

SENATE BILL NO. 385

Wm Ryan

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INTRODUCED BY

Eck Cobb Jenks Jacobson Lynch Doherty Waters Brade Walzer Kitting

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO MEDICAL SERVICES FOR CHILDREN OF POOR FAMILIES; PROVIDING FOR THE EXPANSION OF MEDICAID SERVICES TO CERTAIN PREGNANT WOMEN AND CERTAIN CHILDREN; REQUIRING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO ADOPT RULES PROVIDING FOR MONTHLY FEES TO BE PAID BY CERTAIN MEDICAID RECIPIENTS; AUTHORIZING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO COOPERATE WITH AND MAKE GRANTS TO A NONPROFIT CORPORATION TO PROVIDE MEDICAL SERVICES FOR CHILDREN INELIGIBLE FOR THE MONTANA MEDICAID PROGRAM; AMENDING SECTION 53-6-131, MCA; AND PROVIDING AN EFFECTIVE DATE."

STATEMENT OF INTENT

A statement of intent is necessary for this bill because [53-6-131] requires the department of social and rehabilitation services to adopt rules providing for monthly fees to be assessed medicaid recipients for services received from a medicaid health care provider.

The rules adopted by the department must provide for a sliding scale of payments by each recipient whose family income exceeds 150% of the federal poverty threshold but does not exceed 200% of the poverty level, based upon the number of medicaid recipients per family and the degree to which the family's income exceeds 150% of the poverty threshold. The rules must require a greater payment from families with more recipients and higher income. The payments must be made on a per month basis, regardless of the number of visits per month, and should be capped at a level for each family so that the family does not make payments exceeding \$10 per child per month or \$30 per family per month. The payments should be required for visits to medicaid providers by pregnant women and by children who are at least 6 years of age. However, the department may by rule increase the age applicable to children as the department determines necessary.

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

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

1 **"53-6-131. Eligibility requirements.** (1) Medical assistance under the Montana medicaid program
2 may be granted to a person who is determined by the department of social and rehabilitation services, in
3 its discretion, to be eligible as follows:

4 (a) The person receives or is considered to be receiving supplemental security income benefits
5 under Title XVI of the federal Social Security Act, {42 U.S.C. 1381, et seq.}, or aid to families with
6 dependent children under Title IV of the federal Social Security Act, {42 U.S.C. 601, et seq.}.

7 (b) The person would be eligible for assistance under a program described in subsection (1)(a) if
8 that person were to apply for that assistance.

9 (c) The person is in a medical facility that is a medicaid provider and, but for residence in the
10 facility, the person would be receiving assistance under one of the programs in subsection (1)(a).

11 (d) The person is under 19 years of age and meets the conditions of eligibility in the state plan for
12 aid to families with dependent children, other than with respect to school attendance.

13 (e) The person is under 21 years of age and in foster care under the supervision of the state or was
14 in foster care under the supervision of the state and has been adopted as a hard-to-place child.

15 (f) The person meets the nonfinancial criteria of the categories in subsections (1)(a) through (1)(e)
16 and:

17 (i) the person's income does not exceed the income level specified for federally aided categories
18 of assistance and the person's resources are within the resource standards of the federal supplemental
19 security income program; or

20 (ii) the person, while having income greater than the medically needy income level specified for
21 federally aided categories of assistance:

22 (A) has an adjusted income level, after incurring medical expenses, that does not exceed the
23 medically needy income level specified for federally aided categories of assistance or, alternatively, has paid
24 in cash to the department the amount by which the person's income exceeds the medically needy income
25 level specified for federally aided categories of assistance; and

26 (B) has resources that are within the resource standards of the federal supplemental security
27 income program.

28 (g) The person is a qualified pregnant woman or child as defined in 42 U.S.C. 1396d(n).

29 (2) The department may establish income and resource limitations. Limitations of income and
30 resources must be within the amounts permitted by federal law for the medicaid program.

1 (3) The Montana medicaid program shall pay, as required by federal law, the premiums necessary
 2 for medicaid-eligible persons participating in the medicare program and may, within the discretion of the
 3 department, pay all or a portion of the medicare premiums, deductibles, and coinsurance for a qualified
 4 medicare-eligible person or for a qualified disabled and working individual, as defined in section 6408(d)(2)
 5 of the federal Omnibus Budget Reconciliation Act of 1989, Public Law 101-239, who:

6 (a) has income that does not exceed income standards as may be required by the federal Social
 7 Security Act; and

8 (b) has resources that do not exceed standards the department determines reasonable for purposes
 9 of the program.

