



Department of Health & Welfare

Division of Medicaid Base Review

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Budget & Policy Analyst

January 22, 2026

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Department of Health & Welfare

The Idaho Department of Health and Welfare provides services and regulatory programs in partnership with taxpayers, consumers, and providers to promote economic well-being, support vulnerable children and adults, enhance public health, and encourage self-sufficiency. [Chapter 10, Title 56, Idaho Code]

The Division of Medicaid is responsible for administering plans to finance and deliver health services for people at risk due to low income and other factors, such as youth, old age, pregnancy, or disability. Services are provided pursuant to state and federal Medicaid requirements. Statutory Authority: Title 56, Chapter 2, Idaho Code.

DHW – Division of Medicaid

The division is organized into five budgeted programs:

- **Medicaid Administration And Medical Management:** Administration of comprehensive medical coverage to eligible recipients in Idaho. Coverage is provided through traditional Medicaid, and the Children's Health Insurance Program (CHIP). Administrative functions include managing provider payments and contracts. As of FY 2026, the program includes the following: the Medicaid Program Integrity Unit (formerly in Indirect Support Services); Idaho Behavioral Health Plan staff (formerly in Mental Health Services); and children's developmental disability services (formerly in DD Services).
- **Coordinated Medicaid Plan:** Age 65 and older. All individuals dually eligible for Medicaid and Medicare, regardless of age, may elect to receive coverage under this plan.
- **Enhanced Medicaid Plan:** Children and adults (non-elderly) with disabilities, or other individuals with special health needs, such as foster children.
- **Basic Medicaid Plan:** Pregnant Women and Children (PWC), Family Medicaid and Idaho's Children Health Insurance Program (CHIP). These populations are assumed to be in average health, with average levels of disease.
- **Expansion Medicaid Plan:** Beneficiaries covered in this plan have an income level of 138% of the federal poverty limit (FPL) or less. These populations are assumed to be in average health, with average levels of disease. Coverage for this population group started on January 1, 2020.
- **Extended Employment Services (EES):** A program designed to provide remunerative work and support for adults with developmental disabilities or mental illness who lack the skills and experience to obtain and maintain employment in the competitive labor market. (formerly in DD Services).

2026 Poverty Guidelines: 48 Contiguous States

Dollars Per Year

Household/ Family Size	50%	75%	100%	125%	130%	133%	135%	138%
1	7,980.00	11,970.00	15,960.00	19,950.00	20,748.00	21,226.80	21,546.00	22,024.80
2	10,820.00	16,230.00	21,640.00	27,050.00	28,132.00	28,781.20	29,214.00	29,863.20
3	13,660.00	20,490.00	27,320.00	34,150.00	35,516.00	36,335.60	36,882.00	37,701.60
4	16,500.00	24,750.00	33,000.00	41,250.00	42,900.00	43,890.00	44,550.00	45,540.00
5	19,340.00	29,010.00	38,680.00	48,350.00	50,284.00	51,444.40	52,218.00	53,378.40
6	22,180.00	33,270.00	44,360.00	55,450.00	57,668.00	58,998.80	59,886.00	61,216.80
7	25,020.00	37,530.00	50,040.00	62,550.00	65,052.00	66,553.20	67,554.00	69,055.20
8	27,860.00	41,790.00	55,720.00	69,650.00	72,436.00	74,107.60	75,222.00	76,893.60
9	30,700.00	46,050.00	61,400.00	76,750.00	79,820.00	81,662.00	82,890.00	84,732.00
10	33,540.00	50,310.00	67,080.00	83,850.00	87,204.00	89,216.40	90,558.00	92,570.40
11	36,380.00	54,570.00	72,760.00	90,950.00	94,588.00	96,770.80	98,226.00	100,408.80
12	39,220.00	58,830.00	78,440.00	98,050.00	101,972.00	104,325.20	105,894.00	108,247.20
13	42,060.00	63,090.00	84,120.00	105,150.00	109,356.00	111,879.60	113,562.00	116,085.60
14	44,900.00	67,350.00	89,800.00	112,250.00	116,740.00	119,434.00	121,230.00	123,924.00

Note: Each individual program--e.g., SNAP, Medicaid--determines how to round various multiples of the poverty guidelines, what income is to be included, and how the eligibility unit is defined. For more information about the poverty guidelines visit: <http://aspe.hhs.gov/poverty>.

Source: U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation.

Organizational Structure – DHW

Independent Councils
 The budgeted Division of Independent Councils includes the Idaho Council on Domestic Violence and the Idaho Council on Developmental Disabilities.

Governor
Director

Board of Health & Welfare
 (Advisory, appointed by the Governor)

Operations
 Deputy Director

Medicaid
 Deputy Director / Medicaid Admin

Chief, Legislative, and Regulatory Affairs
 Tribal Relations

Child, Youth, & Family Services
 Deputy Director

Health & Human Services
 Deputy Director

Licensing & Certification
 Division Administrator

Indirect Support Services
 Indirect Support Services includes Information and Technology Services, Operational Services, and Audits & Investigations.

Medicaid

EES

Children's DD

IBHP Staff

Chief Financial Officer

Financial Services

Program Manager, Communications, Customer Experience

Youth Safety & Permanency
 (Child Welfare)

Family & Community Partnerships
 (Service Integration)

Early Learning & Development
 (Developmental Disability Svcs)

SWITC

Idaho Child Care Program (ICCP)

The department will rename the Division of Family and Community Services (FACS) as Child, Youth, and Family Services.

