



Week Six Idaho Legislative Update for Feb. 10 – Feb. 14, 2025

Week six is in the books. While the challenges of a very busy week make it difficult to summarize, here's our best shot.

Let's start by saying it was a big week for tax policy. The House's child tax credit/private school bill, [HB 93](#), passed out of the Senate Local Government and Tax Committee and is destined for robust debate on the Senate floor. The same is true for [HB 40](#), which supporters are calling the largest income tax cut in state history. On Friday, on a 61-6-3 vote, the House approved [HB 231](#), which calls for an increase in the annual credit for taxes paid on groceries. Also of note this week, the Senate introduced a joint resolution urging state and federal agencies to think about new water storage options, including supporting cloud seeding and rebuilding the Teton Dam, which breached in 1976, claimed 11 lives and caused major damage to the downstream communities of Sugar City, Rexburg and Wilford.

Yes, the print deadline for non-privileged bills arrived at the close of business Monday. That doesn't mean we won't see intriguing new policy ideas in the coming weeks. In fact, the House Ways & Means Committee met twice mid-week and greenlighted 14 new bills. This committee also started meeting earlier this session than in past sessions, and last month injected more than a dozen new bills into the pipeline. Why is this worth mentioning? Well, it illustrates the control House Speaker Mike Moyle is exerting over daily operations. Under his new process, any bill to be considered by Ways & Means must get prior approval from the Speaker, the bill's sponsor, and chairman of the germane committee.

Getting beyond the print deadline also means legislators will bring more focus to debating proposed legislation and being more patient as public interest and participation stretch committee hearings. Two hearings this week required overflow seating as citizens and interested parties testified on tax credits for private schools and [HB 138](#), the bill we flagged last week that places guardrails on the Medicaid Expansion program. The House Health and Welfare Committee – [amid opposition from physicians, patients and advocates](#) – voted 8-7 on Wednesday to send the bill to the floor.

At the same time, we are still a bit surprised by the lack of public comment from friends and foes of tax cuts during a Senate hearing Thursday. Not a single person testified on the income tax cut bill, which advanced out of committee on a party line vote. It's just rare for any tax cut bill to escape public scrutiny like that.

In JFAC this morning, members got down to the task of budget setting and adding line items for "enhancement budgets," a critical step as they scramble to balance the budget and manage agency line-item spending requests. It also marks the start of clearing the budget setting logjam created during the prolonged disagreement over state employee pay raises. Expect the committee's work on spending to intensify during February's final weeks.

Now, some thoughts from the observation deck. Activity on the House floor is picking up as the body continues to efficiently navigate its bill calendar. Not so much on the other side of the Rotunda as a long list of bills continue to bloat the Senate calendar. That said, the Senate dipped into the amending order for the first time, signaling that stakeholders are coming together to negotiate fixes or bring clarity to bill language identified as problematic at the committee level. House maintenance budgets were introduced Friday morning and are on reading calendars for debate next week.

We've also noted a slight shift in the overall Capital vibe. The cheeriness and politeness that defined the first month has given way to the stress and tension that comes with the job's long hours, intense learning and tough decision making. It's normal, we think, and ultimately part of the rhythm of every legislative session.

All bills for the 2025 session can be found on the [Idaho State Legislative website](#). Interested in finding your legislator? Visit [HERE](#). Daily reading calendars and agendas are found [HERE](#). As usual, we're available if you have questions.



HB 138 - Medicaid Expansion Conditions - House Floor

Requires able-bodied individuals to work or volunteer 20 hours per week at a minimum. This applies unless the individual is under 19 or over 64 years of age, certified as physically or mentally unfit for employment, pregnant, parent or caretaker of a child under 6, receiving unemployment compensation, or participating in a drug addiction or alcohol treatment program.

The gross income at 100% poverty level will receive an advance premium tax credit to purchase a qualified health plan the Idaho Health Insurance Exchange. This caps the Expansion population at 50,000. Caps the improper payment at 5% or less and added biannual redetermination requirements. Adds a lifetime limit of 36 months for Medicaid Expansion program.

Sponsor: Rep. Redman (R-3)

HB 76 – Medicaid Value Based Contract Timeline – House Health and Welfare

Stipulates that any agreement between the Department of Health and Welfare and any provider/health system have a one-year duration aligned with the States' fiscal year (July 1 – June 30). This allows for legislators to review performance from the prior contract/fiscal year ahead of the next session.