10 (4) The department may pay a medicaid-eligible person's expenses for premiums, coinsurance, and
 11 similar costs for health insurance or other available health coverage, as provided in 42 U.S.C. 1396b(a)(1).

12 (5) The department, under the Montana medicaid program, may provide, if a waiver is not available
 13 from the federal government, medicaid and other assistance mandated by Title XIX of the federal Social
 14 Security Act, (42 U.S.C. 1396, et seq.), as may be amended, and not specifically listed in this part to
 15 categories of persons that may be designated by the act for receipt of assistance.

16 (6) Notwithstanding any other provision of this chapter, medical assistance must be provided to
 17 ~~infants~~ children under 19 years of age and to pregnant women whose family income does not exceed 133%
 18 200% of the federal poverty threshold, as provided in 42 U.S.C. 1396a(a)(10)(A)(ii)(IX) and 42 U.S.C.
 19 1396a(l)(2)(A)(i), and whose family resources do not exceed standards that the department determines
 20 reasonable for purposes of the program. The department shall establish by rule a range of monthly fees
 21 to be paid for medicaid benefits by medicaid recipients whose family income exceeds 150% of the federal
 22 poverty threshold, up to a maximum of 200% of the federal poverty level.

23 (7) Subject to appropriations, the department may cooperate with and make grants to a nonprofit
 24 corporation that uses donated funds to provide basic preventive and primary health care medical benefits
 25 to children whose families are ineligible for the Montana medicaid program and who are ineligible for any
 26 other health care coverage, are under 19 years of age, and are enrolled in school if of school age.

27 ~~(7)(8)~~ A person described in subsection (6) must be provided continuous eligibility for medical
 28 assistance, as authorized in 42 U.S.C. 1396a(e)(5) through a(e)(7)."

29
 30 **NEW SECTION. Section 2. Effective date.** [This act] is effective July 1, 1995.

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0385, as introduced


DESCRIPTION OF PROPOSED LEGISLATION:

An act relating to medical services for children of poor families, providing for the expansion of Medicaid services to certain pregnant women and certain children, requiring the Department of Social and Rehabilitation Services (SRS) to adopt rules providing for monthly fees to be paid by certain Medicaid recipients, and authorizing SRS to cooperate with and make grants to a nonprofit corporation to provide medical services for children ineligible for the Montana Medicaid program.

ASSUMPTIONS:

1. The Executive Budget present law base serves as the starting point from which to calculate any fiscal impact due to this proposed legislation.
2. From 1990 census data there are 109,390 children under 19 years of age living at less than 200% of poverty. In FY94, Medicaid covered 76,370 children. This legislation would increase coverage by 33,020 children.
3. In FY94, the average Medicaid cost for these children was \$489 per child.
4. In FY94, Medicaid covered 3,355 pregnant women. Assuming that pregnant women are evenly distributed across all levels of poverty, this legislation would extend Medicaid coverage by 1,690 additional women.
5. In FY94, the average Medicaid cost for a pregnant woman was approximately \$1,324.
6. Assume the average family unit added has two children. According to current AFDC data, 75% of the cases have two children or less.
7. The Family Assistance Division (FAD), which handles the eligibility determination, assumes an average caseload of 200 cases per eligibility worker (higher than the present average of 134 cases due to decreased complexity of cases).
8. Based on an estimated additional 33,020 cases involving children, and 1,690 cases involving pregnant women, the total number of new staff needed by the FAD, at 200 cases per worker, to handle eligibility would be 174.00 FTE. Present FAD total caseload is split at 47.1% non-assumed counties and 52.9% assumed counties. Therefore, the 174.00 FTE would be split with 82.00 FTE in non-assumed counties and 92.00 FTE in assumed counties.
9. Personal services costs for the 174.00 FTE are calculated for grade 11 entry salary of \$18,903, plus benefits.
10. Equipment for the 174.00 FTE includes \$1,500 for a PC and \$750 for a desk, chair, calculator and other miscellaneous office supplies per FTE (FY96 only).
11. Operating costs for the 174.00 FTE are calculated at \$840 per FTE.
12. Administrative costs for the FAD are funded are 50% state funds (i.e., general fund and county funds) and 50% federal funds.
13. General fund and county funds are spread based on the caseload split of 52.9% and 47.1% respectively.
14. All children who will be eligible to participate will be on the Medicaid program for all 12 months of each fiscal year.
15. All eligible pregnant women would participate in the Medicaid program and were not in the same family unit as a newly eligible child as defined in this bill. Pregnant women will pay a premium of \$20 per month for 9 months during each fiscal year.

