

Senator Scott D. McCoy proposes the following substitute bill:

**COMMUNITY BASED SELF SUFFICIENCY
PROGRAM**

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jennifer M. Seelig

Senate Sponsor: Scott D. McCoy

LONG TITLE

General Description:

This bill amends the Access to Health Care part of the Medical Assistance Act in the Health Code.

Highlighted Provisions:

This bill:

- ▶ authorizes the Department of Health to spend funds from the interest earnings on the Medicaid Restricted Account to contract with private entities for community based services for low income individuals and individuals who are underserved in health care to assist them with prudent and appropriate use of health care resources;
- ▶ establishes the purposes of the contracts;
- ▶ amends definitions;
- ▶ directs the department to maximize federal matching dollars for the purpose of funding additional contracts for services;
- ▶ establishes the criteria for awarding the contract; and
- ▶ establishes a pilot program for the contract for service for the 2008-09 fiscal year.

Monies Appropriated in this Bill:

This bill appropriates:



26 ▶ \$250,000 from the Medicaid Restricted Account for fiscal year 2008-09 only, to
27 fund the pilot program for community based services.

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **26-18-301**, as enacted by Laws of Utah 1993, Chapter 255

33 **26-18-302**, as enacted by Laws of Utah 1993, Chapter 255

34 **26-18-304**, as enacted by Laws of Utah 1993, Chapter 255



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

37 Section 1. Section **26-18-301** is amended to read:

38 **26-18-301. Definitions.**

39 As used in this part:

40 (1) "Community based organization":

41 (a) means a private entity; and

42 (b) includes for profit and not for profit entities.

43 (2) "Cultural competence" means a set of congruent behaviors, attitudes, and policies
44 that come together in a system, agency, or profession and enables that system, agency, or
45 profession to work effectively in cross-cultural situations.

46 (3) "Health literacy" means the degree to which an individual has the capacity to
47 obtain, process, and understand health information and services needed to make appropriate
48 health decisions.

49 (4) " Institutional capacity" means the ability of a community based organization to
50 implement public and private contracts.

51 ~~[(1)]~~ (5) "Medically underserved population" means the population of an urban or rural
52 area or a population group designated by the department as having a shortage of primary health
53 care services.

54 ~~[(2)]~~ (6) "Primary health care" means:

55 (a) basic and general health care services given when a person seeks assistance to
56 screen for or to prevent illness and disease, or for simple and common illnesses and injuries;

57 and

58 (b) care given for the management of chronic diseases.

59 [~~(3)~~] (7) "Primary health care services" include, but are not limited to:

60 (a) services of physicians, ~~and~~ nurses, physician's assistants, and dentists licensed to

61 practice in this state under Title 58, Occupations and Professions;

62 (b) diagnostic and radiologic services;

63 (c) preventive health services including, but not limited to, perinatal services,

64 well-child services, and other services that seek to prevent disease or its consequences;

65 (d) emergency medical services;

66 (e) preventive dental services; and

67 (f) pharmaceutical services.

68 Section 2. Section **26-18-302** is amended to read:

69 **26-18-302. Department to award grants and contracts -- Applications.**

70 (1) (a) Within appropriations specified by the Legislature for this purpose, the

71 department may make grants to public and nonprofit entities for the cost of operation of

72 providing primary health care services to medically underserved populations.

73 (b) Within appropriations specified by the Legislature, the department may contract

74 with community based organizations for the purpose of developing culturally and linguistically

75 appropriate programs and services for low income and medically underserved populations

76 through a pilot program to accomplish one or more of the following:

77 (i) to educate individuals:

78 (A) to use private and public health care coverage programs, products, services, and

79 resources in a timely, effective, and responsible manner;

80 (B) to make prudent use of private and public health care resources;

81 (C) to pursue preventive health care, health screenings, and disease management;

82 (D) to locate health care programs and services;

83 (ii) to assist individuals to develop:

84 (A) personal health management;

85 (B) self-sufficiency in daily care; and

86 (C) life and disease management skills;

87 (iii) to support translation of health materials and information;

88 (iv) to facilitate an individual's access to primary care services and providers, including
89 mental health services; and

90 (v) to measure and report empirical results of the pilot project.

91 (2) (a) Grants by the department shall be awarded based on:

92 (i) applications submitted to the department in the manner and form prescribed by the
93 department; and [by]

94 (ii) the criteria established in Section 26-18-303.

95 (b) The application for a grant under Subsection (2)(a) shall contain:

96 (i) a requested award amount[;];

97 (ii) a budget[;]; and

98 (iii) a narrative plan of the manner in which the applicant intends to provide the
99 primary health care services described in [this chapter.] Subsection 26-18-301(7).

100 (c) A contract bid for a service under Subsection (1)(b):

101 (i) shall be awarded in accordance with Title 63, Chapter 56, Utah Procurement Code;

102 (ii) must include the information described in Section 28-18-303; and

103 (iii) is subject to Subsection (3) of this section .