Sponsor: Rep. Vander Woude (R-22)

HB 84 - Dept. of Administration, Cities - House State Affairs

Enables cities to join the health insurance pool to decrease health insurance premiums for municipalities by spreading the insurance risk across a larger group. There is no requirement for cities to enroll in the state insurance plan. No fiscal impact.

Sponsor: Rep. Cheatum (R-28)

HB 116 - Small Employer Carrier Insurance Repeal - House Floor

Aimed at repealing the Idaho Small Employer Carrier Reinsurance Program, which was enacted in the early 1990's to promote the availability of small employer health insurance coverage in Idaho, by providing a safety net to carriers. However, with the introduction of the affordable care act, there has been no membership or activity of this program since 2016 and it is no longer needed.

Sponsor: Rep. Redman (R-3)

HB 31 - Medicaid Payer of Last Result – Passed the House (68-0-2) – Senate Health and Welfare

This bill clarifies responsibility for any Medicaid-eligible individual who also has third-party coverage, to accept the state's authorization for a service or item that the third-party requires authorization for, if the state plan covers the service or item. This ensures that Medicaid is always the payer of last result.

Sponsor: Rep. Redman (R-3)

HB 38 - Idaho Life and Health Insurance Guaranty Association Act – Passed the House (46-23-1) – Senate Commerce & Human Resources

Updates the Act originally passed to protect consumers when an insurer becomes insolvent. Updates to clarify that certain companies are not eligible for coverage under the Act; adjusts coverage determinations for high-risk, long-term care; requires health insurance CO-OPs created under the ACA to become members of the ILHGA and removes a cap on annual association membership fees.

Sponsor: Rep. Ehlers (R-21)



[HB 62](#) – Medicaid Fraud & Tax Commission – House Floor

Allows the Department of Health & Welfare (DHW) to enter into a memorandum of understanding (MoU) with the Tax Commission to share tax information as part of Medicaid fraud investigations. This enables a faster and more accurate method for obtaining gross adjusted income, rather than issuing subpoenas for banking information.

Sponsor: Rep. Fuhrman (R-30)

[HB 71](#) - Uniform Standards-Insurance - House Floor

The intent of this legislation is to provide uniform standards for insurers and registered insurance holding companies to file the Group Capital Calculation and Liquidity Stress Test, two key regulatory tools for monitoring solvency. Defines terms for the Group Capital Calculation and the Liquidity Stress Test and companies that may be exempt, as well as insurer information confidentiality and safety measures. No fiscal impact.

Sponsor: Rep. Crane (R-13)

[HB 72](#) - Risk Mitigation Services (Insurance) – House Business

Prohibits unfair trade practices by amending Idaho Code to allow insurance providers or producers to provide value-added products or services at no or reduced cost when these products are not specified in the policy of insurance. This applies to products or services designed to provide mitigation, reduce claim costs, enhance health and incentivize behavioral changes. The cost to the insurer or producer offering the product or service must be reasonable in comparison to the customer's premiums or insurance coverage for the policy class. The product or service will be offered in a manner that is not unfairly discriminatory. No fiscal impact.

Sponsor: Rep. Cornilles (R-12)

[HB 14](#) - Idaho Code Cleanup Act – Signed into Law

Requires each agency to follow a similar process to the ZBR rulemaking process, which requires each agency to study and delete unnecessary, obsolete, and outdated rules. Agencies must complete a review of their code sections no later than Sept. 1, 2025, and report to the Legislature any recommended edits in each agency report. The Legislature will take up the recommendations for consideration during the 2026 regular session.

Sponsor: Rep. Moyle (R-10)

[HB 17](#) - Wildfire Insurance - House Business

Aims to improve and stabilize the market with the creation of an Idaho Wildfire Risk Mitigation Stabilization Pool and Board. These entities would allow for a greater stability in the insurance market, which has decreased in some areas due to the risk of wildfire. Additionally, this would allow for mitigation of wildfire risk for property owners, reducing cost of property insurance. The plan of operation involves two steps, one that includes mitigation of wildfire risk for homeowners and the second that allows the board to develop strategies to stabilize the marketplace.