(continued)

 2-18-95
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

DOROTHY ECK, PRIMARY SPONSOR DATE

Fiscal Note for SB0385, as introduced

SB 385

(continued)

16. For the purposes of this fiscal note, assume that inflation for Medicaid services will increase 5.1% between FY94 and FY95, 9.2% between FY95 and FY96 and 9.8% between FY96 and FY97.
17. The Medicaid Services Division (MSD) will have to apply for a waiver from the federal Medicaid regulations to offer a program with a sliding fee schedule. This fiscal note shows the costs if the program were to be implemented on July 1, 1995, which is the effective date of the bill. However, it is highly unlikely that the waiver will be approved by that date.
18. Based on recent contracts for development of federal waiver requests, it is estimated that a contract to develop a waiver will cost \$300,000 in FY96. This is a 100% general fund expense.
19. It is estimated that substantial changes will be required to the Medicaid claims processing system to allow for a limited service package. These changes are expected to cost \$150,000 and are funded at 50% general fund and 50% federal funds.
20. The Fiscal Bureau (FB) estimates that it will receive 13,200 payments per month.
21. Based on experience with the Child Support collection process, FB estimates that 5.00 FTE will be needed to process the payments (1.00 FTE at grade 9 and 4.00 FTE at grade 7, with an estimated cost of \$98,760 each year).
22. Operating costs for phones, office supplies, rent and computer time for these 5.00 FTE are estimated at \$15,500 per year.
23. FY96 setup costs for the 5.00 FTE for office furniture and personal computers is estimated to be \$9,000.
24. Funding for the FB costs is 50% general fund and 50% federal funds.
25. Revenues to the state include sliding scale payments of \$10 per month per child and \$20 per month per pregnant woman. Approximately 70% is returned to the federal government and the remainder is deposited to the general fund.

FISCAL IMPACT:Expenditures:

	<u>FY96</u>	<u>FY97</u>
	<u>Difference</u>	<u>Difference</u>
FTE	179.00	179.00
Personal Services	4,243,092	4,243,092
Operating	611,660	161,660
Equipment	400,500	0
Benefits	<u>21,061,663</u>	<u>23,125,706</u>
Total Expenditures	26,316,915	27,530,458

Funding:

General Fund	8,048,276	8,360,934
State Special	1,102,609	1,010,411
Federal	<u>17,166,030</u>	<u>18,159,113</u>
Total	26,316,915	27,530,458

Revenues:

Fees charged to children	3,962,400	3,962,400
Fees charged to women	<u>304,200</u>	<u>304,200</u>
Total Revenues	4,266,600	4,266,600

Distribution of Revenues:

General Fund Revenues	1,291,073	1,322,646
Federal Funds Revenues	<u>2,975,527</u>	<u>2,943,954</u>
Total Revenues	4,266,600	4,266,600

(continued on page 3)

(continued)

Net Impact on General Fund Balance:

General Fund (Cost) (01)	(6,757,203)	(7,038,288)
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TECHNICAL NOTES:

1. The statement of intent on page 1 says (on line 17) that payments must be made by each recipient, but on line 23-25, that payments be only for pregnant women and children at least six years of age. This needs to be clarified.
2. If the intent of the legislature is to pursue either a federal waiver up to 200% of poverty with a sliding fee schedule OR a general fund grant to a non-profit entity for a limited service package, that intent should be noted. As the bill now stands, there is no directive to SRS to offer a limited service package to only those recipients between 150% and 200% of poverty.

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0385, second reading

DESCRIPTION OF PROPOSED LEGISLATION:

An act relating to medical services for children of poor families, and authorizing the Department of Social and Rehabilitation Services (SRS) to cooperate with and make grants to a nonprofit corporation to provide medical services for children ineligible for the Montana Medicaid program.

