

# SENATE BILL NO. 935

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR ARTHUR.

3979S.01H

ADRIANE D. CROUSE, Secretary

## AN ACT

To repeal sections 208.147, 208.151, and 208.646, RSMo, and to enact in lieu thereof three new sections relating to MO HealthNet.

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

Section A. Sections 208.147, 208.151, and 208.646, RSMo,  
2 are repealed and three new sections enacted in lieu thereof, to  
3 be known as sections 208.147, 208.151, and 208.646, to read as  
4 follows:

208.147. 1. The family support division shall conduct  
2 an annual income and eligibility verification review of each  
3 recipient of medical assistance. Such review shall be  
4 completed not later than twelve months after the recipient's  
5 last eligibility determination.

2. The annual eligibility review requirement may be  
7 satisfied by the completion of a periodic food stamp  
8 redetermination for the household.

9 3. [The family support division shall annually send a  
10 reverification eligibility form letter to the recipient  
11 requiring the recipient to respond within ten days of  
12 receiving the letter and to provide income verification  
13 documentation described in subsection 4 of this section. If  
14 the division does not receive the recipient's response and  
15 documentation within the ten days, the division shall send a  
16 letter notifying the recipient that he or she has ten days  
17 to file an appeal or the case will be closed.] **Except as**

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

18 **provided in subsection 2 of this section, the family support**  
19 **division shall follow the eligibility redetermination and**  
20 **renewal process under 42 CFR 435.916 when conducting the**  
21 **annual eligibility verification review required under**  
22 **subsection 1 of this section.**

23 4. The family support division shall require  
24 recipients to provide documentation for income verification  
25 for purposes of eligibility review described in subsection 1  
26 of this section. Such documentation may include, but not be  
27 limited to:

- 28 (1) Current wage stubs;
- 29 (2) A current W-2 form;
- 30 (3) Statements from the recipient's employer;
- 31 (4) A wage match with the division of employment  
32 security; and
- 33 (5) Bank statements.

208.151. 1. Medical assistance on behalf of needy  
2 persons shall be known as "MO HealthNet". For the purpose  
3 of paying MO HealthNet benefits and to comply with Title  
4 XIX, Public Law 89-97, 1965 amendments to the federal Social  
5 Security Act (42 U.S.C. Section 301, et seq.) as amended,  
6 the following needy persons shall be eligible to receive MO  
7 HealthNet benefits to the extent and in the manner  
8 hereinafter provided:

- 9 (1) All participants receiving state supplemental  
10 payments for the aged, blind and disabled;
- 11 (2) All participants receiving aid to families with  
12 dependent children benefits, including all persons under  
13 nineteen years of age who would be classified as dependent  
14 children except for the requirements of subdivision (1) of  
15 subsection 1 of section 208.040. Participants eligible  
16 under this subdivision who are participating in treatment

17 court, as defined in section 478.001, shall have their  
18 eligibility automatically extended sixty days from the time  
19 their dependent child is removed from the custody of the  
20 participant, subject to approval of the Centers for Medicare  
21 and Medicaid Services;

22 (3) All participants receiving blind pension benefits;

23 (4) All persons who would be determined to be eligible  
24 for old age assistance benefits, permanent and total  
25 disability benefits, or aid to the blind benefits under the  
26 eligibility standards in effect December 31, 1973, or less  
27 restrictive standards as established by rule of the family  
28 support division, who are sixty-five years of age or over  
29 and are patients in state institutions for mental diseases  
30 or tuberculosis;

31 (5) All persons under the age of twenty-one years who  
32 would be eligible for aid to families with dependent  
33 children except for the requirements of subdivision (2) of  
34 subsection 1 of section 208.040, and who are residing in an  
35 intermediate care facility, or receiving active treatment as  
36 inpatients in psychiatric facilities or programs, as defined  
37 in 42 U.S.C. Section 1396d, as amended;

