

SB 611-FN - AS INTRODUCED

2026 SESSION

26-2206

05/09

SENATE BILL **611-FN**

AN ACT relative to rate setting parity for Medicaid state plan case management services.

SPONSORS: Sen. Avard, Dist 12

COMMITTEE: Health and Human Services

ANALYSIS

This bill directs the department of health and human services to annually establish rates for Medicaid state plan case management services to create rate parity for such services within the program.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to rate setting parity for Medicaid state plan case management services.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Rate Setting Parity for Medicaid State Plan Case Management Services. Amend
2 RSA 126-A by inserting after section 18-b the following new section:

3 126-A:18-c Rate Setting Parity for Medicaid State Plan Case Management Services.

4 I. Annually, on or before October 1, the department of health and human services shall
5 establish unit rates for all case management services paid under the state Medicaid plan which
6 better reflect the average cost to deliver services.

7 II. The department shall consider the factors of economy, efficiency, quality of care, and
8 access to care, in accordance with guidelines in federal regulations.

9 III. The department shall ensure equitable rate parity by giving comprehensive
10 consideration to factors which cause disparity, including but not limited to administrative payments
11 of overhead costs made to certain providers, in the calculations to achieve parity.

12 2 Effective Date. This act shall take effect 60 days after its passage.

SB 611-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to rate setting parity for Medicaid state plan case management services.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

| Estimated State Impact | | | | |
|-------------------------------|----------------|--|--|--|
| | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
| Revenue | \$0 | \$0 | \$0 | \$0 |
| <i>Revenue Fund(s)</i> | None | | | |
| Expenditures* | \$0 | \$2.3 million to \$6.45 million general funds; \$2.1 million to \$6.25 million federal funds | \$2.3 million to \$6.45 million general funds; \$2.1 million to \$6.25 million federal funds | \$2.3 million to \$6.45 million general funds; \$2.1 million to \$6.25 million federal funds |
| <i>Funding Source(s)</i> | | | | |
| Appropriations* | \$0 | \$0 | \$0 | \$0 |
| <i>Funding Source(s)</i> | None | | | |

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

METHODOLOGY:

This bill requires the Department of Health and Human Services to establish unit rates for all Medicaid case management services that better reflect the average cost to deliver services. The bill requires the Department to consider the factors of economy, efficiency, quality of care, and access to care, and to give comprehensive consideration to factors which cause disparity, such as administrative payments of overhead costs made to certain providers. The Department assumes that the reference to overhead costs relates to the Designated Area Agency Delivery System (DAADS), and that the bill is intended to equate the rates for case management services with those for DAADS services. The Department notes DAADS services are not equivalent to case management services, and further notes that state plan case management services are not currently eligible for Medicaid administrative payments, per the federal Centers for Medicare and Medicaid Services (CMS). If CMS ultimately allows the Department to provide administrative payments to state plan case management services, providers would be required to prepare audited cost report submissions, in keeping with the process followed by area agencies that receive the CMS-approved DAADS rate. In the absence of audited data, the Department is unable to accurately determine a fiscal impact, but estimates that the new rates required by the bill will cost between \$4.2 million and \$12.5 million in total funds annually, of which half, or \$2.1

million to \$6.25 million, will be general funds. In addition, the Department assumes it will need one financial specialist to audit cost reports, at a general fund cost of \$101,000 in FY27, \$106,000 in FY28 and \$110,000 in FY29. Finally, to set the rates based on the cost reports, the Department assumes a budget analyst will be needed, at a general fund cost of \$101,000 in FY27, \$106,000 in FY28 and \$110,000 in FY29.

AGENCIES CONTACTED:

Department of Health and Human Services