ASSUMPTIONS:

1. The Executive Budget present law base serves as the starting point from which to calculate any fiscal impact due to this proposed legislation.
2. The bill provides that SRS may, subject to appropriations, cooperate with and make grants to a nonprofit corporation to provide medical services for children ineligible for the Montana Medicaid program. There is no appropriation provided for purchasing this coverage contained in SB385, and the department intends to use existing present law funds, when they are available, for this purpose.

FISCAL IMPACT:

There is no fiscal impact to the SRS as a result of SB385 (second reading copy).

Dave Lewis 3-21-95

DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Dorothy Eck

DOROTHY ECK, PRIMARY SPONSOR DATE

Fiscal Note for SB0385, second reading

SB 385-#2

1 SENATE BILL NO. 385

2 INTRODUCED BY ECK, COBB, FRANKLIN, JACOBSON, RYAN, TUSS, LYNCH, SHEA, DOHERTY,
3 WATERMAN, BROOKE, HALLIGAN, KEATING, MENAHAN, KOTTEL, HARRINGTON, REAM, WYATT,
4 LARSON, COCCHIARELLA, ELLIOTT, SQUIRES, BARNHART, MCCULLOCH

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO MEDICAL SERVICES FOR CHILDREN OF POOR
7 FAMILIES; ~~PROVIDING FOR THE EXPANSION OF MEDICAID SERVICES TO CERTAIN PREGNANT WOMEN~~
8 ~~AND CERTAIN CHILDREN; REQUIRING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES~~
9 ~~TO ADOPT RULES PROVIDING FOR MONTHLY FEES TO BE PAID BY CERTAIN MEDICAID RECIPIENTS;~~
10 AUTHORIZING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO COOPERATE WITH
11 AND MAKE GRANTS TO A NONPROFIT CORPORATION TO PROVIDE MEDICAL SERVICES FOR CHILDREN
12 INELIGIBLE FOR THE MONTANA MEDICAID PROGRAM; AMENDING SECTION 53-6-131, MCA; AND
13 PROVIDING AN EFFECTIVE DATE."

14
15 STATEMENT OF INTENT

16 ~~A statement of intent is necessary for this bill because [53-6-131] requires the department of social~~
17 ~~and rehabilitation services to adopt rules providing for monthly fees to be assessed medicaid recipients for~~
18 ~~services received from a medicaid health care provider.~~

19 ~~The rules adopted by the department must provide for a sliding scale of payments by each recipient~~
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22 ~~income exceeds 150% of the poverty threshold. The rules must require a greater payment from families~~
23 ~~with more recipients and higher income. The payments must be made on a per month basis, regardless~~
24 ~~of the number of visits per month, and should be capped at a level for each family so that the family does~~
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27 ~~of age. However, the department may by rule increase the age applicable to children as the department~~
28 ~~determines necessary.~~

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

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

2 **"53-6-131. Eligibility requirements.** (1) Medical assistance under the Montana medicaid program
3 may be granted to a person who is determined by the department of social and rehabilitation services, in
4 its discretion, to be eligible as follows:

5 (a) The person receives or is considered to be receiving supplemental security income benefits
6 under Title XVI of the federal Social Security Act, {42 U.S.C. 1381, et seq.}, or aid to families with
7 dependent children under Title IV of the federal Social Security Act, {42 U.S.C. 601, et seq.}.

8 (b) The person would be eligible for assistance under a program described in subsection (1)(a) if
9 that person were to apply for that assistance.

10 (c) The person is in a medical facility that is a medicaid provider and, but for residence in the
11 facility, the person would be receiving assistance under one of the programs in subsection (1)(a).

12 (d) The person is under 19 years of age and meets the conditions of eligibility in the state plan for
13 aid to families with dependent children, other than with respect to school attendance.

14 (e) The person is under 21 years of age and in foster care under the supervision of the state or was
15 in foster care under the supervision of the state and has been adopted as a hard-to-place child.

