

SENATE BILL NO. 269

INTRODUCED BY AKLESTAD, BOHARSKI
BY REQUEST OF THE DEPARTMENT OF SOCIAL
AND REHABILITATION SERVICES

IN THE SENATE

FEBRUARY 4, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON FINANCE & CLAIMS.

 FIRST READING.

MARCH 7, 1991 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

MARCH 8, 1991 PRINTING REPORT.

 SECOND READING, DO PASS.

MARCH 9, 1991 ENGROSSING REPORT.

 THIRD READING, PASSED.
AYES, 48; NOES, 0.

 TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 9, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON APPROPRIATIONS.

MARCH 11, 1991 FIRST READING.

APRIL 4, 1991 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

APRIL 6, 1991 SECOND READING, CONCURRED IN.

 ON MOTION, RULES SUSPENDED. BILL
PLACED ON THIRD READING THIS DAY.

 THIRD READING, CONCURRED IN.
AYES, 57; NOES, 41.

 RETURNED TO SENATE.

IN THE SENATE

APRIL 9, 1991 RECEIVED FROM HOUSE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

Senate BILL NO. *269*

INTRODUCED BY *FRANK* *
BY REQUEST OF THE DEPARTMENT OF SOCIAL
AND REHABILITATION SERVICES

A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE LAWS RELATING TO GENERAL RELIEF MEDICAL ASSISTANCE; TO LIMIT ELIGIBILITY FOR GENERAL RELIEF MEDICAL ASSISTANCE TO PERSONS WHO ARE CHRONICALLY ILL, HAVE AN ACUTE MEDICAL NEED, ARE CHILDREN LESS THAN 18 YEARS OF AGE, OR REQUIRE MEDICAL SERVICES IN ORDER TO OBTAIN OR RETAIN EMPLOYMENT; TO LIMIT GENERAL RELIEF MEDICAL ASSISTANCE TO THOSE SERVICES MEDICALLY NECESSARY TO TREAT CERTAIN SERIOUS MEDICAL CONDITIONS; TO AUTHORIZE A MANAGED-CARE SYSTEM; AMENDING SECTIONS 53-3-109, 53-3-206, AND 53-3-310, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 53-3-109, MCA, is amended to read:

"53-3-109. Definitions. For the purposes of this chapter, the following definitions apply:

(1) "Acute medical need" means an illness, injury, or other serious medical condition that:

- (a) demands urgent medical attention; and
- (b) is expected to last less than 12 months if treated.

~~(1)~~(2) "Basic necessities" means food, shelter, utilities, and personal needs.

~~(2)~~(3) "Children" means minor and adult children who reside in the same household with their parents. The term includes both adoptive and natural children.

(4) "Chronic illness" or "chronically ill" means the condition of a person who is diagnosed as having an illness, injury, or physical or mental impairment that:

(a) is expected to last for a continuous period of at least 12 months; and

(b) would be considered a disability under 42 U.S.C. 1382(c) if evaluated under criteria used to determine eligibility for the federal supplemental security income program.

~~(3)~~(5) "Department" means the department of social and rehabilitation services provided for in Title 2, chapter 15, part 22.

~~(4)~~(6) "Employable" means the condition of a person who is not unemployable. A person who is employable is transitionally needy and is not eligible for general relief for basic necessities except as provided in 53-3-215.

~~(5)~~(7) "General relief" or "general relief assistance" means a program of public assistance for basic necessities and medical needs for those persons determined to be eligible for such assistance.

1 {6}(8) "Household" means:

2 (a) a collective body of persons consisting of spouses
3 or parents and their children who reside together in the
4 same residence; or

5 (b) all other persons who by choice or necessity are
6 mutually dependent upon each other for basic necessities and
7 who reside in the same residence.

8 {7}(9) "Income" means the value of all property of any
9 nature, earned, unearned, or in-kind, including benefits,
10 that is reasonably certain to be received or is actually
11 received during the month by members of a household.

12 {8}(10) "Lump-sum income" means a nonrecurring source of
13 income received in a single payment by a household during
14 any eligibility period, including but not limited to
15 proceeds from a lawsuit, insurance settlement, inheritance,
16 lump-sum retirement, veterans' or unemployment benefits;
17 benefits received under the federal Social Security Act;
18 prizes; and tax refunds.

19 {9}(11) "Presumptive income" means the amount of
20 financial assistance that a person would have received under
21 the aid to families with dependent children program, as
22 provided for in Title 53, chapter 4, part 2, if the person
23 had not been determined ineligible due to receipt of
24 lump-sum income, overpayment, fraud, or failure or refusal
25 to comply with requirements for continued participation in

1 the program.

2 {10}(12) "Resource" means all real and personal property
3 retained after the calendar month of its receipt and which
4 the household or a member of the household has a legal right
5 to sell or liquidate.

6 {11}(13) "Secure facility" means any facility in which a
7 person may be lawfully held against his will by federal,
8 state, or local authorities.

9 {12}(14) "Serious barrier to employment" means a
10 limitation in obtaining employment that results from:

11 (a) a lack of work skills, experience, or training
12 necessary to secure employment;

13 (b) the failure to attain a high school education or
14 its equivalent; or

15 (c) illiteracy.

16 {13}(15) "Serious medical condition" means a mental or
17 physical condition, ~~including pregnancy,~~ that causes a
18 serious health risk to a person and for which treatment is
19 medically necessary. Diagnosis and determination of
20 necessary treatment must be made by a licensed medical
21 practitioner, and the department may confirm it the
22 diagnosis through an expert medical review. Necessary
23 treatment includes prenatal essential medical care and such
24 other elective treatments as determined by department rule
25 other services that the department determines, by rule, to

1 be medically necessary. A serious medical condition is
2 limited to chronic illness, an acute medical need, or a
3 medical condition that requires services in order for a
4 person to obtain or retain employment.

5 ~~{14}~~(16) (a) "Unemployable" means the condition of a
6 person who:

7 (i) is at least 55 years of age and has a limited
8 ability to obtain or retain suitable employment because of
9 advanced age;

10 (ii) has a serious physical, emotional, or mental
11 handicap that prevents him from being employed in any
12 substantial, gainful employment; or

13 (iii) suffers from a permanent or temporary illness,
14 injury, or incapacity that prevents the person from working
15 in any substantial, gainful employment.

16 (b) A person who is unemployable is chronically needy
17 and must be provided general relief as provided in
18 53-3-215."

