

## SB0251S02 compared with SB0251

~~{deleted text}~~ shows text that was in SB0251 but was deleted in SB0251S02.

inserted text shows text that was not in SB0251 but was inserted into SB0251S02.

**DISCLAIMER:** This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Senator Gene Davis proposes the following substitute bill:

### AMENDMENTS TO MEDICAID AND HEALTH CARE

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Brian E. Shiozawa**

House Sponsor: \_\_\_\_\_

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#### 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}~~ amends the Utah Health Code related to the state Medicaid program.

##### 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}~~ requires the Department of Health to ~~{obtain from the Centers~~

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~~for Medicare and Medicaid Services within the United States}~~amend the state Medicaid plan to expand Medicaid eligibility to the optional populations under the Patient Protection and Affordable Care Act;

▶ requires the Department of Health and ~~{Human Services waivers from federal law necessary to implement the premium partnership program}~~the Department of Workforce Services to apply for an enhanced federal match rate and other funding to pay for administrative and developmental costs for the eligibility and enrollment system;

▶ requires the ~~{Utah Department of Health to seek waivers that allow maximum flexibility in the benefit design, cost sharing requirements, and individual responsibility requirements of health benefit plans that may be selected by an eligible individual; and~~

→ ~~sunset the premium partnership program if federal participation in the program is reduced}~~General Fund savings associated with Medicaid expansion to be deposited into the Medicaid Growth Reduction and Budget Stabilization Account to be used to fund the future costs of Medicaid expansion; and

▶ repeals a provision requiring the governor to comply with certain requirements before expanding Medicaid; and

▶ provides that Medicaid expansion is repealed if federal funding decreases from the Patient Protection and Affordable Care Act funding rates.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

None

### Utah Code Sections Affected:

AMENDS:

63J-1-315, as enacted by Laws of Utah 2011, Chapter 211

ENACTS:

26-18-20, Utah Code Annotated 1953

REPEALS:

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

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

Section 1. Section ~~{26-18-18}~~26-18-20 is ~~{amended}~~enacted to read:

~~{26-18-18}~~26-18-20. ~~{Utah Premium Partnership}~~ Medicaid eligibility expansion.

(1) For purposes of this section~~;~~:

~~\_\_\_\_\_ (a) "Medically frail" shall be determined by the department based on:~~

~~\_\_\_\_\_ (i) 42 C.F.R. 440.315; and~~

~~\_\_\_\_\_ (ii) an automated assessment adopted by the department in consultation with};~~

"PPACA" is as defined in Section 31A-1-301.

(2) The state shall, in accordance with this section and PPACA, amend its state Medicaid plan to expand Medicaid eligibility to the optional Medicaid expansion population under PPACA.

(3) The department and the Department of Workforce Services~~;~~:

~~\_\_\_\_\_ (b) "Optional expansion population" means individuals who:~~

~~\_\_\_\_\_ (i) do not qualify for the Medicaid program; and~~

~~\_\_\_\_\_ (ii) the Centers for Medicare and Medicaid Services within the United States~~

~~Department of Health and Human Services would otherwise determine are eligible for funding at the enhanced Federal Medical Assistance Percentage available under PPACA beginning January 1, 2014.~~

~~\_\_\_\_\_ (c) PPACA is as defined in Section 31A-1-301.~~

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

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

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

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

~~\_\_\_\_\_ [(ii) made the analysis conducted];~~

(a) shall apply for enhanced federal match rates to cover the eligibility and enrollment system costs associated with increasing Medicaid eligibility under Subsection (2)~~{(b)(i)}~~ available to the public;

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

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

~~\_\_\_\_\_ (b) the department establishes a premium partnership program, as provided in Subsection (3), that focuses on enrolling individuals health benefit plans rather than government administered health care.~~

~~\_\_\_\_\_ (3); and~~

(b) may apply for grants and other assistance to cover the costs to the state for developing and administering the expanded Medicaid eligibility system.

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

~~\_\_\_\_\_ (a) provide a premium subsidy to an individual who is:~~

~~\_\_\_\_\_ (i) below 100% of the federal poverty level;~~

~~\_\_\_\_\_ (ii) in the optional expansion population; and~~

~~\_\_\_\_\_ (iii) not medically frail;~~

~~\_\_\_\_\_ (b) obtain the enhanced federal financial participation for the optional expansion population up to 100% of the federal poverty level, as described in PPACA, Subsection 2001(a)(3);~~

~~\_\_\_\_\_ (c) for individuals described in Subsection (3)(a), establish a mechanism for an individual to:~~

~~\_\_\_\_\_ (i) select a health benefit plan using the premium subsidy offered;~~ assist the Department of Finance with identifying savings to the state General Fund associated with the expansion of Medicaid eligibility under this section.

(b) The Department of Finance shall deposit the savings identified under Subsection (3)(a); or

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

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

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

~~— (f) offer coverage}4)(a) into the Medicaid Growth Reduction and Budget Stabilization Account in accordance with {42 C.F.R. 440.315 to an individual who is in the optional expansion population, medically frail, and below 100% of the federal poverty level;~~

~~— (4) The premium subsidy program and benefits provided to the optional expansion population}Section 63J-1-315.~~

~~(5) The Medicaid expansion under this section {are}is repealed on the date of a certification by the executive director that:~~

~~(a) Congress has taken an action that will reduce the federal financial participation for the expansion population; and~~

~~(b) the reduction in federal financial participation exceeds the reductions described in PPACA, Subsection 2001(a)(3).~~

†

### **Legislative Review Note**

~~— as of 2-19-14 12:39 PM~~

~~— Office of Legislative Research and General Counsel; Section 2. Section 63J-1-315 is amended to read:~~

~~**63J-1-315. Medicaid Growth Reduction and Budget Stabilization Account**  
**--Transfers of Medicaid growth savings -- Base budget adjustments.**~~

~~(1) As used in this section:~~

~~(a) "Department" means the Department of Health created in Section 26-1-4.~~

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(b) "Division" means the Division of Health Care Financing created within the department under Section 26-18-2.1.

