

Representative James A. Dunnigan proposes the following substitute bill:

ACCESS UTAH PROGRAM

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: James A. Dunnigan

Senate Sponsor: _____

LONG TITLE

General Description:

This bill establishes the Access Utah program to provide access to health care to certain individuals below the federal poverty level.

Highlighted Provisions:

This bill:

- ▶ updates language regarding the prohibition against Medicaid expansion to reflect current federal regulations;
- ▶ creates a two-year pilot program known as Access Utah to provide a defined contribution health benefit to individuals who are below the federal poverty level and who meet other need based requirements;
- ▶ establishes a coordinated care model for providing care in Access Utah; and
- ▶ instructs the Department of Health to:
 - work with the Legislature's Health Reform Task Force to develop a Section 1332 Medicaid waiver;
 - submit an amendment of the Utah Premium Partnership and Primary Care Network waiver to the Centers for Medicare and Medicaid Services to incorporate the Access Utah program; and
- ▶ instructs the Health Reform Task Force to evaluate the proposals for coverage of the



26 optional Medicaid population.

27 **Money Appropriated in this Bill:**

28 None

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **26-18-18**, as enacted by Laws of Utah 2013, Chapter 477

34 ENACTS:

35 **26-18-20**, Utah Code Annotated 1953

36 **Uncodified Material Affected:**

37 AMENDS UNCODIFIED MATERIAL:

38 **Uncodified Section 42, Laws of Utah 2013, Chapter 341**



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

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

42 **26-18-18. Optional Medicaid expansion.**

43 (1) For purposes of this section:

44 (a) "Optional expansion population" means individuals who:

45 (i) do not qualify for the state's Medicaid program; and

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

47 Department of Health and Human Services would otherwise determine are eligible for funding

48 at the enhanced federal medical assistance percentage available under PPACA beginning

49 January 1, 2014.

50 (b) PPACA is as defined in Section **31A-1-301**.

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

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

55 [~~(b) the department and its contractors have:]~~

56 [~~(i) completed a thorough analysis of the impact to the state of expanding the state's~~

57 Medicaid program to optional populations under PPACA; and]
 58 [~~(ii) made the analysis conducted under Subsection (2)(b)(i) available to the public;~~]
 59 [~~(e)~~] (a) the governor or the governor's designee has reported the intention to expand
 60 the state Medicaid program under PPACA to the Legislature in compliance with the legislative
 61 review process in Sections 63M-1-2505.5 and 26-18-3; and
 62 [~~(d)~~] (b) notwithstanding Subsection 63J-5-103(2), the governor submits the request
 63 for expansion of the Medicaid program for optional populations to the Legislature under the
 64 high impact federal funds request process required by Section 63J-5-204, Legislative review
 65 and approval of certain federal funds request.

66 Section 2. Section 26-18-20 is enacted to read:

67 **26-18-20. Access Utah -- Eligibility -- Defined contribution.**

68 (1) For purposes of this section:

69 (a) "Access Utah" means the defined contribution program created in this section.

70 (b) "Medically frail" means an individual who meets the criteria of 42 C.F.R. 440.315
 71 as determined by the department based on methodology administered by the department or
 72 another entity selected by the department.

73 (c) "Optional expansion population" is as defined in Section 26-18-18.

74 (2) (a) The department shall establish a two-year pilot program known as "Access
 75 Utah," which shall:

76 (i) begin on January 1, 2015, and end on January 1, 2017; and

77 (ii) provide a defined contribution to eligible individuals in accordance with this
 78 section.

79 (b) The department shall work with the Legislature's Health Reform Task Force to
 80 develop a Medicaid waiver proposal under Section 1332 of the Social Security Act to submit to
 81 the Centers for Medicare and Medicaid Services within the United States Department of Health
 82 and Human Services.

83 (3) An individual is eligible for Access Utah if the individual:

84 (a) (i) is in the optional expansion population and below 100% of the federal poverty
 85 level; and

86 (ii) (A) is medically frail; or

87 (B) is an adult with a dependent child; and

88 (b) if funding permits, is an individual described in Subsection (3)(a)(i), but not in
89 Subsection (3)(a)(ii).

90 (4) (a) Within appropriations from the Legislature, the department shall offer to an
91 eligible individual a defined contribution in an amount determined by the department.