19 **Section 2.** Section 53-3-206, MCA, is amended to read:

20 "53-3-206. Eligibility for general relief medical
21 assistance. (1) In order to be considered for ~~eligibility~~
22 eligible for general relief medical assistance, a person
23 must ~~be found to~~ have a serious medical condition and must:

24 (a) be chronically ill;

25 (b) have an acute medical need;

1 (c) be a child less than 18 years of age; or

2 (d) require medical services in order to obtain or
3 retain employment.

4 (2) A person described in subsection (1)(d) is eligible
5 for general relief medical assistance only if:

6 (a) the person is participating in a job search,
7 training, and workfare program established under 53-3-304;
8 or

9 (b) an assessment by the department has determined that
10 medical services are necessary in order for the person to
11 obtain or retain employment. The department may require that
12 the assessment be part of an individual case plan developed
13 and intended to lead to employment.

14 ~~{2}~~(3) Eligibility for general relief medical
15 assistance must be determined as provided in 53-3-205 and
16 this section. A In order to receive payment for medical
17 services, a person with a serious medical condition must
18 apply for general relief medical assistance prior to the
19 provision of medical services or within 90 days of the date
20 the medical service is first provided. Eligibility is
21 determined as of the date medical service is first provided.

22 ~~{3}~~(4) All persons who reside in the same residence and
23 are either married to each other or are the parents or
24 children of other persons living in the same residence are
25 considered to be one household for purposes of determining

1 general relief medical assistance.

2 ~~(4)~~(5) All individual or household resources must be
3 used to offset medical obligations except those resources
4 excluded in 53-3-205(7) or used to offset nonmedical general
5 relief payments during the same period.

6 ~~(5)~~(6) A household is ineligible to receive general
7 relief medical assistance if the household is ineligible for
8 medicaid as a result of overpayment, fraud, or failure or
9 refusal to comply with requirements for continued
10 participation in the medicaid program.

11 ~~(6)~~(7) To determine eligibility for county general
12 relief medical assistance, a county welfare board may
13 promulgate rules to establish the circumstances under which
14 persons are unable to pay for their medical aid and
15 hospitalization. However, no household with an income
16 exceeding 300% of the amount set forth in 53-3-205(2) is
17 eligible for such medical assistance.

18 ~~(7)~~(8) In a county with state-assumed welfare services,
19 a person is not eligible for medical services if the
20 household in which he resides has an average monthly income
21 after consideration of the earned income disregard provided
22 for in 53-3-205(3), reasonably certain to be received in a
23 12-month period beginning with the month the medical service
24 was provided, in excess of the amount established by the
25 department by rule. The department shall establish the

1 amount, taking into account the size of the household and
2 the estimated number of eligible households. The amount must
3 be 150% of the amount established in 53-3-205(2).

4 ~~(8)~~(9) Notwithstanding the other provisions of this
5 section, in a county with state-assumed welfare services, a
6 person whose eligibility for general relief assistance is
7 terminated because of earned income from employment may
8 continue to receive general relief medical assistance for 1
9 month, subject to the limitations in the scope of services
10 provided in 53-3-310."

11 **Section 3.** Section 53-3-310, MCA, is amended to read:

12 "53-3-310. **Scope of general relief medical assistance**
13 **-- limitations.** (1) General relief medical assistance is
14 limited to those services determined medically necessary to
15 treat a person's serious medical condition. Assistance may
16 not exceed the scope or duration of similar services
17 provided under the Montana medicaid program pursuant to
18 Title 53, chapter 6, part 1, and rules adopted by the
19 department to administer the program.

20 (2) General relief medical assistance in a county
21 without state-assumed welfare services must, within the
22 limitations of subsection (1), be provided in amounts
23 determined by the county welfare board.

24 (3) General relief medical assistance in counties with
25 state-assumed welfare services must, within the limitations

1 of subsection (1), be provided in amounts not to exceed
2 payments under the medicaid program. Services must be
3 limited to the least costly method of alleviating the
4 serious medical condition.

5 (4) General relief medical assistance is limited to
6 covered medical needs not met by other services or benefits
7 available to the person. Available services or benefits
8 include but are not limited to health and accident
9 insurance, veterans' benefits, industrial accident benefits,
10 medicare and medicaid benefits, and other liable third
11 parties.

12 (5) A person who is chronically ill may receive general
13 relief medical assistance for services limited to treatment
14 of a serious medical condition related to chronic illness.

15 (6) A person who has an acute medical need but who is
16 not chronically ill may receive general relief medical
17 assistance but only for services necessary to treat a
18 serious medical condition that requires immediate medical
19 attention to alleviate a serious health risk.

20 (7) A child less than 18 years of age may receive the
21 same scope and duration of services as provided under the
22 Montana medicaid program provided for in Title 53, chapter
23 6.

24 (8) A person who requires medical services in order to
25 obtain or retain employment may receive services similar to

1 those provided under the Montana medicaid program but only
2 for the duration of need.

3 (9) Except as provided in subsection (7), nothing in
4 this chapter may be construed to require the same scope of
5 medical services as provided under the Montana medicaid
6 program."

7 NEW SECTION. Section 4. Managed care. (1) The
8 department, in its discretion, may develop managed-care
9 systems for general relief medical assistance recipients.

10 (2) A managed-care system is a program organized to
11 serve the medical needs of persons in an efficient and
12 cost-effective manner by managing the receipt of medical
13 services for a geographical or otherwise defined population
14 of recipients through primary physicians and other health
15 care providers.

16 (3) The department may require recipients to
17 participate in a managed-care system.

18 (4) Recipients who are required by the department to
19 participate in a managed-care system shall participate as
20 required in order to remain eligible for general relief
21 medical assistance.

22 (5) The department may require the participation of
23 recipients in managed-care systems based upon geographical,
24 financial, social, medical, and other factors as the
25 department may determine are relevant to the development and

1 efficient management of managed-care systems.

2 NEW SECTION. **Section 5.** Codification instruction.

3 [Section 4] is intended to be codified as an integral part
4 of Title 53, chapter 3, part 3, and the provisions of Title
5 53, chapter 3, part 3, apply to [section 4].

6 NEW SECTION. **Section 6.** Severability. If a part of
7 [this act] is invalid, all valid parts that are severable
8 from the invalid part remain in effect. If a part of [this
9 act] is invalid in one or more of its applications, the part
10 remains in effect in all valid applications that are
11 severable from the invalid applications.