Public Health
 Division Administrator

Welfare
 Division Administrator

Behavioral Health
 Administrator

Mental Health Services

Substance Abuse

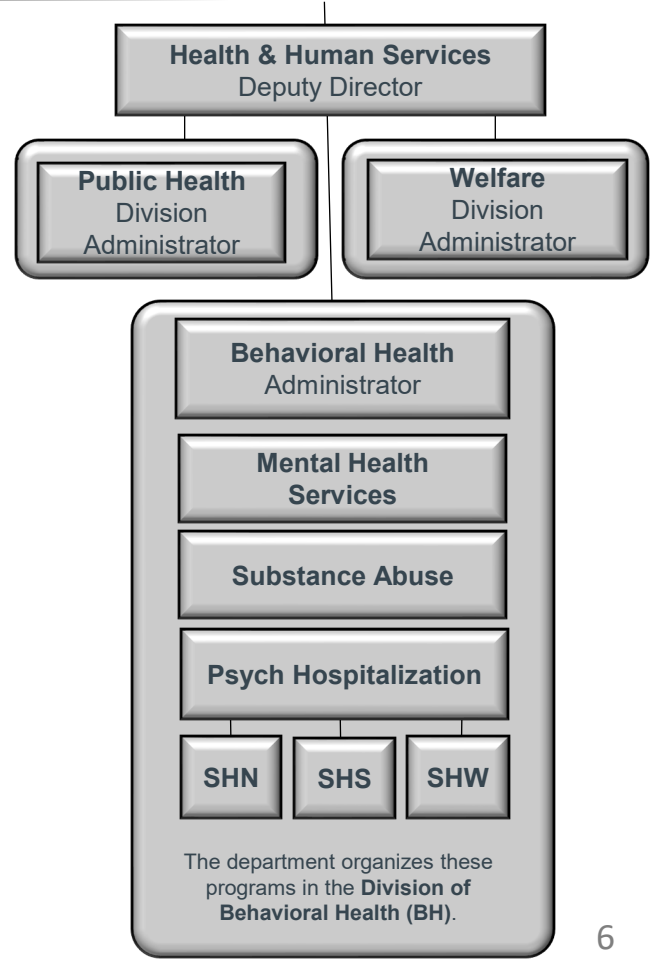
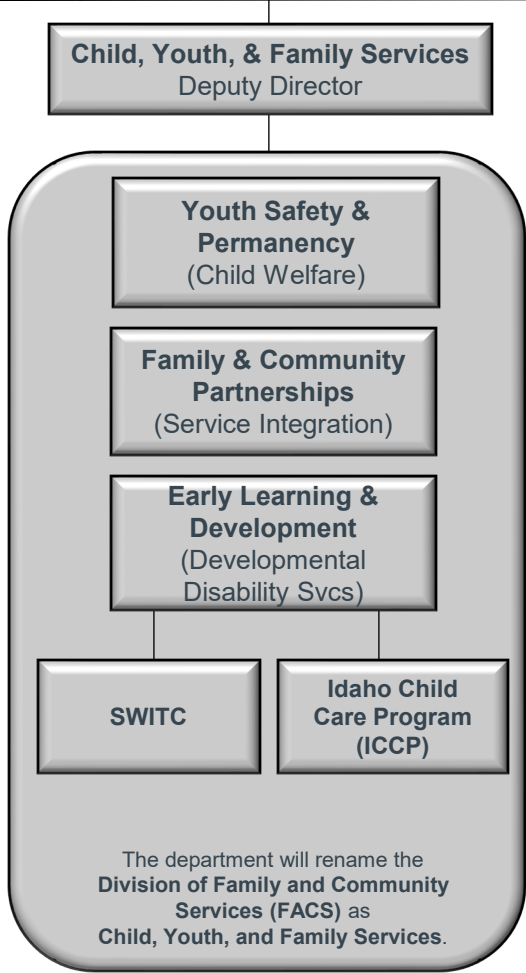
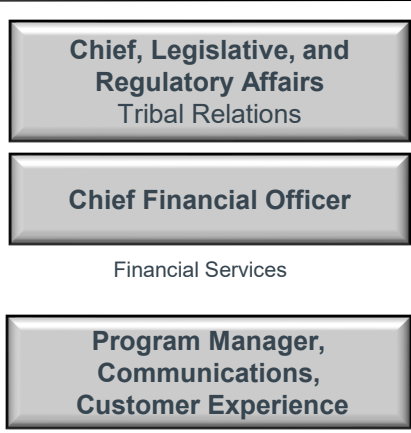
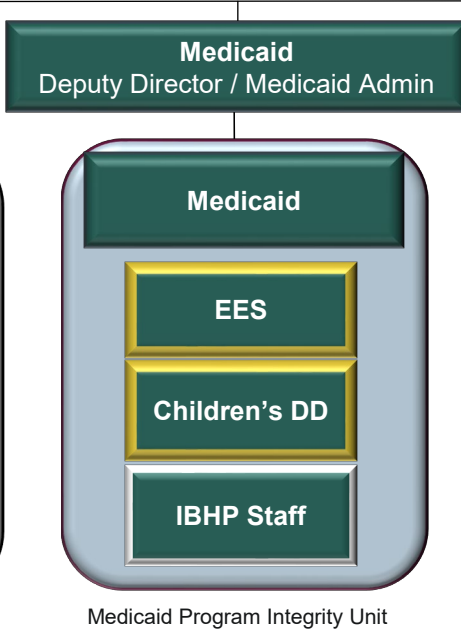
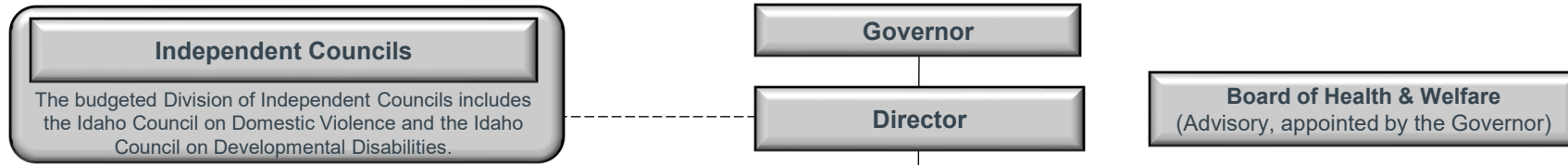
Psych Hospitalization

SHN SHS SHW

The department organizes these programs in the Division of Behavioral Health (BH).

