



SENATE BILL 403: Additional Medicaid Funds and Requirements.

2025-2026 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	September 23, 2025
Introduced by:	Sen. Hise	Prepared by:	Bill Drafting and Legislative Analysis Division
Analysis of:	PCS to First Edition S403-CSMHa-6		

OVERVIEW:

[As introduced, this bill was identical to H491, as introduced by Reps. Lambeth, Rhyne, White, Dixon, which is currently in House Rules, Calendar, and Operations of the House.]

CURRENT LAW & BILL ANALYSIS:

EFFECTIVE DATE:

Section 2.1 would require the Department of Health and Human Services to eliminate a sufficient number of vacant positions to achieve net General Fund savings in the amount of thirty-two million six hundred thirteen thousand four hundred ninety-three dollars (\$32,613,493) in recurring funds, beginning with the 2025-2026 fiscal year.

Section 2.2 appropriates from the General Fund \$690M in recurring funds for the Medicaid rebase for each year of the fiscal biennium and \$38,562,645 in recurring funds for Medicaid administration for each year of this fiscal biennium. It also appropriates from the General Fund \$45,437,355 in nonrecurring funds for FY 25-26 and \$11,437,355 in nonrecurring funds for FY 26-27 for Medicaid administration.

Section 2.3 eliminates Medicaid program coverage of GLP-1 drugs for weight loss.

Section 2.4 repeats a requirement for local management entity/managed care organization (LME/MCOs) to make recurring intergovernmental transfers to the Division of Health Benefits, with updates to reflect realignment of counties among the LME/MCOs.

Section 2.5 requires the DHHS to maintain, at a minimum, Medicaid reimbursement rates for providers that were approved by CMS as of July 1, 2025.

Section 2.6 directs DHHS to adopt rules on timeliness standards for Medicaid eligibility determinations by April 1, 2027, track county compliance with these standards, and place noncompliant counties on corrective action plans. Requires that the accuracy audit results for Medicaid eligibility redeterminations be reported separately from the data for initial Medicaid applications.

Section 2.7 requires the State Auditor to conduct an audit of a sample of counties' SNAP and Medicaid eligibility determinations efforts. It appropriates \$1.5M to each DCFW and DHB to be transferred to the State Auditor to fund these audits

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