

## **HB 193 - Medicaid Program Amendments**

Sponsor: Rep. Ray Ward (R-Bountiful)

Introduced: 1/8/24

### **Summary:**

HB 193 would raise Medicaid coverage eligibility during pregnancy from up to 144% FPL (federal poverty level) to 185% FPL. This is equal to raising the annual income eligibility ceiling for a family of two from \$28,397 to \$36,482<sup>1</sup>. This increase would allow thousands more Utah families to access Medicaid coverage during pregnancy and bring Utah closer to the national median of income eligibility. This bill would also extend Medicaid coverage to pregnant and postpartum women who hold a permanent resident card and utilizes the Medicaid Expansion Fund's Inpatient Hospital Assessment to fund the new coverage.

### **Background:**

After the passage of [SB 133](#) (Modifications to Medicaid Coverage) during the [2023 Legislative Session](#) (which extended coverage for Medicaid recipients *after* pregnancy from 60 days to 12 months) the next logical step in Utah was to increase Medicaid eligibility *during* pregnancy. This is the goal of HB 193. The current income ceiling in Utah to qualify for Medicaid during pregnancy is 144% of FPL—and it has remained at this level since 2014. This means that two-person households that earn more than \$28,397 a year cannot qualify for pregnancy-related Medicaid.

HB 193 would raise the income ceiling to 185% FPL, or \$36,482 of annual income for a family of two people. This increase would bring Utah closer to the national median of income levels for Medicaid coverage during pregnancy – which is currently 207% FPL.

HB193 would also extend to provide postpartum and pregnancy coverage for people with a permanent resident card. As of January 2023, [26 other states have extended Medicaid coverage to lawfully present immigrants](#). Extending Medicaid coverage to Utah's immigrant community has been accomplished before. In 2016, [Utah removed the 5-year waiting period for legal immigrant children](#). HB 193 will continue this trend by extending Medicaid coverage to legal immigrant residents who are pregnant.

### **Key Issue:**

A unique aspect of HB 193 is the use of the Inpatient Hospital Assessment contribution to the Medicaid Expansion Fund to pay for this new coverage. This means the coverage cost will not come from the General Fund. To accomplish this new funding route, HB 193 allows the Hospital Assessment to fund the following Medicaid services:

- services for pregnant and postpartum women
- mental health services
- housing supports
- services for individuals involved in the criminal justice system
- hospital outpatient medical services

The Hospital Assessment contributes approximately \$13 million a year to the Medicaid Expansion Fund, which was created by legislation in 2016 and funded in 2019 by the state sales tax established by the successful 2018 ballot initiative to expand Medicaid in Utah.

Currently, [the Medicaid Expansion Fund has a \\$297 million balance](#) and is used to pay for Medicaid expansion coverage costs. In prior legislative sessions, the Medicaid Expansion Fund was not authorized to pay for Medicaid extensions, such as the post-partum Medicaid coverage created by SB 133. HB 193 would allow the \$13 million Hospital Assessment portion of the Medicaid Expansion Fund to cover the range of Medicaid services listed above. This change would provide funding for HB 193's pregnancy coverage, and perhaps the post-partum coverage established by SB 133 as well as future expansions of Medicaid coverage.

### **Talking Points:**

- By raising the income ceiling from 144% to 185% of the poverty level, HB 193 will allow thousands of pregnant Utahns to qualify for low-cost Medicaid coverage. Currently, a two-person household that earns more than \$28,397 a year cannot qualify for pregnancy-related Medicaid in Utah.
- Higher costs for housing, healthcare, childcare, and food are major factors behind Utah's declining birth rates. Extending Medicaid coverage to more lower-income families will alleviate a significant cost barrier to families having and raising children in the state.
- HB193 extends postpartum and pregnancy coverage for people with a permanent resident card because every pregnant person in Utah should have access to affordable, quality pre-natal care to ensure they deliver a healthy baby.
- Instead of using General Fund dollars, HB 193 is funded by the Hospital Assessment portion of the Medicaid Expansion Fund. As a result, HB 193 requires no General Fund support and is sustained by the Hospital Assessment, which this bill extends to 2034.
- Utah currently ranks 49th out of the 50 states plus Washington, D.C. in making Medicaid available to low-income women who become pregnant. Extending coverage to 185% of poverty will move Utah up to 42nd in the nation - an improvement that is long overdue.

### **Additional Resources:**

- *Medicaid and CHIP Income Eligibility Limits for Pregnant Women, 2003-2023*, Kaiser Family Foundation (KFF), Apr 2003-Jan 2023, <https://www.kff.org/medicaid/state-indicator/medicaid-and-chip-income-eligibility-limits-for-pregnant-women/>
- *Key Facts on Health Coverage of Immigrants*, Kaiser Family Foundation (KFF), September 17, 2023, <https://www.kff.org/racial-equity-and-health-policy/fact-sheet/key-facts-on-health-coverage-of-immigrants/>
- *2024 Coverage Year - Federal Poverty Level (Chart)* - <https://www.insureitforward.com/2024-FPL-Guidelines-Federal-Poverty-Level.html>
- *2024 Coverage Year - Federal Poverty Level (Calculator)* - <https://home.mycoverageplan.com/fpl.html>

---

<sup>i</sup> 2024 Coverage Year FPL - <https://home.mycoverageplan.com/fpl.html>