



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:	
SB0465 - Require implementation of Medicaid community engagement requirements (Trebas, Jeremy)	
Status:	As Amended in Senate Committee

- | | | |
|-----------------------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>
Expenditures:				
General Fund	\$362,336,540	\$764,432,083	\$761,743,040	\$761,251,483
Federal Special Revenue	(\$453,717,952)	(\$933,225,447)	(\$930,575,881)	(\$930,091,764)
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	(\$453,717,952)	(\$933,225,447)	(\$930,575,881)	(\$930,091,764)
Net Impact-General Fund Balance:	<u>(\$362,336,540)</u>	<u>(\$764,432,083)</u>	<u>(\$761,743,040)</u>	<u>(\$761,251,483)</u>

Description of fiscal impact: SB 465 requires the Department of Public Health and Humans Services (DPHHS) (department) to implement community engagement requirements for participants of the Montana Health and Economic Livelihood Partnership (HELP) program no later than December 31, 2023. The Centers for Medicare and Medicaid (CMS) has communicated it would not approve community engagement requirements in any waiver submission. Therefore, effective January 1, 2024 the HELP program (Medicaid expansion) would become a state funded health program (HELP).

FISCAL ANALYSIS

Assumptions:

1. The department must be able to distinguish regular Medicaid from the new state funded health plan. This will require changes to the Combined Healthcare Information and Eligibility System (CHIMES) used to manage public assistance applications processing and eligibility determination. The department estimates CHIMES system modifications would require 250 contracted service hours at an average rate of \$125 per hour for a total cost of \$31,250 (250 hours x \$125/hour = \$31,250).
2. DPHHS is able to use existing administrative data to determine whether participants are meeting or are exempt from the community engagement requirements. Using currently available data, the department assumes 83.7% of HELP participants will meet one of the exceptions for community engagement requirements. The remaining 16.3% of participants would be required to participate in and report on community engagement activities to remain eligible for health care services.