

# MEDICAID EXPANSION

## LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting. (5-4-105, MCA; [Chapter 309, Laws of 2017](#)) The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

**Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.**

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## Background Materials and Research

**Topic Summary:** Until 2014, the Medicaid program was designed primarily to assist low-income children and adults who were elderly, blind, disabled, pregnant, or the parents of dependent children. To qualify for the program, individuals had to meet certain income criteria, generally could have only limited assets, and had to be eligible based on their age, disability, or parental status.

The Patient Protection and Affordable Care Act, commonly referred to as ACA, changed the nature of the Medicaid program by opening it to non-disabled, non-pregnant, childless adults ages 19 to 64. In addition, the law provided a much higher federal matching rate for medical care provided to this group of people. The federal match was 100% for the first three years that the expansion was in effect (2014 through 2016) and gradually began declining in 2017 to a final level of 90% in 2020.

ACA required states to expand their programs to include this group of people on Jan. 1, 2014, or lose all federal Medicaid funding. Opponents challenged this requirement on the grounds that the penalty was so severe it essentially coerced states into making the changes Congress wanted. The Supreme Court agreed, saying the expansion requirement essentially was creating a new program, rather than modifying an existing program. The court decided, however, that the constitutional flaw could be fixed by eliminating the penalty. Thus states that don't expand Medicaid aren't subject to loss of all their Medicaid funds. The ruling essentially made Medicaid expansion an option that each state could choose to enact or ignore on its own.

The 2015 Montana Legislature approved a Medicaid expansion bill that required the state to obtain a waiver from some elements of the federal law so that the state could charge premiums of up to 2% for the expansion enrollees, disenroll people with incomes above 100% of the federal poverty from the program if they failed to pay the premiums, require the maximum copayments for services allowed under federal law, and require that the program for the expansion group be administered by a third-party administrator that would create a provider network for expansion enrollees.

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The law, known as the Montana Health and Economic Livelihood Partnership (HELP) Act, was scheduled to terminate after four years, on June 30, 2019, unless the Legislature extended it. Advocates attempted to make Medicaid expansion permanent through a ballot initiative in November 2018, but the measure failed.

The 2019 Legislature subsequently extended the expansion program until June 30, 2025, but imposed some additional requirements on the existing program, including:

- requiring some individuals to engage in work or other activities in order to qualify for benefits;
- gradually increasing the premium from 2% to 4% for people who remain in the program for more than 2 years;
- revising the standards for verifying a person's eligibility for Medicaid;
- instituting several new taxes and fees to help pay for the costs of the expansion program; and
- creating a grant program to encourage employers to hire or train people enrolled in the Medicaid expansion program.

The state had to apply for a waiver of federal requirements in order to implement the community engagement requirements and higher premiums. That request was pending as of August 2020, while similar requirements in other states were being challenged in court and on appeal to the U.S. Supreme Court. The community engagement requirements and premium increases won't go into effect unless and until the waiver is approved.

About 86,500 Montanans, or 8.2% of the state's population, was enrolled in Medicaid expansion in August 2020.

### Legislative Services Division Materials:

Medicaid Expansion Webpages: Children, Families, Health, and Human Services Interim Committee  
(Materials presented to the committee by legislative staff, state agencies, and other speakers)

- [2019-2020 Interim](#)
- [2017-2018 Interim](#)

[Medicaid Expansion: Potential Considerations for Action](#), May 2018

[Key Elements of SB 405](#), November 2017

[Comparison of SB 405 and CMS Waivers](#), November 2017

### Legislative Fiscal Division Materials

[Montana Medicaid Report and Montana HELP Act Monitoring Report](#), September 2020

### Other Materials:

[Initiative 185](#), 2018

[Medicaid Expansion Dashboard](#), Department of Public Health and Human Services

[HELP Act Oversight Committee 2018 Report to the Governor and Legislative Finance Committee](#), August 2018

[The Economic Impact of Medicaid Expansion in Montana](#), Bryce Ward and Brandon Bridge, University of Montana Bureau of Business and Economic Research, May 2018