Medicaid Program Integrity Unit

Organizational Structure – DHW



Budgeted Programs – Division of Medicaid

Department of Health and Welfare Division of Medicaid

Sasha O'Connell,
Deputy Director

305.50 FTP

18.00 Vacant
as of 8/15/25

Medicaid
Administration
and
Management
302.50 FTP

Coordinated
Medicaid Plan

Basic
Medicaid Plan

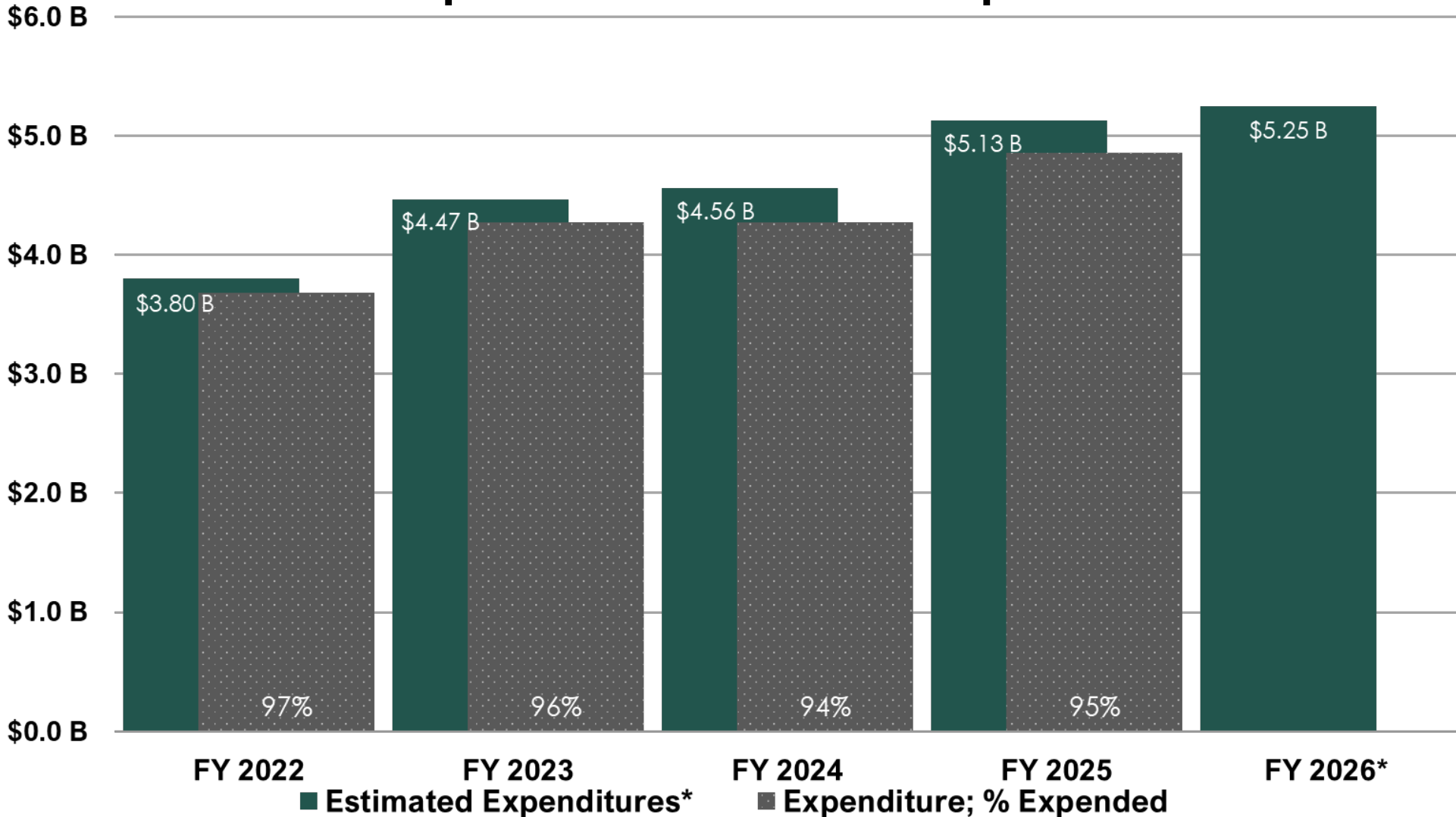
Enhanced
Medicaid Plan

Expansion
Medicaid Plan

Extended
Employment
Services
3.00 FTP

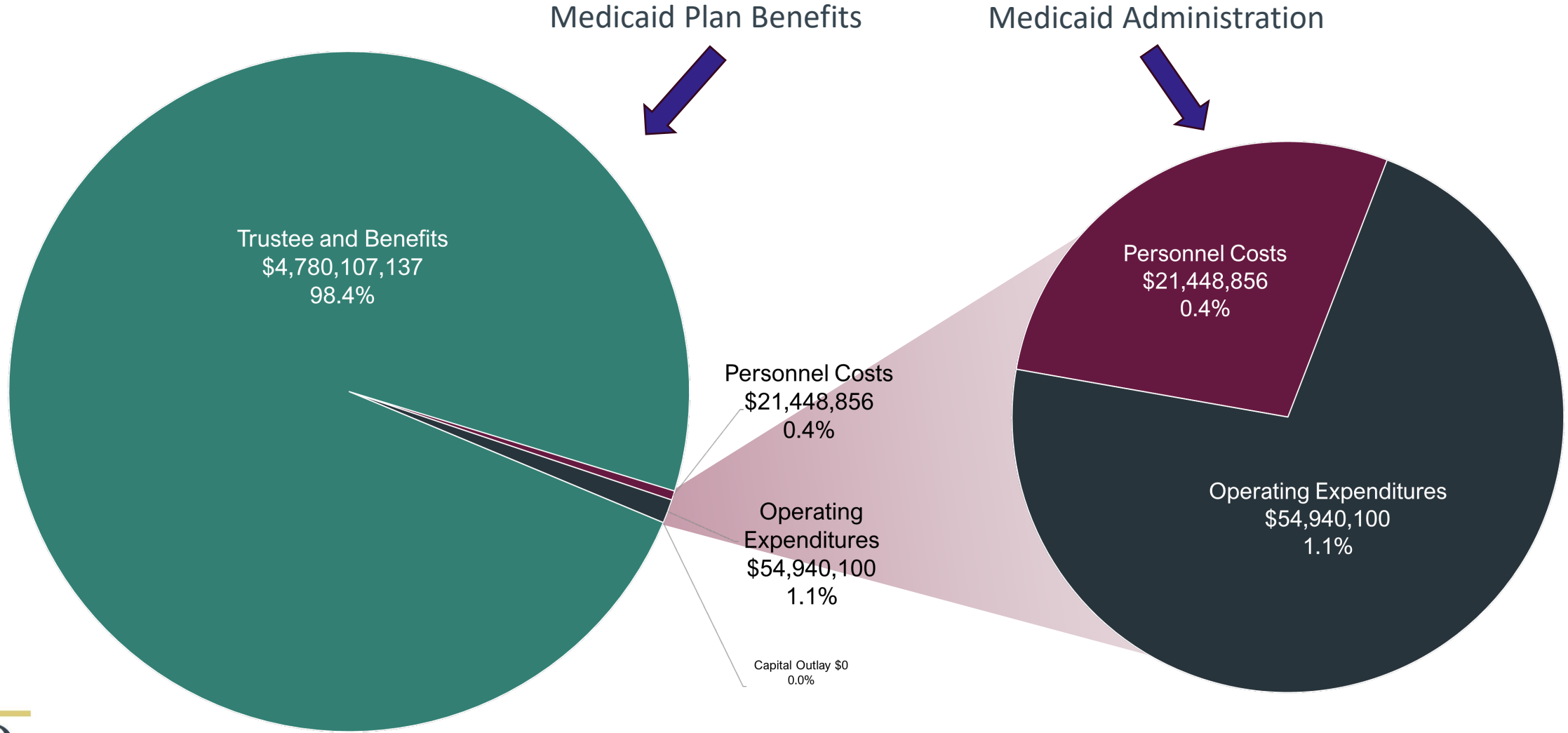
Five-Year Expenditures – Division of Medicaid