38 (6) All persons under the age of twenty-one years who  
39 would be eligible for aid to families with dependent  
40 children benefits except for the requirement of deprivation  
41 of parental support as provided for in subdivision (2) of  
42 subsection 1 of section 208.040;

43 (7) All persons eligible to receive nursing care  
44 benefits;

45 (8) All participants receiving family foster home or  
46 nonprofit private child-care institution care, subsidized  
47 adoption benefits and parental school care wherein state  
48 funds are used as partial or full payment for such care;

49           (9) All persons who were participants receiving old  
50 age assistance benefits, aid to the permanently and totally  
51 disabled, or aid to the blind benefits on December 31, 1973,  
52 and who continue to meet the eligibility requirements,  
53 except income, for these assistance categories, but who are  
54 no longer receiving such benefits because of the  
55 implementation of Title XVI of the federal Social Security  
56 Act, as amended;

57           (10) Pregnant women who meet the requirements for aid  
58 to families with dependent children, except for the  
59 existence of a dependent child in the home;

60           (11) Pregnant women who meet the requirements for aid  
61 to families with dependent children, except for the  
62 existence of a dependent child who is deprived of parental  
63 support as provided for in subdivision (2) of subsection 1  
64 of section 208.040;

65           (12) Pregnant women or infants under one year of age,  
66 or both, whose family income does not exceed an income  
67 eligibility standard equal to one hundred eighty-five  
68 percent of the federal poverty level as established and  
69 amended by the federal Department of Health and Human  
70 Services, or its successor agency;

71           (13) Children who have attained one year of age but  
72 have not attained six years of age who are eligible for  
73 medical assistance under 6401 of P.L. 101-239 (Omnibus  
74 Budget Reconciliation Act of 1989) (42 U.S.C. Sections 1396a  
75 to 1396b). The family support division shall use an income  
76 eligibility standard equal to one hundred thirty-three  
77 percent of the federal poverty level established by the  
78 Department of Health and Human Services, or its successor  
79 agency;

80           (14) Children who have attained six years of age but  
81 have not attained nineteen years of age. For children who  
82 have attained six years of age but have not attained  
83 nineteen years of age, the family support division shall use  
84 an income assessment methodology which provides for  
85 eligibility when family income is equal to or less than  
86 equal to one hundred percent of the federal poverty level  
87 established by the Department of Health and Human Services,  
88 or its successor agency. As necessary to provide MO  
89 HealthNet coverage under this subdivision, the department of  
90 social services may revise the state MO HealthNet plan to  
91 extend coverage under 42 U.S.C. Section  
92 1396a(a)(10)(A)(i)(III) to children who have attained six  
93 years of age but have not attained nineteen years of age as  
94 permitted by paragraph (2) of subsection (n) of 42 U.S.C.  
95 Section 1396d using a more liberal income assessment  
96 methodology as authorized by paragraph (2) of subsection (r)  
97 of 42 U.S.C. Section 1396a;

98           (15) The family support division shall not establish a  
99 resource eligibility standard in assessing eligibility for  
100 persons under subdivision (12), (13) or (14) of this  
101 subsection. The MO HealthNet division shall define the  
102 amount and scope of benefits which are available to  
103 individuals eligible under each of the subdivisions (12),  
104 (13), and (14) of this subsection, in accordance with the  
105 requirements of federal law and regulations promulgated  
106 thereunder;

107           (16) Notwithstanding any other provisions of law to  
108 the contrary, ambulatory prenatal care shall be made  
109 available to pregnant women during a period of presumptive  
110 eligibility pursuant to 42 U.S.C. Section 1396r-1, as  
111 amended;

112           (17) A child born to a woman eligible for and  
113 receiving MO HealthNet benefits under this section on the  
114 date of the child's birth shall be deemed to have applied  
115 for MO HealthNet benefits and to have been found eligible  
116 for such assistance under such plan on the date of such  
117 birth and to remain eligible for such assistance for a  
118 period of time determined in accordance with applicable  
119 federal and state law and regulations so long as the child  
120 is a member of the woman's household and either the woman  
121 remains eligible for such assistance or for children born on  
122 or after January 1, 1991, the woman would remain eligible  
123 for such assistance if she were still pregnant. Upon  
124 notification of such child's birth, the family support  
125 division shall assign a MO HealthNet eligibility  
126 identification number to the child so that claims may be  
127 submitted and paid under such child's identification number;

