

1 **EXTENSION OF PRIMARY CARE NETWORK AND**
 2 **MEDICAID BENEFITS UNDER EXISTING 70/30**
 3 **FEDERAL/STATE COST SHARING AMENDMENTS**

4 2015 GENERAL SESSION
 5 STATE OF UTAH

6 **Chief Sponsor: James A. Dunnigan**
 7 Senate Sponsor: Brian E. Shiozawa

9 **LONG TITLE**

10 **General Description:**

11 This bill authorizes the extension of primary care network benefits to adults under
 12 100% of the federal poverty level and extension of traditional Medicaid benefits to
 13 certain adults without a dependent child and certain adults with a dependent child.

14 **Highlighted Provisions:**

15 This bill:

- 16 ▶ defines terms;
- 17 ▶ instructs the Department of Health to apply for a waiver from federal statutory and
 18 regulatory law to:

- 19 • extend coverage under the primary care network to adults below 100% of the
 20 federal poverty level;
- 21 • extend traditional Medicaid benefits to certain adults without a dependent child;
- 22 • extend traditional Medicaid benefits to certain adults with a dependent child;

23 and

- 24 • provide financial sustainability for the waiver by permitting the state to adjust
 25 the percentage of poverty level covered, either up or down, based on program
 26 costs and the state budget; and

- 27 ▶ instructs the Department of Health to continue negotiations with the federal



28 government to obtain greater flexibility for any future Medicaid expansion.

29 **Money Appropriated in this Bill:**

30 This bill appropriates:

31 ▶ for fiscal years 2014-2015 and 2015-2016, ongoing:

- 32 • funding for the primary care network expansion and the coverage for certain
- 33 adults in the traditional Medicaid program, including estimated woodwork
- 34 effect.

35 **Other Special Clauses:**

36 None

37 **Utah Code Sections Affected:**

38 AMENDS:

39 **26-18-18**, as enacted by Laws of Utah 2013, Chapter 477



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

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

43 **26-18-18. Optional Medicaid expansion.**

44 (1) For purposes of this section:

45 (a) "Adult expansion population" means individuals who:

46 (i) are described in 42 U.S.C. Sec. 1396a(10)(A)(i)(VIII); and

47 (ii) are not otherwise eligible for Medicaid as mandatory categorically needy

48 individuals.

49 (b) "PPACA" ~~[is as]~~ means the same as that term is defined in Section **31A-1-301**.

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

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

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

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

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

58 ~~[(c) the governor or the governor's designee has reported the intention to expand the~~

59 state Medicaid program under PPACA to the Legislature in compliance with the legislative
60 review process in Sections ~~63M-1-2505.5~~ and ~~26-18-3~~; and]

61 (a) the department implements a program for the adult expansion population in
62 accordance with Subsections (3) and (4); or

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

67 (3) The department shall amend the state Medicaid plan and obtain from the Centers
68 for Medicare and Medicaid Services within the United States Department of Health and
69 Human Services waivers from federal statutory and regulatory law necessary to implement a
70 plan to extend Medicaid services to an individual in the adult expansion population, within
71 appropriations from the Legislature:

72 (a) if the individual is:

73 (i) a childless adult who is at or below a percentage of the federal poverty level:

74 (A) that is designated by the department;

75 (B) which may not exceed 33% of the federal poverty level; and

76 (C) that is specifically funded for this program in the fiscal year; or

77 (ii) an adult who has a dependent child and is at or below a percentage of the federal
78 poverty level:

79 (A) that is designated by the department;

80 (B) which may not exceed 64% of the federal poverty level; and

81 (C) that is specifically funded for this program in the fiscal year; and

82 (b) if the Medicaid program is permitted to adjust the percentage of the federal poverty
83 level designated under Subsection (3)(a)(i) or (ii), either up or down, as necessary to respond to
84 the adult expansion population program costs and the state budget.

85 (4) The department shall request a waiver from the Centers for Medicare and Medicaid
86 Services within the United States Department of Health and Human Services from federal
87 statutory and regulatory law necessary to amend the state Medicaid plan to continue the state's
88 primary care network for adults who:

89 (a) are not covered under Subsection (3)(a);

90 (b) are below 100% of the federal poverty level; and

91 (c) can be covered in the primary care network within appropriations from the

92 Legislature.

93 (5) (a) If the department obtains waivers under Subsection (3), the department shall
94 amend the state Medicaid plan and implement the Medicaid program in accordance with the
95 waivers under Subsection (3).

96 (b) If the department obtains waivers under Subsections (3) and (4), the department
97 shall amend the state Medicaid plan and implement the Medicaid program in accordance with
98 the waivers under Subsections (3) and (4).

