



2025-2026 General Assembly

SENATE BILL 257: 2026 Appropriations Act, Sec. 9E.26: Reducing Use of Inappropriate Settings for Delivery of Behavioral Health Services

Analysis of: S.L. 2026-41, Sec. 9E.26

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Section 9E.26 of S.L. 2026-41 (Senate Bill 257) ends a State law requirement to add Medicaid coverage for services provided to certain beneficiaries who are in the hospital and are waiting to be discharged to a more appropriate setting for the treatment of behavioral health needs, after federal approval of this additional coverage was denied. This section requires a report to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Oversight Committee on Medicaid by October 1, 2026, on recent efforts to address the issue of the inappropriate use of acute care hospital settings for the delivery of behavioral health services.

This section became effective July 1, 2026.

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