

Medicaid Reimbursement Rate Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Todd Weiler

House Sponsor: Stephanie Gricius

LONG TITLE**General Description:**

This bill addresses Medicaid treatment rates.

Highlighted Provisions:

This bill:

- makes permanent the budgeting mechanism under which Medicaid reimbursement rates for applied behavior analysis may increase.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

26B-3-203, as last amended by Laws of Utah 2025, First Special Session, Chapter 16

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **26B-3-203** is amended to read:

26B-3-203 . Base budget appropriations for Medicaid accountable care organizations and behavioral health plans -- Forecast of behavioral health services cost, behavioral health plans, and ABA services -- Forecast of behavioral health services cost.

(1) As used in this section:

(a) "ABA service" means a service applying applied behavior analysis, as that term is defined in Section 31A-22-642.

(b) "ABA service reimbursement rate" means the Medicaid reimbursement rate developed by the division, in accordance with Part 1, Health Care Assistance, and paid to a provider for providing an ABA service.

(c) "ACO" means a Medicaid accountable care organization that contracts with the state's Medicaid program for:

- 31 (i) physical health services; or
32 (ii) integrated physical and behavioral health services.
- 33 (d) "Base budget" means the same as that term is defined in legislative rule.
- 34 (e) "Behavioral health plan" means a managed care or fee-for-service delivery system
35 that contracts with or is operated by the department to provide behavioral health
36 services to Medicaid eligible individuals.
- 37 (f) "Behavioral health services" means mental health or substance use treatment or
38 services.
- 39 (g) "General Fund growth factor" means the amount determined by dividing the next
40 fiscal year ongoing General Fund revenue estimate by current fiscal year ongoing
41 appropriations from the General Fund.
- 42 (h) "Next fiscal year ongoing General Fund revenue estimate" means the next fiscal year
43 ongoing General Fund revenue estimate identified by the Executive Appropriations
44 Committee, in accordance with legislative rule, for use by the Office of the
45 Legislative Fiscal Analyst in preparing budget recommendations.
- 46 (i) "Member" means an enrollee.
- 47 (j) "PMPM" means per-member-per-month funding.
- 48 (2) If the General Fund growth factor is less than 100%, the next fiscal year base budget
49 shall, subject to Subsection (5), include an appropriation to the department in an amount
50 necessary to ensure that the next fiscal year PMPM for ACOs and behavioral health
51 plans equals the current fiscal year PMPM for the ACOs and behavioral health plans
52 multiplied by 100%.
- 53 (3) If the General Fund growth factor is greater than or equal to 100%, but less than 102%,
54 the next fiscal year base budget shall, subject to Subsection (5), include an appropriation
55 to the department in an amount necessary to ensure that the next fiscal year PMPM for
56 ACOs and behavioral health plans equals the current fiscal year PMPM for the ACOs
57 and behavioral health plans multiplied by the General Fund growth factor.
- 58 (4) If the General Fund growth factor is greater than or equal to 102%, the next fiscal year
59 base budget shall, subject to Subsection (5):
60 [~~(a) in fiscal years 2025 and 2026:~~]
61 [~~(i)~~] (a) include an appropriation to the department in an amount that would, prior to the
62 application of Subsection [~~(4)(a)(i)~~] (4)(b), allow the department to ensure that the
63 next fiscal year PMPMs for ACOs and behavioral health plans is greater than or
64 equal to the current fiscal year PMPMs for the ACOs and behavioral health plans

- 65 multiplied by 102%;
- 66 [(ii)] (b) subject to Subsection [(4)(a)(iii)] (4)(c), allocate the amount appropriated under
- 67 Subsection [(4)(a)(i)] (4)(a) to provide substantially the same year-over-year
- 68 percentage point increase to:
- 69 [(A)] (i) the PMPMs for ACOs and behavioral health plans; and
- 70 [(B)] (ii) each ABA service reimbursement rate; and
- 71 [(iii)] (c) for the initial appropriation under Subsection [(4)(a)(i)] (4)(a), prior to providing
- 72 the percentage point increases under Subsection [(4)(a)(ii)] (4)(b), allocate from the
- 73 total amount appropriated under Subsection [(4)(a)(i)] (4)(a) an amount necessary to
- 74 increase and substantially equalize each of the ABA service reimbursement rates with
- 75 a corresponding reimbursement rate paid for providing the same or substantially
- 76 similar service under an ACO or a behavioral health plan[; and] .
- 77 [(b) beginning in fiscal year 2027, include an appropriation to the department in an
- 78 amount necessary to ensure that the next fiscal year PMPMs for ACOs and
- 79 behavioral health plans is greater than or equal to the current fiscal year PMPMs for
- 80 the ACOs and the behavioral health plans multiplied by 102%, and less than or equal
- 81 to the current fiscal year PMPMs for the ACOs and the behavioral health plans
- 82 multiplied by the General Fund growth factor.]
- 83 (5) The appropriations provided to the department for behavioral health plans under this
- 84 section shall be reduced by the amount contributed by counties in the current fiscal year
- 85 for behavioral health plans in accordance with Subsections 17-77-201(5)(k) and
- 86 17-77-301(5)(a)(x).
- 87 (6) In order for the department to estimate the impact of Subsections (2) through (4) before
- 88 identification of the next fiscal year ongoing General Fund revenue estimate, the
- 89 Governor's Office of Planning and Budget shall, in cooperation with the Office of the
- 90 Legislative Fiscal Analyst, develop an estimate of ongoing General Fund revenue for the
- 91 next fiscal year and provide the estimate to the department no later than November 1 of
- 92 each year.
- 93 (7) The Office of the Legislative Fiscal Analyst shall include an estimate of the cost of
- 94 behavioral health services in any state Medicaid funding or savings forecast that is
- 95 completed in coordination with the department and the Governor's Office of Planning
- 96 and Budget.

97 Section 2. **Effective Date.**

98 This bill takes effect on May 6, 2026.