



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2072

PRINTERS NO. 2668

PRIME SPONSOR: M. Mackenzie

COST / (SAVINGS)

FUND	FY 2021/22	FY 2022/23
General Fund	See Fiscal Impact	\$0

SUMMARY: House Bill 2072, Printer's Number 2668, establishes The Payment of Delinquent Children's Health Insurance Program Premium Balances Act. This legislation is effective immediately.

ANALYSIS: As a condition of receiving enhanced federal matching funds under the federal Families First Coronavirus Response Act, states are prohibited from terminating Medical Assistance and CHIP benefits for recipients who were enrolled as of March 18, 2020 for the duration of the federal COVID-19 public health emergency (PHE) declaration. As a result, Pennsylvania's CHIP insurers have been prohibited from terminating benefits for nonpayment of premiums by recipients in the subsidized and full cost components of CHIP.

HB 2072 establishes a process for CHIP insurers to apply to the Department of Human Services (DHS) for reimbursement of delinquent CHIP premiums that accrued from March 1, 2020 through December 31, 2021. Payments will be made by DHS after the Secretary of the Budget certifies to the General Assembly that the requests for reimbursement are accurate and appropriate.

The bill directs DHS to make payment out of money appropriated for CHIP, which will also allow federal matching funds to be used.

FISCAL IMPACT: According to DHS, the total amount of delinquent CHIP premiums eligible for reimbursement under this legislation is approximately \$17.7 million, with a state cost of approximately \$9.9 million. Sufficient funds are available in the CHIP appropriation to make these payments.

PREPARED BY: Nick McClure
House Appropriations Committee (R)

DATE: January 26, 2022

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.