

SECOND REGULAR SESSION

# HOUSE BILL NO. 1845

98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE GARDNER.

4278H.021

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal section 208.991, RSMo, and to enact in lieu thereof one new section relating to MO HealthNet benefits.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 208.991, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 208.991, to read as follows:

208.991. 1. For purposes of this section and section 208.990, the following terms mean:

(1) "Child" or "children", a person or persons who are under nineteen years of age;

(2) "CHIP-eligible children", children who meet the eligibility standards for Missouri's children's health insurance program as provided in sections 208.631 to 208.658, including paying the premiums required under sections 208.631 to 208.658;

(3) "Department", the Missouri department of social services, or a division or unit within the department as designated by the department's director;

(4) "MAGI", the individual's modified adjusted gross income as defined in Section 36B(d)(2) of the Internal Revenue Code of 1986, as amended, and:

(a) Any foreign earned income or housing costs;

(b) Tax-exempt interest received or accrued by the individual; and

(c) Tax-exempt Social Security income;

(5) "MAGI equivalent net income standard", an income eligibility threshold based on modified adjusted gross income that is not less than the income eligibility levels that were in effect prior to the enactment of Public Law 111-148 and Public Law 111-152;

**(6) "Medically frail", individuals:**

**(a) Described in 42 CFR 438.50(d)(3);**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 18           **(b) With disabling mental disorders;**  
19           **(c) With chronic substance use disorders;**  
20           **(d) With serious and complex medical conditions;**  
21           **(e) With a physical, intellectual, or developmental disability that significantly**  
22 **impairs their ability to perform one or more activities of daily living; or**  
23           **(f) With a disability determination based on Social Security criteria.**

24           2. (1) Effective January 1, 2014, notwithstanding any other provision of law to the  
25 contrary, the following individuals shall be eligible for MO HealthNet coverage as provided in  
26 this section:

- 27           (a) Individuals covered by MO HealthNet for families as provided in section 208.145;  
28           (b) Individuals covered by transitional MO HealthNet as provided in 42 U.S.C. Section  
29 1396r-6;  
30           (c) Individuals covered by extended MO HealthNet for families on child support closings  
31 as provided in 42 U.S.C. Section 1396r-6;  
32           (d) Pregnant women as provided in subdivisions (10), (11), and (12) of subsection 1 of  
33 section 208.151;  
34           (e) Children under one year of age as provided in subdivision (12) of subsection 1 of  
35 section 208.151;  
36           (f) Children under six years of age as provided in subdivision (13) of subsection 1 of  
37 section 208.151;  
38           (g) Children under nineteen years of age as provided in subdivision (14) of subsection  
39 1 of section 208.151;  
40           (h) CHIP-eligible children; and  
41           (i) Uninsured women as provided in section 208.659.

42           (2) Effective January 1, 2014, the department shall determine eligibility for individuals  
43 eligible for MO HealthNet under subdivision (1) of this subsection based on the following  
44 income eligibility standards, unless and until they are changed:

- 45           (a) For individuals listed in paragraphs (a), (b), and (c) of subdivision (1) of this  
46 subsection, the department shall apply the July 16, 1996, Aid to Families with Dependent  
47 Children (AFDC) income standard as converted to the MAGI equivalent net income standard;  
48           (b) For individuals listed in paragraphs (f) and (g) of subdivision (1) of this subsection,  
49 the department shall apply one hundred thirty-three percent of the federal poverty level converted  
50 to the MAGI equivalent net income standard;  
51           (c) For individuals listed in paragraph (h) of subdivision (1) of this subsection, the  
52 department shall convert the income eligibility standard set forth in section 208.633 to the MAGI  
53 equivalent net income standard;

54 (d) For individuals listed in paragraphs (d), (e), and (i) of subdivision (1) of this  
55 subsection, the department shall apply one hundred eighty-five percent of the federal poverty  
56 level converted to the MAGI equivalent net income standard.

57 (3) Individuals eligible for MO HealthNet under subdivision (1) of this subsection shall  
58 receive all applicable benefits under section 208.152.

