

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

PUBLISHED: 1/27/2026 11:45 AM

ORIGINAL

Bill Number: SB244

Patron: Head

Bill Title: Department of Medical Assistance Services; managed care organization contracts; notice to providers.

Bill Summary: Requires the Department of Medical Assistance Services (DMAS) to include in all of its managed care organization (MCO) contracts provisions requiring that the managed care organization notify all known providers of any new enrollee who was previously enrolled in a fee-for-service plan or another managed care plan under the state plan for medical assistance services that such enrollee has changed health plans.

Budget Amendment Necessary: Indeterminate **Items Impacted:** -

Explanation: There is insufficient information to determine the magnitude of any new costs incurred by MCOs or whether such costs would be sufficient to increase capitation payments made by DMAS.

Fiscal Summary: Indeterminate

Fiscal Analysis: While the provider communication capabilities of each MCO vary, MCOs may incur additional administrative costs to implement the provisions of this bill, including costs associated with provider notifications, updates to provider portals, and workflow modifications. To the extent these requirements increase MCO administrative costs, capitation payments paid by DMAS could increase. However, there is insufficient data at this time to determine a specific fiscal impact.

Other: DMAS indicates that the notice requirement created by this legislation may have Health Insurance Portability and Accountability Act (HIPAA) implications.