(c) "General Fund revenue surplus" means a situation where actual General Fund revenues collected in a completed fiscal year exceed the estimated revenues for the General Fund for that fiscal year that were adopted by the Executive Appropriations Committee of the Legislature.

(d) "Medicaid growth savings" means the Medicaid growth target minus Medicaid program expenditures, if Medicaid program expenditures are less than the Medicaid growth target.

(e) "Medicaid growth target" means Medicaid program expenditures for the previous year multiplied by 1.08.

(f) "Medicaid program" is as defined in Section 26-18-2.

(g) "Medicaid program expenditures" means total state revenue expended for the Medicaid program from the General Fund, including restricted accounts within the General Fund, during a fiscal year.

(h) "Medicaid program expenditures for the previous year" means total state revenue expended for the Medicaid program from the General Fund, including restricted accounts within the General Fund, during the fiscal year immediately preceding a fiscal year for which Medicaid program expenditures are calculated.

(i) "Operating deficit" means that, at the end of the fiscal year, the unassigned fund balance in the General Fund is less than zero.

(j) "State revenue" means revenue other than federal revenue.

(k) "State revenue expended for the Medicaid program" includes money transferred or appropriated to the Medicaid Growth Reduction and Budget Stabilization Account only to the extent the money is appropriated for the Medicaid program by the Legislature.

(2) There is created within the General Fund a restricted account to be known as the Medicaid Growth Reduction and Budget Stabilization Account.

(3) (a) (i) Except as provided in Subsection (6), if, at the end of a fiscal year, there is a General Fund revenue surplus, the Division of Finance shall transfer an amount equal to Medicaid growth savings from the General Fund to the Medicaid Growth Reduction and Budget Stabilization Account.

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(ii) If the amount transferred is reduced to prevent an operating deficit, as provided in Subsection (6), the Legislature shall include, to the extent revenue is available, an amount equal to the reduction as an appropriation from the General Fund to the account in the base budget for the second fiscal year following the fiscal year for which the reduction was made.

(b) If, at the end of a fiscal year, there is not a General Fund revenue surplus, the Legislature shall include, to the extent revenue is available, an amount equal to Medicaid growth savings as an appropriation from the General Fund to the account in the base budget for the second fiscal year following the fiscal year for which the reduction was made.

(c) Subsections (3)(a) and (3)(b) apply only to the fiscal year in which the department implements:

(i) the proposal developed under Section 26-18-405 to reduce the long-term growth in state expenditures for the Medicaid program, and to each fiscal year after that year[-]; or

(ii) expansion of Medicaid eligibility under Section 26-18-20.

(4) The Division of Finance shall calculate the amount to be transferred under Subsection (3):

(a) before transferring revenue from the General Fund revenue surplus to:

(i) the General Fund Budget Reserve Account under Section 63J-1-312 and;

(ii) the State Disaster Recovery Restricted Account under Section 63J-1-314;

(b) before earmarking revenue from the General Fund revenue surplus to the Industrial Assistance Account under Section 63M-1-905; and

(c) before making any other year-end contingency appropriations, year-end set-asides, or other year-end transfers required by law.

(5) (a) If, at the close of any fiscal year, there appears to be insufficient money to pay additional debt service for any bonded debt authorized by the Legislature, the Division of Finance may hold back from any General Fund revenue surplus money sufficient to pay the additional debt service requirements resulting from issuance of bonded debt that was authorized by the Legislature.

(b) The Division of Finance may not spend the hold back amount for debt service under Subsection (5)(a) unless and until it is appropriated by the Legislature.

(c) If, after calculating the amount for transfer under Subsection (3), the remaining General Fund revenue surplus is insufficient to cover the hold back for debt service required by

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Subsection (5)(a), the Division of Finance shall reduce the transfer to the Medicaid Growth Reduction and Budget Stabilization Account by the amount necessary to cover the debt service hold back.

(d) Notwithstanding Subsections (3) and (4), the Division of Finance shall hold back the General Fund balance for debt service authorized by this Subsection (5) before making any transfers to the Medicaid Growth Reduction and Budget Stabilization Account or any other designation or allocation of General Fund revenue surplus.

(6) Notwithstanding Subsections (3) and (4), if, at the end of a fiscal year, the Division of Finance determines that an operating deficit exists and that holding back earmarks to the Industrial Assistance Account under Section 63M-1-905, transfers to the State Disaster Recovery Restricted Account under Section 63J-1-314, transfers to the General Fund Budget Reserve Account under Section 63J-1-312, or earmarks and transfers to more than one of those accounts, in that order, does not eliminate the operating deficit, the Division of Finance may reduce the transfer to the Medicaid Growth Reduction and Budget Stabilization Account by the amount necessary to eliminate the operating deficit.

(7) The Legislature may appropriate money from the Medicaid Growth Reduction and Budget Stabilization Account only:

(a) (i) if Medicaid program expenditures for the fiscal year for which the appropriation is made are estimated to be 108% or more of Medicaid program expenditures for the previous year; and

[(b)] (ii) for the Medicaid program[-]; or

(b) to fund Medicaid expansion under Section 26-18-20.

(8) The Division of Finance shall deposit interest or other earnings derived from investment of Medicaid Growth Reduction and Budget Stabilization Account money into the General Fund.

Section 3. Repealer.

This bill repeals:

Section 26-18-18, Optional Medicaid expansion.