## Introduced Legislation

### 2019:

[House Bill No. 658](#) (Chapter No. Assigned) -- AN ACT GENERALLY REVISING HEALTH CARE LAWS; EXTENDING THE MEDICAID EXPANSION PROGRAM PERMANENT BY REVISING THE TERMINATION DATE OF THE MONTANA HEALTH AND ECONOMIC LIVELIHOOD PARTNERSHIP ACT; ESTABLISHING COMMUNITY ENGAGEMENT REQUIREMENTS FOR HELP ACT PARTICIPANTS; REVISING MEDICAID ELIGIBILITY VERIFICATION PROCEDURES; ESTABLISHING A HELP ACT EMPLOYER GRANT PROGRAM; ENACTING A FEE ON HEALTH SERVICE CORPORATIONS; ESTABLISHING A FEE ON HOSPITAL OUTPATIENT REVENUE; REVISING TAXPAYER INTEGRITY FEES; CREATING A SPECIAL REVENUE ACCOUNT; ALLOWING THE GOVERNOR TO AUTHORIZE A SUPPLEMENTAL APPROPRIATION TRANSFER FOR THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES; REQUIRING THE GOVERNOR TO REPORT TO THE LEGISLATIVE FINANCE COMMITTEE; EXTENDING RULEMAKING AUTHORITY; PROVIDING APPROPRIATIONS; REMOVING STATUTORY APPROPRIATIONS; AMENDING SECTIONS 15-30-2618, 15-30-2660, 15-31-511, 15-66-101, 15-66-102, 15-66-103, 15-66-201, 15-66-202, 15-66-203, 15-66-204, 15-66-205, 17-7-301, 17-7-311, 17-7-502, 33-30-102, 39-12-101, 39-12-103, 53-4-1110, 53-6-131, 53-6-133, 53-6-149, 53-6-160, 53-6-1302, 53-6-1303, 53-6-1304, 53-6-1305, 53-6-1306, 53-6-1307, AND 53-6-1311, MCA; REPEALING SECTION 53-6-1316, MCA; AMENDING SECTION 28, CHAPTER 368, LAWS OF 2015; AND PROVIDING EFFECTIVE DATES AND AN APPLICABILITY DATE.

2017: None

### 2015

[House Bill No. 249](#) (Missed Deadline for Appropriation Bill Transmittal) -- AN ACT CREATING THE HEALTHY MONTANA ACT TO EXPAND HEALTH CARE COVERAGE TO ADDITIONAL INDIVIDUALS AND IMPROVE ACCESS TO HEALTH CARE SERVICES; ESTABLISHING A HEALTH CARE COVERAGE PROGRAM TO PROVIDE CERTAIN LOW-INCOME MONTANANS WITH ACCESS TO HEALTH CARE SERVICES USING MEDICAID FUNDS AND AN ARRANGEMENT WITH A THIRD-PARTY ADMINISTRATOR; IMPLEMENTING CERTAIN MEDICAID REFORMS; PROVIDING SUPPORT FOR HEALTH CARE DELIVERY ACROSS MONTANA; PROVIDING RULEMAKING AUTHORITY; ESTABLISHING A SPECIAL REVENUE ACCOUNT; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTION 17-7-502, MCA; AND PROVIDING EFFECTIVE DATES.

[Senate Bill No. 405](#) (Chapter Number Assigned) -- AN ACT CREATING THE MONTANA HEALTH AND ECONOMIC LIVELIHOOD PARTNERSHIP ACT TO EXPAND HEALTH CARE COVERAGE TO ADDITIONAL INDIVIDUALS, IMPROVE ACCESS TO HEALTH CARE SERVICES, AND CONTROL HEALTH CARE COSTS; ESTABLISHING A HEALTH CARE COVERAGE PROGRAM TO PROVIDE CERTAIN LOW-INCOME MONTANANS WITH ACCESS TO HEALTH CARE SERVICES USING MEDICAID FUNDS AND AN ARRANGEMENT WITH A THIRD-PARTY ADMINISTRATOR; IMPLEMENTING CERTAIN MEDICAID REFORMS; PROVIDING STATUTORY APPROPRIATIONS FOR COSTS OF PROVIDING HEALTH CARE SERVICES; PROVIDING SUPPORT FOR HEALTH CARE DELIVERY ACROSS MONTANA; PROVIDING WORKFORCE DEVELOPMENT OPPORTUNITIES FOR PROGRAM PARTICIPANTS; ESTABLISHING TIME LIMITS FOR SERVICE OF PROCESS IN MEDICAL MALPRACTICE CLAIMS; ESTABLISHING AN OVERSIGHT COMMITTEE; PROVIDING DEFINITIONS; PROVIDING RULEMAKING AUTHORITY; PROVIDING APPROPRIATIONS; AMENDING SECTIONS 17-7-502 AND 27-2-205, MCA; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE.

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### 2013

[House Bill No. 458](#) (Died in Standing Committee) -- AN ACT IMPLEMENTING THE EXPANSION OF THE MEDICAID PROGRAM AS PROVIDED BY PUBLIC LAW 111-148 AND PUBLIC LAW 111-152; ESTABLISHING ELIGIBILITY CRITERIA; AND AMENDING SECTIONS 53-6-131, 53-6-132, AND 53-6-133, MCA.

