

**Senator Daniel Hemmert** proposes the following substitute bill:

**MEDICAID WAIVER AMENDMENTS**

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Daniel Hemmert**

House Sponsor: Adam Robertson

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**LONG TITLE**

**General Description:**

This bill authorizes certain changes and waivers for the Medicaid program.

**Highlighted Provisions:**

This bill:

- ▶ requires the Department of Health to implement certain changes to the Medicaid program;
- ▶ authorizes the Department of Health to apply for waivers or a state plan amendment if necessary to implement the changes in this bill;
- ▶ creates various reporting requirements; and
- ▶ creates repeal dates for the reporting requirements in this bill.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63I-2-226**, as last amended by Laws of Utah 2017, Chapters 126, 155, 413, and 419

ENACTS:



26 [26-18-415](#), Utah Code Annotated 1953

27 [26-18-416](#), Utah Code Annotated 1953

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

30 Section 1. Section [26-18-415](#) is enacted to read:

31 **[26-18-415](#). Medicaid reform waivers -- Reporting requirements.**

32 (1) (a) The department shall implement a work and community engagement  
 33 requirement for certain eligibility groups in the Medicaid program.

34 (b) The work and community engagement requirement described in Subsection (1)(a)  
 35 does not apply to a person who is:

36 (i) a child;

37 (ii) pregnant;

38 (iii) disabled;

39 (iv) aged; ~~§~~ → [or] ← ~~§~~

40 (v) a primary care giver ~~§~~ → [;] ; or

40a (vi) **an independent foster care adolescent as defined in Section [26-18-403](#).** ← ~~§~~

41 (2) The department shall incorporate one or more direct primary care payment models  
 42 into the Medicaid program.

43 (3) Before January 1, 2019, the department shall study and report to the Social Services  
 44 Appropriations Subcommittee on options for limiting retroactive eligibility for certain  
 45 eligibility groups.

46 (4) The department shall design and implement a pilot program that provides a 12 to 24  
 47 month medical savings account for certain enrollees in the Medicaid program.

48 (5) The department:

49 (a) if the waiver described in Section [26-18-416](#) is not approved, may not implement  
 50 the components described in Subsections (1) through (4) without federal matching funds at a  
 51 rate that is greater than or equal to the federal medical assistance percentage, as defined in 42  
 52 U.S.C. Sec. 1396d(b); and

53 (b) shall design the components described in Subsections (1) through (4) to:

54 (i) reduce the cost of the Medicaid program to the state;

55 (ii) promote enrollee health and self-sufficiency; and

56 (iii) create incentives to utilize health care resources wisely.

57 (6) If necessary to implement the components described in Subsections (1) through (4),  
58 the department shall apply for a waiver or a state plan amendment with the Center for Medicare  
59 and Medicaid Services within the United States Department of Health and Human Services:

60 (a) before January 1, 2019, to implement the components described in Subsections (1)  
61 through (2); and

62 (b) before July 1, 2019, to implement the component described in Subsection (4).

63 (7) (a) Before January 1, 2019, the department shall report to the Social Services  
64 Appropriations Subcommittee and the Health and Human Services Interim Committee on  
65 options for creating a Medicaid waiver request that would authorize the state to limit Medicaid  
66 spending growth by limiting the services received by one or more Medicaid eligibility groups.

67 (b) The options developed by the department in Subsection (7)(a) shall:

68 (i) consider the clinical effectiveness and cost of services covered by the Medicaid  
69 program;

70 (ii) require a public stakeholder process that includes an opportunity for submission of  
71 public comment for review by the department; and

72 (iii) be designed to reduce the costs of the Medicaid program to the state.

73 (8) Before January 1, 2019, the department and the Department of Workforce Services  
74 shall report to the Social Services Appropriations Subcommittee and the Health and Human  
75 Services Interim Committee on:

76 (a) processes that the Department of Workforce Services uses for determining and  
77 verifying eligibility for the Medicaid program; and

78 (b) recommendations to improve the accuracy and reduce the cost of determining and  
79 verifying eligibility for the Medicaid program.

80 Section 2. Section **26-18-416** is enacted to read:

81 **26-18-416. Medicaid block grant waiver -- Reporting requirement.**

82 (1) Before January 1, 2019, the department shall apply for a Medicaid waiver with the  
83 Centers for Medicare and Medicaid Services within the United States Department of Health  
84 and Human Services to implement the proposal developed under Subsection (2).

85 (2) The department shall develop a proposal for the state to administer the Medicaid  
86 program, or a portion of the Medicaid program:

87 (a) with federal funds provided to the state according to a per capita block grant

88 formula developed by the department that includes an annual inflationary adjustment; and

89 (b) in a manner that increases the state's control over one or more of the following:

90 (i) the types of services provided;

91 (ii) the manner in which services are delivered and paid for;

92 (iii) eligibility requirements; or

93 (iv) enrollee cost sharing.

94 (3) (a) Before October 1, 2018, and in accordance with the requirements in Subsection

95 26-18-3(3), the department shall report to the Social Services Appropriations Subcommittee

96 and the Health Reform Task Force on the proposal developed under Subsection (2).

97 (b) After submitting the waiver application under Subsection (1), the department shall

98 report any modifications to the waiver application to the Social Services Appropriations

99 Subcommittee and the Health Reform Task Force.

100 Section 3. Section **63I-2-226** is amended to read:

101 **63I-2-226. Repeal dates -- Title 26.**

102 (1) Section 26-8a-107 is repealed July 1, 2019.

103 (2) Subsections 26-10-12(2) and (4) are repealed July 1, 2017.

104 (3) Subsections 26-18-415(7) and (8) are repealed January 1, 2020.

105 (4) Subsection 26-18-416(3) is repealed January 1, 2025.

106 [~~3~~] (5) Title 26, Chapter 46, Utah Health Care Workforce Financial Assistance  
107 Program, is repealed July 1, 2027.

108 [~~4~~] (6) Title 26, Chapter 59, Telehealth Pilot Program, is repealed January 1, 2020.