



2023-2024 General Assembly

# HOUSE BILL 259: 2023 Appropriations Act, Sec. 9E.9: Use of the Medicaid Transformation Fund for Medicaid Transformation Needs

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<b>Committee:</b>		<b>Date:</b>	December 11, 2023
<b>Introduced by:</b>		<b>Prepared by:</b>	Jennifer Hillman Staff Attorney
<b>Analysis of:</b>	Sec. 9E.9 of S.L. 2023-134		

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**OVERVIEW:** *Section 9E.9 of S.L. 2023-134 authorizes the use of funds from the Medicaid Transformation Fund for (i) claims runout, which refers to the payment of claims for services provided under the fee-for-service system to beneficiaries who have transitioned to managed care, and (ii) other qualifying needs relating to Medicaid transformation. Funds for qualifying needs can be transferred to the Division of Health Benefits (DHB), Department of Health and Human Services (DHHS), upon DHB's request and after verification by the Office of State Budget and Management that the request is for a qualifying need and that the amount requested will not result in total requirements that exceed a specified amount. Qualifying needs are defined as the following:*

- *Program design.*
- *Beneficiary and provider experience.*
- *Information technology upgrades, operations, and maintenance.*
- *Data management tools.*
- *Program integrity.*
- *Quality review.*
- *Actuarial rate setting functions.*
- *Technical and operational integration.*
- *Behavioral health and intellectual/developmental disabilities tailored plan health homes.*
- *Legal fees.*
- *Expenses related to the Healthy Opportunities Pilots.*

*Any federal funds received in any fiscal year by DHHS that represent a return of the State share already expended on a qualifying need related to the transfer of these funds must be deposited into the Medicaid Transformation Fund.*

*This section became effective July 1, 2023.*

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