



# MBPC Testimony to the House Committee on Health and Human Services in Opposition to House Bill 658

*Presented March 16, 2019*

Mr. Chairman, members of the committee.

Heather O'Loughlin, Montana Budget and Policy Center.

We respectfully rise in opposition to HB 658.

I have great admiration for the sponsor and his work four years ago in putting in place a bill that has now resulted in significant economic impact across our state. And we believe that there are opportunities to continue this great work to help promote economic stability for thousands of Montanans.

That said, we believe HB 658 is the wrong approach. HB 658 puts at risk health care coverage of not just those that would be subject to and penalized by harsh new requirements, but puts at risk the health care coverage of all 96,000 Montanans currently covered.

First, HB 658 requires enrollees to report on a quarterly basis a number of hours of specific activities each month, placing the burden on enrollees to understand complex exemptions and limited allowable activities. As we have seen in other states, these types of requirements result in significant loss of coverage, including many of whom are already working. In the one state that has implemented similar requirements, over 18,000 enrollees have lost health insurance. Those subject to the requirements exceeds the estimates of who was originally targeted by the requirements. In other words, these requirements often capture those that are already working, and loss of health care services, such as preventative care, routine check-ups, and access to critical prescriptions, can make working more difficult and risk pushing even more families in poverty and economic instability.

Second, HB 658 poses a number of significant legal questions as it relates to federal Medicaid law. As in other states, harsh work requirements have been bottled up on legal challenges, putting at risk health care coverage of families across the state. Furthermore, previous actions by CMS make it clear that some provisions within HB 658 would be denied, and in other cases, we simply do not know whether CMS would approve.

Third, HB 658 represents a significant growth in state government bureaucracy. Sections 1, 2, 3, 4, 5, 10, 29, and 38 mandate new or expanded bureaucratic hurdles within the Medicaid, likely necessitating significant number of FTEs within the Department of Public Health and Human Services in order to meet these new requirements.

Finally, HB 658 does little to boost current successful efforts to help those that are work-ready to access employment and job training services that will help them either get a job or find a better job. Rather than invest in proactive measures to help link enrollees with job opportunities, this bill will require rearview-mirror reporting of past activities that do nothing to help improve financial stability of those accessing coverage.