12 NEW SECTION. **Section 7.** Effective date. [This act] is
13 effective July 1, 1991.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0269, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


Generally revises laws relating to general relief medical assistance.

ASSUMPTIONS:

1. The base cost (current level) of the state medical program is \$5,020,000. The Proposed Law amounts are those contained in the executive budget recommendation, which were approved by the appropriation subcommittee on Feb. 7, 1991.
2. Current level costs are divided between unemployable and employable clients according to the following percentages: employable 40%; unemployable 60%.
3. Under the department proposal, the employable clients would be covered under the "acute coverage" provisions of the state medical program, and costs for these clients would be borne entirely by the state general fund.
4. Under the department proposal, the unemployable clients would be covered under the "chronic illness" provisions of the state medical program, and costs for these clients would be allowable for medicaid reimbursement. For the purposes of this presentation, we are proposing that the state match for these costs be included in the state medical appropriation.
5. All state medical clients, both employable and unemployable, will be covered by the department's managed care program for state medical clients.
6. Based upon department studies, 49% of all costs in the state medical program are incurred for inpatient care. These costs are susceptible to reduction under the managed care program.
7. The managed care program will reduce inpatient costs for state medical cases by an average of 33% in FY92 and 29% in FY93.
8. New SRS administrative procedures will reduce costs by 10%-20% below the costs incurred under the managed care levels for the employable category.

FISCAL IMPACT:

	FY 92			FY 93		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
Benefits and Claims	5,020,000	3,871,243	(1,148,757)	5,020,000	3,967,270	(1,052,730)
<u>Funding:</u>						
General Fund	5,020,000	2,060,594	(2,959,406)	5,020,000	2,109,378	(2,910,622)
Federal Funds	0	1,810,649	1,810,649	0	1,857,892	1,857,892
Total Funds	5,020,000	3,871,243	(1,148,757)	5,020,000	3,967,270	(1,052,730)


 ROD SUNDSTED, BUDGET DIRECTOR 2-8-91
 Office of Budget and Program Planning DATE


 GARY C. ARLESTAD, PRIMARY SPONSOR 2-11-91
 DATE

Fiscal Note for SB0269, as introduced

SB 269

APPROVED BY COMM. ON FINANCE AND CLAIMS

Senate BILL NO. 269

INTRODUCED BY ANNESTAD, Dan F. Behar, et al. BY REQUEST OF THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE LAWS RELATING TO GENERAL RELIEF MEDICAL ASSISTANCE; TO LIMIT ELIGIBILITY FOR GENERAL RELIEF MEDICAL ASSISTANCE TO PERSONS WHO ARE CHRONICALLY ILL, HAVE AN ACUTE MEDICAL NEED, ARE CHILDREN LESS THAN 18 YEARS OF AGE, OR REQUIRE MEDICAL SERVICES IN ORDER TO OBTAIN OR RETAIN EMPLOYMENT; TO LIMIT GENERAL RELIEF MEDICAL ASSISTANCE TO THOSE SERVICES MEDICALLY NECESSARY TO TREAT CERTAIN SERIOUS MEDICAL CONDITIONS; TO AUTHORIZE A MANAGED-CARE SYSTEM; AMENDING SECTIONS 53-3-109, 53-3-206, AND 53-3-310, MCA; AND PROVIDING AN EFFECTIVE DATE."

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(1) "Acute medical need" means an illness, injury, or other serious medical condition that:

- (a) demands urgent medical attention; and
(b) is expected to last less than 12 months if treated.

(2) "Basic necessities" means food, shelter, utilities, and personal needs.

(3) "Children" means minor and adult children who reside in the same household with their parents. The term includes both adoptive and natural children.

(4) "Chronic illness" or "chronically ill" means the condition of a person who is diagnosed as having an illness, injury, or physical or mental impairment that:

(a) is expected to last for a continuous period of at least 12 months; and

(b) would be considered a disability under 42 U.S.C. 1382(c) if evaluated under criteria used to determine eligibility for the federal supplemental security income program.

(5) "Department" means the department of social and rehabilitation services provided for in Title 2, chapter 15, part 22.

(6) "Employable" means the condition of a person who is not unemployable. A person who is employable is transitionally needy and is not eligible for general relief for basic necessities except as provided in 53-3-215.

(7) "General relief" or "general relief assistance" means a program of public assistance for basic necessities and medical needs for those persons determined to be eligible for such assistance.

SECOND READING



1 †6†(8) "Household" means:

2 (a) a collective body of persons consisting of spouses
3 or parents and their children who reside together in the
4 same residence; or

5 (b) all other persons who by choice or necessity are
6 mutually dependent upon each other for basic necessities and
7 who reside in the same residence.

8 †7†(9) "Income" means the value of all property of any
9 nature, earned, unearned, or in-kind, including benefits,
10 that is reasonably certain to be received or is actually
11 received during the month by members of a household.

12 †8†(10) "Lump-sum income" means a nonrecurring source of
13 income received in a single payment by a household during
14 any eligibility period, including but not limited to
15 proceeds from a lawsuit, insurance settlement, inheritance,
16 lump-sum retirement, veterans' or unemployment benefits;
17 benefits received under the federal Social Security Act;
18 prizes; and tax refunds.

19 †9†(11) "Presumptive income" means the amount of
20 financial assistance that a person would have received under
21 the aid to families with dependent children program, as
22 provided for in Title 53, chapter 4, part 2, if the person
23 had not been determined ineligible due to receipt of
24 lump-sum income, overpayment, fraud, or failure or refusal
25 to comply with requirements for continued participation in

1 the program.

2 †10†(12) "Resource" means all real and personal property
3 retained after the calendar month of its receipt and which
4 the household or a member of the household has a legal right
5 to sell or liquidate.

6 †11†(13) "Secure facility" means any facility in which a
7 person may be lawfully held against his will by federal,
8 state, or local authorities.

9 †12†(14) "Serious barrier to employment" means a
10 limitation in obtaining employment that results from:

11 (a) a lack of work skills, experience, or training
12 necessary to secure employment;

13 (b) the failure to attain a high school education or
14 its equivalent; or

15 (c) illiteracy.