99 (c) The department may not implement a waiver under Subsection (4) without also
100 implementing a waiver under Subsection (3).

101 (6) The department shall:

102 (a) continue to negotiate with the Centers for Medicare and Medicaid Services for
103 additional waivers from federal statutory and regulatory law necessary to implement a plan
104 with additional state flexibility and increased federal match rates;

105 (b) comply with the reporting and the legislative approval process required by
106 Subsection (2)(b) before expanding Medicaid to any portion of the adult expansion population
107 that differs from the provisions of Subsections (3) and (4); and

108 (c) annually report to the Legislature's Health Reform Task Force, on or before
109 November interim day, regarding the enrollment in the Medicaid program, the primary care
110 network program and costs to the state for each of the programs.

111 **Section 2. Appropriation.**

112 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for
113 the fiscal year beginning July 1, 2014 and ending June 30, 2015, the following sums of money
114 are appropriated from resources not otherwise appropriated, or reduced from amounts
115 previously appropriated, out of the funds or accounts indicated. These sums of money are in
116 addition to any amounts previously appropriated for fiscal year 2015.

117 To Department of Health - Medicaid and Health Financing

118 From General Fund, One-time \$93,000

119 From Federal Funds \$128,000

120 Schedule of Programs:

121	<u>Director's Office</u>	<u>\$221,000</u>	
122	<u>To Department of Health - Medicaid Mandatory Services</u>		
123	<u>From General Fund, One-time</u>		<u>\$50,000</u>
124	<u>From Federal Funds</u>		<u>\$450,000</u>
125	<u>Schedule of Programs:</u>		
126	<u>Medicaid Management Information</u>		
127	<u>System Replacement</u>	<u>\$500,000</u>	
128	<u>Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for</u>		
129	<u>the fiscal year beginning July 1, 2015 and ending June 30, 2016, the following sums of money</u>		
130	<u>are appropriated from resources not otherwise appropriated, or reduced from amounts</u>		
131	<u>previously appropriated, out of the funds or accounts indicated. These are additions to any</u>		
132	<u>amounts previously appropriated for fiscal year 2016.</u>		
133	<u>To Department of Human Services - Substance Abuse and Mental Health</u>		
134	<u>From General Fund</u>		<u>(\$2,000,000)</u>
135	<u>Schedule of Programs:</u>		
136	<u>Mental Health Centers</u>	<u>(\$78,600)</u>	
137	<u>Local Substance Abuse Services</u>	<u>(\$1,921,400)</u>	
138	<u>To Department of Health - Medicaid and Health Financing</u>		
139	<u>From General Fund</u>		<u>\$323,000</u>
140	<u>From Federal Funds</u>		<u>\$480,500</u>
141	<u>Schedule of Programs:</u>		
142	<u>Director's Office</u>	<u>\$803,500</u>	
143	<u>To Department of Health - Medicaid Optional Services</u>		
144	<u>From General Fund</u>		<u>\$23,000,000</u>
145	<u>From Federal Funds</u>		<u>\$53,000,000</u>
146	<u>Schedule of Programs:</u>		
147	<u>Other Optional Services</u>	<u>\$76,000,000</u>	
148	<u>To Utah Department of Corrections - Department of Medical Services</u>		
149	<u>From General Fund</u>		<u>(\$1,000,000)</u>
150	<u>Schedule of Programs:</u>		
151	<u>Medical Services</u>	<u>(\$1,000,000)</u>	

152	<u>To Department of Workforce Services - Operations and Policy</u>	
153	<u>From General Fund</u>	<u>\$1,633,200</u>
154	<u>From General Fund, One-time</u>	<u>\$15,200</u>
155	<u>From Federal Funds</u>	<u>\$1,770,300</u>
156	<u>Schedule of Programs:</u>	
157	<u>Eligibility Services</u>	<u>\$3,266,400</u>
158	<u>Information Technology</u>	<u>\$152,300</u>
159	<u>To Department of Health - Mandatory Services</u>	
160	<u>From General Fund</u>	<u>\$10,000,000</u>
161	<u>From General Fund, One-time</u>	<u>\$100,000</u>
162	<u>From Federal Funds</u>	<u>\$27,900,000</u>
163	<u>Schedule of Programs:</u>	
164	<u>Other Mandatory Services</u>	<u>\$37,000,000</u>
165	<u>Medicaid Management Information</u>	
166	<u>Systems Replacement</u>	<u>\$1,000,000</u>

Legislative Review Note
as of 3-3-15 8:56 AM

Office of Legislative Research and General Counsel