

Talking Points:

HR 6201, The Families First Coronavirus Response Act

- The federal government is throwing the state a Medicaid fiscal lifeline of between \$5 and \$7 billion (depending on how long this crisis lasts).
- The bill included provisions to preserve the existing eFMAP statutory language and codifies congressional intent to share a portion of these savings with county government.
- Since the bill was passed, there have been suggestions that the Federal Coronavirus Funding Bill precludes the state from continuing to manage Medicaid costs through the Medicaid Redesign Team (MRT II). However, this is not what the federal bill language does.
 - During any quarter that any states accepts this enhanced federal funding they cannot make the program more restrictive for recipients based on state laws in place as of January 1, 2020.
 - The entire purpose of the federal enhancement for FMAP is that the federal government is willing to support additional costs for states during a national crisis to prevent state funding cuts in key health programs. This has been the federal policy for over a decade.
 - Once the federal emergency is over, the state can implement strategies they deem appropriate to control costs in their Medicaid program or shift costs to other payors. Protections for recipients and other payors are temporary, as long as there is a declared federal state of emergency and the state accepts the federal increase in FMAP funds.
- While the federal law sounds restrictive, it will not supersede the work of the Medicaid Redesign Team (MRT II).
 1. The MRT II was directed not to impact recipients, therefore there is not conflict with the language in the federal funding bill.
 2. The MRT was directed not to impact local governments, therefore there is not conflict with the language in the federal funding bill.
 3. The State has existing statutory authority (on the books prior to January 1, 2020) to modify reimbursement rates to providers such as the 1% across the board reduction to providers implemented in December. Therefore, this will not conflict with the language in the federal funding bill.
 4. Anything else the MRT may want to do that runs afoul of the temporary enhanced FMAP (during the emergency period) can be delayed until after the emergency passes if the state chooses to accept the increased federal funding.