

HOUSE BILL NO. 127

INTRODUCED BY FEDA, SALES

BY REQUEST OF THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

IN THE HOUSE

January 8, 1981	Introduced and referred to Committee on Human Services.
January 12, 1981	Fiscal note requested.
January 16, 1981	Fiscal note returned.
January 22, 1981	Committee recommend bill do pass. Report adopted.
February 2, 1981	Statement of intent attached. Bill printed and placed on members' desks.
February 3, 1981	Second reading, pass consideration until February 4.
February 4, 1981	Second reading, pass consideration until February 5.
February 5, 1981	Second reading, do pass as amended.
February 6, 1981	Correctly engrossed.
February 7, 1981	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 9, 1981	Introduced and referred to Committee on Public Health, Welfare, and Safety.
March 26, 1981	Committee recommend bill and statement of intent be concurred in as amended. Report adopted.

March 28, 1981 Second reading, concurred in.  
March 30, 1981 Motion pass consideration.  
March 31, 1981 On motion rules suspended.  
Bill allowed to be transmitted  
on 71st legislative day.  
Motion adopted.  
Third reading, concurred in  
as amended. Ayes, 46; Noes, 3.

IN THE HOUSE

April 1, 1981 Returned from Senate with  
amendments.  
April 8, 1981 Second reading, amendments  
concurred in.  
April 9, 1981 Third reading, amendments  
concurred in. Ayes, 93;  
Noes, 4. Sent to enrolling.  
Reported correctly enrolled.

1 HOUSE BILL NO. 127  
2 INTRODUCED BY Freda Sher

3 BY REQUEST OF  
4 THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

5  
6 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE DEPARTMENT  
7 OF SOCIAL AND REHABILITATION SERVICES TO ADOPT MORE  
8 RESTRICTIVE ELIGIBILITY CRITERIA FOR MEDICAL ASSISTANCE;  
9 AMENDING SECTION 53-6-131, MCA."

10  
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 53-6-131, MCA, is amended to read:

13 "53-6-131. Eligibility requirements. Medical  
14 assistance shall be granted in behalf of all persons:

15 (1) who reside in the state of Montana, including  
16 residents temporarily absent from the state; and

17 (2) who meet any of the following requirements:

18 (a) receive all or part of their income from the  
19 ~~federally aided---public---assistance---programs---old-age~~  
20 ~~assistance---aid---to---the---blind, funded supplemental security~~  
21 ~~income assistance and aid to dependent children, and aid to~~  
22 ~~the permanently and totally disabled programs, except to the~~  
23 ~~extent that more restrictive eligibility criteria have been~~  
24 ~~adopted by the department;~~

25 (b) upon application, would be eligible for financial

1 assistance under any one of the federally aided programs  
2 referred to above;

3 (c) would be entitled to financial assistance under  
4 one of the federally aided categories except that they do  
5 not meet the durational residence requirements or relative  
6 responsibility requirements of any of the public assistance  
7 programs above enumerated;

8 (d) are in medical institutions and if they were no  
9 longer in such institution would be eligible for financial  
10 assistance under one of the above programs;

11 (e) are under 21 years of age and meet the conditions  
12 of eligibility in the state's plan for aid to dependent  
13 children, other than with respect to school attendance;

14 (f) are under 21 years of age and in foster care under  
15 the supervision of the state;

16 (g) have income less than 133 1/3% of the amounts  
17 specified as maximum income levels for federally aided  
18 categories of assistance;

19 (h) are under 21 years of age and medically needy, as  
20 defined by the department of social and rehabilitation  
21 services; or

22 (i) are under 21 years of age, were in foster care  
23 under the supervision of the state, and have been adopted as  
24 "hard-to-place" children."