16 (f) The person meets the nonfinancial criteria of the categories in subsections (1)(a) through (1)(e)
17 and:

18 (i) the person's income does not exceed the income level specified for federally aided categories
19 of assistance and the person's resources are within the resource standards of the federal supplemental
20 security income program; or

21 (ii) the person, while having income greater than the medically needy income level specified for
22 federally aided categories of assistance:

23 (A) has an adjusted income level, after incurring medical expenses, that does not exceed the
24 medically needy income level specified for federally aided categories of assistance or, alternatively, has paid
25 in cash to the department the amount by which the person's income exceeds the medically needy income
26 level specified for federally aided categories of assistance; and

27 (B) has resources that are within the resource standards of the federal supplemental security
28 income program.

29 (g) The person is a qualified pregnant woman or child as defined in 42 U.S.C. 1396d(n).

30 (2) The department may establish income and resource limitations. Limitations of income and

1 resources must be within the amounts permitted by federal law for the medicaid program.

2 (3) The Montana medicaid program shall pay, as required by federal law, the premiums necessary
3 for medicaid-eligible persons participating in the medicare program and may, within the discretion of the
4 department, pay all or a portion of the medicare premiums, deductibles, and coinsurance for a qualified
5 medicare-eligible person or for a qualified disabled and working individual, as defined in section 6408(d)(2)
6 of the federal Omnibus Budget Reconciliation Act of 1989, Public Law 101-239, who:

7 (a) has income that does not exceed income standards as may be required by the federal Social
8 Security Act; and

9 (b) has resources that do not exceed standards the department determines reasonable for purposes
10 of the program.

11 (4) The department may pay a medicaid-eligible person's expenses for premiums, coinsurance, and
12 similar costs for health insurance or other available health coverage, as provided in 42 U.S.C. 1396b(a)(1).

13 (5) The department, under the Montana medicaid program, may provide, if a waiver is not available
14 from the federal government, medicaid and other assistance mandated by Title XIX of the federal Social
15 Security Act, {42 U.S.C. 1396, et seq.}, as may be amended, and not specifically listed in this part to
16 categories of persons that may be designated by the act for receipt of assistance.

17 (6) Notwithstanding any other provision of this chapter, medical assistance must be provided to
18 ~~infants children under 19 years of age~~ **INFANTS** and ~~to~~ pregnant women whose family income does not
19 exceed ~~133%~~ 200% ~~133%~~ of the federal poverty threshold, as provided in 42 U.S.C.
20 1396a(a)(10)(A)(ii)(IX) and 42 U.S.C. 1396a(l)(2)(A)(i), and whose family resources do not exceed
21 standards that the department determines reasonable for purposes of the program. ~~The department shall~~
22 ~~establish by rule a range of monthly fees to be paid for medicaid benefits by medicaid recipients whose~~
23 ~~family income exceeds 150% of the federal poverty threshold, up to a maximum of 200% of the federal~~
24 ~~poverty level.~~

25 (7) Subject to appropriations, the department may cooperate with and make grants to a nonprofit
26 corporation that uses donated funds to provide basic preventive and primary health care medical benefits
27 to children whose families are ineligible for the Montana medicaid program and who are ineligible for any
28 other health care coverage, are under 19 years of age, and are enrolled in school if of school age. THE
29 DEPARTMENT SHALL ESTABLISH BY RULE A RANGE OF MONTHLY FEES TO BE PAID FOR THE BASIC
30 PREVENTATIVE AND PRIMARY HEALTH CARE MEDICAL BENEFITS.

1 ~~(7)~~(8) A person described in subsection (6) must be provided continuous eligibility for medical
2 assistance, as authorized in 42 U.S.C. 1396a(e)(5) through a(e)(7)."

3

4 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 1995.

5

-END-

1 SENATE BILL NO. 385

2 INTRODUCED BY ECK, COBB, FRANKLIN, JACOBSON, RYAN, TUSS, LYNCH, SHEA, DOHERTY,
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24 medically needy income level specified for federally aided categories of assistance or, alternatively, has paid
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12 similar costs for health insurance or other available health coverage, as provided in 42 U.S.C. 1396b(a)(1).

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14 from the federal government, medicaid and other assistance mandated by Title XIX of the federal Social
15 Security Act, (42 U.S.C. 1396, et seq.), as may be amended, and not specifically listed in this part to
16 categories of persons that may be designated by the act for receipt of assistance.