[Senate Bill No. 393](#) (Died in Process) -- AN ACT IMPLEMENTING THE EXPANSION OF THE MEDICAID PROGRAM AS PROVIDED BY PUBLIC LAW 111-148 AND PUBLIC LAW 111-152; ESTABLISHING ELIGIBILITY CRITERIA; AND AMENDING SECTIONS 53-6-131, 53-6-132, AND 53-6-133, MCA.

[Senate Bill No. 395](#) (Died in Standing Committee) -- AN ACT GENERALLY REVISING LAWS RELATED TO HEALTH CARE TO EXPAND MEDICAID TO CERTAIN NONDISABLED, NONELDERLY, AND NONPREGNANT INDIVIDUALS ~~AND TO IMPROVE THE DELIVERY OF HEALTH CARE SERVICES IN MONTANA~~ AND TO IMPROVE THE DELIVERY OF HEALTH CARE SERVICES IN MONTANA; ESTABLISHING MEDICAID ELIGIBILITY CRITERIA; ~~REQUIRING A REVIEW OF THE MONTANA MEDICAID PROGRAM AND THE HEALTH CARE DELIVERY SYSTEM~~; ~~ESTABLISHING A MEDICAID WELLNESS PILOT PROJECT~~; ~~ESTABLISHING WORKFORCE REPORTING REQUIREMENTS FOR CERTAIN HEALTH CARE PROFESSIONALS~~; ~~PROVIDING FOR USE OF UNEXPENDED MEDICAID FUNDS~~; ~~PROVIDING DEFINITIONS~~; ~~CREATING A SPECIAL REVENUE ACCOUNT~~; REQUIRING A REVIEW OF THE MONTANA MEDICAID PROGRAM AND THE HEALTH CARE DELIVERY SYSTEM; ESTABLISHING A MEDICAID WELLNESS PILOT PROJECT; ESTABLISHING WORKFORCE REPORTING REQUIREMENTS FOR CERTAIN HEALTH CARE PROFESSIONALS; PROVIDING FOR USE OF UNEXPENDED MEDICAID FUNDS; PROVIDING DEFINITIONS; CREATING A SPECIAL REVENUE ACCOUNT; AMENDING SECTIONS ~~37-8-202, 37-8-204, 37-8-202, 37-8-204,~~ 53-6-131, 53-6-132, ~~AND~~ 53-6-133, ~~AND~~ 53-6-155, ~~AND~~ 53-6-155, MCA; AND ~~PROVIDING EFFECTIVE DATES~~ AND EFFECTIVE DATES AND TERMINATION DATES.

### 2011

[House Bill No. 115](#) (Died in Standing Committee) -- AN ACT GIVING THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES AUTHORITY TO IMPLEMENT MEASURES REQUIRED BY PUBLIC LAW 111-148 AND PUBLIC LAW 111-152 AS THEY RELATE TO THE MEDICAID AND CHILDREN'S HEALTH INSURANCE PROGRAMS; GIVING THE DEPARTMENT AUTHORITY TO PREVENT AND DETECT PROVIDER FRAUD, ABUSE, AND MISAPPROPRIATION AND TO ENSURE THE APPROPRIATE DELIVERY OF SERVICES AND OTHER BENEFITS BY PROVIDERS UNDER THE MEDICAID AND CHILDREN'S HEALTH INSURANCE PROGRAMS; PROVIDING AUTHORITY FOR THE ADOPTION OF ADDITIONAL CATEGORIES OF PERSONS ELIGIBLE FOR MEDICAID-FUNDED HEALTH CARE BENEFITS AND THE DESIGNATION OF HEALTH CARE BENEFITS AVAILABLE WITHIN THOSE CATEGORIES; PROVIDING MANDATORY COVERAGE FOR FREESTANDING BIRTH CENTER AND TOBACCO CESSATION SERVICES FOR PREGNANT WOMEN; PROVIDING FOR MANDATORY COVERAGE OF ADDITIONAL HEALTH CARE BENEFITS REQUIRED BY FEDERAL REGULATIONS IMPLEMENTING PUBLIC LAW 111-148 AND PUBLIC LAW 111-152; PROVIDING AUTHORITY FOR CONDUCTING CRIMINAL BACKGROUND CHECKS FOR PERSONS PROVIDING DIRECT-CARE SERVICES; PROVIDING FOR COLLABORATION AMONG STATE AND FEDERAL ENTITIES, SERVICE PROVIDERS, AND OTHER ENTITIES IN ELIGIBILITY DETERMINATIONS AND BENEFIT COORDINATION FOR MEDICAID-FUNDED SERVICES; AMENDING SECTIONS 53-2-207, 53-6-101, 53-6-113, 53-6-131, 53-6-132, AND 53-6-133, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

**2009:** None (Medicaid expansion was not an option available to states at that time)

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