104 (3) ~~[Applicants]~~ (a) An applicant under this chapter must demonstrate to the
105 department that ~~[they will operate in a manner such that no person shall be denied service by~~
106 ~~reason of his inability to pay. This]~~ the applicant will not deny services to a person because of
107 the person's inability to pay for the services.

108 (b) Subsection (3)(a) does not preclude [the] an applicant from seeking payment from
109 the [patient] person receiving services, a third party, or a government agency [that is authorized
110 or that] if:

111 (i) the applicant is authorized to charge for the services; and

112 (ii) the person, third party, or government agency is under legal obligation to pay
113 [such] the charges.

114 (4) The department shall maximize the use of federal matching funds received for
115 services under Subsection (1)(b) to fund additional contracts under Subsection (1)(b).

116 Section 3. Section **26-18-304** is amended to read:

117 **26-18-304. Process and criteria for awarding grants and contracts.**

118 (1) The department shall establish rules in accordance with Title 63, Chapter 46a, Utah

119 Administrative Rulemaking Act, governing the application form, process, and criteria it will
120 use in awarding grants and contracts under this chapter. [~~In awarding grants;~~]

121 (2) When awarding a primary care grant under Subsection 26-18-302(1)(a), the
122 department shall consider the extent to which the applicant:

123 [~~(1)~~] (a) demonstrates that the area or a population group to be served under the
124 application has a shortage of primary health care and that the services will be located so that
125 they will provide assistance to the greatest number of persons residing in [~~such~~] the area or
126 included in [~~such~~] the population group;

127 [~~(2)~~] (b) utilizes other sources of funding, including private funding, to provide primary
128 health care;

129 [~~(3)~~] (c) demonstrates the ability and expertise to serve traditionally medically
130 underserved populations including persons of limited English-speaking ability, single heads of
131 households, the elderly, persons with low incomes, and persons with chronic diseases;

132 [~~(4)~~] (d) demonstrates that it will assume financial risk for a specified number of
133 medically underserved persons within its catchment area for a predetermined level of care on a
134 prepaid capitation basis; and

135 [~~(5)~~] (e) meets other criteria determined by the department.

136 (3) When awarding a contract for community based services under Subsection
137 26-18-302(1)(b), the department shall:

138 (a) consider the extent to which the applicant:

139 (i) demonstrates that the area or a population group to be served under the application
140 is a medically underserved area or population and that the services will be located so that they
141 will provide assistance to the greatest number of persons residing in the area or included in the
142 population group;

143 (ii) utilizes other sources of funding, including private funding, to provide the services
144 described in Subsection 26-18-302(1)(b);

145 (iii) demonstrates the ability and expertise to serve traditionally medically underserved
146 populations including persons of limited English-speaking ability, single heads of households,
147 the elderly, persons with low incomes, and persons with chronic diseases;

148 (iv) meets other criteria determined by the department; and

149 (v) demonstrates the ability to empirically measure and report the results of all contract

150 supported activities;

151 (b) consider the extent to which the contract increases the applicant's institutional

152 capacity;

153 (c) consult with the state's:

154 (i) Medicaid program;

155 (ii) Children's Health Insurance Program; and

156 (iii) other assistance programs within the Department of Workforce Services and the

157 Department of Human Services; and

158 (d) for fiscal year 2008-09, implement the community based service contract as a pilot
159 program for which the department shall enter into contracts for services as follows:

160 (i) two contracts in the amount of \$50,000 each to be awarded to experienced and
161 established applicants; and

162 (ii) four contracts in the amount of \$30,000 each to be awarded to applicants that:

163 (A) are not as established or experienced as the applicants under Subsection (3)(c)(i);

164 or

165 (B) represent smaller community based approaches than the applicants described in
166 Subsection (3)(c)(i).

167 (4) Once a contract has been awarded under Subsection (3), the department shall
168 provide technical assistance to the contractee to familiarize the contractee with public and
169 private resources available to support wellness, health promotion, and disease management.

170 **Section 4. Appropriation.**

171 There is appropriated from the interest on the Medicaid Restricted Account for fiscal
172 year 2008-09 only, \$250,000 to the Department of Health to fund the contracts for services
173 authorized by Chapter 18, Part 3, Access to Health Care.

H.B. 131 4th Sub. (Green) - Community Based Self Sufficiency Program

Fiscal Note

2008 General Session

State of Utah

State Impact

This bill appropriates \$250,000 one-time from the Medicaid Restricted Account to the Department of Health in FY 2009 for contracts with community based health care services. To the extent that these monies qualify for federal matching funds, the total funds available may be as high as \$500,000.

	<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>
Other	\$0	\$250,000	\$0	\$0	\$0	\$0
Total	\$0	\$250,000	\$0	\$0	\$0	\$0

Individual, Business and/or Local Impact

Those businesses receiving these grants will receive increased revenues. Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals or local governments.