16 †13†(15) "Serious medical condition" means a mental or
17 physical condition, ~~including pregnancy~~, that causes a
18 serious health risk to a person and for which treatment is
19 medically necessary. Diagnosis and determination of
20 necessary treatment must be made by a licensed medical
21 practitioner, and the department may confirm it the
22 diagnosis through an expert medical review. Necessary
23 treatment includes prenatal essential medical care and such
24 other elective treatments as determined by department rule
25 other services that the department determines, by rule, to

1 be medically necessary. A serious medical condition is
 2 limited to chronic illness, an acute medical need, or a
 3 medical condition that requires services in order for a
 4 person to obtain or retain employment.

5 ~~14~~(16) (a) "Unemployable" means the condition of a
 6 person who:

7 (i) is at least 55 years of age and has a limited
 8 ability to obtain or retain suitable employment because of
 9 advanced age;

10 (ii) has a serious physical, emotional, or mental
 11 handicap that prevents him from being employed in any
 12 substantial, gainful employment; or

13 (iii) suffers from a permanent or temporary illness,
 14 injury, or incapacity that prevents the person from working
 15 in any substantial, gainful employment.

16 (b) A person who is unemployable is chronically needy
 17 and must be provided general relief as provided in
 18 53-3-215."

19 **Section 2.** Section 53-3-206, MCA, is amended to read:

20 "53-3-206. Eligibility for general relief medical
 21 assistance. (1) In order to be considered for-eligibility
 22 eligible for general relief medical assistance, a person
 23 must be-found-to have a serious medical condition and must:

24 (a) be chronically ill;

25 (b) have an acute medical need;

1 (c) be a child less than 18 years of age; or
 2 (d) require medical services in order to obtain or
 3 retain employment.

4 (2) A person described in subsection (1)(d) is eligible
 5 for general relief medical assistance only if:

6 (a) the person is participating in a job search,
 7 training, and workfare program established under 53-3-304;
 8 or

9 (b) an assessment by the department has determined that
 10 medical services are necessary in order for the person to
 11 obtain or retain employment. The department may require that
 12 the assessment be part of an individual case plan developed
 13 and intended to lead to employment.

14 ~~2~~(3) Eligibility for general relief medical
 15 assistance must be determined as provided in 53-3-205 and
 16 this section. A In order to receive payment for medical
 17 services, a person with-a--serious--medical--condition must
 18 apply for general relief medical assistance prior to the
 19 provision of medical services or within 90 days of the date
 20 the medical service is first provided. Eligibility is
 21 determined as of the date medical service is first provided.

22 ~~3~~(4) All persons who reside in the same residence and
 23 are either married to each other or are the parents or
 24 children of other persons living in the same residence are
 25 considered to be one household for purposes of determining

1 general relief medical assistance.

2 †4†(5) All individual or household resources must be
3 used to offset medical obligations except those resources
4 excluded in 53-3-205(7) or used to offset nonmedical general
5 relief payments during the same period.

6 †5†(6) A household is ineligible to receive general
7 relief medical assistance if the household is ineligible for
8 medicaid as a result of overpayment, fraud, or failure or
9 refusal to comply with requirements for continued
10 participation in the medicaid program.

11 †6†(7) To determine eligibility for county general
12 relief medical assistance, a county welfare board may
13 promulgate rules to establish the circumstances under which
14 persons are unable to pay for their medical aid and
15 hospitalization. However, no household with an income
16 exceeding 300% of the amount set forth in 53-3-205(2) is
17 eligible for such medical assistance.

18 †7†(8) In a county with state-assumed welfare services,
19 a person is not eligible for medical services if the
20 household in which he resides has an average monthly income
21 after consideration of the earned income disregard provided
22 for in 53-3-205(3), reasonably certain to be received in a
23 12-month period beginning with the month the medical service
24 was provided, in excess of the amount established by the
25 department by rule. The department shall establish the

1 amount, taking into account the size of the household and
2 the estimated number of eligible households. The amount must
3 be 150% of the amount established in 53-3-205(2).

4 †8†(9) Notwithstanding the other provisions of this
5 section, in a county with state-assumed welfare services, a
6 person whose eligibility for general relief assistance is
7 terminated because of earned income from employment may
8 continue to receive general relief medical assistance for 1
9 month, subject to the limitations in the scope of services
10 provided in 53-3-310."

11 **Section 3.** Section 53-3-310, MCA, is amended to read:

12 "53-3-310. Scope of general relief medical assistance
13 -- limitations. (1) General relief medical assistance is
14 limited to those services determined medically necessary to
15 treat a person's serious medical condition. Assistance may
16 not exceed the scope or duration of similar services
17 provided under the Montana medicaid program pursuant to
18 Title 53, chapter 6, part 1, and rules adopted by the
19 department to administer the program.

20 (2) General relief medical assistance in a county
21 without state-assumed welfare services must, within the
22 limitations of subsection (1), be provided in amounts
23 determined by the county welfare board.

24 (3) General relief medical assistance in counties with
25 state-assumed welfare services must, within the limitations

1 of subsection (1), be provided in amounts not to exceed
2 payments under the medicaid program. Services must be
3 limited to the least costly method of alleviating the
4 serious medical condition.

5 (4) General relief medical assistance is limited to
6 covered medical needs not met by other services or benefits
7 available to the person. Available services or benefits
8 include but are not limited to health and accident
9 insurance, veterans' benefits, industrial accident benefits,
10 medicare and medicaid benefits, and other liable third
11 parties.

12 (5) A person who is chronically ill may receive general
13 relief medical assistance for services limited to treatment
14 of a serious medical condition related to chronic illness.

15 (6) A person who has an acute medical need but who is
16 not chronically ill may receive general relief medical
17 assistance but only for services necessary to treat a
18 serious medical condition that requires immediate medical
19 attention to alleviate a serious health risk.

20 (7) A child less than 18 years of age may receive the
21 same scope and duration of services as provided under the
22 Montana medicaid program provided for in Title 53, chapter
23 6.

24 (8) A person who requires medical services in order to
25 obtain or retain employment may receive services similar to

1 those provided under the Montana medicaid program but only
2 for the duration of need.

3 (9) Except as provided in subsection (7), nothing in
4 this chapter may be construed to require the same scope of
5 medical services as provided under the Montana medicaid
6 program."

7 NEW SECTION. Section 4. Managed care. (1) The
8 department, in its discretion, may develop managed-care
9 systems for general relief medical assistance recipients.