-End-

INTRODUCED BILL

-2-

HB 127

STATE OF MONTANA

REQUEST NO. 74-81

FISCAL NOTE

Form BD-15

In compliance with a written request received January 12, 19 81, there is hereby submitted a Fiscal Note for House Bill 127 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

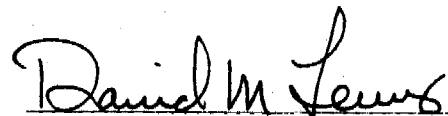
Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

Description of Proposed Legislation

An act to allow the Department of Social and Rehabilitation Services to adopt more restrictive eligibility criteria for medical assistance, amending Section 53-6-131, MCA.

Fiscal Impact

The financial impact of HB127 cannot be estimated at this time because the proposed change in the law does not designate the specific restrictions in Medicaid eligibility that may be employed. The use of more restrictive criteria will have the effect of reducing program costs because fewer people will be using the Medicaid program. However, the magnitude of these reductions cannot be estimated because of the lack of data.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-15-81

1 STATEMENT OF INTENT

2 HB 127

3 House Committee on Human Services

4  
5 A statement of intent is necessary for this bill  
6 because it implicitly expands the rulemaking authority of  
7 the Department of Social and Rehabilitation Services  
8 pertaining to eligibility criteria for the granting of  
9 supplemental security income assistance and aid to dependent  
10 children. Under present law, SRS has express rulemaking  
11 authority to adopt rules to cover eligibility requirements  
12 for various services. Federal regulations concerning  
13 eligibility allow the state various options. The department  
14 needs to have the authority to redetermine from time to time  
15 which option offers the most efficient and least costly  
16 system of determining eligibility to the state.

Approved by Comm. On Human Services

HOUSE BILL NO. 127

INTRODUCED BY FEDA, SALES

BY REQUEST OF

THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO ADOPT MORE RESTRICTIVE ELIGIBILITY CRITERIA FOR MEDICAL ASSISTANCE; AMENDING SECTION 53-6-131, MCA."

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

Section 1. Section 53-6-131, MCA, is amended to read:

"53-6-131. Eligibility requirements. Medical assistance shall be granted in behalf of all persons:

(1) who reside in the state of Montana, including residents temporarily absent from the state; and

(2) who meet any of the following requirements:

(a) receive all or part of their income from the federally aided---public---assistance---programs+---old-age assistance+---aid---to---the---blind+ funded supplemental security income assistance and aid to dependent children+and---aid---to---the---permanently---and---totally---disabled programs, except to the extent that more restrictive eligibility criteria have been adopted by the department;

(b) upon application, would be eligible for financial

assistance under any one of the federally aided programs referred to above;

(c) would be entitled to financial assistance under one of the federally aided categories except that they do not meet the durational residence requirements or relative responsibility requirements of any of the public assistance programs above enumerated;

(d) are in medical institutions and if they were no longer in such institution would be eligible for financial assistance under one of the above programs;

(e) are under 21 years of age and meet the conditions of eligibility in the state's plan for aid to dependent children, other than with respect to school attendance;

(f) are under 21 years of age and in foster care under the supervision of the state;

(g) have income less than 133 1/3% of the amounts specified as maximum income levels for federally aided categories of assistance;

(h) are under 21 years of age and medically needy, as defined by the department of social and rehabilitation services; or

(i) are under 21 years of age, were in foster care under the supervision of the state, and have been adopted as "hard-to-place" children."

-End- SECOND READING

1 STATEMENT OF INTENT

2 HB 127

3 House Committee on Human Services

4

5 A statement of intent is necessary for this bill  
6 because it implicitly expands the rulemaking authority of  
7 the Department of Social and Rehabilitation Services  
8 pertaining to eligibility criteria for the granting of  
9 supplemental security income assistance and aid to dependent  
10 children. Under present law, SRS has express rulemaking  
11 authority to adopt rules to cover eligibility requirements  
12 for various services. Federal regulations concerning  
13 eligibility allow the state various options. The department  
14 needs to have the authority to redetermine from time to time  
15 which option offers the most efficient and least costly  
16 system of determining eligibility to the state.