92 (b) An eligible individual shall use the defined contribution to purchase employer
93 sponsored health insurance coverage if the individual is offered employer sponsored health
94 insurance coverage.

95 (c) If an eligible individual is not offered employer sponsored coverage, the individual
96 may use the defined contribution to purchase:

97 (i) a commercial health insurance policy; or

98 (ii) access to a coordinated care model described in Subsection (5).

99 (5) (a) The department may contract with public and private entities to provide or
100 manage the delivery of a coordinated care model to an individual described in Subsection
101 (4)(c)(ii).

102 (b) The coordinated care model shall combine state and federal funding with charity
103 care resources to:

104 (i) provide, as funding permits, preventive care, outpatient care, pharmacy benefits,
105 urgent and emergency care, and limited hospital benefits; and

106 (ii) integrate physical health and behavioral health services.

107 (6) The department shall evaluate and report to the Legislature's Health Reform Task
108 Force on or before November 1, 2016, regarding:

109 (a) the methods used to determine a medically frail individual and the number of
110 medically frail individuals who enrolled in Access Utah;

111 (b) access to and quality of care in Access Utah; and

112 (c) whether Access Utah helped to facilitate enrollee self-sufficiency.

113 (7) (a) Notwithstanding Section [26-18-18](#), the department shall seek an extension of
114 Utah's Primary Care Network and the Utah Premium Partnership 1115 Waiver from the
115 Centers for Medicare and Medicaid Services within the United States Department of Health
116 and Human Services in accordance with Subsection (7)(b).

117 (b) The department may modify the Primary Care Network and The Utah Premium
118 Partnership scope of benefits and eligibility criteria as part of the waiver request under

119 Subsection (7)(a) if:

120 (i) the department develops the waiver request in coordination with the Legislature's
121 Health Reform Task Force and reports to the Legislature's Executive Appropriations
122 Committee regarding the waiver request; and

123 (ii) the modification of benefits will:

124 (A) not increase the state's expenditure for the Access Utah program beyond the
125 Legislature's appropriation for the program; and

126 (B) further the state's goal to reduce health care costs, improve access to health care,
127 and improve health outcomes of Utah citizens.

128 Section 3. **Uncodified Section 42, Laws of Utah 2013, Chapter 341** is amended to
129 read:

130 Section 42. **Duties -- Interim report.**

131 (1) The task force shall review and make recommendations on the following issues:

132 (a) the impact of implementation of the federal health reform law and federal
133 regulations on the state;

134 (b) options for the state regarding Medicaid expansion and reform including;

135 (i) the proposals for expansion of coverage for the optional Medicaid population
136 developed during the 2014 General Session of the Legislature;

137 (ii) coordination of and evaluation of proposals for providing access to health care for
138 the optional Medicaid population developed by the task force, the Governor, the Department of
139 Health, and the Centers for Medicare and Medicaid Services within the United States
140 Department of Health and Human Services;

141 (c) health care cost containment strategies;

142 (d) the role of the state defined contribution arrangement market and online health
143 insurance market places established under PPACA;

144 (e) governing structure for the state's defined contribution arrangement market;

145 (f) Medicaid behavioral health delivery and payment reform models within Medicaid
146 accountable care organizations and other county provided delivery settings, including:

147 (i) the development of a system to encourage, track, evaluate, share, and disseminate
148 results from existing pilot projects; and

149 (ii) payment reform models that promote performance based reimbursement;

150 (g) the delivery of charity care in the state, including:
151 (i) the identification of:
152 (A) medically underserved and needy populations and geographic areas of the state;
153 (B) barriers in the current health care delivery and payment models to the promotion of
154 a comprehensive charity care system; and
155 (C) current resources available for medical care for medically under-served populations
156 and medically underserved geographic areas in the state; and
157 (ii) proposals to establish:
158 (A) wellness education;
159 (B) personal responsibility for health care; and
160 (C) a coordinated, statewide, private sector approach to universal, basic health care for
161 Utah's medically underserved populations and geographic areas, using private partners to affect
162 cost savings and market efficiencies; and
163 (h) the use of self-insured health plans by small employers and the regulation of small
164 employer stop-loss insurance in the state.
165 (2) A final report, including any proposed legislation, shall be presented to the
166 Business and Labor Interim Committee before [~~November 30, 2013, and before~~] November 30,
167 2014.