Estimated Expenditures vs Actual Expenditures

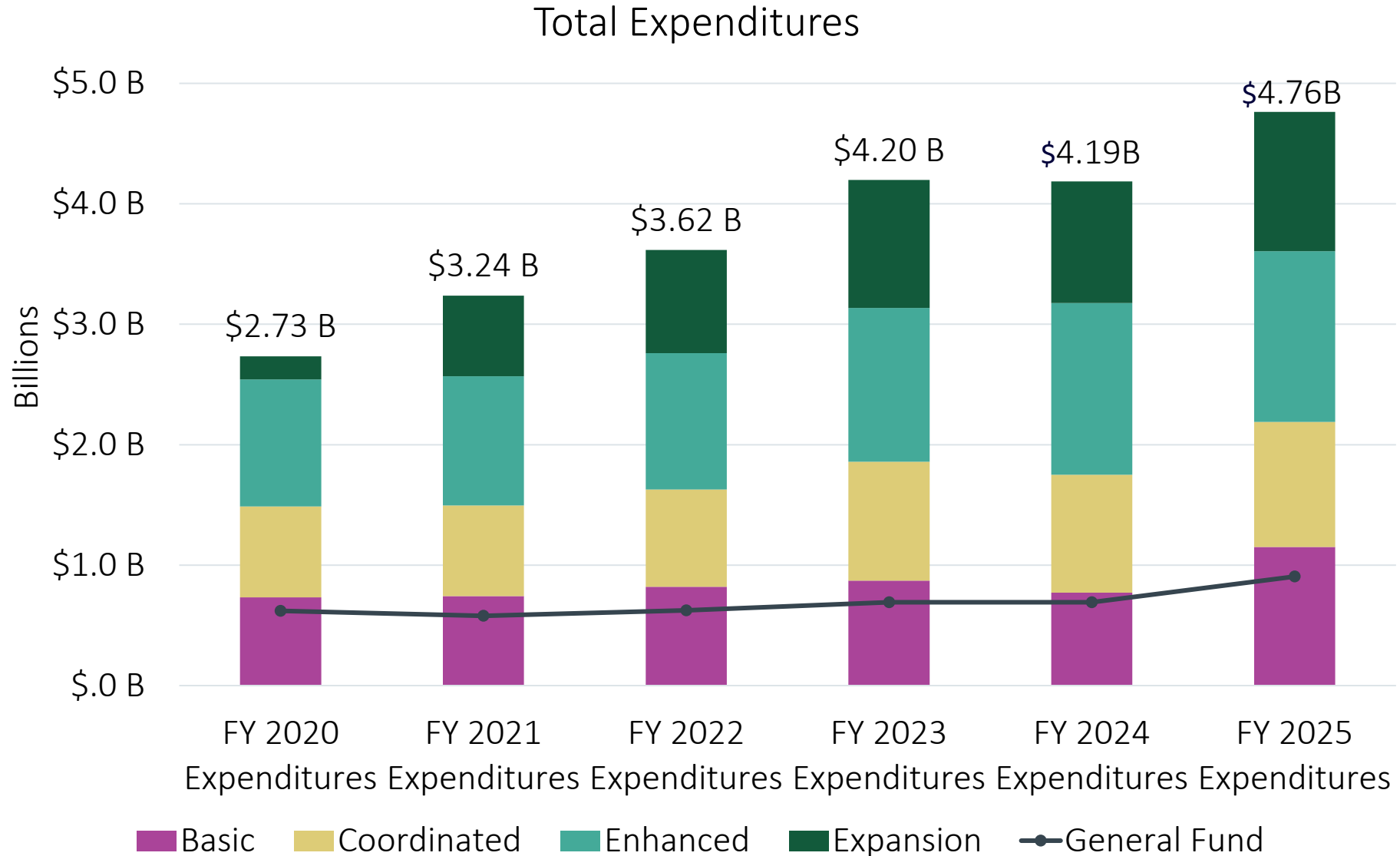


*FY 2026 is Original Appropriation

FY 2025 Expenditures - \$4,856,496,092

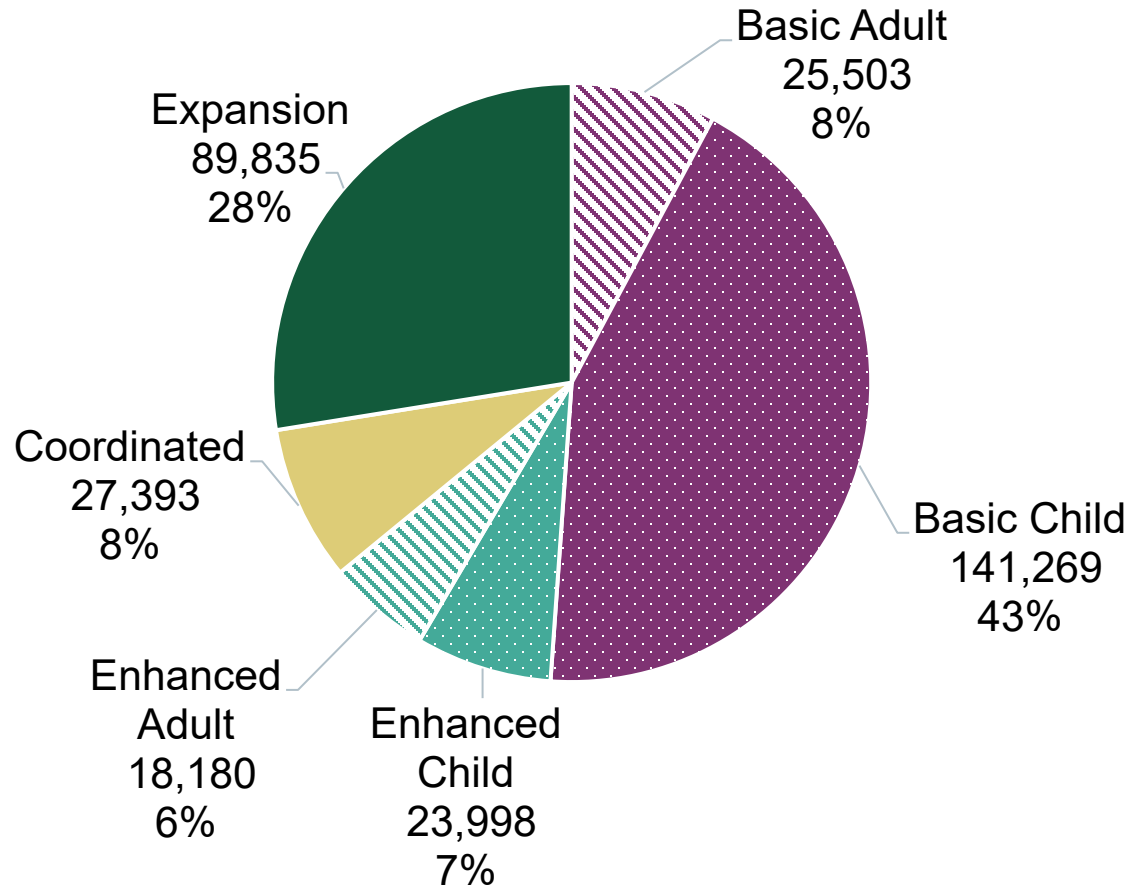


Expenditures by Medicaid Plan

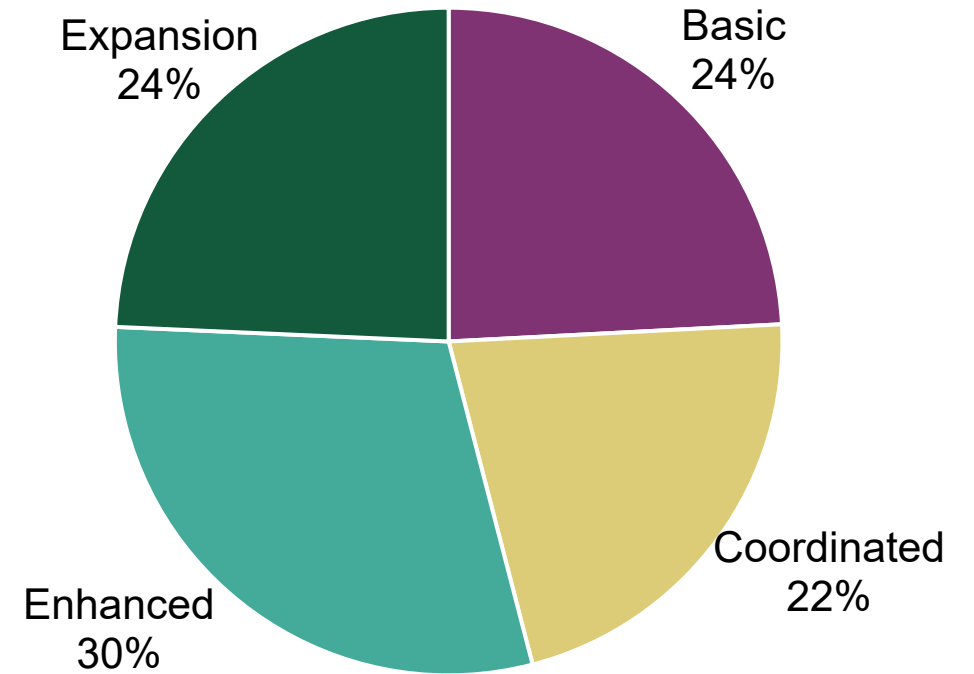


FY 2025 Participants by Medicaid Plan

FY 2025 Participant by Program



FY 2025 Expenditures



Five-Year Base Snapshot – Division of Medicaid

Fiscal Year	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026*
1. Total FTP	213.00	213.00	213.00	237.50	305.50
2. Current Year Base	3,331,515,600	3,640,497,000	4,279,013,100	4,457,084,500	4,572,674,000
3. Benefits Costs	56,300	115,200	175,900	(105,400)	334,200
4. Inflationary Adjustments					1,396,500
5. Statewide Cost Allocation	(3,400)	(2,100)	(2,700)	14,500	(18,700)
6. CEC	295,500	1,125,200	646,000	184,200	1,218,500
7. Nondiscretionary Adjustments	408,641,300	126,369,100	171,271,900		
8. Total Ongoing Maintenance Change	408,989,700	127,607,400	172,091,100	93,300	2,930,500
9. <i>% Chg from Current Year Base (line 8 / 2)</i>	<i>12.3%</i>	<i>3.5%</i>	<i>4.0%</i>	<i>0.0%</i>	<i>0.1%</i>
10. Ongoing Enhancements	(8,333,900)	271,288,600	23,082,400	108,834,900	556,992,200
11. Ongoing Supplementals	(164,618,200)	137,132,500	(125,556,800)		-
12. Total Ongoing Enhancements Change	(172,952,100)	408,421,100	(102,474,400)	108,834,900	556,992,200
13. <i>% Chg from Current Year Base (line 12 / 2)</i>	<i>(5.2%)</i>	<i>11.2%</i>	<i>(2.4%)</i>	<i>2.4%</i>	<i>12.2%</i>
14. Ongoing Base Adjustments	\$72,943,800	\$102,487,600	\$108,454,700	\$6,661,300	-
15. Next Year Base (line 2 + 8 + 12 + 14)	3,640,497,000	4,279,013,100	4,457,084,500	4,572,674,000	5,132,596,700*
16. Total Base Change (line 15 - 2)	308,981,400	638,516,100	178,071,400	115,589,500	559,922,700
17. <i>% Chg from Current Year Base (line 16 / 2)</i>	<i>9.3%</i>	<i>17.5%</i>	<i>4.2%</i>	<i>2.6%</i>	<i>12.2%</i>

*Next Year Base not set. Ongoing Original Appropriation used instead.