1 HOUSE BILL NO. 127

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3 BY REQUEST OF

4 THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

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7 OF SOCIAL AND REHABILITATION SERVICES TO ADOPT MORE  
8 RESTRICTIVE ELIGIBILITY CRITERIA FOR MEDICAL ASSISTANCE;  
9 AMENDING SECTION 53-6-131, MCA."

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

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13 "53-6-131. Eligibility requirements. Medical  
14 assistance shall be granted in behalf of all persons:

15 (1) who reside in the state of Montana, including  
16 residents temporarily absent from the state; and

17 (2) who meet any of the following requirements:

18 (a) receive all or part of their income from the  
19 federally aided---public---assistance---programs+---old-age  
20 assistance--aid--to--the-blind, funded supplemental security  
21 income assistance and aid to dependent children--and--aid--to  
22 the-permanently-and-totally-disabled programs, except to the  
23 extent that more restrictive PROPERTY OWNERSHIP eligibility  
24 criteria have been adopted by the department;

25 (b) upon application, would be eligible for financial

1 assistance under any one of the federally aided programs  
2 referred to above;

3 (c) would be entitled to financial assistance under  
4 one of the federally aided categories except that they do  
5 not meet the durational residence requirements or relative  
6 responsibility requirements of any of the public assistance  
7 programs above enumerated;

8 (d) are in medical institutions and if they were no  
9 longer in such institution would be eligible for financial  
10 assistance under one of the above programs;

11 (e) are under 21 years of age and meet the conditions  
12 of eligibility in the state's plan for aid to dependent  
13 children, other than with respect to school attendance;

14 (f) are under 21 years of age and in foster care under  
15 the supervision of the state;

16 (g) have income less than 133 1/3% of the amounts  
17 specified as maximum income levels for federally aided  
18 categories of assistance;

19 (h) are under 21 years of age and medically needy, as  
20 defined by the department of social and rehabilitation  
21 services; or

22 (i) are under 21 years of age, were in foster care  
23 under the supervision of the state, and have been adopted as  
24 "hard-to-place" children."

-end-



## 1 STATEMENT OF INTENT

## 2 HOUSE BILL 127

3 House Human Services Committee

4  
 5 ~~A statement of intent is necessary for this bill~~  
 6 ~~because it implicitly expands the rulemaking authority of~~  
 7 ~~the Department of Social and Rehabilitation Services~~  
 8 ~~pertaining to eligibility criteria for the granting of~~  
 9 ~~supplemental security income assistance and aid to dependent~~  
 10 ~~children. Under present law SRS has express rulemaking~~  
 11 ~~authority to adopt rules to cover eligibility requirements~~  
 12 ~~for various services. Federal regulations concerning~~  
 13 ~~eligibility allow the state various options. The department~~  
 14 ~~needs to have the authority to redetermine from time to time~~  
 15 ~~which option offers the most efficient and least costly~~  
 16 ~~system of determining eligibility to the state. THE BILL AS~~  
 17 AMENDED GIVES THE DEPARTMENT OF SOCIAL AND REHABILITATION  
 18 SERVICES RULEMAKING AUTHORITY TO GRANT MEDICAL ASSISTANCE TO  
 19 ONE OR MORE CATEGORIES OF PERSONS WHO ARE ELIGIBLE FOR  
 20 FEDERAL FINANCIAL ASSISTANCE. THESE CATEGORIES INCLUDE  
 21 SUPPLEMENTAL SECURITY INCOME ASSISTANCE, AID TO DEPENDENT  
 22 CHILDREN, AND AID TO CERTAIN OTHERS WHO MAY BE IN FINANCIAL  
 23 DISTRESS DUE TO HIGH MEDICAL EXPENDITURES. FURTHERMORE, THE  
 24 BILL GIVES THE DEPARTMENT THE AUTHORITY TO ADOPT RULES THAT  
 25 INCLUDE ELIGIBILITY CRITERIA THAT ARE MORE RESTRICTIVE THAN

1 FEDERAL CRITERIA.

2 UNDER PRESENT LAW, THE DEPARTMENT MUST GRANT MEDICAL  
 3 ASSISTANCE TO ALL PERSONS IN THE CATEGORIES LISTED IN  
 4 53-6-131, MCA. THE DEPARTMENT PRESENTLY HAS EXPRESS  
 5 RULEMAKING AUTHORITY TO ADOPT RULES TO INCLUDE FEDERAL  
 6 ELIGIBILITY REQUIREMENTS FOR EACH CATEGORY AND TO DEFINE  
 7 MEDICAL ASSISTANCE BUT DOES NOT HAVE AUTHORITY TO LIMIT  
 8 SERVICES BY CATEGORY OF PERSONS.