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19 exceed ~~133%~~ 200% 133% of the federal poverty threshold, as provided in 42 U.S.C.
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24 ~~poverty level.~~

25 (7) Subject to appropriations, the department may cooperate with and make grants to a nonprofit
26 corporation that uses donated funds to provide basic preventive and primary health care medical benefits
27 to children whose families are ineligible for the Montana medicaid program and who are ineligible for any
28 other health care coverage, are under 19 years of age, and are enrolled in school if of school age. THE
29 DEPARTMENT SHALL ESTABLISH BY RULE A RANGE OF MONTHLY FEES TO BE PAID FOR THE BASIC
30 PREVENTATIVE AND PRIMARY HEALTH CARE MEDICAL BENEFITS.

1 ~~(7)~~(8) A person described in subsection (6) must be provided continuous eligibility for medical
2 assistance, as authorized in 42 U.S.C. 1396a(e)(5) through a(e)(7)."

3

4 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 1995.

5

-END-

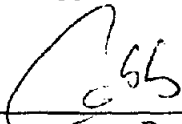


HOUSE COMMITTEE OF THE WHOLE AMENDMENT

Senate Bill 385
Representative Cobb

April 6, 1995 1:18 pm
Page 1 of 2

Mr. Chairman: I move to amend Senate Bill 385 (third reading copy -- blue).

Signed: 
Representative Cobb

And, that such amendments to Senate Bill 385 read as follows:

1. Title, line 10.

Following: line 9

Insert: "PROVIDING FOR THE EXPANSION OF MEDICAID SERVICES TO CERTAIN CHILDREN; REQUIRING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO ADOPT RULES PROVIDING FOR MONTHLY FEES TO BE PAID BY CERTAIN MEDICAID RECIPIENTS;"

2. Page 1, line 29.

Insert: "STATEMENT OF INTENT

A statement of intent is necessary for this bill because 53-6-131 requires the department of social and rehabilitation services to adopt rules providing for monthly fees to be assessed medicaid recipients for services received from a medicaid health care provider. The rules adopted by the department must provide for a sliding scale of payments by each new recipient, as described in [this act] or as permitted by federal waiver, based upon the number of medicaid recipients per family and the family's income."

3. Page 3, line 17.

Following: "(6)"

Insert: "(a)"

Following: "to"

Insert: ": (i)"

4. Page 3, line 21.

Following: "program"

Insert: "; and

ADOPT

56-90

REJECT

SB 385

HOUSE

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(ii) subject to funding, all children under 19 years of age whose family income does not exceed up to 133% of the federal poverty threshold and whose family resources do not exceed standards that the department determines reasonable for purposes of the program"

5. Page 3.

Following: line 24

Insert: "(b) The department shall establish by rule a range of monthly fees to be paid for medicaid benefits by medicaid recipients for the expansions described in subsection (6) (a), if allowed by waiver. The department shall work with local health departments to control costs."

6. Page 4, line 3.

Insert: "NEW SECTION. **Section 2. Coordination.** The amendments to 53-6-131(6) (a) (ii) and (6) (b) contained in [this act] are void if specific funding for the expansion is not contained in House Bill No. 2."

Renumber: subsequent section

-END-

1 SENATE BILL NO. 385

2 INTRODUCED BY ECK, COBB, FRANKLIN, JACOBSON, RYAN, TUSS, LYNCH, SHEA, DOHERTY,
 3 WATERMAN, BROOKE, HALLIGAN, KEATING, MENAHAN, KOTTEL, HARRINGTON, REAM, WYATT,
 4 LARSON, COCCHIARELLA, ELLIOTT, SQUIRES, BARNHART, MCCULLOCH

5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO MEDICAL SERVICES FOR CHILDREN OF POOR
 7 FAMILIES; ~~PROVIDING FOR THE EXPANSION OF MEDICAID SERVICES TO CERTAIN PREGNANT WOMEN~~
 8 ~~AND CERTAIN CHILDREN; REQUIRING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES~~
 9 ~~TO ADOPT RULES PROVIDING FOR MONTHLY FEES TO BE PAID BY CERTAIN MEDICAID RECIPIENTS;~~
 10 PROVIDING FOR THE EXPANSION OF MEDICAID SERVICES TO CERTAIN CHILDREN; REQUIRING THE
 11 DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO ADOPT RULES PROVIDING FOR
 12 MONTHLY FEES TO BE PAID BY CERTAIN MEDICAID RECIPIENTS; AUTHORIZING THE DEPARTMENT OF
 13 SOCIAL AND REHABILITATION SERVICES TO COOPERATE WITH AND MAKE GRANTS TO A NONPROFIT
 14 CORPORATION TO PROVIDE MEDICAL SERVICES FOR CHILDREN INELIGIBLE FOR THE MONTANA
 15 MEDICAID PROGRAM; AMENDING SECTION 53-6-131, MCA; AND PROVIDING AN EFFECTIVE DATE."

