL NO. 1201

BY FINANCE COMMITTEE

AN ACT

RELATING TO THE APPROPRIATION TO THE DEPARTMENT OF HEALTH AND WELFARE; APPROPRIATING ADDITIONAL MONEYS TO THE DEPARTMENT OF HEALTH AND WELFARE FOR THE DIVISION OF MEDICAID FOR FISCAL YEAR 2026; REDUCING THE APPROPRIATION TO THE DEPARTMENT OF HEALTH AND WELFARE FOR THE DIVISION OF MEDICAID FOR FISCAL YEAR 2026; DIRECTING THE DIVISION TO EXPLORE OUTPATIENT ADDICTION TREATMENT; DIRECTING THE DIVISION REGARDING MEDICAID CONTRACT PERIODS AND MID-YEAR ADJUSTMENTS; REQUIRING A REPORT ON THE EMERGENCY MEDICAID PROGRAM; PROVIDING FEDERAL FUNDING RESTRICTIONS; PROVIDING FOR CONDITIONS, LIMITATIONS, AND RESTRICTIONS; APPROPRIATING ADDITIONAL MONEYS TO THE DEPARTMENT OF HEALTH AND WELFARE FOR THE DIVISION OF MEDICAID FOR FISCAL YEAR 2025; AND DECLARING AN EMERGENCY AND PROVIDING EFFECTIVE DATES.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. In addition to any other appropriation provided by law, there is hereby appropriated to the Department of Health and Welfare for the Division of Medicaid the following amounts to be expended according to the designated programs and expense classes from the listed funds for the period July 1, 2025, through June 30, 2026:

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	FOR TRUSTEE AND BENEFIT PAYMENTS	TOTAL
I. MEDICAID ADMINISTRATION AND MEDICAL MGMT:				
FROM:				
Cooperative Welfare (General) Fund		$1,771,300		$1,771,300
Medicaid Management Information Systems Dedicated Fund		11,720,000		11,720,000
Cooperative Welfare (Federal) Fund		107,926,700		107,926,700
TOTAL		$121,418,000		$121,418,000
II. COORDINATED MEDICAID PLAN:				
FROM:				
Cooperative Welfare (General) Fund			$43,749,100	$43,749,100

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	FOR TRUSTEE AND BENEFIT PAYMENTS	TOTAL
Hospital Assessment Fund			60,014,700	60,014,700
Cooperative Welfare (Federal) Fund			211,762,200	211,762,200
TOTAL			$315,526,000	$315,526,000
III. ENHANCED MEDICAID PLAN:				
FROM:				
Cooperative Welfare (General) Fund			$11,996,900	$11,996,900
Cooperative Welfare (Federal) Fund			33,937,400	33,937,400
TOTAL			$45,934,300	$45,934,300
IV. BASIC MEDICAID PLAN:				
FROM:				
Cooperative Welfare (General) Fund			$5,589,400	$5,589,400
Hospital Assessment Fund			10,181,400	10,181,400
Cooperative Welfare (Federal) Fund			30,740,800	30,740,800
TOTAL			$46,511,600	$46,511,600
V. EXPANSION MEDICAID PLAN:				
FROM:				
Cooperative Welfare (General) Fund			$9,546,100	$9,546,100
Hospital Assessment Fund			7,047,600	7,047,600
Cooperative Welfare (Federal) Fund			142,069,900	142,069,900
TOTAL			$158,663,600	$158,663,600

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	FOR TRUSTEE AND BENEFIT PAYMENTS	TOTAL
VI. EXTENDED EMPLOYMENT SERVICES:				
FROM:				
Cooperative Welfare (General) Fund	$244,600	$91,600	$3,202,900	$3,539,100
GRAND TOTAL	$244,600	$121,509,600	$569,838,400	$691,592,600

SECTION 2. Notwithstanding any other provision of law to the contrary, the appropriation made to the Department of Health and Welfare for the Division of Medicaid is hereby reduced by the following amounts for the Expansion Medicaid Plan for trustee and benefit payments from the listed funds for the period July 1, 2025, through June 30, 2026:

FROM:	
Cooperative Welfare (General) Fund	$6,050,000
Cooperative Welfare (Federal) Fund	11,350,000
TOTAL	$17,400,000

SECTION 3. OUTPATIENT ADDICTION TREATMENT. The Department of Health and Welfare's Division of Medicaid shall explore a value-based payment model for outpatient addiction treatment based on long-term recovery outcomes. The division shall provide a report on its findings to the Joint Finance-Appropriations Committee and the Budget and Policy Analysis Division of the Legislative Services Office no later than January 15, 2026.