Sponsor: Rep Redman (R-3)

[HB 90](#) – Public Assistance, Legislative Action - House Health & Welfare

Modification of eligibility criteria to clarify that any change that would expand eligibility criteria for a public assistance program or expand the benefit of a public assistance program must be authorized in statute and not provided in rules, state plan, agency guidance or any other documents.

Sponsor: Rep. Vander Woude (R-22)

[HB 117](#) - Insurance Data Security, Breach Reporting - House Business

Requires that insurance companies with 50+ employees be required to maintain data storage, maintenance, and security standards for the safety of Idaho citizens. If any breach identified, they also would be required to report the finding.

Sponsor: Rep. Redman (R-3)



HB 134 – Breast Cancer Screening – Health and Welfare

Allows for coverage of supplemental breast cancer screening for persons of heightened risks, including genetic predisposition, prior radiation therapy and other factors. Coverage applies to health insurance plans other than Medicaid or self-insured ERISA plans. There is likely to be a fiscal impact.

Sponsors: Rep. Green (D-18), Rep. Healey (D-15), Rep. Rubel (D-18)

HB 135 – Illegal Aliens Health, Social Benefits – Health and Welfare

Amends Idaho Code to remove certain non-emergency health care benefits and social benefits for illegal aliens residing in Idaho. The bill would not require verification of lawful presence in Idaho for emergency health care, short-term non-cash disaster relief, or programs at short-term shelters. Also further defines lawful presence in Idaho.

Sponsor: Rep. Redman (R-3)

HB 136 – Transparency in Drug Pricing Program – Health and Welfare

Adds new section to Idaho Code to establish provisions related to the 340B drug pricing program. Defines 340B covered programs and sets criteria for those programs to report before April 1 of each year to DHW, Attorney General and State Controller.

Sponsor: Rep. Redman (R-3)

HB 201 - Medicaid, Value Care Minimums – House Health and Welfare

Raises minimum risk of Value Care Organizations to 40% starting July 1, 2026. Then each fiscal year, the VCO must take on 10% more risk. Until FY 2029, where VCOs will be required to take on 70% risk moving forward.

Sponsor: Rep. Redman (R-3)

HB 219 - Health Insurance, Cost Sharing - House Health and Welfare

Establishes provisions regarding cost-sharing requirements for health benefit plans. Defines the terms “cost-sharing requirement” and “health care service” and includes enrollee transparency guidelines. Would require health insurance companies to apply toward the insured’s copay, deductible and out-of-pocket maximum those payments made by a third party for the benefit of the insured.

Sponsor: Rep. Cannon (R-30)

HB 241 - Public Health District Boards - House Health and Welfare

Amends code to ensure members of district health boards are elected officials, rather than employed county staff, or unelected residents of the district. This bill also requires $\frac{2}{3}$ of a vote to remove a member of a board and changes terms of service from five to two years.

Sponsor: Rep. Pickett (R-27)

HB 58 - Repeal of Medicaid Expansion - House Health and Welfare

This bill would repeal the Medicaid Expansion program (Idaho Code 56-267) as of July 1, 2025. This fiscal note estimates a savings of \$110 million a year, which is what the state spends every year on the Medicaid Expansion population.

Sponsor: Rep. Vander Woude (R-22)

Appropriations and Budgets

This is where appropriations and budgets of interest will appear as introduced in the session.



Rules

[HERE](#) is the link for the Index of all Pending Rules seeking legislative approval. Committees in both the House and Senate are assigned rules to approve. As a reminder, the rules docket needs to pass both the House and the Senate, they are set to go into effect but need to be enacted by legislation or executive order. Once a pending rule is approved, a (+) symbol

will appear in front of the docket number. If a pending rule is not approved by the Legislature a (-) will appear in front of the docket number.

Department of Health and Welfare

(+) (+) [16-0309-2401](#) – Medicaid Basic Plan Benefits (ZBR Chapter Rewrite) – Proposed Rule

Appointments

On January 20, 2025, Alex Adams was confirmed by the Senate as the Director for the Idaho Department of Health and Welfare.

On January 23, 2025, Steve Landon was confirmed by the Senate to the State Insurance Fund Board

On February 5, 2025, Tara Malek was confirmed by the Senate to the Idaho Health Insurance Exchange Board