16
17 STATEMENT OF INTENT

18 A statement of intent is necessary for this bill because ~~[53-6-131]~~ requires the department of social
 19 and rehabilitation services to adopt rules providing for monthly fees to be assessed medicaid recipients for
 20 services received from a medicaid health care provider.

21 The rules adopted by the department must provide for a sliding scale of payments by each recipient
 22 whose family income exceeds 150% of the federal poverty threshold but does not exceed 200% of the
 23 poverty level, based upon the number of medicaid recipients per family and the degree to which the family's
 24 income exceeds 150% of the poverty threshold. The rules must require a greater payment from families
 25 with more recipients and higher income. The payments must be made on a per month basis, regardless
 26 of the number of visits per month, and should be capped at a level for each family so that the family does
 27 not make payments exceeding \$10 per child per month or \$30 per family per month. The payments should
 28 be required for visits to medicaid providers by pregnant women and by children who are at least 6 years
 29 of age. However, the department may by rule increase the age applicable to children as the department
 30 determines necessary.

STATEMENT OF INTENT

A STATEMENT OF INTENT IS NECESSARY FOR THIS BILL BECAUSE 53-6-131 REQUIRES THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO ADOPT RULES PROVIDING FOR MONTHLY FEES TO BE ASSESSED MEDICAID RECIPIENTS FOR SERVICES RECEIVED FROM A MEDICAID HEALTH CARE PROVIDER. THE RULES ADOPTED BY THE DEPARTMENT MUST PROVIDE FOR A SLIDING SCALE OF PAYMENTS BY EACH NEW RECIPIENT, AS DESCRIBED IN [THIS ACT] OR AS PERMITTED BY FEDERAL WAIVER, BASED UPON THE NUMBER OF MEDICAID RECIPIENTS PER FAMILY AND THE FAMILY'S INCOME.

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. (1) Medical assistance under the Montana medicaid program may be granted to a person who is determined by the department of social and rehabilitation services, in its discretion, to be eligible as follows:

(a) The person receives or is considered to be receiving supplemental security income benefits under Title XVI of the federal Social Security Act, {42 U.S.C. 1381, et seq.}, or aid to families with dependent children under Title IV of the federal Social Security Act, {42 U.S.C. 601, et seq.}.

(b) The person would be eligible for assistance under a program described in subsection (1)(a) if that person were to apply for that assistance.

(c) The person is in a medical facility that is a medicaid provider and, but for residence in the facility, the person would be receiving assistance under one of the programs in subsection (1)(a).

(d) The person is under 19 years of age and meets the conditions of eligibility in the state plan for aid to families with dependent children, other than with respect to school attendance.

(e) The person is under 21 years of age and in foster care under the supervision of the state or was in foster care under the supervision of the state and has been adopted as a hard-to-place child.

(f) The person meets the nonfinancial criteria of the categories in subsections (1)(a) through (1)(e) and:

(i) the person's income does not exceed the income level specified for federally aided categories of assistance and the person's resources are within the resource standards of the federal supplemental

1 security income program; or

2 (ii) the person, while having income greater than the medically needy income level specified for
3 federally aided categories of assistance:

4 (A) has an adjusted income level, after incurring medical expenses, that does not exceed the
5 medically needy income level specified for federally aided categories of assistance or, alternatively, has paid
6 in cash to the department the amount by which the person's income exceeds the medically needy income
7 level specified for federally aided categories of assistance; and

8 (B) has resources that are within the resource standards of the federal supplemental security
9 income program.

10 (g) The person is a qualified pregnant woman or child as defined in 42 U.S.C. 1396d(n).

11 (2) The department may establish income and resource limitations. Limitations of income and
12 resources must be within the amounts permitted by federal law for the medicaid program.