2025 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Provider Rate Adjustments	Enhancement	\$65,859,200
Mother Postpartum Coverage (H750)	Enhancement	\$0
Personal Care Services Case Mgmt	Enhancement	\$4,200,000
Medicaid Claims Payments	Enhancement	(\$12,000,000)
Nondiscretionary Adjustments	Enhancement	\$38,094,300
ICF Rate Adjustment	Enhancement	\$6,313,500
New Staff Division Wide	Enhancement	\$3,199,300
MMIS Current Vendor Annual Increase	Enhancement	\$2,806,800
2% CEC	Enhancement	\$361,800
Total Ongoing Base Change from Enhancements		\$108,834,900

Onetime Enhancement Name	Type	Amount
Medicaid Claims Payments	Enhancement	\$12,000,000
MMIS Procurement Year 2	Enhancement	\$132,378,000
Medicaid Updated Forecast	Supplemental	\$113,849,300
IBHP Capitation Rate Increase	Supplemental	\$108,821,400
Hospital Assessment Fund	Supplemental	\$190,510,600
Reappropriation	Supplemental	\$250,000
Managed Care External Quality Review	Supplemental	\$1,350,000
IBHP System Configuration Changes	Supplemental	\$695,500
Total Onetime Base Change from Enhancements		\$559,854,800

2026 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Hospital Assessment Fund	Enhancement	\$190,510,600
Population Forecast Adjustments	Enhancement	\$376,124,900
H345 Trailer Medicaid Reform	Enhancement	(\$15,900,000)
Move EES to Medicaid	Enhancement	\$3,539,100
Ongoing CAHPS Survey Contract	Enhancement	\$67,600
Adult DD Resource Allocation Model	Enhancement	\$200,000
Actuary Contract Amendment	Enhancement	\$1,100,000
External Quality Review Contract	Enhancement	\$1,350,000
Total Ongoing Base Change from Enhancements		\$556,992,200

Onetime Enhancement Name	Type	Amount
MMIS Procurement	Enhancement	\$117,200,400
Total Onetime Base Change from Enhancements		\$117,200,400

2026 Budget Enhancements – Outcomes

IBHP System Configuration Changes	AGENCY SUBMITTED OUTCOMES: This supports the DHW performance measures listed in the strategic plan FY 2025-2028 Goal 5 – Strengthen the trust and confidence in the Department of Health and Welfare
IBHP Capitation Rate Increase	AGENCY SUBMITTED OUTCOMES: This supports the DHW performance measures listed in the strategic plan FY 2025-2028 Goal 4 – Help Idahoans become as healthy and self-sufficient as possible; and Goal 5 – Strengthen the trust and confidence in the Department of Health and Welfare.
Hospital Assessment Fund	AGENCY SUBMITTED OUTCOMES: This supports the DHW performance measures listed in the strategic plan FY 2025-2028 Goal 3.5 – Evaluate opportunities to limit Medicaid spending growth through legislatively proposed and approved cost-containment strategies; and Goal 4 – Help Idahoans become as healthy and self-sufficient as possible. Nursing facilities serving Idaho Medicaid participants that are not under a cost settlement reimbursement contract benefit with increased revenue from approval of this funding request. The hospital assessment allows for revenue to come into the department, which will allow for other Medicaid providers to benefit from increased rates and the state benefits since the state portion of those rate increases are paid for by the hospital assessment.
Ongoing CAHPS Survey Contract	AGENCY SUBMITTED OUTCOMES: This supports the DHW performance measures listed in the strategic plan FY 2025-2028 Goal 5: - Strengthen trust and confidence in the Department of Health and Welfare. Specifically, 5.1 – Enhance public health and safety by improving the effectiveness and visibility of regulatory activities, reducing regulatory burden, and improving stakeholder engagement in these processes between April 1, 2021, and June 30, 2025; and 5.2 – Strengthen the trust and confidence of those served, the media, employees, legislators, and other stakeholders through communication and customer experience strategies that support the mission and vision by June 30, 2025.

2026 Budget Enhancements – Outcomes

<p>Adult DD Resource Allocation Model</p>	<p>AGENCY SUBMITTED OUTCOMES: The new resource allocation model for Idaho Medicaid’s adult developmental disabilities program will be finalized and implemented, meeting the requirements of the KW lawsuit settlement agreement approved by the court. Additionally, this supports the DHW performance measures listed in the strategic plan FY 2025-2028 Goal 3 – Protect children, youth and vulnerable adults by continuing to improve the long term care system for Idaho’s adult developmentally disabled population through development and implementation of the new assessment and resource allocation model; help Idahoans become as healthy and self-sufficient as possible by ensuring the means by which needs for adult’s with developmental disabilities are adequately assessed and needed services identified; and strengthen trust and confidence in DHW by continuing meaningful communication with customers and partners to complete the development and implementation of the new resource allocation model.</p>
<p>Actuary Contract Amendment</p>	<p>AGENCY SUBMITTED OUTCOMES: This supports the DHW performance measures listed in the strategic plan FY 2025-2028 Goal 3.5 – Evaluate opportunities to limit Medicaid spending growth through legislatively proposed and approved cost-containment strategies. This contract uses data standards implemented across the enterprise to develop a single source of truth for improving transparency and analytics for Medicaid data to meet goal 3.5. This contract will help manage the costs of the largest contracts in the state; provide policy support for federal authorities for work requirements and cost sharing as directed by the legislature; provide detailed financial analyses supporting contract oversight efforts with all managed care contracts and value-based contracts; and maintain compliance with federal requirements tied to managed care.</p>
<p>External Quality Review Contract</p>	<p>AGENCY SUBMITTED OUTCOMES: This supports the DHW performance measures listed in the strategic plan FY 2025-2028 Goal 5 – Strengthen the trust and confidence in the Department of Health and Welfare. Specifically, Goal 5.1 – Enhance public health and safety by improving the effectiveness and visibility of regulatory activities, reducing regulatory burden, and improving stakeholder engagement in these processes; and Goal 5.2 – Strengthen the trust and confidence of those served, the media, employees, legislators, and other stakeholders through communication and customer experience strategies that support the mission and vision.</p>
<p>MMIS Procurement</p>	<p>AGENCY SUBMITTED OUTCOMES: This supports the DHW performance measures listed in the strategic plan FY 2025-2028 Goal 4 – Help Idahoans become as healthy and self-sufficient as possible; and Goal 5 – Strengthen the trust and confidence in the Department of Health and Welfare.</p>

2027 Budget Request & Gov's Rec (FY 2026 Supplementals)

		Agency Request	Governor's Recommendation	
Supplemental	Type	Amount	Amount	Gov Rec Notes
LBB 2-49: Hospital Assessment Fund Align - H345	Supplemental	\$0	\$0	Recommended
LBB 2-47: Medicaid Forecast Adjustment	Supplemental	\$12,847,900	\$107,244,000	Adjusted
LBB 2-48: Provider Rate Adjustment	Supplemental	(\$29,553,600)	(\$61,426,800)	Adjusted
Total Supplemental		(\$16,705,700)	\$45,817,200	

Hospital Assessment Supplemental includes \$349,701,600 from federal approp. to dedicated approp.

Division of Medicaid - FY 2026 Population Forecast Adjustments

Full breakout by fund & plan		Admin		Coordinated		Enhanced		Basic			Expansion	
		General Fund	Federal Funds	General Fund	Federal Funds	General Fund	Federal Funds	General Fund	Ded. Funds	Federal Funds	General Fund	Federal Funds
4.32	Increase	\$ -	\$ 2,021,300	\$ 28,468,900	\$ 18,049,600	\$ 40,277,100	\$ 25,536,000	\$ 22,938,000	\$ 23,672,900	\$ 19,936,800	\$ 908,400	\$ (74,565,000)
4.33	Provider cut	\$ -	\$ -	\$ (4,443,000)	\$ (8,508,300)	\$ (6,285,900)	\$ (12,037,300)	\$ (4,907,600)	\$ -	\$ (9,397,900)	\$ (1,579,500)	\$ (14,267,300)
Total by fund:		\$ -	\$ 2,021,300	\$ 24,025,900	\$ 9,541,300	\$ 33,991,200	\$ 13,498,700	\$ 18,030,400	\$ 23,672,900	\$ 10,538,900	\$ (671,100)	\$ (88,832,300)

		Admin	Coordinated	Enhanced	Basic	Expansion	Category Total
4.32	Increase	\$ 2,021,300	\$ 46,518,500	\$ 65,813,100	\$ 66,547,700	\$ (73,656,600)	\$ 107,244,000
4.33	Provider cut	\$ -	\$ (12,951,300)	\$ (18,323,200)	\$ (14,305,500)	\$ (15,846,800)	\$ (61,426,800)
Total by plan:		\$ 2,021,300	\$ 33,567,200	\$ 47,489,900	\$ 52,242,200	\$ (89,503,400)	\$ 45,817,200

Total by Fund	
General Fund	\$ 75,376,400
Dedicated Funds	\$ 23,672,900
Federal Funds	\$ (53,232,100)
Total 4.3X Ask:	\$ 45,817,200

Total by Plan	
Admin	\$ 2,021,300
Coordinated	\$ 33,567,200
Enhanced	\$ 47,489,900
Basic	\$ 52,242,200
Expansion	\$ (89,503,400)
Total	\$ 45,817,200