SECTION 4. MEDICAID CONTRACT PERIODS AND MID-YEAR ADJUSTMENTS. The Department of Health and Welfare's Division of Medicaid shall initiate the process of transitioning multi-year contracts to coincide with the state's fiscal year to enhance transparency. To the extent practicable, the division shall eliminate mid-year contract adjustments that increase spending without an appropriation from the Legislature. The division shall provide a report on its progress to the Joint Finance-Appropriations Committee and the Budget and Policy Analysis Division of the Legislative Services Office no later than January 15, 2026.

SECTION 5. EMERGENCY MEDICAID REPORT. The Department of Health and Welfare's Division of Medicaid shall submit an annual report on the number of clients served and the total expenditures reimbursed through the Emergency Medicaid program. The division shall provide the report to the Joint Finance-Appropriations Committee and the Budget and Policy Analysis Division of the Legislative Services Office following the conclusion of each fiscal year, but no later than September 15.

SECTION 6. FEDERAL FUNDING RESTRICTIONS. Pursuant to Section 67-3511(2), Idaho Code, legislative appropriations shall not be transferred from one fund to another fund unless expressly approved by the Legislature. Appropriations made pursuant to this act contingent on anticipated federal funding, grants, or programs shall not be supplanted by state funds in the event of any reduction or elimination of such federal support without legislative approval. The agency receiving the appropriation shall take all necessary actions to ensure that the state is not obligated to replace lost federal funds. Pursuant to Section 67-1917, Idaho Code, the agency will submit an inventory of federal funds utilized by the agency. State funds appropriated to satisfy match requirements for federal funds shall be reverted to the maximum extent possible if federal funds requiring match are reduced or eliminated. The agency shall promptly notify the Budget and Policy Analysis Division of the Legislative Services Office of any significant changes related to federal funding, grants, or programs. This does not apply to standard federal funding adjustments that take place within an agency's cost allocation plan or indirect expenditure plan for indirect costs and agency support staff, FMAP adjustments, or entitlement programs.

SECTION 7. CONDITIONS, LIMITATIONS, AND RESTRICTIONS. Appropriations made pursuant to this act are subject to the conditions, limitations, and restrictions specified in this act.

SECTION 8. In addition to the appropriation made in Section 1, Chapter 323, Laws of 2024, and any other appropriation provided for by law, there is hereby appropriated to the Department of Health and Welfare for the Division of Medicaid the following amounts to be expended according to the designated programs and expense classes from the listed funds for the period July 1, 2024, through June 30, 2025:

	FOR OPERATING EXPENDITURES	FOR TRUSTEE AND BENEFIT PAYMENTS	TOTAL
I. MEDICAID ADMINISTRATION AND MEDICAL MGMT:			
FROM:			
Cooperative Welfare (General) Fund	$511,400		$511,400
Cooperative Welfare (Federal) Fund	1,534,100		1,534,100
TOTAL	$2,045,500		$2,045,500
II. COORDINATED MEDICAID PLAN:			
FROM:			
Hospital Assessment Fund		$60,014,700	$60,014,700

	FOR OPERATING EXPENDITURES	FOR TRUSTEE AND BENEFIT PAYMENTS	TOTAL
Cooperative Welfare (Federal) Fund		89,952,100	89,952,100
TOTAL		$149,966,800	$149,966,800
III. ENHANCED MEDICAID PLAN:			
FROM:			
Cooperative Welfare (Federal) Fund		$57,598,300	$57,598,300
IV. BASIC MEDICAID PLAN:			
FROM:			
Hospital Assessment Fund		$10,181,400	$10,181,400
Cooperative Welfare (Federal) Fund		116,563,300	116,563,300
TOTAL		$126,744,700	$126,744,700
V. EXPANSION MEDICAID PLAN:			
FROM:			
Hospital Assessment Fund		$7,047,600	$7,047,600
Cooperative Welfare (Federal) Fund		71,823,900	71,823,900
TOTAL		$78,871,500	$78,871,500
GRAND TOTAL	$2,045,500	$413,181,300	$415,226,800

SECTION 9. An emergency existing therefor, which emergency is hereby declared to exist, Section 8 of this act shall be in full force and effect on and after passage and approval, and Sections 1 through 7 of this act shall be in full force and effect on and after July 1, 2025.