13 (3) The Montana medicaid program shall pay, as required by federal law, the premiums necessary
14 for medicaid-eligible persons participating in the medicare program and may, within the discretion of the
15 department, pay all or a portion of the medicare premiums, deductibles, and coinsurance for a qualified
16 medicare-eligible person or for a qualified disabled and working individual, as defined in section 6408(d)(2)
17 of the federal Omnibus Budget Reconciliation Act of 1989, Public Law 101-239, who:

18 (a) has income that does not exceed income standards as may be required by the federal Social
19 Security Act; and

20 (b) has resources that do not exceed standards the department determines reasonable for purposes
21 of the program.

22 (4) The department may pay a medicaid-eligible person's expenses for premiums, coinsurance, and
23 similar costs for health insurance or other available health coverage, as provided in 42 U.S.C. 1396b(a)(1).

24 (5) The department, under the Montana medicaid program, may provide, if a waiver is not available
25 from the federal government, medicaid and other assistance mandated by Title XIX of the federal Social
26 Security Act, {42 U.S.C. 1396, et seq.}, as may be amended, and not specifically listed in this part to
27 categories of persons that may be designated by the act for receipt of assistance.

28 (6) ~~(A)~~ Notwithstanding any other provision of this chapter, medical assistance must be provided
29 to:

30 ~~(i) infants children under 19 years of age~~ INFANTS and ~~to~~ pregnant women whose family income

1 does not exceed ~~133%~~ 200% 133% of the federal poverty threshold, as provided in 42 U.S.C.
 2 1396a(a)(10)(A)(iii)(IX) and 42 U.S.C. 1396a(l)(2)(A)(i), and whose family resources do not exceed
 3 standards that the department determines reasonable for purposes of the program; AND

4 (II) SUBJECT TO FUNDING, ALL CHILDREN UNDER 19 YEARS OF AGE WHOSE FAMILY INCOME
 5 DOES NOT EXCEED UP TO 133% OF THE FEDERAL POVERTY THRESHOLD AND WHOSE FAMILY
 6 RESOURCES DO NOT EXCEED STANDARDS THAT THE DEPARTMENT DETERMINES REASONABLE FOR
 7 PURPOSES OF THE PROGRAM. ~~The department shall establish by rule a range of monthly fees to be paid~~
 8 ~~for medicaid benefits by medicaid recipients whose family income exceeds 150% of the federal poverty~~
 9 ~~threshold, up to a maximum of 200% of the federal poverty level.~~

10 (B) THE DEPARTMENT SHALL ESTABLISH BY RULE A RANGE OF MONTHLY FEES TO BE PAID
 11 FOR MEDICAID BENEFITS BY MEDICAID RECIPIENTS FOR THE EXPANSIONS DESCRIBED IN SUBSECTION
 12 (6)(A), IF ALLOWED BY WAIVER. THE DEPARTMENT SHALL WORK WITH LOCAL HEALTH
 13 DEPARTMENTS TO CONTROL COSTS.

14 (7) Subject to appropriations, the department may cooperate with and make grants to a nonprofit
 15 corporation that uses donated funds to provide basic preventive and primary health care medical benefits
 16 to children whose families are ineligible for the Montana medicaid program and who are ineligible for any
 17 other health care coverage, are under 19 years of age, and are enrolled in school if of school age. ~~THE~~
 18 ~~DEPARTMENT SHALL ESTABLISH BY RULE A RANGE OF MONTHLY FEES TO BE PAID FOR THE BASIC~~
 19 ~~PREVENTATIVE AND PRIMARY HEALTH CARE MEDICAL BENEFITS.~~

20 ~~(7)(8)~~ A person described in subsection (6) must be provided continuous eligibility for medical
 21 assistance, as authorized in 42 U.S.C. 1396a(e)(5) through a(e)(7)."
 22

23 NEW SECTION. SECTION 2. COORDINATION. THE AMENDMENTS TO 53-6-131(6)(A)(III) AND
 24 (6)(B) CONTAINED IN [THIS ACT] ARE VOID IF SPECIFIC FUNDING FOR THE EXPANSION IS NOT
 25 CONTAINED IN HOUSE BILL NO. 2.

26
 27 NEW SECTION. Section 3. Effective date. [This act] is effective July 1, 1995.

28 -END-