2027 Budget Request & Gov's Rec (FY27 Enhancements)

Onetime Enhancement	Type	Agency Request	Governor's Recommendation	Gov Rec Notes
		Amount	Amount	
LBB 2-55: MMIS Procurement Year 4	Enhancement (OT)	\$102,721,300	\$102,721,300	Recommended
Total Onetime Enhancements		\$102,721,300	\$102,721,300	

Ongoing Enhancement	Type	FTP	Agency Request	Governor's Recommendation	Gov Rec Notes
			Amount	Amount	
LBB 2-57: Budget Law Exemption	Enhancement				Recommended
LBB 2-54: Hospital Assessment Fund Align - H345	Enhancement		\$0	\$0	Recommended
LBB 2-52: Estate Recovery System Contractor	Enhancement		\$2,496,600	\$2,496,600	Recommended
LBB 2-53: Medicaid Program Integrity Unit	Enhancement		\$935,000	\$935,000	Recommended
LBB 2-53: Div. of Purchasing - Medicaid Staff	Enhancement		\$0	\$198,700	Added in Gov's Rec
LBB 2-55: Population Forecast Adjustments	Enhancement		\$234,911,300	\$387,122,100	Adjusted
LBB 2-57: Gov. Initiative, Provider Rate Adj	Enhancement		\$0	(\$151,812,200)	Adjusted
Total Ongoing Base Change from Enhancements			\$238,342,900	\$238,940,200	

Hospital Assessment Enhancement includes \$349,701,600 from federal approp. to dedicated approp.

The department requests an ***exemption from comparable transfer limitations originally set forth in Sections 4 and 8 of S1108 of 2025, that prohibit the transfer of personnel costs and trustee and benefit payments to any other account class.***

Division of Medicaid - FY 2027 Population Forecast Adjustments

Full breakout by fund & plan		Admin		Coordinated		Enhanced		Basic		Expansion			Total by category	
		General Fund	Federal Funds	General Fund	Federal Funds	General Fund	Federal Funds	General Fund	Ded. Funds	Federal Funds	General Fund	Ded. Funds		Federal Funds
12.62	Caseload	\$ -	\$ 486,000	\$ 8,718,500	\$ 16,248,300	\$ 8,669,600	\$ 16,157,200	\$ 5,123,000	\$ -	\$ 9,547,400	\$ 33,401,300	\$ -	\$ (6,646,700)	\$ 91,704,600
12.63	Cost-Based	\$ -	\$ -	\$ 5,200	\$ 9,700	\$ 4,366,300	\$ 8,137,200	\$ 2,411,700	\$ -	\$ 4,494,500	\$ 19,153,700	\$ -	\$ (3,811,500)	\$ 34,766,800
12.64	Mandatory Pricing	\$ -	\$ -	\$ 1,230,100	\$ 2,292,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,522,600
12.65	Utilization	\$ -	\$ -	\$ 6,960,600	\$ 12,972,200	\$ 20,091,800	\$ 37,444,000	\$ 34,628,600	\$ 62,087,600	\$ 111,126,900	\$ (46,676,200)	\$ 29,518,500	\$ (11,025,900)	\$ 257,128,100
12.81	Provider rate cut	\$ -	\$ -	\$ (2,995,200)	\$ (5,968,400)	\$ (5,866,300)	\$ (11,689,200)	\$ (11,893,400)	\$ -	\$ (23,698,700)	\$ (2,262,800)	\$ -	\$ (20,438,200)	\$ (84,812,200)
12.82	Gov Rec reductions	\$ -	\$ -	\$ -	\$ -	\$ (22,000,000)	\$ (45,000,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (67,000,000)
Total by fund:		\$ -	\$ 486,000	\$ 13,919,200	\$ 25,554,300	\$ 5,261,400	\$ 5,049,200	\$ 30,269,900	\$ 62,087,600	\$ 101,470,100	\$ 3,616,000	\$ 29,518,500	\$ (41,922,300)	\$ 235,309,900

		Admin	Coordinated	Enhanced	Basic	Expansion	Category Total
12.62	Caseload	\$ 486,000	\$ 24,966,800	\$ 24,826,800	\$ 14,670,400	\$ 26,754,600	\$ 91,704,600
12.63	Cost-Based	\$ -	\$ 14,900	\$ 12,503,500	\$ 6,906,200	\$ 15,342,200	\$ 34,766,800
12.64	Mandatory Pricing	\$ -	\$ 3,522,600	\$ -	\$ -	\$ -	\$ 3,522,600
12.65	Utilization	\$ -	\$ 19,932,800	\$ 57,535,800	\$ 207,843,100	\$ (28,183,600)	\$ 257,128,100
12.81	Provider rate cut	\$ -	\$ (8,963,600)	\$ (17,555,500)	\$ (35,592,100)	\$ (22,701,000)	\$ (84,812,200)
12.82	Gov Rec reductions	\$ -	\$ -	\$ (67,000,000)	\$ -	\$ -	\$ (67,000,000)
Total by plan:		\$ 486,000	\$ 39,473,500	\$ 10,310,600	\$ 193,827,600	\$ (8,787,800)	\$ 235,309,900

		Total by Fund	Total by Plan
Admin		\$ 486,000	\$ 486,000
Coordinated		\$ 39,473,500	\$ 39,473,500
Enhanced		\$ 10,310,600	\$ 10,310,600
Basic		\$ 193,827,600	\$ 193,827,600
Expansion		\$ (8,787,800)	\$ (8,787,800)
Total		\$ 235,309,900	\$ 235,309,900

2027 Governor Initiative – Budget Reduction Options

In addition to the savings from the provider rate reduction, the Governor recommends an ongoing reduction of \$22,000,000 from the General Fund and \$45,000,000 from federal funds to balance the FY 2027 budget. The service reductions needed to reach this amount are beyond the current authority of the department and require legislative action. As such, the department has provided a selection of proposed service reduction options the Legislature could implement in order to sustain projected expenditures for FY 2027, to include:

- Additional Reduction to Hospital Rates (\$2,076,500 GF per percentage point)
- Additional Reduction to Residential Habilitation Rates (\$21,858,900 GF)
- Removal of Administrative Costs for Managed Care Contracts (\$37,437,500 GF)
- Removal of the pharmacy benefit for non-expansion adults on Medicaid (\$40,051,300 GF)
- Removal of Adult Dental Services (\$5,512,100 GF)
- Removal of Home and Community Bases Services (\$176,564,100 GF)
- Removal of Physical, Occupational, and Speech Therapy (\$13,093,700 GF)
- Removal of Case Management (\$6,368,700 GF)
- Removal of Hospice services (\$1,479,100 GF)
- Removal of Adult Prosthetics and Orthotics (\$398,300 GF)
- Removal of Adult In-Home Nursing Services (\$258,900 GF)
- Removal of Adult Chiropractic Services (\$183,600 GF)
- Removal of Adult Audiology (\$23,200 GF)
- Removal of Adult Vision Services (\$463,400 GF)

2027 Budget Enhancements – Outcomes

MMIS Procurement Year 4	AGENCY SUBMITTED OUTCOMES: This supports the Idaho Department of Health & Welfare Mission to be dedicated to strengthening the health, safety, and independence of Idahoans as stated in the Strategic Plan Overview FY 2026-2029.
Estate Recovery System Contractor	AGENCY SUBMITTED OUTCOMES: This contract will support necessary work to meet cost-containment strategies and achieve goal 5 (DHW Strategic Plan FY 2025-2028) to strengthen trust and confidence in DHW by increasing Medicaid recovered funds and limiting Medicaid spending growth
Medicaid Program Integrity Contract	AGENCY SUBMITTED OUTCOMES: This supports the Idaho Department of Health & Welfare Mission to be dedicated to strengthening the health, safety, and independence of Idahoans as stated in the Strategic Plan Overview FY 2026-2029.
Hospital Assessment Fund Align - H345	AGENCY SUBMITTED OUTCOMES: This supports Strategic Goal 3 to protect children, youth, and vulnerable adults, and Strategic Goal 5 to strengthen trust and confidence in DHW (DHW Strategic Plan FY 2025-2028)

Please feel free to contact me with any questions at (208)334-4742 or awilliamson@lso.idaho.gov

Key Indicators (from performance report)

