{deleted text} shows text that was in SB0172S01 but was deleted in SB0172S02.

Inserted text shows text that was not in SB0172S01 but was inserted into SB0172S02.

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 Daniel Hemmert proposes the following substitute bill:

MEDICAID WAIVER AMENDMENTS

2018 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Daniel Hemmert

House Sponsor: {Daniel McCay} Adam Robertson

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 This bill provides a coordination clause.

Utah Code Sections Affected:

AMENDS:

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

26-18-415, Utah Code Annotated 1953

26-18-416, Utah Code Annotated 1953

Utah Code Sections Affected by Coordination Clause:

26-18-415, Utah Code Annotated 1953

26-18-416, Utah Code Annotated 1953

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

Section 1. Section 26-18-415 is enacted to read:

<u>26-18-415.</u> Medicaid reform waivers -- Reporting requirements.

- (1) (a) The department shall implement a work and community engagement requirement for certain eligibility groups in the Medicaid program.
- (b) The work and community engagement requirement described in Subsection (1)(a) does not apply to a person who is:
 - (i) a child;
 - (ii) pregnant;
 - (iii) disabled;
 - (iv) aged; { or }
 - (v) a primary care giver ; or
- ({2}<u>vi</u>) {The department shall incorporate one or more direct primary care payment models into the Medicaid program.
- (3) Before January 1, 2019, the department shall study and report to the Social Services

 Appropriations Subcommittee on options for limiting retroactive eligibility for certain

 eligibility groups.
 - (4) an independent foster care adolescent as defined in Section 26-18-403.
 - (2) The department shall design and implement a pilot program that provides a 12 to 24

month medical savings account for certain enrollees in the Medicaid program.

- (3) Before January 1, 2019, the department shall study and report to the Social Services

 Appropriations Subcommittee on options for limiting retroactive eligibility for certain

 eligibility groups.
 - $(\frac{5}{4})$ The department:
- (a) if the waiver described in Section 26-18-416 is not approved, may not implement the components described in Subsections (1) {through}and ({4}2) without federal matching funds at a rate that is greater than or equal to the federal medical assistance percentage, as defined in 42 U.S.C. Sec. 1396d(b); and
 - (b) shall design the components described in Subsections (1) through (\frac{1}{4}\frac{3}{3}) to:
 - (i) reduce the cost of the Medicaid program to the state;
 - (ii) promote enrollee health and self-sufficiency; and
 - (iii) create incentives to utilize health care resources wisely.
- ({6}<u>5</u>) If necessary to implement the components described in Subsections (1) {through} and ({4}<u>2</u>), the department shall apply for a waiver or a state plan amendment with the Center for Medicare and Medicaid Services within the United States Department of Health and Human Services:
- (a) before January 1, 2019, to implement the components described in {Subsections} Subsection (1{}) through (2}); and
 - (b) before July 1, 2019, to implement the component described in Subsection (\frac{\{4\}2}{2}).
- ({7}6) (a) Before January 1, 2019, the department shall report to the Social Services

 Appropriations Subcommittee and the Health and Human Services Interim Committee on
 options for creating a Medicaid waiver request that would authorize the state to limit Medicaid
 spending growth by limiting the services received by one or more Medicaid eligibility groups.
 - (b) The options developed by the department in Subsection ($\frac{7}{6}$)(a) shall:
- (i) consider the clinical effectiveness and cost of services covered by the Medicaid program;
- (ii) require a public stakeholder process that includes an opportunity for submission of public comment for review by the department; and
 - (iii) be designed to reduce the costs of the Medicaid program to the state.
 - ({8}7) Before January 1, 2019, the department and the Department of Workforce

Services shall report to the Social Services Appropriations Subcommittee and the Health and Human Services Interim Committee on:

- (a) processes that the Department of Workforce Services uses for determining and verifying eligibility for the Medicaid program; and
- (b) recommendations to improve the accuracy and reduce the cost of determining and verifying eligibility for the Medicaid program.
 - Section 2. Section **26-18-416** is enacted to read:

<u>26-18-416.</u> Medicaid block grant waiver -- Reporting requirement.

- (1) Before January 1, 2019, the department shall apply for a Medicaid waiver with the Centers for Medicare and Medicaid Services within the United States Department of Health and Human Services to implement the proposal developed under Subsection (2).
- (2) The department shall develop a proposal for the state to administer the Medicaid program, or a portion of the Medicaid program:
- (a) with federal funds provided to the state according to a per capita block grant formula by eligibility group developed by the department that:
 - (i) includes an annual inflationary adjustment;
 - (ii) accounts for differences in cost among categories of Medicaid eligibility; and
 - (iii) provides greater flexibility to the state than the current Medicaid payment model;

<u>and</u>

- (b) in a manner that increases the state's control over { one or more of the following}:
- (i) the types of services provided;
- (ii) the manner in which services are delivered and paid for;
- (iii) eligibility requirements; {or}and
- (iv) enrollee cost sharing.
- (3) (a) Before October 1, 2018, and in accordance with the requirements in Subsection 26-18-3(3), the department shall report to the Social Services Appropriations Subcommittee and the Health Reform Task Force on the proposal developed under Subsection (2).
- (b) After submitting the waiver application under Subsection (1), the department shall report any modifications to the waiver application to the Social Services Appropriations

 Subcommittee and the Health Reform Task Force.
 - Section 3. Section **63I-2-226** is amended to read:

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

- (1) Section 26-8a-107 is repealed July 1, 2019.
- (2) Subsections 26-10-12(2) and (4) are repealed July 1, 2017.
- (3) Subsections 26-18-415(7) and (8) are repealed January 1, {2020}2022.
- (4) Subsection 26-18-416(3) is repealed January 1, 2025.
- [(3)] (5) Title 26, Chapter 46, Utah Health Care Workforce Financial Assistance Program, is repealed July 1, 2027.
 - [(4)] (6) Title 26, Chapter 59, Telehealth Pilot Program, is repealed January 1, 2020.