59 **3. Effective January 1, 2017, individuals who meet the following qualifications shall**  
60 **be eligible for the alternative package of MO HealthNet benefits as set forth in subsection**  
61 **4 of this section, subject to the other requirements of this section:**

62 (1) **Are nineteen years of age or older and under sixty-five years of age;**

63 (2) **Are not pregnant;**

64 (3) **Are not entitled to or enrolled for Medicare benefits under Part A or B of Title**  
65 **XVIII of the Social Security Act;**

66 (4) **Are not otherwise eligible for and enrolled for mandatory coverage under the**  
67 **MO HealthNet program in accordance with 42 CFR Part 435, Subpart B; and**

68 (5) **Have household income that is at or below one hundred thirty-three percent of**  
69 **the federal poverty level for the applicable family size for the applicable year as converted**  
70 **to the MAGI equivalent net income standard, except the household income may be reduced**  
71 **by a dollar amount equivalent to five percent of the federal poverty level for the applicable**  
72 **family size as required under 42 U.S.C. Section 1396a(e)(14)(I)(i).**

73 **4. Except for those individuals who meet the definition of medically frail, the**  
74 **individuals eligible for MO HealthNet benefits in subsection 3 of this section shall only**  
75 **receive a package of alternative minimum benefits. The MO HealthNet division of the**  
76 **department of social services shall promulgate regulations to be effective January 1, 2017,**  
77 **that provide an alternative benefit package that complies with the requirements of federal**  
78 **law and is subject to limitations as established in regulations of the MO HealthNet division.**

79 **5. Individuals eligible for coverage under subsection 3 of this section who meet the**  
80 **definition of medically frail shall receive all coverage they are eligible to receive under**  
81 **section 208.151.**

82 **6. The department of social services shall establish a screening process in**  
83 **conjunction with the department of mental health and department of health and senior**  
84 **services for determining whether an individual is medically frail.**

85 **7. The department or appropriate divisions of the department shall promulgate rules to**  
86 **implement the provisions of this section. Any rule or portion of a rule, as the term is defined in**  
87 **section 536.010, that is created under the authority delegated in this section shall become**  
88 **effective only if it complies with and is subject to all of the provisions of chapter 536 and, if**  
89 **applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the**

90 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
91 date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
92 rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid  
93 and void.

94 [4.] **8.** The department shall submit such state plan amendments and waivers to the  
95 Centers for Medicare and Medicaid Services of the federal Department of Health and Human  
96 Services as the department determines are necessary to implement the provisions of this section.

97 **9. (1) The department of social services shall discontinue eligibility for persons who**  
98 **are eligible under subsection 3 of this section if:**

99 **(a) The federal medical assistance percentage established under 42 U.S.C. Section**  
100 **1396d(y) or 1396d(z) is less than ninety percent as specified for the year 2020 and each year**  
101 **thereafter or an amount determined by the MO HealthNet oversight committee to be**  
102 **necessary to maintain state budget solvency, whichever is lower; and**

103 **(b) The general assembly votes to discontinue eligibility for persons who are eligible**  
104 **under subsection 3 of this section. Prior to any vote under this paragraph, the MO**  
105 **HealthNet oversight committee and the department of social services shall provide the**  
106 **general assembly with information on the current and projected expenses incurred due to**  
107 **expanding eligibility to persons under subsection 3 of this section in relation to health-**  
108 **related savings and revenues and health outcomes of individuals and families receiving**  
109 **benefits under subsection 3 of this section.**

110 **(2) The department of social services shall inform persons eligible under subsection**  
111 **3 of this section that their benefits may be reduced or eliminated if federal funding**  
112 **decreases or is eliminated.**

113 **10. The MO HealthNet oversight committee shall conduct research and investigate**  
114 **any potential health-related savings and revenues associated with expanding eligibility to**  
115 **persons under subsection 3 of this section. The committee shall investigate the federal**  
116 **matching rate below which the state could not maintain the expanded eligibility to persons**  
117 **under subsection 3 of this section. If the amount is determined to be greater than ninety**  
118 **percent, the committee shall report its findings to the general assembly for its consideration**  
119 **prior to any vote under paragraph (b) of subdivision (1) of subsection 9 of this section. In**  
120 **conducting its research and investigation, the committee shall also determine the feasibility**  
121 **of:**

122 **(1) Implementing capped cost sharing for persons eligible under subsection 3 of this**  
123 **section which may be reduced based on healthy behaviors of participants;**

124 **(2) Expanding Medicaid coverage for certain health care services that are currently**  
125 **financed by the state; and**

126           **(3) Enrolling persons under subsection 3 of this section in private health benefit**  
127 **plans.**

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