Cases Managed and/or Key Services Provided	FY 2022	FY 2023	FY 2024	FY 2025
DIVISION OF MEDICAID				
Total Medicaid expenditures (w/Admin)	\$3,678,103,600	\$4,272,283,600	\$4,273,409,900	\$4,853,750,800
Medicaid Trustee and Benefit expenditures only	\$3,620,702,400	\$4,214,931,800	\$4,201,811,729 ¹⁴	\$4,777,637,700
Percentage spent as payments to providers	98.4%	98.7%	98.3% ¹⁴	98.4%
Total average Medicaid enrollees per month (adjusted to include retroactive enrollees)	417,000	446,783	347,038 ¹⁴	326,565
Avg. monthly eligible basic plan children (0-20 yrs)	182,242	189,623	149,475 ¹⁴	141,582
Avg. monthly eligible basic plan adults	152,928	172,038	122,083 ¹⁴	110,771
Avg. monthly eligible enhanced plan children (0-20 yrs)	27,343	27,387	24,858 ¹⁴	23,973
Avg. monthly eligible enhanced plan adults	23,806	25,101	22,935 ¹⁴	22,881
Avg. monthly dual-eligible coordinated plan adults	30,681	32,630	27,687 ¹⁴	27,359

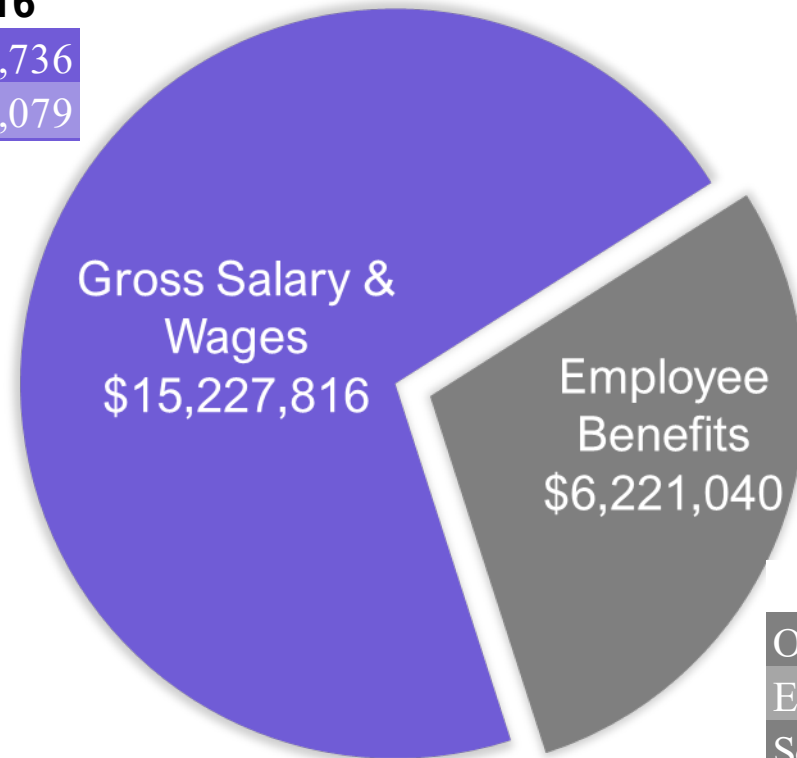
¹⁴ FY 2024 data have been updated.

FY 2025 Expenditures – Personnel Costs

0.4% of Total Expenditures

Gross Salary and Wages: \$15,227,816

Employees	\$15,052,736
Temporary Employees	\$175,079



Employee Benefits: \$6,221,040

Other Employee Benefits	\$2,928,936
Employer Retirement Contribution	\$1,802,735
Social Security and Medicare	\$1,105,157
DHR	\$297,004
Workers Compensation	\$87,208

A total of \$21,448,856 was expended on Personnel Costs

FY 2025 Expenditures - Operating Expenditures

1.1% of Total Expenditures

Expenditure	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	% of Total
Computer Services	\$30,156,330	\$35,632,166	\$29,807,494	\$34,675,031	\$42,923,859	78.1%
Professional Services	\$11,744,020	\$8,018,851	\$5,774,666	\$4,504,294	\$7,831,414	14.3%
General Services	\$605,621	\$632,737	\$1,081,021	\$7,552,167	\$2,904,274	5.3%
Rentals & Operating Leases	\$1,737,321	\$443,319	\$456,191	\$348,053	\$383,501	0.7%
Repair & Maintenance Services	\$147,206	\$102,857	\$99,062	\$126,733	\$290,802	0.5%
Communication Costs	\$684,759	\$662,404	\$661,579	(\$565,794)	\$176,715	0.3%
Employee Travel Costs	\$1,675	\$36,750	\$58,413	\$91,609	\$111,487	0.2%
Miscellaneous Expenditures	\$3,660	\$39,351	\$21,938	\$42,129	\$85,229	0.2%
Insurance	\$27,484	\$29,539	\$26,138	\$36,632	\$65,948	0.1%
Administrative Supplies	\$44,502	\$20,089	\$18,192	\$22,580	\$61,256	0.1%
Employee Development Costs	\$14,252	\$24,599	\$24,477	\$44,627	\$38,837	0.1%
Computer Supplies	\$94,008	\$76,856	\$172,656	\$74,119	\$28,465	0.1%
Fuel & Lubricant Costs	\$241	\$3,298	\$4,669	\$22,224	\$26,658	0.0%
Utility Charges	\$10,031	\$9,792	\$10,109	\$7,753	\$7,873	0.0%
Administrative Services	\$422	\$1,193	\$1,413	\$4,913	\$2,778	0.0%
Repair & Maintenance Supplies	\$37			\$595	\$957	0.0%
Specific Use Supplies	\$3,884	\$3,592	\$9,538	\$169,116	\$48	0.0%
Institutional & Residential Supplies			\$73			-
Total	\$45,275,454	\$45,737,393	\$38,227,626	\$47,156,780	\$54,940,100	-

FY 2025 Expenditures – Trustee & Benefit Payments

98.4% of Total Expenditures

Expenditure	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	% of Total
Awards Contr & Claims	\$3,241,916,000	\$3,619,980,710	\$4,214,769,430	\$4,205,900,064	\$4,780,074,467	100.0%
Federal Payments To Subgrantees	\$1,695,995	\$721,632	\$155,000		\$27,778	0.0%
Education & Training Assistance		\$181	\$7,343	\$1,182	\$4,892	0.0%
Total	\$3,243,611,995	\$3,620,702,523	\$4,214,931,773	\$4,205,901,246	\$4,780,107,137	-

2022 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Idaho Veterans Services	Enhancement	\$3,400,000
County Contribution - Expansion	Enhancement	(\$12,500,000)
Electronic Visit Verification	Enhancement	\$763,700
Patient Access and Interoperability	Enhancement	\$360,000
Managed Care Accountability and Auditing	Enhancement	\$106,000
Line Item	Enhancement	(\$463,600)
Receipt Authority	Supplemental	\$0
Public Health Emergency (PHE)	Supplemental	(\$142,943,800)
Medicaid Expansion Funding	Supplemental	\$8,887,800
Expansion Federal Reduction	Supplemental	(\$30,562,200)
Total Ongoing Base Change from Enhancements		(\$172,952,100)

Onetime Enhancement Name	Type	Amount
ARPA - Home and Comm Based Srvc	Enhancement	\$78,000,000
Patient Access and Interoperability	Enhancement	\$575,000
Managed Care Accountability and Auditing	Enhancement	\$318,000
Line Item	Enhancement	\$300,000
Home and Comm Based Srvc	Supplemental	\$16,000,000
Retrospective Settlement	Supplemental	\$38,000,000
Public Health Emergency (PHE)	Supplemental	\$93,809,300
Expansion Held Payments	Supplemental	\$17,500,400
MMIS Development	Supplemental	\$1,200,000
Managed Care Provider Enrollment	Supplemental	\$2,294,300
Total Onetime Base Change from Enhancements		\$247,997,000

