

CHILDREN'S HEALTH COVERAGE AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Luz Escamilla

House Sponsor: James A. Dunnigan

LONG TITLE

General Description:

This bill creates alternative eligibility requirements for the Children's Health Insurance Program.

Highlighted Provisions:

This bill:

- ▶ modifies definitions;
- ▶ creates alternative eligibility requirements for the Children's Health Insurance Program;
- ▶ allows the department to create a waiting list for applicants eligible under the alternative eligibility requirements;
- ▶ specifies what benefits a child may receive if eligible under the alternative eligibility requirements;
- ▶ limits enrollment for children who are eligible under the alternative eligibility requirements; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2024:

▶ to the Department of Health and Human Services -- Integrated Health Care Services, Children's Health Insurance Program Services as an ongoing appropriation:



- 28 • from the General Fund, \$4,500,000

29 **Other Special Clauses:**

30 This bill provides a special effective date.

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **26-40-102**, as last amended by Laws of Utah 2019, Chapter 393

34 **26-40-105**, as last amended by Laws of Utah 2019, Chapter 393

35 **26-40-106**, as last amended by Laws of Utah 2021, Chapter 175

36 **26-40-108**, as last amended by Laws of Utah 2010, Chapter 391



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

39 Section 1. Section **26-40-102** is amended to read:

40 **26-40-102. Definitions.**

41 As used in this chapter:

42 (1) "Child" means a person who is under 19 years ~~[of age]~~ old.

43 ~~[(2) "Eligible child" means a child who qualifies for enrollment in the program as~~
44 ~~provided in Section **26-40-105**.]~~

45 ~~[(3)]~~ (2) "Member" means a child enrolled in the program.

46 ~~[(4)]~~ (3) "Plan" means the department's plan submitted to the United States Department
47 of Health and Human Services pursuant to 42 U.S.C. Sec. 1397ff.

48 ~~[(5)]~~ (4) "Program" means the Utah Children's Health Insurance Program created by
49 this chapter.

50 (5) "Traditionally eligible child" means, subject to limitations created by the federal
51 government, a child who is:

52 (a) a citizen of the United States;

53 (b) a qualified non-citizen;

54 (c) a Supplemental Security Income recipient living in the United States on August 22,
55 1996, that meets the federal government's criteria for one of the grand-fathered Supplemental
56 Security Income recipient non-citizen groups; or

57 (d) a lawfully present child.

58 Section 2. Section **26-40-105** is amended to read:

59 **26-40-105. Eligibility.**

60 (1) ~~(a) [A child is eligible to]~~ A traditionally eligible child may enroll in the program if
 61 the child:

62 ~~[(a)]~~ (i) is a bona fide Utah resident;

63 ~~[(b) is a citizen or legal resident of the United States;]~~

64 ~~[(c) is under 19 years of age;]~~

65 ~~[(d)]~~ (ii) does not have access to or coverage under other health insurance, including
 66 any coverage available through a parent or legal guardian's employer;

67 ~~[(e)]~~ (iii) is ineligible for Medicaid benefits;

68 ~~[(f)]~~ (iv) resides in a household whose gross family income, as defined by rule, is at or
 69 below 200% of the federal poverty level; and

70 ~~[(g)]~~ (v) is not an inmate of a public institution or a patient in an institution for mental
 71 diseases.

72 (b) Subject to Subsection (4)(b), a child who is not a traditionally eligible child may
 73 enroll in the program if:

74 (i) the child:

75 (A) has been living in the state for at least ~~H~~→ [90] 180 ←~~H~~ days before the day on which
 76a the child

76 applies for the program; ~~H~~→ [and] ←~~H~~

77 (B) meets the requirements described in ~~H~~→ [Subsection (1)(a)] Subsections (1)(a)(i)
 77a through (iii) and (v) ←~~H~~ ; and

77b ~~H~~→ (C) resides in a household whose gross family income, as defined by rule, is at or above
 77c 100% of the federal poverty level and does not exceed 200% of the federal poverty level;
 77d and ←~~H~~

78 (ii) the child's parent has unsubsidized employment.

79 (2) A child who qualifies for enrollment in the program under Subsection (1) may not
 80 be denied enrollment due to a diagnosis or pre-existing condition.

81 (3) (a) The department shall determine eligibility and send notification of the eligibility
 82 decision within 30 days after receiving the application for coverage.

83 (b) If the department cannot reach a decision because the applicant fails to take a
 84 required action, or because there is an administrative or other emergency beyond the
 85 department's control, the department shall:

86 (i) document the reason for the delay in the applicant's case record; and

87 (ii) inform the applicant of the status of the application and time frame for completion.

