

Details emerge on proposed Idaho Medicaid budget

Idaho governor offers \$2.5 billion spending plan

BOISE - Nondiscretionary adjustments in pricing, caseload and other factors account for more than half of the recommended increase in state Medicaid spending in fiscal 2019.

Gov. C.L. "Butch" Otter is proposing a \$2.54 billion Medicaid budget next year, including \$601 million in general fund spending. That's an 11.2 percent, \$255.3 million increase in the overall budget, compared to fiscal 2018, and a 13 percent, \$69.1 million increase in general fund support.

More than 300,000 Idaho citizens received Medicaid services last year, including 200,000 children. It is the single-largest program in the state budget and the second-largest general fund expenditure, behind public schools. During a presentation to the joint budget committee Wednesday, Medicaid Division Administrator Matt Wimmer noted that a quarter of the general fund increase - \$17.8 million - relates to the governor's dual-waiver proposal.

That plan, which requires legislative and federal approval, would shift about 2,500 high-cost patients from the private health insurance market to Medicaid, while simultaneously allowing Idaho's Medicaid gap population to qualify for subsidized insurance through the state exchange.

"It's something very innovative, and something that could only happen in Idaho," Wimmer said. "I think it has big benefits."

The \$17.8 million general-fund cost doesn't include another \$11.4 million that would come from the Millennium Fund tobacco settlement money. That would be matched by \$71.5 million in federal funding.

However, the bulk of next year's general fund increase - nearly \$38 million - stems from mandatory changes in provider reimbursement rates, increased caseload and utilization rates, and other nondiscretionary adjustments. The governor also is recommending additional funding for software enhancements that would allow quality measurement dates to be transferred more effectively, and help the division track providers more accurately - to keep "bad actors" from shifting between programs, Wimmer said.

However, the governor did not recommend a \$577,200 request to increase the reimbursement rate for community-based providers who serve children with developmental disabilities. A \$1.5 million request to increase the reimbursement rate for personal care services at assisted-living facilities also wasn't recommended.

Committee members said they have received "countless emails and office visits" from providers, patients and families urging support for the rate increases. The committee will begin crafting budgets for the various state agencies next month.

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