

**SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 118**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES GARA, Kawasaki, Buch

Introduced: 2/25/09

Referred: Health and Social Services, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act expanding, and relating to advertising about, medical assistance coverage for  
2 eligible children and pregnant women; relating to the poverty guideline and cost sharing  
3 for certain recipients of medical assistance; having the short title of the 'No Child Left  
4 Uninsured Act'; and providing for an effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
7 to read:

8 SHORT TITLE. This Act may be known as the No Child Left Uninsured Act.

9 \* **Sec. 2.** AS 47.07.020(b) is amended to read:

10 (b) In addition to the persons specified in (a) of this section, the following  
11 optional groups of persons for whom the state may claim federal financial  
12 participation are eligible for medical assistance:

13 (1) persons eligible for but not receiving assistance under any plan of  
14 the state approved under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act,

1 Supplemental Security Income) or a federal program designated as the successor to the  
2 aid to families with dependent children program;

3 (2) persons in a general hospital, skilled nursing facility, or  
4 intermediate care facility, who, if they left the facility, would be eligible for assistance  
5 under one of the federal programs specified in (1) of this subsection;

6 (3) persons under 21 years of age who are under supervision of the  
7 department, for whom maintenance is being paid in whole or in part from public  
8 funds, and who are in foster homes or private child-care institutions;

9 (4) aged, blind, or disabled persons, who, because they do not meet  
10 income and resources requirements, do not receive supplemental security income  
11 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not  
12 receive a mandatory state supplement, but who are eligible, or would be eligible if  
13 they were not in a skilled nursing facility or intermediate care facility to receive an  
14 optional state supplementary payment;

15 (5) persons under 21 years of age who are in an institution designated  
16 as an intermediate care facility for the mentally retarded and who are financially  
17 eligible as determined by the standards of the federal program designated as the  
18 successor to the aid to families with dependent children program;

19 (6) persons in a medical or intermediate care facility whose income  
20 while in the facility does not exceed \$1,656 a month but who would not be eligible for  
21 an optional state supplementary payment if they left the hospital or other facility;

22 (7) persons under 21 years of age who are receiving active treatment in  
23 a psychiatric hospital and who are financially eligible as determined by the standards  
24 of the federal program designated as the successor to the aid to families with  
25 dependent children program;

26 (8) persons under 21 years of age and not covered under (a) of this  
27 section, who would be eligible for benefits under the federal program designated as  
28 the successor to the aid to families with dependent children program, except that they  
29 have the care and support of both their natural and adoptive parents;

30 (9) pregnant women not covered under (a) of this section and who  
31 meet the income and resource requirements of the federal program designated as the

1 successor to the aid to families with dependent children program;

2 (10) persons under 21 years of age not covered under (a) of this section  
3 who the department has determined cannot be placed for adoption without medical  
4 assistance because of a special need for medical or rehabilitative care and who the  
5 department has determined are hard-to-place children eligible for subsidy under  
6 AS 25.23.190 - 25.23.210;

7 (11) persons who can be considered under 42 U.S.C. 1396a(e)(3) (Title  
8 XIX, Social Security Act, Medical Assistance) to be individuals with respect to whom  
9 a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c (Title  
10 XVI, Social Security Act) because they meet all of the following criteria:

11 (A) they are 18 years of age or younger and qualify as disabled  
12 individuals under 42 U.S.C. 1382c(a) (Title XVI, Social Security Act);

13 (B) the department has determined that

14 (i) they require a level of care provided in a hospital,  
15 nursing facility, or intermediate care facility for the mentally retarded;

16 (ii) it is appropriate to provide their care outside of an  
17 institution; and

18 (iii) the estimated amount that would be spent for  
19 medical assistance for their individual care outside an institution is not  
20 greater than the estimated amount that would otherwise be expended  
21 individually for medical assistance within an appropriate institution;

22 (C) if they were in a medical institution, they would be eligible  
23 for medical assistance under other provisions of this chapter; and

24 (D) home and community-based services under a waiver  
25 approved by the federal government are either not available to them under this  
26 chapter or would be inappropriate for them;

27 (12) disabled persons, as described in 42 U.S.C.  
28 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under  
29 applicable federal regulations or guidelines, is less than 250 percent of the **federal**  
30 **poverty guideline for Alaska as defined by the United States Department of**  
31 **Health and Human Services and revised under 42 U.S.C. 9902(2)** [OFFICIAL

1 POVERTY LINE] applicable to a family of that size [ACCORDING TO THE  
 2 UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES], and  
 3 who, but for earnings in excess of the limit established under 42 U.S.C.  
 4 1396d(q)(2)(B), would be considered to be individuals with respect to whom a  
 5 supplemental security income is being paid under 42 U.S.C. 1381 - 1383c; a person  
 6 eligible for assistance under this paragraph who is not eligible under another provision  
 7 of this section shall pay a premium or other cost-sharing charges according to a sliding  
 8 fee scale that is based on income as established by the department in regulations;

9 (13) persons under 19 years of age who are not covered under (a) of  
 10 this section and whose household income does not exceed 200 [175] percent of the  
 11 federal poverty guideline for Alaska [LINE] as defined by the United States  
 12 Department of Health and Human Services and revised under 42 U.S.C. 9902(2);

13 (14) pregnant women who are not covered under (a) of this section and  
 14 whose household income does not exceed 250 [175] percent of the federal poverty  
 15 guideline for Alaska [LINE] as defined by the United States Department of Health  
 16 and Human Services and revised under 42 U.S.C. 9902(2);

17 (15) persons who have been diagnosed with breast or cervical cancer  
 18 and who are eligible for coverage under 42 U.S.C. 1396a(a)(10)(A)(ii)(XVIII).

