

Representative Kory M. Holdaway proposes the following substitute bill:

PROMOTION OF HEALTH CARE COVERAGE

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kory M. Holdaway

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the Medical Assistance Act and the Individual, Small Employer, and Group Health Insurance Act.

Highlighted Provisions:

This bill:

► requires the Department of Workforce Services, the State Board of Education, and the department to:

- collaborate with one another to develop a system to identify the health insurance status of certain children in public schools;

- report to the Legislature on the development of the system; and

- implement the system no later than the 2009-10 school year;

► requires the Department of Workforce Services to promote and facilitate the enrollment of the children identified in public schools without health insurance in the Utah Children's Health Insurance Program or the Medicaid program;

► requires the Division of Health Care Financing to seek federal approval to increase the Utah's Premium Partnership for Health Insurance Program income eligibility limit for adults to 200% of the federal poverty level; and

► provides that under certain conditions an individual who qualifies for premium



26 assistance under the Utah's Premium Partnership for Health Insurance Program, or the
27 individual's dependents, may enroll in an employer health benefit plan outside an open
28 enrollment period.

29 **Monies Appropriated in this Bill:**

30 This bill appropriates:

- 31 ▶ as an ongoing appropriation subject to future budget constraints, \$100,000 from the
- 32 General Fund for fiscal year 2008-09 to the Division of Health Care Financing
- 33 within the Department of Health to promote awareness of and facilitate enrollment
- 34 in the Utah's Premium Partnership for Health Insurance Program.

35 **Other Special Clauses:**

36 None

37 **Utah Code Sections Affected:**

38 ENACTS:

- 39 **26-18-12**, Utah Code Annotated 1953
- 40 **26-18-405**, Utah Code Annotated 1953
- 41 **31A-22-610.6**, Utah Code Annotated 1953



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

44 Section 1. Section **26-18-12** is enacted to read:

45 **26-18-12. System to identify health insurance status of certain children --**

46 **Promoting enrollment of children.**

47 (1) The Department of Workforce Services, the State Board of Education, and the
48 department shall:

49 (a) collaborate with one another to develop a system to identify the health insurance
50 status of a child in a public school at the time:

51 (i) the child applies for free or reduced price school lunch; or

52 (ii) a certificate of immunization required under Title 53A, Chapter 11, Part 3,

53 Immunization of Students, is submitted on behalf of the child;

54 (b) report to the Legislature on the development of the system under Subsection (1)(a)
55 no later than November 19, 2008; and

56 (c) implement the system developed under Subsection (1)(a) no later than the 2009-10

57 school year.

58 (2) The Department of Workforce Services shall promote and facilitate the enrollment
59 of children identified under Subsection (1)(a) without health insurance in the Utah Children's
60 Health Insurance Program or the Medicaid program.

61 Section 2. Section **26-18-405** is enacted to read:

62 **26-18-405. Utah's Premium Partnership for Health Insurance waiver.**

63 The division shall seek federal approval for an amendment to the waiver authorizing
64 Utah's Premium Partnership for Health Insurance Program that would increase the program's
65 income eligibility limit for adults to 200% of the federal poverty level.

66 Section 3. Section **31A-22-610.6** is enacted to read:

67 **31A-22-610.6. Special enrollment for individuals receiving premium assistance.**

68 (1) As used in this section:

69 (a) "Premium assistance" means assistance under Title 26, Chapter 18, Medical
70 Assistance Act, in the payment of premium.

71 (b) "Qualified beneficiary" means an individual who is approved to receive premium
72 assistance.

73 (2) Subject to the other provisions in this section, an individual may enroll under this
74 section at a time outside of an employer health benefit plan open enrollment period, regardless
75 of previously waiving coverage, if the individual is:

76 (a) a qualified beneficiary who is eligible for coverage as an employee under the
77 employer health benefit plan; or

78 (b) a dependent of the qualified beneficiary who is eligible for coverage under the
79 employer health benefit plan.

80 (3) To be eligible to enroll outside of an open enrollment period, an individual
81 described in Subsection (2) shall enroll in the employer health benefit plan by no later than 30
82 days from the day on which the qualified beneficiary receives written notification that the
83 qualified beneficiary is eligible to receive premium assistance.

84 (4) An individual described in Subsection (2) may enroll under this section only in an
85 employer's health benefit plan that is available at the time of enrollment to similarly situated
86 eligible employees or dependents of eligible employees.

87 (5) Coverage under an employer health benefit plan for an individual described in

88 Subsection (2) may begin as soon as the first day of the month immediately following
89 enrollment of the individual in accordance with this section.

90 (6) This section does not modify any requirement related to premiums that applies
91 under an employer health benefit plan to a similarly situated eligible employee or dependent of
92 an eligible employee under the employer health benefit plan.

93 (7) An employer health benefit plan may require an individual described in Subsection
94 (2) to satisfy a preexisting condition waiting period that:

95 (a) is allowed under the Health Insurance Portability and Accountability Act of 1996,
96 Pub. L. 104-191, 110 Stat. 1936; and

97 (b) is not longer than 12 months.

98 **Section 4. Appropriation.**

99 As an ongoing appropriation subject to future budget constraints, there is appropriated
100 from the General Fund for fiscal year 2008-09, \$100,000 to the Division of Health Care
101 Financing within the Department of Health to promote awareness of and facilitate enrollment
102 in the Utah's Premium Partnership for Health Insurance Program.

H.B. 364 1st Sub. (Buff) - Promotion of Health Care Coverage

Fiscal Note

2008 General Session
State of Utah

State Impact

This Legislation appropriates \$100,000 ongoing General Fund to go with \$100,000 in federal matching funds to the Department of Health for the promotion of Utah's Premium Partnership for Health Insurance Program. If outreach is successful, the state may incur additional costs associated with the increased Medicaid caseloads.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
General Fund	\$0	\$100,000	\$100,000	\$0	\$0	\$0
Federal Funds	\$0	\$100,000	\$100,000	\$0	\$0	\$0
Total	\$0	\$200,000	\$200,000	\$0	\$0	\$0

Individual, Business and/or Local Impact

Individuals who decide to enroll in the Medicaid program because of the outreach program will receive medical assistance. Businesses who serve the new Medicaid clients will have an increase in revenues. Enactment of this bill likely will not result in direct, measurable costs and/or benefits for local governments.