10 (2) A managed-care system is a program organized to
11 serve the medical needs of persons in an efficient and
12 cost-effective manner by managing the receipt of medical
13 services for a geographical or otherwise defined population
14 of recipients through primary physicians and other health
15 care providers.

16 (3) The department may require recipients to
17 participate in a managed-care system.

18 (4) Recipients who are required by the department to
19 participate in a managed-care system shall participate as
20 required in order to remain eligible for general relief
21 medical assistance.

22 (5) The department may require the participation of
23 recipients in managed-care systems based upon geographical,
24 financial, social, medical, and other factors as the
25 department may determine are relevant to the development and

1 efficient management of managed-care systems.

2 NEW SECTION. **Section 5. Codification** instruction.

3 [Section 4] is intended to be codified as an integral part
4 of Title 53, chapter 3, part 3, and the provisions of Title
5 53, chapter 3, part 3, apply to [section 4].

6 NEW SECTION. **Section 6. Severability.** If a part of
7 [this act] is invalid, all valid parts that are severable
8 from the invalid part remain in effect. If a part of [this
9 act] is invalid in one or more of its applications, the part
10 remains in effect in all valid applications that are
11 severable from the invalid applications.

12 NEW SECTION. **Section 7. Effective date.** [This act] is
13 effective July 1, 1991.

-End-

Senate BILL NO. *269*

INTRODUCED BY AKLESTAD *Wm F. Behariski*
 BY REQUEST OF THE DEPARTMENT OF SOCIAL
 AND REHABILITATION SERVICES

A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE LAWS RELATING TO GENERAL RELIEF MEDICAL ASSISTANCE; TO LIMIT ELIGIBILITY FOR GENERAL RELIEF MEDICAL ASSISTANCE TO PERSONS WHO ARE CHRONICALLY ILL, HAVE AN ACUTE MEDICAL NEED, ARE CHILDREN LESS THAN 18 YEARS OF AGE, OR REQUIRE MEDICAL SERVICES IN ORDER TO OBTAIN OR RETAIN EMPLOYMENT; TO LIMIT GENERAL RELIEF MEDICAL ASSISTANCE TO THOSE SERVICES MEDICALLY NECESSARY TO TREAT CERTAIN SERIOUS MEDICAL CONDITIONS; TO AUTHORIZE A MANAGED-CARE SYSTEM; AMENDING SECTIONS 53-3-109, 53-3-206, AND 53-3-310, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 53-3-109, MCA, is amended to read:

"53-3-109. Definitions. For the purposes of this chapter, the following definitions apply:

(1) "Acute medical need" means an illness, injury, or other serious medical condition that:

(a) demands urgent medical attention; and

(b) is expected to last less than 12 months if treated.

(2) "Basic necessities" means food, shelter, utilities, and personal needs.

(3) "Children" means minor and adult children who reside in the same household with their parents. The term includes both adoptive and natural children.

(4) "Chronic illness" or "chronically ill" means the condition of a person who is diagnosed as having an illness, injury, or physical or mental impairment that:

(a) is expected to last for a continuous period of at least 12 months; and

(b) would be considered a disability under 42 U.S.C. 1382(c) if evaluated under criteria used to determine eligibility for the federal supplemental security income program.

(5) "Department" means the department of social and rehabilitation services provided for in Title 2, chapter 15, part 22.

(6) "Employable" means the condition of a person who is not unemployable. A person who is employable is transitionally needy and is not eligible for general relief for basic necessities except as provided in 53-3-215.

(7) "General relief" or "general relief assistance" means a program of public assistance for basic necessities and medical needs for those persons determined to be eligible for such assistance.

THIRD READING

1 †6†(8) "Household" means:

2 (a) a collective body of persons consisting of spouses
3 or parents and their children who reside together in the
4 same residence; or

5 (b) all other persons who by choice or necessity are
6 mutually dependent upon each other for basic necessities and
7 who reside in the same residence.

8 †7†(9) "Income" means the value of all property of any
9 nature, earned, unearned, or in-kind, including benefits,
10 that is reasonably certain to be received or is actually
11 received during the month by members of a household.

12 †8†(10) "Lump-sum income" means a nonrecurring source of
13 income received in a single payment by a household during
14 any eligibility period, including but not limited to
15 proceeds from a lawsuit, insurance settlement, inheritance,
16 lump-sum retirement, veterans' or unemployment benefits;
17 benefits received under the federal Social Security Act;
18 prizes; and tax refunds.

19 †9†(11) "Presumptive income" means the amount of
20 financial assistance that a person would have received under
21 the aid to families with dependent children program, as
22 provided for in Title 53, chapter 4, part 2, if the person
23 had not been determined ineligible due to receipt of
24 lump-sum income, overpayment, fraud, or failure or refusal
25 to comply with requirements for continued participation in

1 the program.

2 †10†(12) "Resource" means all real and personal property
3 retained after the calendar month of its receipt and which
4 the household or a member of the household has a legal right
5 to sell or liquidate.

6 †11†(13) "Secure facility" means any facility in which a
7 person may be lawfully held against his will by federal,
8 state, or local authorities.

9 †12†(14) "Serious barrier to employment" means a
10 limitation in obtaining employment that results from:

11 (a) a lack of work skills, experience, or training
12 necessary to secure employment;

13 (b) the failure to attain a high school education or
14 its equivalent; or

15 (c) illiteracy.

16 †13†(15) "Serious medical condition" means a mental or
17 physical condition, ~~including pregnancy,~~ that causes a
18 serious health risk to a person and for which treatment is
19 medically necessary. Diagnosis and determination of
20 necessary treatment must be made by a licensed medical
21 practitioner, and the department may confirm ~~it~~ the
22 diagnosis through an expert medical review. Necessary
23 treatment includes prenatal essential medical care and such
24 ~~other elective treatments as determined by department rule~~
25 other services that the department determines, by rule, to

1 be medically necessary. A serious medical condition is
 2 limited to chronic illness, an acute medical need, or a
 3 medical condition that requires services in order for a
 4 person to obtain or retain employment.

5 ~~{14}~~{16} (a) "Unemployable" means the condition of a
 6 person who:

7 (i) is at least 55 years of age and has a limited
 8 ability to obtain or retain suitable employment because of
 9 advanced age;

10 (ii) has a serious physical, emotional, or mental
 11 handicap that prevents him from being employed in any
 12 substantial, gainful employment; or

13 (iii) suffers from a permanent or temporary illness,
 14 injury, or incapacity that prevents the person from working
 15 in any substantial, gainful employment.