9 THE AVAILABILITY OF FEDERAL FINANCIAL ASSISTANCE AS  
 10 WELL AS FEDERAL ELIGIBILITY CRITERIA WILL PROBABLY BE  
 11 CHANGED NEXT FISCAL YEAR. THE DEPARTMENT NEEDS TO HAVE THE  
 12 AUTHORITY TO REDETERMINE ELIGIBILITY CRITERIA AND TO LIMIT  
 13 THE CATEGORIES OF PERSONS TO WHOM MEDICAL ASSISTANCE WILL BE  
 14 MADE AVAILABLE IN ORDER TO CHOOSE THE OPTIONS WHICH OFFER  
 15 THE MOST EFFICIENT AND LEAST COSTLY ELIGIBILITY SYSTEM  
 16 WITHIN FINANCIAL LIMITS.

1 HOUSE BILL NO. 127  
 2 INTRODUCED BY FEDE, SALES  
 3 BY REQUEST OF  
 4 THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES  
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 6 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE DEPARTMENT  
 7 OF SOCIAL AND REHABILITATION SERVICES TO ADOPT MORE  
 8 RESTRICTIVE ELIGIBILITY CRITERIA FOR MEDICAL ASSISTANCE;  
 9 AMENDING SECTION 53-6-131, MCA; AND PROVIDING AN IMMEDIATE  
 10 EFFECTIVE DATE."

11  
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Refer to Introduced Bill

14 (Strike Everything After Enacting Clause and Insert:)

15 SECTION 1. SECTION 53-6-131, MCA, IS AMENDED TO READ:

16 "53-6-131. Eligibility requirements. (1) Medical  
 17 assistance ~~shall~~ may be granted ~~in-behalf-of-all-persons~~ to  
 18 a person

19 ~~{1}~~ who reside resides in the state of Montana,  
 20 including ~~a residents~~ resident temporarily absent from the  
 21 state; and

22 ~~{2}~~ who meet any of the following requirements who  
 23 meets the requirements of one or more of the following  
 24 categories:

25 (a) he receive receives all or part of their his

1 income from the federally aided ~~public-assistance--programs~~  
 2 ~~old-age--assistance--aid--to-the-blind~~, funded supplemental  
 3 security income assistance or aid to dependent children ~~and~~  
 4 ~~aid-to-the-permanently-and-totally-disabled;~~

5 (b) upon application, he would be eligible for  
 6 financial assistance under any one of the federally aided  
 7 programs referred to above;

8 (c) he would be entitled to financial assistance under  
 9 one of the federally aided categories except that ~~they~~ he ~~do~~  
 10 ~~does~~ not meet the durational residence requirements or  
 11 relative responsibility requirements of any of the public  
 12 assistance programs above enumerated;

13 (d) he is ~~are~~ in a medical institutions institution  
 14 and if ~~they~~ he were no longer in such institution he would  
 15 be eligible for financial assistance under one of the above  
 16 programs;

17 (e) he is ~~are~~ under 21 years of age and ~~meet~~ meets the  
 18 conditions of eligibility in the state's plan for aid to  
 19 dependent children, other than with respect to school  
 20 attendance;

21 (f) he is ~~are~~ under 21 years of age and in foster care  
 22 under the supervision of the state;

23 (g) he has ~~have~~ income less than 133 1/3% of the  
 24 amounts specified as maximum income levels for federally  
 25 aided categories of assistance;

1       (h) he is are under 21 years of age and medically  
2       needy, as defined by the department of social and  
3       rehabilitation services; or

4       (i) he is are under 21 years of age, were was in  
5       foster care under the supervision of the state, and have has  
6       been adopted as a "hard-to-place" children child.

