



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

SPONSOR'S REBUTTAL TO FISCAL NOTE

House Bill Number: 230 Date Prepared: 1/23/23

Short Title: Provide continuous eligibility for young children covered by CHIP and Medicaid

Sponsor: STAFMAN

Generally, why do you disagree with the fiscal note?

See attached for clarification of fiscal note!

Specifically, what in the fiscal note do you feel is flawed?

(Describe specific assumptions, calculations, technical issues, etc.)

What is your estimate of the fiscal impact?

Sponsor Signature: 

HB 230 FISCAL NOTE RESPONSE

1. I do not contest any of the specific findings or calculations in the fiscal note, but I note that the fiscal note does not include the many savings that result from continuous coverage during this critical period in children's lives.
2. Specifically, the savings that can be expected from continuous eligibility during this critical time in children's lives are indirectly addressed, but not calculated, in **Technical Note #2 of the fiscal note. The note correctly recognizes that in order to secure the Section 1115 waiver that this bill requires the Department to seek, the Department will be required to show that the waiver will result in net cost savings.** Because of factors such as those discussed in paragraph 3 hereof, Oregon showed net savings in its Section 1115 waiver, and other states are in the process of doing so in waivers they are seeking. If there is not a net cost savings, we will not get the waiver and this bill's program will not be able to be implemented.
3. The net cost savings from this bill will result from the youngest children being provided regular and consistent care, assuring that developmental problems are diagnosed and treated early, and that by providing the youngest children the right level of care at the right time in the right setting, we lessen the chances that they will need emergency or more expensive care or treatment for conditions that have worsened for lack of care. There will also be economic benefits of improved readiness for school because regular, preventative care may identify physical, behavioral and developmental concerns that can be addressed before the conditions affect school performance and require expensive mediation by our school system.
4. The cost shown is very modest to provide consistent, predictable access to health care at a critical time of early childhood development. Paragraph 7 of the Note indicates that we can expect about 25% more months of coverage throughout the 0-5 population, meaning that many kids who would be disenrolled during this critical time of their lives -- overwhelmingly for some technical reason - -and then re-enrolled -- would avoid the churn caused by such disenrollment.