16 (b) A person who is unemployable is chronically needy
 17 and must be provided general relief as provided in
 18 53-3-215."

19 **Section 2.** Section 53-3-206, MCA, is amended to read:

20 "53-3-206. Eligibility for general relief medical
 21 assistance. (1) In order to be considered for-eligibility
 22 eligible for general relief medical assistance, a person
 23 must be found to have a serious medical condition and must:

24 (a) be chronically ill;

25 (b) have an acute medical need;

1 (c) be a child less than 18 years of age; or
 2 (d) require medical services in order to obtain or
 3 retain employment.

4 (2) A person described in subsection (1)(d) is eligible
 5 for general relief medical assistance only if:

6 (a) the person is participating in a job search,
 7 training, and workfare program established under 53-3-304;
 8 or

9 (b) an assessment by the department has determined that
 10 medical services are necessary in order for the person to
 11 obtain or retain employment. The department may require that
 12 the assessment be part of an individual case plan developed
 13 and intended to lead to employment.

14 ~~{2}~~{3} Eligibility for general relief medical
 15 assistance must be determined as provided in 53-3-205 and
 16 this section. A In order to receive payment for medical
 17 services, a person with-a--serious--medical--condition must
 18 apply for general relief medical assistance prior to the
 19 provision of medical services or within 90 days of the date
 20 the medical service is first provided. Eligibility is
 21 determined as of the date medical service is first provided.

22 ~~{3}~~{4} All persons who reside in the same residence and
 23 are either married to each other or are the parents or
 24 children of other persons living in the same residence are
 25 considered to be one household for purposes of determining

1 general relief medical assistance.

2 †4†(5) All individual or household resources must be
3 used to offset medical obligations except those resources
4 excluded in 53-3-205(7) or used to offset nonmedical general
5 relief payments during the same period.

6 †5†(6) A household is ineligible to receive general
7 relief medical assistance if the household is ineligible for
8 medicaid as a result of overpayment, fraud, or failure or
9 refusal to comply with requirements for continued
10 participation in the medicaid program.

11 †6†(7) To determine eligibility for county general
12 relief medical assistance, a county welfare board may
13 promulgate rules to establish the circumstances under which
14 persons are unable to pay for their medical aid and
15 hospitalization. However, no household with an income
16 exceeding 300% of the amount set forth in 53-3-205(2) is
17 eligible for such medical assistance.

18 †7†(8) In a county with state-assumed welfare services,
19 a person is not eligible for medical services if the
20 household in which he resides has an average monthly income
21 after consideration of the earned income disregard provided
22 for in 53-3-205(3), reasonably certain to be received in a
23 12-month period beginning with the month the medical service
24 was provided, in excess of the amount established by the
25 department by rule. The department shall establish the

1 amount, taking into account the size of the household and
2 the estimated number of eligible households. The amount must
3 be 150% of the amount established in 53-3-205(2).

4 †8†(9) Notwithstanding the other provisions of this
5 section, in a county with state-assumed welfare services, a
6 person whose eligibility for general relief assistance is
7 terminated because of earned income from employment may
8 continue to receive general relief medical assistance for 1
9 month, subject to the limitations in the scope of services
10 provided in 53-3-310."

11 **Section 3.** Section 53-3-310, MCA, is amended to read:

12 *53-3-310. Scope of general relief medical assistance
13 -- limitations. (1) General relief medical assistance is
14 limited to those services determined medically necessary to
15 treat a person's serious medical condition. Assistance may
16 not exceed the scope or duration of similar services
17 provided under the Montana medicaid program pursuant to
18 Title 53, chapter 6, part 1, and rules adopted by the
19 department to administer the program.

20 (2) General relief medical assistance in a county
21 without state-assumed welfare services must, within the
22 limitations of subsection (1), be provided in amounts
23 determined by the county welfare board.

24 (3) General relief medical assistance in counties with
25 state-assumed welfare services must, within the limitations

1 of subsection (1), be provided in amounts not to exceed
2 payments under the medicaid program. Services must be
3 limited to the least costly method of alleviating the
4 serious medical condition.

5 (4) General relief medical assistance is limited to
6 covered medical needs not met by other services or benefits
7 available to the person. Available services or benefits
8 include but are not limited to health and accident
9 insurance, veterans' benefits, industrial accident benefits,
10 medicare and medicaid benefits, and other liable third
11 parties.

12 (5) A person who is chronically ill may receive general
13 relief medical assistance for services limited to treatment
14 of a serious medical condition related to chronic illness.

15 (6) A person who has an acute medical need but who is
16 not chronically ill may receive general relief medical
17 assistance but only for services necessary to treat a
18 serious medical condition that requires immediate medical
19 attention to alleviate a serious health risk.

20 (7) A child less than 18 years of age may receive the
21 same scope and duration of services as provided under the
22 Montana medicaid program provided for in Title 53, chapter
23 6.

24 (8) A person who requires medical services in order to
25 obtain or retain employment may receive services similar to

1 those provided under the Montana medicaid program but only
2 for the duration of need.

3 (9) Except as provided in subsection (7), nothing in
4 this chapter may be construed to require the same scope of
5 medical services as provided under the Montana medicaid
6 program."

7 NEW SECTION. Section 4. Managed care. (1) The
8 department, in its discretion, may develop managed-care
9 systems for general relief medical assistance recipients.

10 (2) A managed-care system is a program organized to
11 serve the medical needs of persons in an efficient and
12 cost-effective manner by managing the receipt of medical
13 services for a geographical or otherwise defined population
14 of recipients through primary physicians and other health
15 care providers.

16 (3) The department may require recipients to
17 participate in a managed-care system.

18 (4) Recipients who are required by the department to
19 participate in a managed-care system shall participate as
20 required in order to remain eligible for general relief
21 medical assistance.

22 (5) The department may require the participation of
23 recipients in managed-care systems based upon geographical,
24 financial, social, medical, and other factors as the
25 department may determine are relevant to the development and

1 efficient management of managed-care systems.

2 NEW SECTION. **Section 5. Codification instruction.**

3 [Section 4] is intended to be codified as an integral part
4 of Title 53, chapter 3, part 3, and the provisions of Title
5 53, chapter 3, part 3, apply to [section 4].

