

Senator Ed Mayne proposes the following substitute bill:

PORTABILITY OF MEDICAL ASSISTANCE

FUNDS

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ed Mayne

House Sponsor: Eric K. Hutchings

LONG TITLE

General Description:

This bill amends the Medical Assistance Act to require portability of funds, if necessary, to allow an eligible aged person to receive home or community-based services instead of being placed in, or remaining in, a nursing home.

Highlighted Provisions:

This bill:

▶ defines terms;

▶ requires the Department of Health to ~~§~~ **§**, **within funds appropriated by the**

Legislature for this purpose, and subject to approval by the federal government, ~~←§~~ provide

home or community-based services to

a Medicaid eligible aged person who is a resident of Utah and who qualifies to be

placed in, or remain in, a nursing home, if the person applies to receive the services

and the services can be provided at a cost to the state that is equal to, or less than, ~~§~~ **50 percent of** ~~←§~~

the cost to the state of maintaining the person in a nursing home;

▶ provides for case management in determining the home or community-based services necessary to care for an aged person outside of a nursing home;

▶ provides that the Department of Health may contract with the Department of Human Services or other agencies to make the determinations or provide the services

described in this bill;



26 ▶ provides for the portability of funds, that would have been used to place or maintain
27 a person in a nursing home, to fund the home or community-based services for that
28 person if the waiver funds designated for that purpose are inadequate.

29 **Monies Appropriated in this Bill:**

30 None

31 **Other Special Clauses:**

32 None

33 **Utah Code Sections Affected:**

34 ENACTS:

35 **26-18-601**, Utah Code Annotated 1953

36 **26-18-602**, Utah Code Annotated 1953

37 **26-18-603**, Utah Code Annotated 1953

38 **26-18-604**, Utah Code Annotated 1953



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

41 Section 1. Section **26-18-601** is enacted to read:

42 **Part 6. Portability of Medical Assistance Funds**

43 **26-18-601. Title.**

44 This part is known as "Portability of Medical Assistance Funds."

45 Section 2. Section **26-18-602** is enacted to read:

46 **26-18-602. Definitions.**

47 As used in this part:

48 (1) "Aged" means a person 65 years of age or older.

49 (2) "Medical assistance" means financial assistance or other services paid for under the
50 state plan for Medicaid under Title XIX of the Social Security Act.

51 Section 3. Section **26-18-603** is enacted to read:

52 **26-18-603. Requirement to provide home or community-based services --**

53 **Authority to contract.**

54 (1) ~~§~~ **→ [The] Within funds appropriated by the Legislature for this purpose, and**
54a **subject to approval by the federal government, the** ~~←~~ **§** department shall provide home or
54b community-based services to an aged person

55 if:

56 (a) the aged person:

57 (i) is a resident of this state;

58 (ii) qualifies for medical assistance to fund the aged person's placement or maintenance
59 in a nursing home;

60 (iii) applies for home or community-based services in order to avoid being placed in, or
61 remaining in, a nursing home; and

62 (iv) may be safely and adequately cared for outside of a nursing home; and

63 (b) the cost to the state of providing the home or community-based services described
64 in this Subsection (1) is less than, or equal to, ~~the~~ **50 percent of** the cost to the state of
64a providing care to the
65 person in a nursing home.

66 (2) If a person qualifies under Subsection (1) for, and chooses to receive, home or
67 community-based services, the department shall, on an ongoing basis:

68 (a) determine the extent of the resources already available to the person;

69 (b) determine the home and community-based services needed to safely and adequately
70 care for the person outside of a nursing home; and

71 (c) arrange for or provide the services described in Subsection (2)(b).

72 (3) The department may contract with the Department of Human Services or other
73 qualified agencies to make the determinations, or provide the services, described in this
74 section.

75 Section 4. Section **26-18-604** is enacted to read:

76 **26-18-604. Funding for home or community-based services.**

77 (1) Except as provided in Subsection (2), the costs of the home or community-based
78 services described in Section 26-18-603 shall be paid for with the applicable Medicaid
79 waiver funds designated for that purpose.

80 (2) If the funds described in Subsection (1) are not adequate to pay the costs of the
81 home and community-based services described in Section 26-18-603:

82 (a) the costs shall be paid from the funds that would have been used to pay the costs of
83 maintaining the person in a nursing home; and

84 (b) if the services are provided by, or through a contract with, the Department of
85 Human Services or another agency, the department shall execute a revenue transfer to the
86 Department of Human Services or the other agency in order to comply with Subsection (2)(a).

87 (3) A revenue transfer described in Subsection (2)(b) is exempt from the requirements

88 of Title 63, Chapter 38, Budgetary Procedures Act.

Fiscal Note**S.B. 61 1st Sub. (Green) - Portability of Medical Assistance Funds - As Amended**

2007 General Session

State of Utah

State Impact

Enactment of this bill will require an ongoing appropriation of \$2,000,000 from the General Fund beginning in FY 2008. This will be matched with \$2,581,100 Federal Funds. The Department of Human Services will receive \$1,305,600 (\$1,058,600 General Fund) of this appropriation, while the Department of Health will be allocated \$3,275,500 (\$941,400 General Fund) to implement the provisions of the bill.

Based on current federal and state statute and policy, the long-term fiscal impact of this legislation could be savings and cost avoidance for Utah's Medicaid Program and long-term care services.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>
General Fund	\$0	\$2,000,000	\$2,000,000	\$0	\$0	\$0
Federal Funds	\$0	\$2,581,100	\$2,581,100	\$0	\$2,581,100	\$2,581,100
Total	\$0	\$4,581,100	\$4,581,100	\$0	\$2,581,100	\$2,581,100

Individual, Business and/or Local Impact

Enactment of this bill will provide financial assistance to qualified Medicaid clients to receive selected services. There could be both increased costs and additional federal revenue to local governments and increased revenue to local providers that supply community and home-based services for the elderly.