<u>Section 4. Coordinating S.B. 172 with H.B. 325 -- Substantive and technical</u> amendments.

If this S.B. 172 and H.B. 325, Primary Care Network Amendments, both pass and become law, it is the intent of the Legislature that the Office of Legislative Research and General Counsel shall prepare the Utah Code database for publication by making the following changes:

(1) modify Section 26-18-415 in S.B. 172 to read:

<u>"26-18-415. Medicaid reform waivers -- Reporting requirements.</u>

- (1) As used in this section, "decision date" means the day on which the division:
- (a) receives a notice from the Centers for Medicare and Medicaid Services that the waiver submitted under Section 26-18-415, Primary Care Network enhancement waiver program, will not be approved; or
- (b) withdraws the waiver submitted under Section 26-18-415, Primary Care Network enhancement waiver program.
- (2) (a) The department shall implement a work and community engagement requirement for certain eligibility groups in the Medicaid program.
- (b) The work and community engagement requirement described in Subsection (2)(a) does not apply to a person who is:
 - (i) a child;
 - (ii) pregnant;
 - (iii) disabled;
 - (iv) aged;
 - (v) a primary care giver; or

- (vi) an independent foster care adolescent as defined in Section 26-18-403.
- (3) The department shall design and implement a pilot program that provides a 12 to 24 month medical savings account for certain enrollees in the Medicaid program.
- (4) Before January 1, 2019, the department shall study and report to the Social Services

 Appropriations Subcommittee on options for limiting retroactive eligibility for certain

 eligibility groups.
 - (5) The department:
- (a) if the waiver described in Section 26-18-416 is not approved, may not implement the components described in Subsections (2) and (3) without federal matching funds at a rate that is greater than or equal to the federal medical assistance percentage, as defined in 42 U.S.C. Sec. 1396d(b); and
 - (b) shall design the components described in Subsections (2) through (4) to:
 - (i) reduce the cost of the Medicaid program to the state;
 - (ii) promote enrollee health and self-sufficiency; and
 - (iii) create incentives to utilize health care resources wisely.
- (6) If necessary to implement the components described in Subsections (2) and (3), the department shall apply for a waiver or a state plan amendment with the Center for Medicare and Medicaid Services within the United States Department of Health and Human Services:
- (a) within eight months after the decision date, to implement the components described in Subsection (2); and
- (b) within 12 months after the decision date, to implement the component described in Subsection (3).
- (7) (a) Before January 1, 2019, the department shall report to the Social Services

 Appropriations Subcommittee and the Health and Human Services Interim Committee on
 options for creating a Medicaid waiver request that would authorize the state to limit Medicaid
 spending growth by limiting the services received by one or more Medicaid eligibility groups.
 - (b) The options developed by the department in Subsection (7)(a) shall:
- (i) consider the clinical effectiveness and cost of services covered by the Medicaid program;
- (ii) require a public stakeholder process that includes an opportunity for submission of public comment for review by the department; and

- (iii) be designed to reduce the costs of the Medicaid program to the state.
- (8) Before January 1, 2019, the department and the Department of Workforce Services shall report to the Social Services Appropriations Subcommittee and the Health and Human Services Interim Committee on:
- (a) processes that the Department of Workforce Services uses for determining and verifying eligibility for the Medicaid program; and
- (b) recommendations to improve the accuracy and reduce the cost of determining and verifying eligibility for the Medicaid program."; and
 - (2) modify Section 26-18-416 to read:

"26-18-416. Medicaid block grant waiver -- Reporting requirement.

- (1) As used in this section, "decision date" means the day on which the division:
- (a) receives a notice from the Centers for Medicare and Medicaid Services that the waiver submitted under Section 26-18-415, Primary Care Network enhancement waiver program, will not be approved; or
- (b) withdraws the waiver submitted under Section 26-18-415, Primary Care Network enhancement waiver program.
- (2) Within eight months after the decision date, the department shall apply for a

 Medicaid waiver with the Centers for Medicare and Medicaid Services within the United States

 Department of Health and Human Services to implement the proposal developed under

 Subsection (3).
- (3) The department shall develop a proposal for the state to administer the Medicaid program, or a portion of the Medicaid program:
- (a) with federal funds provided to the state according to a per capita block grant formula by eligibility group developed by the department that:
 - (i) includes an annual inflationary adjustment;
 - (ii) accounts for differences in cost among categories of Medicaid eligibility; and
- (iii) provides greater flexibility to the state than the current Medicaid payment model; and
 - (b) in a manner that increases the state's control over:
 - (i) the types of services provided;
 - (ii) the manner in which services are delivered and paid for;

- (iii) eligibility requirements; and
- (iv) enrollee cost sharing.
- (4) (a) Within six months after the decision date, and in accordance with the requirements in Subsection 26-18-3(3), the department shall report to the Social Services

 Appropriations Subcommittee and the Health Reform Task Force on the proposal developed under Subsection (3).
- (b) After submitting the waiver application under Subsection (2), the department shall report any modifications to the waiver application to the Social Services Appropriations

 Subcommittee and the Health Reform Task Force."