

## SB0164S01 compared with SB0164

~~text~~ shows text that was in SB0164 but was deleted in SB0164S01.

text shows text that was not in SB0164 but was inserted into SB0164S01.

**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 Brian E. Shiozawa proposes the following substitute bill:

### ACCESS TO HEALTH CARE AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Brian E. Shiozawa**

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

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#### LONG TITLE

##### General Description:

This bill authorizes an application for a waiver to the state Medicaid program to expand access to health care to ~~individuals who do~~ the adult expansion population that does not qualify for the state's traditional Medicaid program.

##### Highlighted Provisions:

This bill:

- ▶ authorizes the Department of Health and the governor to negotiate a waiver to the state Medicaid program to establish a pilot program to provide access to health care to certain individuals in the state;
- ▶ requires the state Medicaid waiver to meet certain conditions, including notifying enrollees that the expansion is a two year pilot program;
- ▶ sunsets the Medicaid waiver in two years and requires a legislative review ~~of the~~

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~~Medicaid waiver in three years;~~ regarding:

- the percentage of participants employed, in training, or participating in a work search program;
  - program enrollment categorized by employer sponsored plans, premium assistance, and medically exempt; and
  - annual cost per enrollee;
- ▶ requires approval by the Legislature if the Center for Medicare and Medicaid Services changes the waiver conditions approved by the Legislature in this bill;~~†~~
- ~~sunsets the Medicaid waiver in five years;~~ and
- ▶ immediately repeals the Medicaid waiver if federal fund participation is reduced below a certain level.

### Money Appropriated in this Bill:

~~{None}~~ This bill appropriates:

- ▶ for fiscal years 2016 and 2017:
  - funds the two year pilot program, including funding more than the estimated woodwork effect and more than the estimated crowd-out effect.

### Other Special Clauses:

None

### Utah Code Sections Affected:

AMENDS:

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

**63I-1-226**, as last amended by Laws of Utah 2014, Chapters 25 and 118

**63J-1-602.1**, as last amended by Laws of Utah 2014, Chapter 384

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

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

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

(1) For purposes of this section:

(a) "~~Medically exempt~~" means an individual who meets the criteria of 42 C.F.R. ~~440.315 as determined by the department based on methodology administered by the department or another entity selected by the department.~~

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~~\_\_\_\_\_~~ (b) "~~Optional~~ Adult 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;~~ are described in 42 U.S.C. Sec. 1396a(10)(A)(i)(VIII); and

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

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

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

~~{}~~(2) The department and the governor shall not expand the state's Medicaid program to the ~~[optional]~~ adult 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 under Subsection (2)(b)(i) available to the public;]~~

~~[(c) 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]~~

(a) the department implements a program for the adult expansion population in accordance with Subsection (3); or

~~[(d)]~~ (b) notwithstanding Subsection 63J-5-103(2), the governor submits the request for expansion of the Medicaid program for ~~[optional]~~ the adult expansion 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. ~~{}~~

~~{\_\_\_\_\_}~~ (2) (a) ~~The department may implement a program to provide access to health care and access to health care insurance for the optional expansion population in accordance with~~

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### Subsection (3):

~~\_\_\_\_\_ (b) The department may not expand Medicaid to any part of the optional expansion population except:~~

~~\_\_\_\_\_ (i) in accordance with Subsection (3); or~~

~~\_\_\_\_\_ (ii) if not in accordance with Subsection (3), notwithstanding Subsection 63J-5-103(2), the governor submits the proposal for the expansion of Medicaid to the Legislature under the high impact federal funds request process required by Section 63J-5-204.~~

‡ (3) 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) in the ~~{optional}~~adult expansion population; and

(ii) except as provided in Subsection (3)(g), not medically exempt;

(b) 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 under Subsection (3)(a); or

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

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

(d) 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;

(e) offer enrollees the option to obtain services to look for and obtain employment;

(f) seek flexibility to develop a pilot program to integrate physical and behavioral health services;

(g) offer coverage in accordance with 42 C.F.R. 440.315 to an individual who is in the ~~{optional}~~adult expansion population and medically exempt, which shall include the option for the individual to accept a premium subsidy under Subsection (3)(a); and

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(h) obtain the maximum federal financial participation for the ~~adult~~ expansion population as set forth in 42 U.S.C. Sec. 1396d(y).