7       (2) The department of social and rehabilitation  
8       services may by rule establish more restrictive property  
9       ownership eligibility criteria than required by federal law  
10      for federally aided categories of public assistance."

11      SECTION 2. EFFECTIVE DATE. THIS ACT IS EFFECTIVE ON  
12      PASSAGE AND APPROVAL.

-End-

SENATE STANDING COMMITTEE REPORT  
(Public Health, Welfare & Safety)

That House Bill No. 127 be amended as follows:

1. Title, line 9.

Following: "MCA"

Insert: ", AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Strike: all of the bill following the enacting clause

Insert: "Section 1. Section 53-6-131, MCA, is amended to

read:

"53-6-131. Eligibility requirements. (1) Medical assistance ~~shall~~ may be granted ~~in-behalf-of-all-persons:~~ to a person who reside resides in the State of Montana, including a residents resident temporarily absent from the state; and

~~(2)--who-meet-any-of-the-following-requirements:~~ who meets the requirements of one or more of the following categories:

(a) ~~he receive receives~~ all or part of ~~their his~~ income from the federally ~~aided-public-assistance-programs--old age-assistance--aid-to-the-blind;~~ funded supplemental security income assistance or aid to dependent children ~~--and-aid-to-the-permanently-and-totally-disabled;~~

(b) upon application, ~~he~~ would be eligible for financial assistance under any one of the federally aided programs referred to above;

(c) ~~he~~ would be entitled to financial assistance under one of the federally aided categories except that ~~they he~~ he ~~do~~ does not meet the durational residence requirements or relative responsibility requirements of any of the public assistance programs above enumerate;

(d) ~~he is are~~ in a medical institutions institution and if ~~they~~ he were no longer in such institution he would be eligible for financial assistance under one of the above programs;

(e) ~~he is are~~ under 21 years of age and ~~meet~~ meets the conditions of eligibility in the state's plan for aid to dependent children, other than with respect to school attendance;

(f) ~~he is are~~ under 21 years of age and is foster care under the supervision of the state;

(g) ~~he has have~~ income less than 133 1/3% of the amounts specified as maximum income levels for federally aided categories of assistance;

(h) ~~he is are~~ under 21 years of age and medically needy, as defined by the department of social and rehabilitation services; or

(i) ~~he is are~~ under 21 years of age, ~~were was~~ in foster care under the supervision of the state, and ~~have~~ has been adopted as a "hard-to-place" children child.

(2) The department of social and rehabilitation services may by rule establish more restrictive property ownership eligibility criteria than required by federal law for federally aided categories of public assistance."

Section 2. Effective Date. This act is effective on passage and approval."

March 26, 1981

SENATE STANDING COMMITTEE REPORT  
(Public Health, Welfare & Safety)

That the Statement of Intent to House Bill No. 127 be amended as follows:

1. Page 1.

Following: line 4

Strike: lines 5 through 16 in their entirety

Insert: "The bill as amended gives the Department of Social and Rehabilitation Services rulemaking authority to grant medical assistance to one or more categories of persons who are eligible for federal financial assistance. These categories include supplemental security income assistance, aid to dependent children, and aid to certain others who may be in financial distress due to high medical expenditures. Furthermore, the bill gives the department the authority to adopt rules that include eligibility criteria that are more restrictive than federal criteria.

Under present law, the department must grant medical assistance to all persons in the categories listed in 53-6-131, MCA. The department presently has express rulemaking authority to adopt rules to include federal eligibility requirements for each category and to define medical assistance but does not have authority to limit services by category of persons.

The availability of federal financial assistance as well as federal eligibility criteria will probably be changed next fiscal year. The department needs to have the authority to redetermine eligibility criteria and to limit the categories of persons to whom medical assistance will be made available in order to choose the options which offer the most efficient and least costly eligibility system within financial limits.