

**FISCAL NOTE**

This bill permits the Wyoming Insurance Commissioner and the director of the Wyoming Department of Health (DOH) to work with the Centers for Medicare and Medicaid Services (CMS) to explore options for the expansion of Medicaid eligibility in Wyoming, as directed by the Governor.

The bill states that prior to making application to expand Medicaid eligibility, the Governor shall provide written notice to the legislature, and provide a report to the Joint Labor, Health and Social Services Interim Committee and the Joint Appropriations Committee detailing the reasons for the expansion, the means for having the expansion approved, whether any funding for the expansion will be necessary and the reasons that the expansion is viable and fiscally advantageous for Wyoming. The notice and reports shall be submitted to the legislature in sufficient time to allow the legislature adequate notice to call a special session for consideration of the expansion before the effective date of any obligations binding on the state. No further expansion of Medicaid eligibility shall occur without prior approval of the legislature.

The fiscal impact of the potential Medicaid expansion plan or waiver is currently indeterminable and would depend on the details of the plan design (e.g., cost-sharing, benefit package, administrative costs, etc.). On its own, this bill (authorizing the exploration of Medicaid expansion options) has no fiscal impact.

The DOH prepared a report dated December 17, 2019 entitled "Medicaid Expansion in Wyoming - Enrollment and Cost Projections". This report includes the following information pertaining to the anticipated fiscal impact:

The DOH would recommend an initial biennial appropriation of \$18 million in State Funds and \$135 million in Federal Funds. These amounts would expand Medicaid under the Patient Protection and Affordable Care Act (the "ACA") to non-disabled childless adults under 138% of the Federal Poverty Level (FPL). This estimate is based on three important assumptions:

- The estimate comes with uncertainty and could vary widely. The DOH estimates with 90% probability that the State Funds required would range from \$11.0 million to \$26 million;
- This estimate assumes enrollment growth well past two years, so larger subsequent biennial appropriations will likely be necessary; and,
- This estimate assumes a basic expansion of Medicaid, without the additional coverage features that would require a waiver.

The DOH anticipates approximately 19,000 new Medicaid enrollees after 24 months. This estimate also comes with uncertainty and could vary widely, with 90% of the enrollment forecast model scenarios ranging from 9,000 to 32,000 new Medicaid enrollees 24 months after expansion. This enrollment projection is expected to grow before flattening out after 36 months.

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