19 \* **Sec. 3.** AS 47.07 is amended by adding new sections to read:

20 **Sec. 47.07.022. Extended medical assistance coverage for children; costs.**

21 (a) In addition to the persons specified in AS 47.07.020, a person who resides in the  
 22 state and who meets the criteria under (b) of this section is eligible for extended  
 23 medical assistance coverage equivalent to the mandatory and optional services  
 24 described under AS 47.07.030 if the person submits an annual application and pays the  
 25 premium required under (c) of this section and any copayment required under (d) of  
 26 this section for the previous year.

27 (b) The department shall administer a program of extended medical assistance  
 28 coverage for a person

29 (1) who is under 19 years of age;

30 (2) whose household income is over 200 percent of the federal poverty  
 31 guideline for Alaska set by the United States Department of Health and Human

1 Services and revised under 42 U.S.C. 9902(2); and

2 (3) whose parent or legal guardian certifies that the person cannot  
3 obtain adequate coverage for a reasonable cost under a health insurance policy offered  
4 by an employer of the person's parent or legal guardian; if a policy is not offered by an  
5 employer, the employer must be in compliance with federal law.

6 (c) The program administered under this section must include an annual  
7 application fee and sliding scale premium, payable under terms specified in  
8 regulations adopted by the department. The regulations must

9 (1) include the option of an assignment of a permanent fund dividend  
10 of the applicant and the permanent fund dividend of a parent, legal guardian, or other  
11 authorized representative of an applicant;

12 (2) set an annual premium amount of not less than two percent and not  
13 more than five percent of the person's household income; and

14 (3) except as provided in (2) of this subsection, for a person whose  
15 household income exceeds 300 percent of the federal poverty guideline for Alaska, set  
16 a premium that is equal to the cost to the state of the average annual medical services  
17 and prescription drug costs for a person under 19 years of age paid by the department  
18 under the program.

19 (d) In addition to the annual premium established under (c) of this section, to  
20 the extent permitted by federal law, for a person whose household income exceeds 250  
21 percent of the federal poverty guideline for Alaska, the department shall impose a  
22 copayment, to be paid at the end of the year, that is \$500 plus 20 percent of the annual  
23 medical services and prescription drug costs for a person under 19 years of age paid by  
24 the department under the program.

25 (e) A combined annual premium paid under (c) of this section and annual  
26 copayment paid under (d) of this section may not exceed five percent of the person's  
27 household income.

28 (f) A copayment set under (d) of this section may not include the department's  
29 costs that are associated with a physical exam and tests associated with a physical  
30 exam.

31 **Sec. 47.07.023. Advertising of medical assistance coverage.** The department

1 shall, to the extent funding is available in one calendar month each year, spend  
 2 \$25,000 that month advertising on television and radio the medical assistance program  
 3 benefits available to persons under 21 years of age and to pregnant women.

4 \* **Sec. 4.** AS 47.07.042(d) is amended to read:

5 (d) In addition to the requirements established under (a) and (b) of this section,  
 6 the department **shall** [MAY] require premiums **and** [OR] cost-sharing contributions  
 7 from recipients **as set out in AS 47.07.022. The** [WHO ARE ELIGIBLE FOR  
 8 BENEFITS UNDER AS 47.07.020(b)(13) AND WHOSE HOUSEHOLD INCOME  
 9 IS BETWEEN 150 AND 175 PERCENT OF THE FEDERAL POVERTY LINE. IF  
 10 THE DEPARTMENT REQUIRES PREMIUMS OR COST-SHARING  
 11 CONTRIBUTIONS UNDER THIS SUBSECTION, THE] department

12 (1) [SHALL ADOPT IN REGULATION A SLIDING SCALE FOR  
 13 THOSE PREMIUMS OR CONTRIBUTIONS BASED ON HOUSEHOLD INCOME;

14 (2)] may not exceed the maximums allowed under federal law; and

15 **(2)** [(3)] shall implement a system by which the department or its  
 16 designee collects those premiums or contributions.

17 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
 18 read:

19 TRANSITION: REGULATIONS. The Department of Health and Social Services may  
 20 proceed to adopt regulations necessary to implement the changes made by this Act. The  
 21 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the  
 22 effective date of secs. 2 - 4 of this Act.

23 \* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to  
 24 read:

25 CONTINGENT EFFECT. AS 47.07.022, added by sec. 3 of this Act, takes effect only  
 26 if, before July 1, 2011, the United States Department of Health and Human Services has  
 27 approved the changes made in that section.

28 \* **Sec. 7.** If AS 47.07.022, added by sec. 3 of this Act, takes effect, it takes effect on the date  
 29 that the revisor of statutes receives notice from the commissioner of health and social services  
 30 that the United States Department of Health and Human Services has approved the changes  
 31 made in that section.

- 1 \* **Sec. 8.** Sections 5 and 6 of this Act take effect immediately under AS 01.10.070(c).
- 2 \* **Sec. 9.** Except as provided in secs. 7 and 8 of this Act, this Act takes effect July 1, 2009.