

2026 Legislative Session – Week 9 Report

This week, the Senate voted to kill S1375, the FY27 Medicaid maintenance budget. It wasn't close with a vote of 10-25. Senators across the political spectrum chose to send a message to JFAC that they are unhappy with the appropriation. Democrats and moderate Republicans believe that these cuts are detrimental and the current fiscal year holdbacks should be reinstated; conservative Republicans don't think that this budget goes far enough, and want deeper cuts. In the end, the bill died and will be sent back to the budget writers to try again.

The House passed H863, a Medicaid cost-reduction measure tied to Residential Habilitation, pulling out \$21.8 million in rate cuts. The bill targets Medicaid provider payments and includes intent language supporting a reduction in the state general fund match associated with those rates. It also establishes new audit requirements for disability providers.

H850 proposes to repeal Medicaid expansion effective January 1, 2028. The bill has been printed and referred to the House Health & Welfare Committee, placing the expansion policy debate back in the headlines. We will wait to see if this bill gets a hearing or if another version of this bad idea surfaces this week.

H862 would establish an Idaho Rural Health Transformation Fund and create a legislative oversight committee to govern and review these federal funds that are set to come into our state. The measure moved through the House Health & Welfare Committee and now sits on the House General Orders calendar, while the Senate version remains stalled. This will likely be among one of the last issues solved this session.

H860 revises the parental consent framework affecting certain medical decisions involving minors. The bill clarifies provider authority in situations involving non-emergency first aid, examinations tied to alleged crimes, pregnancy-related diagnosis and care, and follow-up contact through the 988 crisis system when a minor is experiencing suicidal ideation.

Additional healthcare measures remain active, but have seen no confirmed movement this week. These include S1319, addressing freestanding emergency room billing; H841, establishing the Idaho Prior Authorization Reform Act; H845, on hospital presumptive eligibility under Medicaid; and H807, addressing legislative approval for certain family personal care services.

Looking ahead, H863 is scheduled for a hearing in Senate Health & Welfare on Monday, and we expect JFAC to take up a new Medicaid budget. We also anticipate that on Monday, the Millennium Fund will recommend funding to restore essential behavioral health programs, including Assertive Community Treatment (ACT) and Peer Support. Although this will be a one-time funding fix, it's positive news for both providers and clients.