

## **SUBCOMMITTEE RECOMMENDATION**

### **HB 4035 Relating to health care**

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To: Ways and Means Full Committee  
From: Capital Construction Subcommittee  
Carrier: Representative Nosse

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HB 4035 creates a plan for continuing health care coverage for Medicaid enrollees who lose eligibility once the federal COVID-19 public health emergency ends.

During the public health emergency, federal policy has been limiting states' ability to disenroll individuals from Medicaid even when they no longer qualify. Once the emergency ends, states have 12 months to complete eligibility redeterminations and disenroll members who are no longer eligible. This measure allows OHA to prioritize redeterminations so that those who are most likely to lose eligibility have their eligibility redetermined closer to the end of the 12-month period.

The measure also establishes a task force to recommend a plan that would establish ongoing federally reimbursable health care coverage to certain individuals likely to lose their Medicaid eligibility during the redetermination process due to fluctuations in their income. If the federal government does not approve this request 60-days before the end of the 12-month redetermination process, OHA must complete the disenrollment of individuals who lose Medicaid eligibility.

The estimated fiscal impact is largely driven by caseload costs related to the redetermination process and potential extension of health care coverage according to the plan recommended by the task force, if approved by the federal government. OHA and DHS will also have costs for eligibility and call center support, system updates, and required outreach, communication, and navigation services. The agencies identified a potential need for 120 new positions, most of which are call center and eligibility staff in DHS.

The measure appropriates \$120 million General Fund to OHA to support this work in 2021-23 with the understanding the Department of Administrative Services will unschedule all but \$30 million of it because most of the costs will occur later in the biennium. OHA and DHS are expected to return to the

legislature for related Federal Funds expenditure limitation and budget rebalance adjustments.

The Capital Construction Subcommittee recommends HB 4035 be amended by the -A8 amendment and be reported out do pass, as amended.