

Senator Brian E. Shiozawa proposes the following substitute bill:

AMENDMENTS TO MEDICAID AND HEALTH CARE

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brian E. Shiozawa

House Sponsor: James A. Dunnigan

LONG TITLE

General Description:

This bill establishes a health care premium partnership program to provide an individual who does not currently qualify for Medicaid and who is below 100% of the federal poverty level with a premium subsidy to enroll in a health benefit plan.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ establishes a new premium partnership program to provide an individual who is not currently eligible for Medicaid and who is below 100% of the federal poverty level with a premium subsidy to enroll in a health benefit plan;
- ▶ instructs the Utah Department of Health to obtain from the Centers for Medicare and Medicaid Services within the United States Department of Health and Human Services waivers from federal law necessary to implement the premium partnership program;
- ▶ provides the medically frail with the opportunity to enroll in Medicaid or the premium partnership program;
- ▶ requires the Utah Department of Health to seek waivers that allow maximum flexibility in the benefit design, cost sharing requirements, and individual



26 responsibility requirements of health benefit plans that may be selected by an eligible
27 individual;

28 ▶ requires the Medicaid program to seek flexibility to develop a pilot program to
29 integrate physical and behavioral health;

30 ▶ requires the Utah Department of Health to obtain the enhanced federal match rate
31 for the expansion waiver;

32 ▶ requires the Utah Department of Health to follow the high impact federal funds
33 approval process if the department does not obtain a waiver required by this bill;

34 and

35 ▶ sunsets the premium partnership program if federal participation in the program is
36 reduced.

37 **Money Appropriated in this Bill:**

38 None

39 **Other Special Clauses:**

40 None

41 **Utah Code Sections Affected:**

42 AMENDS:

43 **26-18-18**, as enacted by Laws of Utah 2013, Chapter 477



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

46 Section 1. Section **26-18-18** is amended to read:

47 **26-18-18. Utah Premium Partnership expansion.**

48 (1) For purposes of this section:

49 (a) "Medically frail" means an individual who meets the criteria of 42 C.F.R. 440.315
50 as determined by the department based on methodology administered by the department or
51 another entity selected by the department.

52 (b) "Optional expansion population" means individuals who:

53 (i) do not qualify for the Medicaid program; and

54 (ii) the Centers for Medicare and Medicaid Services within the United States

55 Department of Health and Human Services would otherwise determine are eligible for funding
56 at the enhanced Federal Medical Assistance Percentage available under PPACA beginning

57 January 1, 2014.

58 (c) PPACA is as defined in Section 31A-1-301.

59 (2) The department and the governor shall not expand the [state's] Medicaid program to
60 the optional expansion population [~~under PPACA~~] unless:

61 [~~(a) the Health Reform Task Force has completed a thorough analysis of a statewide
62 charity care system;~~]

63 [~~(b) the department and its contractors have;~~]

64 [~~(i) completed a thorough analysis of the impact to the state of expanding the state's
65 Medicaid program to optional populations under PPACA; and]~~

66 [~~(ii) made the analysis conducted under Subsection (2)(b)(i) available to the public;~~]

67 [~~(e)~~] (a) the governor or the governor's designee has reported the intention to expand
68 the [state] Medicaid program [~~under PPACA~~] to the Legislature in compliance with the
69 legislative review process in Sections 63M-1-2505.5 and 26-18-3; [~~and]~~

70 [~~(d)~~] (b) notwithstanding Subsection 63J-5-103(2), the governor submits the request
71 for expansion of the Medicaid program for optional populations to the Legislature under the
72 high impact federal funds request process required by Section 63J-5-204, Legislative review
73 and approval of certain federal funds request[-]; and

74 (c) the department establishes a premium partnership program, as provided in
75 Subsection (3), that focuses on enrolling individuals in health benefit plans rather than
76 government administered health care.

77 (3) The department shall amend the state Medicaid plan and obtain from the Centers
78 for Medicare and Medicaid Services within the United States Department of Health and
79 Human Services waivers from federal statutory and regulatory law necessary to implement a
80 plan to:

81 (a) provide a premium subsidy to an individual who is:

82 (i) below 100% of the federal poverty level;

83 (ii) in the optional expansion population; and

84 (iii) except as provided in Subsection (3)(f), not medically frail;

85 (b) obtain for individuals up to 100% of the federal poverty level in the optional
86 expansion population the enhanced federal financial participation as set forth in 42 U.S.C. Sec.
87 1396d(y);

88 (c) for individuals described in Subsection (3)(a), establish a mechanism for an
89 individual to:

90 (i) select a health benefit plan using the premium subsidy offered under Subsection
91 (3)(a); or

92 (ii) if the individual is offered employer sponsored health insurance, enroll in the
93 employer sponsored coverage;

94 (d) seek maximum flexibility for the benefit design of the health benefit plans that an
95 individual described in Subsection (3)(a) may select;

96 (e) seek maximum flexibility for individual responsibility, cost sharing, and wellness
97 programs incorporated into the health benefit plans an individual described in Subsection (3)(a)
98 may select;

99 (f) seek flexibility to develop a pilot program to integrate physical and behavioral
100 health services for the nonmedically frail and to monitor quality and access issues for the pilot
101 program; and

102 (g) offer coverage in accordance with 42 C.F.R. 440.315 to an individual who is in the
103 optional expansion population, medically frail, and below 100% of the federal poverty level,
104 which shall include the option for the individual to accept a premium subsidy under Subsection
105 (3)(a).

106 (4) If the department obtains the waivers in accordance with Subsection (3), the
107 department and the governor are considered to have met the requirements for Subsections
108 (2)(a) and (b). If the department does not obtain waivers in accordance with Subsection (3), the
109 department and the governor:

110 (a) may continue negotiations with the Centers for Medicare and Medicaid Services
111 regarding waivers from federal statutory and regulatory law; and

112 (b) shall comply with the reporting requirements of Subsections (2)(a) and the
113 legislative approval process required by Subsection (2)(b) before expanding Medicaid to any
114 portion of the optional expansion population.

115 (5) The premium subsidy program and benefits provided to the optional expansion
116 population under this section are repealed on the date of a certification by the executive
117 director that Congress has taken action that will reduce federal financial participation for the
118 expansion population below the amounts set forth in 42 U.S.C. Sec. 1396d(y).