6 NEW SECTION. **Section 6. Severability.** If a part of
7 [this act] is invalid, all valid parts that are severable
8 from the invalid part remain in effect. If a part of [this
9 act] is invalid in one or more of its applications, the part
10 remains in effect in all valid applications that are
11 severable from the invalid applications.

12 NEW SECTION. **Section 7. Effective date.** [This act] is
13 effective July 1, 1991.

-End-

1 SENATE BILL NO. 269
 2 INTRODUCED BY AKLESTAD, BOHARSKI
 3 BY REQUEST OF THE DEPARTMENT OF SOCIAL
 4 AND REHABILITATION SERVICES
 5

6 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE
 7 LAWS RELATING TO GENERAL RELIEF MEDICAL ASSISTANCE; TO LIMIT
 8 ELIGIBILITY FOR GENERAL RELIEF MEDICAL ASSISTANCE TO PERSONS
 9 WHO ARE CHRONICALLY ILL, HAVE AN ACUTE MEDICAL NEED, ARE
 10 CHILDREN LESS THAN 18 YEARS OF AGE, OR REQUIRE MEDICAL
 11 SERVICES IN ORDER TO OBTAIN OR RETAIN EMPLOYMENT; TO LIMIT
 12 GENERAL RELIEF MEDICAL ASSISTANCE TO THOSE SERVICES
 13 MEDICALLY NECESSARY TO TREAT CERTAIN SERIOUS MEDICAL
 14 CONDITIONS; TO AUTHORIZE A MANAGED-CARE SYSTEM; AMENDING
 15 SECTIONS 53-3-109, 53-3-206, AND 53-3-310, MCA; AND
 16 PROVIDING AN EFFECTIVE DATE."
 17

18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

19 **Section 1.** Section 53-3-109, MCA, is amended to read:

20 "53-3-109. **Definitions.** For the purposes of this
 21 chapter, the following definitions apply:

22 (1) "Acute medical need" means an illness, injury, or
 23 other serious medical condition that:

- 24 (a) demands urgent medical attention; and
- 25 (b) is expected to last less than 12 months if treated.

1 ~~(1)~~(2) "Basic necessities" means food, shelter,
 2 utilities, and personal needs.

3 ~~(2)~~(3) "Children" means minor and adult children who
 4 reside in the same household with their parents. The term
 5 includes both adoptive and natural children.

6 (4) "Chronic illness" or "chronically ill" means the
 7 condition of a person who is diagnosed as having an illness,
 8 injury, or physical or mental impairment that:

9 (a) is expected to last for a continuous period of at
 10 least 12 months; and

11 (b) would be considered a disability under 42 U.S.C.
 12 1382(c) if evaluated under criteria used to determine
 13 eligibility for the federal supplemental security income
 14 program.

15 ~~(3)~~(5) "Department" means the department of social and
 16 rehabilitation services provided for in Title 2, chapter 15,
 17 part 22.

18 ~~(4)~~(6) "Employable" means the condition of a person who
 19 is not unemployable. A person who is employable is
 20 transitionally needy and is not eligible for general relief
 21 for basic necessities except as provided in 53-3-215.

22 ~~(5)~~(7) "General relief" or "general relief assistance"
 23 means a program of public assistance for basic necessities
 24 and medical needs for those persons determined to be
 25 eligible for such assistance.

1 †6†(8) "Household" means:

2 (a) a collective body of persons consisting of spouses
3 or parents and their children who reside together in the
4 same residence; or

5 (b) all other persons who by choice or necessity are
6 mutually dependent upon each other for basic necessities and
7 who reside in the same residence.

8 †7†(9) "Income" means the value of all property of any
9 nature, earned, unearned, or in-kind, including benefits,
10 that is reasonably certain to be received or is actually
11 received during the month by members of a household.

12 †8†(10) "Lump-sum income" means a nonrecurring source of
13 income received in a single payment by a household during
14 any eligibility period, including but not limited to
15 proceeds from a lawsuit, insurance settlement, inheritance,
16 lump-sum retirement, veterans' or unemployment benefits;
17 benefits received under the federal Social Security Act;
18 prizes; and tax refunds.

19 †9†(11) "Presumptive income" means the amount of
20 financial assistance that a person would have received under
21 the aid to families with dependent children program, as
22 provided for in Title 53, chapter 4, part 2, if the person
23 had not been determined ineligible due to receipt of
24 lump-sum income, overpayment, fraud, or failure or refusal
25 to comply with requirements for continued participation in

1 the program.

2 †10†(12) "Resource" means all real and personal property
3 retained after the calendar month of its receipt and which
4 the household or a member of the household has a legal right
5 to sell or liquidate.

6 †11†(13) "Secure facility" means any facility in which a
7 person may be lawfully held against his will by federal,
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9 †12†(14) "Serious barrier to employment" means a
10 limitation in obtaining employment that results from:

11 (a) a lack of work skills, experience, or training
12 necessary to secure employment;

13 (b) the failure to attain a high school education or
14 its equivalent; or

15 (c) illiteracy.

16 †13†(15) "Serious medical condition" means a mental or
17 physical condition, ~~including pregnancy,~~ that causes a
18 serious health risk to a person and for which treatment is
19 medically necessary. Diagnosis and determination of
20 necessary treatment must be made by a licensed medical
21 practitioner, and the department may confirm ~~it~~ the
22 diagnosis through an expert medical review. Necessary
23 treatment includes prenatal essential medical care and such
24 other elective treatments as determined by department rule
25 other services that the department determines, by rule, to

1 be medically necessary. A serious medical condition is
 2 limited to chronic illness, an acute medical need, or a
 3 medical condition that requires services in order for a
 4 person to obtain or retain employment.

5 ~~(14)~~(16) (a) "Unemployable" means the condition of a
 6 person who:

7 (i) is at least 55 years of age and has a limited
 8 ability to obtain or retain suitable employment because of
 9 advanced age;

10 (ii) has a serious physical, emotional, or mental
 11 handicap that prevents him from being employed in any
 12 substantial, gainful employment; or

13 (iii) suffers from a permanent or temporary illness,
 14 injury, or incapacity that prevents the person from working
 15 in any substantial, gainful employment.

16 (b) A person who is unemployable is chronically needy
 17 and must be provided general relief as provided in
 18 53-3-215."