(4) (a) If the department obtains waivers under Subsection (3) ~~and~~:

(i) the department may implement the Medicaid program in accordance with the waiver;

(ii) the department may implement a transition program to provide coverage to ~~eligible individuals~~ the adult expansion population beginning July 1, 2015 until January 1, 2016;

(iii) the department shall notify a person in the adult expansion population who enrolls in the program that the enrollment in the Medicaid program is based on a pilot program; and

(iv) in addition to implementing the waiver under Subsection (3), the department may continue to negotiate with the Centers for Medicare and Medicaid Services for additional waivers to the state Medicaid program for the adult expansion population that would establish budgetary protections for the state, such as caps on spending, caps on enrollment, or limitation of benefits available to the adult population.

(b) Notwithstanding Subsection (2)(b), if the department obtains additional waivers described in Subsection (4)(a)(iv), the department may implement the waivers without prior authorization under the high impact federal funds request process.

(5) If the department does not obtain waivers in accordance with Subsection (3), the department and the governor:

(a) may continue negotiations with the Centers for Medicare and Medicaid Services within the United States Department of Health and Human Services regarding waivers from federal statutory and regulatory law; and

(b) shall comply with the reporting and the legislative approval process required by Subsection (2)(b)(ii) before expanding Medicaid to any portion of the ~~optional~~ adult expansion population.

(6) On or before July 1, ~~2019~~2017, the department shall report to the Legislature's Health and Human Services Interim Committee regarding:

(a) the percentage of participants employed, in training, or participating in a work search program;

(b) program enrollment, categorized by employer sponsored plans, premium assistance

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plans, and the medically exempt; and

(c) the annual cost per enrollee.

(7) The premium subsidy program and benefits provided to the ~~optional~~ adult expansion population under this section are repealed on the earlier of:

(a) the date of a certification by the executive director that Congress has taken action that will reduce federal financial participation for the adult expansion population below the ~~amounts~~ rates set forth in 42 U.S.C. Sec. 1396d(y) as of January 1, 2014; or

(b) the date in Section 63I-1-226.

Section 2. Section **63I-1-226** is amended to read:

### **63I-1-226. Repeal dates, Title 26.**

(1) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July 1, 2015.

(2) Section 26-10-11 is repealed July 1, 2015.

(3) Section 26-18-12, Expansion of 340B drug pricing programs, is repealed July 1, 2013.

(4) Section 26-21-23, Licensing of non-Medicaid nursing care facility beds, is repealed July 1, 2018.

(5) Section 26-21-211 is repealed July 1, 2013.

(6) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1, 2024.

(7) Title 26, Chapter 36a, Hospital Provider Assessment Act, is repealed July 1, 2016.

(8) The Medicaid waiver authorized in Subsection 26-18-18(3) is repealed ~~January~~ July 1, ~~2021~~ 2017.

~~(8)~~ (9) Section 26-38-2.5 is repealed July 1, 2017.

~~(9)~~ (10) Section 26-38-2.6 is repealed July 1, 2017.

~~(10)~~ (11) Title 26, Chapter 56, Hemp Extract Registration Act, is repealed July 1, 2016.

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**Legislative Review Note**

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~~as of 2-5-15 5:43 PM~~

~~Office of Legislative Research and General Counsel~~ Section 3. Section 63J-1-602.1 is amended to read:

**63J-1-602.1. List of nonlapsing accounts and funds -- General authority and Title 1 through Title 30.**

- (1) Appropriations made to the Legislature and its committees.
- (2) The Percent-for-Art Program created in Section 9-6-404.
- (3) The Martin Luther King, Jr. Civil Rights Support Restricted Account created in Section 9-18-102.
- (4) The LeRay McAllister Critical Land Conservation Program created in Section 11-38-301.
- (5) An appropriation made to the Division of Wildlife Resources for the appraisal and purchase of lands under the Pelican Management Act, as provided in Section 23-21a-6.
- (6) Award money under the State Asset Forfeiture Grant Program, as provided under Section 24-4-117.
- (7) Funds collected from the emergency medical services grant program, as provided in Section 26-8a-207.
- (8) The Prostate Cancer Support Restricted Account created in Section 26-21a-303.
- (9) State funds appropriated for matching federal funds in the Children's Health Insurance Program as provided in Section 26-40-108.
- (10) The Utah Health Care Workforce Financial Assistance Program created in Section 26-46-102.
- (11) The primary care grant program created in Section 26-10b-102.
- (12) All appropriations associated with the adult expansion population in the Medicaid program created in Section 26-18-18.

Section 4. **Appropriation.**

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

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addition to any amounts previously appropriated for fiscal year 2015.

To Insurance Department - Insurance Department Administration

From General Fund Restricted - Insurance Department Account \$5,600

Schedule of Programs:

Administration \$5,600

To Department of Health - Medicaid and Health Financing

From General Fund, One-time \$793,500

From Federal Funds \$1,623,500

Schedule of Programs:

Director's Office \$2,417,000

To Department of Workforce Services - Operations and Policy

From General Fund, One-time \$140,500

From Federal Funds \$1,264,200

Schedule of Programs:

Information Technology \$1,298,800

Eligibility Services \$105,900

Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following sums of money are appropriated from resources not otherwise appropriated, or reduced from amounts previously appropriated, out of the funds or accounts indicated. These sums of money are in addition to any amounts previously appropriated for fiscal year 2016.

To Department of Administrative Services - Inspector General of Medicaid Services

From General Fund \$48,800

From Federal Funds \$48,700

Schedule of Programs:

Inspector General of Medicaid Services \$97,500

To Department of Human Services - Substance Abuse and Mental Health

From General Fund (\$6,000,000)

Schedule of Programs:

Mental Health Centers (\$235,800)

Local Substance Abuse Services (\$5,764,200)



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### To Department of Health - Medicaid and Health Financing

<u>From General Fund</u>	<u>\$658,500</u>
<u>From Federal Funds</u>	<u>\$778,500</u>
<u>Schedule of Programs:</u>	
<u>Director's Office</u>	<u>\$1,437,000</u>

### To Department of Health - Medicaid Optional Services

<u>From General Fund</u>	<u>(\$5,000,000)</u>
<u>From General Fund, One-time</u>	<u>\$12,000,000</u>
<u>From Federal Funds</u>	<u>\$342,000,000</u>
<u>Schedule of Programs:</u>	
<u>Other Optional Services</u>	<u>\$349,000,000</u>

### To Department of Health - Medicaid Mandatory Services

<u>From General Fund, One-time</u>	<u>\$33,500,000</u>
<u>From Federal Funds</u>	<u>\$27,000,000</u>
<u>Schedule of Programs:</u>	
<u>Other Mandatory Services</u>	<u>\$58,500,000</u>
<u>Medicaid Management Information</u>	
<u>System Replacement</u>	<u>\$2,000,000</u>

### To Department of Workforce Services - Operations and Policy

<u>From General Fund</u>	<u>\$1,590,000</u>
<u>From General Fund, One-time</u>	<u>\$140,500</u>
<u>From Federal Funds</u>	<u>\$6,034,200</u>
<u>Schedule of Programs:</u>	
<u>Eligibility Services</u>	<u>\$6,217,500</u>
<u>Information Technology</u>	<u>\$1,547,200</u>

### To Utah Department of Corrections - Department Medical Services

<u>From General Fund</u>	<u>(\$2,000,000)</u>
<u>Schedule of Programs:</u>	
<u>Medical Services</u>	<u>(\$2,000,000)</u>

### To Insurance Department - Insurance Department Administration

<u>From General Fund Restricted Account - Insurance Department</u>	
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Restricted Account

\$90,600

Schedule of Programs:

Insurance Department - Administration

\$90,600