88 (4) (a) The department may not close enrollment in the program for a child who is
 89 eligible to enroll in the program under the provisions of Subsection (1)(a).

90 (b) Enrollment under Subsection (1)(b) is subject to state appropriation.

91 (c) The department may create a waiting list for enrollment under Subsection (1)(b) if
92 eligible applicants exceed state appropriations.

93 (5) The program shall:

94 (a) apply for grants to make technology system improvements necessary to implement
95 a simplified enrollment and renewal process in accordance with Subsection (5)(b); and

96 (b) if funding is available, implement a simplified enrollment and renewal process.

97 Section 3. Section **26-40-106** is amended to read:

98 **26-40-106. Program benefits.**

99 (1) Except as provided in Subsection (3), medical and dental program benefits shall be
100 benchmarked, in accordance with 42 U.S.C. Sec. 1397cc, as follows:

101 (a) medical program benefits, including behavioral health care benefits, shall be
102 benchmarked effective July 1, 2019, and on July 1 every third year thereafter, to:

103 (i) be substantially equal to a health benefit plan with the largest insured commercial
104 enrollment offered by a health maintenance organization in the state; and

105 (ii) comply with the Mental Health Parity and Addiction Equity Act, Pub. L. No.
106 110-343; and

107 (b) dental program benefits shall be benchmarked effective July 1, 2019, and on July 1
108 every third year thereafter in accordance with the Children's Health Insurance Program
109 Reauthorization Act of 2009, to be substantially equal to a dental benefit plan that has the
110 largest insured, commercial, non-Medicaid enrollment of covered lives that is offered in the
111 state, except that the utilization review mechanism for orthodontia shall be based on medical
112 necessity.

113 (2) On or before July 1 of each year, the department shall publish the benchmark for
114 dental program benefits established under Subsection (1)(b).

115 (3) The program benefits:

116 (a) for enrollees who are at or below 100% of the federal poverty level are exempt
117 from the benchmark requirements of Subsections (1) and (2); and

118 (b) shall include treatment for autism spectrum disorder as defined in Section
119 [31A-22-642](#), which:

120 (i) shall include coverage for applied behavioral analysis; and

121 (ii) if the benchmark described in Subsection (1)(a) does not include the coverage
122 described in this Subsection (3)(b), the department shall exclude from the benchmark described
123 in Subsection (1)(a) for any purpose other than providing benefits under the program.

124 (4) Notwithstanding any other provision of this section, the program benefits,
125 coverage, and cost sharing for a child enrolled under Subsection 26-40-105(1)(b) shall be equal
126 to the benefits, coverage, and cost sharing provided to a child who:

127 (a) is eligible under Subsection 26-40-105(1)(a); and

128 (b) resides in a household that has a gross family income equal to 200% of the federal
129 poverty level.

130 Section 4. Section **26-40-108** is amended to read:

131 **26-40-108. Funding.**

132 (1) ~~[The]~~ Except as provided in Subsection (3), the program shall be funded by federal
133 matching funds received under, together with state matching funds required by, 42 U.S.C. Sec.
134 1397ee.

135 (2) Program expenditures in the following categories may not exceed 10% in the
136 aggregate of all federal payments pursuant to 42 U.S.C. Sec. 1397ee:

137 (a) other forms of child health assistance for children with gross family incomes below
138 200% of the federal poverty level;

139 (b) other health services initiatives to improve low-income children's health;

140 (c) outreach program expenditures; and

141 (d) administrative costs.

142 (3) If the state is unable to obtain federal matching funds for a child eligible through
143 Subsection 26-40-105(1)(b), the program services provided to the child shall be funded by the
144 state.

145 Section 5. **Appropriation.**

146 The following sums of money are appropriated for the fiscal year beginning July 1,
147 2023, and ending June 30, 2024. These are additions to amounts previously appropriated for
148 fiscal year 2024. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
149 Act, the Legislature appropriates the following sums of money from the funds or accounts
150 indicated for the use and support of the government of the state of Utah.

151 ITEM 1

152 To Department of Health and Human Services -- Integrated Health Care Services
153 From General Fund 4,500,000
154 Schedule of Programs:
155 Children's Health Insurance Program Services 4,500,000
156 The Legislature intends that the Department of Health and Human Services use the
157 appropriation under this item to enroll children described in Subsection [26-40-105\(1\)\(b\)](#) in the
158 Utah Children's Health Insurance Program.
159 **Section 6. Effective date.**
160 This bill takes effect on January 1, 2024.