19 **Section 2.** Section 53-3-206, MCA, is amended to read:

20 **"53-3-206. Eligibility for general relief medical**
 21 **assistance. (1) In order to be considered for-eligibility**
 22 **eligible for general relief medical assistance, a person**
 23 **must be found to have a serious medical condition and must:**

24 (a) be chronically ill;

25 (b) have an acute medical need;

1 (c) be a child less than 18 years of age; or

2 (d) require medical services in order to obtain or
 3 retain employment.

4 (2) A person described in subsection (1)(d) is eligible
 5 for general relief medical assistance only if:

6 (a) the person is participating in a job search,
 7 training, and workfare program established under 53-3-304;
 8 or

9 (b) an assessment by the department has determined that
 10 medical services are necessary in order for the person to
 11 obtain or retain employment. The department may require that
 12 the assessment be part of an individual case plan developed
 13 and intended to lead to employment.

14 ~~(2)~~(3) Eligibility for general relief medical
 15 assistance must be determined as provided in 53-3-205 and
 16 this section. A In order to receive payment for medical
 17 services, a person with-a--serious--medical--condition must
 18 apply for general relief medical assistance prior to the
 19 provision of medical services or within 90 days of the date
 20 the medical service is first provided. Eligibility is
 21 determined as of the date medical service is first provided.

22 ~~(3)~~(4) All persons who reside in the same residence and
 23 are either married to each other or are the parents or
 24 children of other persons living in the same residence are
 25 considered to be one household for purposes of determining

1 general relief medical assistance.

2 †4†(5) All individual or household resources must be
3 used to offset medical obligations except those resources
4 excluded in 53-3-205(7) or used to offset nonmedical general
5 relief payments during the same period.

6 †5†(6) A household is ineligible to receive general
7 relief medical assistance if the household is ineligible for
8 medicaid as a result of overpayment, fraud, or failure or
9 refusal to comply with requirements for continued
10 participation in the medicaid program.

11 †5†(7) To determine eligibility for county general
12 relief medical assistance, a county welfare board may
13 promulgate rules to establish the circumstances under which
14 persons are unable to pay for their medical aid and
15 hospitalization. However, no household with an income
16 exceeding 300% of the amount set forth in 53-3-205(2) is
17 eligible for such medical assistance.

18 †7†(8) In a county with state-assumed welfare services,
19 a person is not eligible for medical services if the
20 household in which he resides has an average monthly income
21 after consideration of the earned income disregard provided
22 for in 53-3-205(3), reasonably certain to be received in a
23 12-month period beginning with the month the medical service
24 was provided, in excess of the amount established by the
25 department by rule. The department shall establish the

1 amount, taking into account the size of the household and
2 the estimated number of eligible households. The amount must
3 be 150% of the amount established in 53-3-205(2).

4 †8†(9) Notwithstanding the other provisions of this
5 section, in a county with state-assumed welfare services, a
6 person whose eligibility for general relief assistance is
7 terminated because of earned income from employment may
8 continue to receive general relief medical assistance for 1
9 month, subject to the limitations in the scope of services
10 provided in 53-3-310."

11 **Section 3.** Section 53-3-310, MCA, is amended to read:

12 "53-3-310. Scope of general relief medical assistance
13 -- limitations. (1) General relief medical assistance is
14 limited to those services determined medically necessary to
15 treat a person's serious medical condition. Assistance may
16 not exceed the scope or duration of similar services
17 provided under the Montana medicaid program pursuant to
18 Title 53, chapter 6, part 1, and rules adopted by the
19 department to administer the program.

20 (2) General relief medical assistance in a county
21 without state-assumed welfare services must, within the
22 limitations of subsection (1), be provided in amounts
23 determined by the county welfare board.

24 (3) General relief medical assistance in counties with
25 state-assumed welfare services must, within the limitations

1 of subsection (1), be provided in amounts not to exceed
 2 payments under the medicaid program. Services must be
 3 limited to the least costly method of alleviating the
 4 serious medical condition.

5 (4) General relief medical assistance is limited to
 6 covered medical needs not met by other services or benefits
 7 available to the person. Available services or benefits
 8 include but are not limited to health and accident
 9 insurance, veterans' benefits, industrial accident benefits,
 10 medicare and medicaid benefits, and other liable third
 11 parties.

12 (5) A person who is chronically ill may receive general
 13 relief medical assistance for services limited to treatment
 14 of a serious medical condition related to chronic illness.

15 (6) A person who has an acute medical need but who is
 16 not chronically ill may receive general relief medical
 17 assistance but only for services necessary to treat a
 18 serious medical condition that requires immediate medical
 19 attention to alleviate a serious health risk.

20 (7) A child less than 18 years of age may receive the
 21 same scope and duration of services as provided under the
 22 Montana medicaid program provided for in Title 53, chapter
 23 6.

24 (8) A person who requires medical services in order to
 25 obtain or retain employment may receive services similar to

1 those provided under the Montana medicaid program but only
 2 for the duration of need.

3 (9) Except as provided in subsection (7), nothing in
 4 this chapter may be construed to require the same scope of
 5 medical services as provided under the Montana medicaid
 6 program."

7 NEW SECTION. Section 4. Managed care. (1) The
 8 department, in its discretion, may develop managed-care
 9 systems for general relief medical assistance recipients.

10 (2) A managed-care system is a program organized to
 11 serve the medical needs of persons in an efficient and
 12 cost-effective manner by managing the receipt of medical
 13 services for a geographical or otherwise defined population
 14 of recipients through primary physicians and other health
 15 care providers.

16 (3) The department may require recipients to
 17 participate in a managed-care system.

18 (4) Recipients who are required by the department to
 19 participate in a managed-care system shall participate as
 20 required in order to remain eligible for general relief
 21 medical assistance.

22 (5) The department may require the participation of
 23 recipients in managed-care systems based upon geographical,
 24 financial, social, medical, and other factors as the
 25 department may determine are relevant to the development and

1 efficient management of managed-care systems.

2 NEW SECTION. **Section 5. Codification** instruction.

3 [Section 4] is intended to be codified as an integral part
4 of Title 53, chapter 3, part 3, and the provisions of Title
5 53, chapter 3, part 3, apply to [section 4].

6 NEW SECTION. **Section 6. Severability.** If a part of
7 [this act] is invalid, all valid parts that are severable
8 from the invalid part remain in effect. If a part of [this
9 act] is invalid in one or more of its applications, the part
10 remains in effect in all valid applications that are
11 severable from the invalid applications.

12 NEW SECTION. **Section 7. Effective date.** [This act] is
13 effective July 1, 1991.

-End-