



Week Seven Idaho Legislative Update for Feb. 17 – Feb. 21, 2025

The tension meter at the Statehouse noticeably escalated this week. Not to worry, as this is par for the course any time the second month draws to a close. Budget setting, longer floor debates on high priority items and a looming deadline are all factors in pushing the needle. Suffice to say, week seven of the Sixty-Eighth Idaho Legislature's first regular session brought some things into sharper focus and set an intriguing course for the coming weeks, and here's why.

The Joint Finance and Appropriations Committee set several "Enhancement Budgets" this morning, while five "Maintenance Budgets" were swiftly passed by the House mid-week and sent to the Senate. Taking this step is a good thing for JFAC and everybody else as these budget bills are the key to making other policy and spending decisions and ultimately winding things down. The new budgeting process implemented last year, and in play again this year, has yet to yield any measurable results in speeding up the budgeting process or toning down the political bickering.

There is progress to report on a pile of tax cut bills. This includes legislation authorizing a \$250 million income tax cut, another proposing \$50 million worth of rebates on sales tax paid on groceries and a measure for \$100 million in property tax reductions. The math on those cuts totals \$400 million in tax relief. You can take it a notch higher by factoring in the \$50 million child tax credit/private school bill to get to \$450 overall in relief. The child tax credit has already cleared both chambers and now on the way to the desk of Gov. Little, who is expected to sign it after President Trump tweeted his endorsement of the measure. The others are working through the Senate floor, though the property tax bill was tweaked this morning, moved out of committee and awaits a vote on the House floor.

For those scoring at home, these tax bills combined would account for the largest tax cut in Idaho history. The big key here in many ways is the income tax cut, [HB 40](#), because in our view no other piece of legislation wields the same clout to determine when the session ends. As the top priority of House Speaker Mike Moyle, HB 40 has already been greenlighted by the House and is on the Senate floor. Should the Senate approve without tinkering and it's signed by the Governor, we would not be shocked at to see the session begin to wind down.

The House on Wednesday took steps to reform – and possibly bring an end – to Idaho's Medicaid Expansion program. Long, impassioned debate on [HB 138](#) forced members to skip lunch and delay afternoon committees before voting 38-32 to approve and send to the Senate. A similar scenario played out at the exact same time as the Senate debated [HB 93](#), the private school choice tax credit. The bill was approved 20-15, giving outside interests a return on investment for the significant sums of cash spent pushing this policy shift for the last five-plus years here in Idaho.

Things to keep an eye as we set our sights on March. Committee agendas are starting to swell as chairmen strive to jam as many bills to the floor as possible. This push is a hallmark for late February as the March 3 deadline approaches for transmitting bills from one chamber to another. With so many policy bills on the table, and with dozens of new ones introduced this week, committee work will intensify next week. Additional afternoon floor sessions will no doubt delay committees as well, turning up the pressure inside the Capitol another notch or two.

One housekeeping note to keep in mind going forward. As bills are signed into law, we'll note that on your bill tracker in the header portion of each bill summary for that week's report. In subsequent weeks, we will strip the summary to save space on the report. Clicking the bill number/hyperlink will help refresh the purpose and impact of each new law.

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 – Passed the House (38-32-0) – Senate Health and Welfare

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 – Passed the House (68-0-2) – Senate Commerce and Human Resources

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 Resort – Passed the House (68-0-2) – Senate Floor

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 resort.

Sponsor: Rep. Redman (R-3)

[HB 38](#) - Idaho Life and Health Insurance Guaranty Association Act – Passed the House (46-23-1) – Senate Floor

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 – Passed the House (69-0-1) – Senate Health and Welfare

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. Fuhriman (R-30)

HB 71 - Uniform Standards-Insurance – Passed the House (69-0-1) – Senate Commerce and Human Resources

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 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 Floor

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 – House Floor

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

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