2023 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
SWITC Home Health	Enhancement	\$0
Provider Rate - Medical Services	Enhancement	\$6,725,100
Provider Rate - Hospitals	Enhancement	\$27,300,000
Provider Rate - Personal Assist.	Enhancement	\$10,949,800
Provider Rate - Assisted Living	Enhancement	\$46,231,600
KW Settlement - Svc. Enhance.	Enhancement	\$66,663,200
Value Care Program	Enhancement	\$0
Provider Rate - Dev Disabilities	Enhancement	\$24,961,200
Provider Rate - Resid Rehab	Enhancement	\$70,393,100
Accounting Transfers	Enhancement	\$0
KW Settlement - Indep Assess. Changes	Enhancement	\$11,852,600
MMIS Contract Support	Enhancement	\$5,223,300
MMIS System Changes	Enhancement	\$530,000
IMD Waiver Evaluation	Enhancement	\$345,700
Medicaid Provider Rate Review	Enhancement	\$113,000
Receipt Authority	Supplemental	\$29,029,000
Upper Payment Limit Increase	Supplemental	\$210,591,100
Public Health Emergency (PHE)	Supplemental	(\$102,487,600)
Total Ongoing Base Change from Enhancements		\$408,421,100

Onetime Enhancement Name	Type	Amount
MMIS System Changes	Enhancement	\$4,516,000
Provider Rate - Rural Differential	Enhancement	\$800,000
Public Health Emergency (PHE)	Supplemental	\$272,777,300
Provider Rate Increase	Supplemental	\$6,216,100
MMIS Procurement	Supplemental	\$20,495,100
Early and Periodic Screening Assmt	Supplemental	\$100,000
Revenue Adjustment	Supplemental	(\$18,656,400)
Total Onetime Base Change from Enhancements		\$286,248,100

2024 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Emergency Medical Transportation	Enhancement	\$20,082,000
Enhanced Federal Match Reversion	Enhancement	(\$10,700,000)
Hospital Assessment Fund	Enhancement	\$80,000,000
Behavioral Health Plan	Enhancement	\$72,000,000
Homes w/ Adlt Res Tmt to Medicaid	Enhancement	\$3,100,000
KW Lawsuit Consultant	Enhancement	\$330,000
Disenrollment Reduction	Enhancement	(\$152,360,000)
Cost Containment Implementation	Enhancement	\$24,864,300
Millenium Fund Committee Recommendation	Enhancement	(\$15,338,000)
Quality Improvement Org Contract	Enhancement	\$300,000
Managed Care Compliance Review	Enhancement	\$560,000
DHR Consolidation	Enhancement	\$244,100
Forecasted Onetime Recission	Supplemental	(\$277,954,700)
Hospital Assessment Fund	Supplemental	\$169,500,000
Electronic Records Incentive Program	Supplemental	(\$17,102,100)
Total Ongoing Base Change from Enhancements		(\$102,474,400)

Onetime Enhancement Name	Type	Amount
Enhanced Federal Match Reversion	Enhancement	\$49,832,400
Millenium Fund Committee Recommendation	Enhancement	\$15,338,000
Homes w/ Adlt Res Tmt to Medicaid	Enhancement	\$60,000
HCR 9 Trailer (Task Force)	Enhancement	\$500,000
MMIS Contract Procurement	Enhancement	\$143,743,800
Total Onetime Base Change from Enhancements		\$209,474,200

Agency Funds – Sources and Uses

Fund: Cooperative Welfare (22000 Gen/Ded/Fed)

Sources: Appropriations from the General Fund (§56-404). For budgeting purposes, fund detail 22003 is used to describe appropriations from the General Fund for deposit into the Cooperative Welfare (General) Fund pursuant to Section 56-404, Idaho Code. Federal grants made to the State of Idaho by all federal agencies (§56-402). For budgeting purposes, fund detail 22002 is used to describe the appropriation of federal funds for deposit into the Cooperative Welfare (Federal) Fund pursuant to Section 56-404, Idaho Code.

For budgeting purposes, fund detail 22005 is used to describe the appropriations of other sources of funds for deposit into the Cooperative Welfare (Dedicated) Fund pursuant to Section 56-404, Idaho Code. Examples of appropriations from other fund sources as authorized by the Legislature in the Cooperative Welfare (Dedicated) Fund include: a transfer of \$650,000 annually from the Liquor Account pursuant to Section 23-404(1)(b)(v), Idaho Code; grocery tax revenues; drug rebates; third-party reimbursements; audit settlements; background check fees; Casey funds; fees from certified family home licensing; proceeds of the receipts to appropriations; funds from the sale of surplus property; and all other miscellaneous income generated by the service delivery of health and welfare services.

Uses: This fund is used for public health and welfare programs and services, including personnel costs, operating expenditures and capital outlay for administering public assistance, medical care, foster care, other expenses classified under relief, pensions, and refunds. Trustee and benefit financial payments are made to eligible (aged, dependent children, blind, and disabled) Idaho citizens directly. Trustee and benefit medical payments are made directly to providers of medical services.

Agency Funds – Sources and Uses

Fund: Medicaid Management Information Systems Dedicated (21700 Ded)

Sources: The Medicaid Management Information Systems Dedicated Fund shall consist of moneys that may be provided by legislative appropriation. In FY 2023, funds from the General Fund that remain in the Cooperative Welfare Fund will be transferred to this fund at the close of the fiscal year. The State Treasurer shall invest the idle moneys of the fund, and the interest earned on such investments shall be retained by the fund.

For FY 2024, the Legislature appropriated and transferred \$18,656,400 from the General Fund to this fund to begin the procurement process pursuant to Section 67-3536, Idaho Code.

Uses: Subject to appropriation, moneys in the Medicaid Management Information Systems Dedicated Fund are intended only for the purpose of procurement, design, development, and installation of Medicaid Management Information Systems (MMIS) pursuant to Section 67-3536, Idaho Code.

Agency Funds – Sources and Uses

Fund: Hospital Assessment (21900 Ded)

Sources: The fund collects revenue from a hospital assessment that is calculated by the Department of Health & Welfare pursuant to Section 56-1404, Idaho Code; a skilled nursing facility assessment pursuant to Section 56-1505, Idaho Code; and an intermediate care facility assessment pursuant to Section 56-1604, Idaho Code. The balance of the fund also includes all federal matching funds received by the department; any interest or penalties collected on assessment funds; and any federal funds, donations, and gifts or moneys from other sources designated for the purpose of matching federal dollars associated with medical services provided by hospitals, skilled nursing facilities, and intermediate care facilities (§56-1403, §56-1504, and §56-1604). Beginning in FY 2026, this fund will also account for federal funds related to the Disproportionate Share Hospital (DSH) Payments and Upper Payment Limit (UPL) payouts, as a result of H 345 (2025).

Uses: The moneys in the fund are used to match federal dollars. The funds are paid to both inpatient and outpatient hospitals to account for the hospitals that serve a disproportionate share of Medicaid low-income patients, as compared to other hospitals, as determined by department rule, and for the Upper Payment Limit gap rate, which is a limitation established by federal regulations, 42 CFR 447.272 and 42 CFR 447.321 that disallows federal matching funds when state Medicaid agencies pay certain classes of hospitals an aggregate amount for inpatient and outpatient hospital services that would exceed the amount that would be paid for the same services furnished by that class of hospitals under Medicare payment principles pursuant to Sections 56-1402, 56-1403, and 56-1404, Idaho Code. Further, all nursing facilities and Intermediate Care Facilities for the Intellectually Disabled (ICF/ID), with the exception of the state-owned facilities, shall be eligible for annual adjustments, which shall be paid on an annual basis to reimburse covered Medicaid expenditures in the aggregate within the Upper Payment Limit.

Agency Funds – Sources and Uses

Fund: Idaho Millennium Income (49900 Ded)

Sources: Consists of distributions from the Idaho Millennium Fund and Idaho Permanent Endowment Fund, and such moneys that may be provided by legislative appropriations. The Idaho Millennium Income Fund shall be managed by the State Treasurer and shall retain its own earnings pursuant to Section 67-1806, Idaho Code.

Uses: The Joint Millennium Fund Committee has the power and duty to present recommendations annually to the Legislature for the use of the moneys in the Idaho Millennium Income Fund pursuant to Section 67-1808, Idaho Code. The Millennium Funds appropriated to the Division of Medicaid are used to pay claims in traditional Medicaid, Medicaid expansion, and to cover personnel costs and operating expenditures related to Medicaid expansion.