128           (18) Pregnant women and children eligible for MO  
129 HealthNet benefits pursuant to subdivision (12), (13) or  
130 (14) of this subsection shall not as a condition of  
131 eligibility for MO HealthNet benefits be required to apply  
132 for aid to families with dependent children. The family  
133 support division shall utilize an application for  
134 eligibility for such persons which eliminates information  
135 requirements other than those necessary to apply for MO  
136 HealthNet benefits. The division shall provide such  
137 application forms to applicants whose preliminary income  
138 information indicates that they are ineligible for aid to  
139 families with dependent children. Applicants for MO  
140 HealthNet benefits under subdivision (12), (13) or (14) of  
141 this subsection shall be informed of the aid to families  
142 with dependent children program and that they are entitled  
143 to apply for such benefits. Any forms utilized by the

144 family support division for assessing eligibility under this  
145 chapter shall be as simple as practicable;

146 (19) Subject to appropriations necessary to recruit  
147 and train such staff, the family support division shall  
148 provide one or more full-time, permanent eligibility  
149 specialists to process applications for MO HealthNet  
150 benefits at the site of a health care provider, if the  
151 health care provider requests the placement of such  
152 eligibility specialists and reimburses the division for the  
153 expenses including but not limited to salaries, benefits,  
154 travel, training, telephone, supplies, and equipment of such  
155 eligibility specialists. The division may provide a health  
156 care provider with a part-time or temporary eligibility  
157 specialist at the site of a health care provider if the  
158 health care provider requests the placement of such an  
159 eligibility specialist and reimburses the division for the  
160 expenses, including but not limited to the salary, benefits,  
161 travel, training, telephone, supplies, and equipment, of  
162 such an eligibility specialist. The division may seek to  
163 employ such eligibility specialists who are otherwise  
164 qualified for such positions and who are current or former  
165 welfare participants. The division may consider training  
166 such current or former welfare participants as eligibility  
167 specialists for this program;

168 (20) Pregnant women who are eligible for, have applied  
169 for and have received MO HealthNet benefits under  
170 subdivision (2), (10), (11) or (12) of this subsection shall  
171 continue to be considered eligible for all pregnancy-related  
172 and postpartum MO HealthNet benefits provided under section  
173 208.152 until the end of the sixty-day period beginning on  
174 the last day of their pregnancy. Pregnant women receiving  
175 mental health treatment for postpartum depression or related

176 mental health conditions within sixty days of giving birth  
177 shall, subject to appropriations and any necessary federal  
178 approval, be eligible for MO HealthNet benefits for mental  
179 health services for the treatment of postpartum depression  
180 and related mental health conditions for up to twelve  
181 additional months. Pregnant women receiving substance abuse  
182 treatment within sixty days of giving birth shall, subject  
183 to appropriations and any necessary federal approval, be  
184 eligible for MO HealthNet benefits for substance abuse  
185 treatment and mental health services for the treatment of  
186 substance abuse for no more than twelve additional months,  
187 as long as the woman remains adherent with treatment. The  
188 department of mental health and the department of social  
189 services shall seek any necessary waivers or state plan  
190 amendments from the Centers for Medicare and Medicaid  
191 Services and shall develop rules relating to treatment plan  
192 adherence. No later than fifteen months after receiving any  
193 necessary waiver, the department of mental health and the  
194 department of social services shall report to the house of  
195 representatives budget committee and the senate  
196 appropriations committee on the compliance with federal cost  
197 neutrality requirements;

198 (21) Case management services for pregnant women and  
199 young children at risk shall be a covered service. To the  
200 greatest extent possible, and in compliance with federal law  
201 and regulations, the department of health and senior  
202 services shall provide case management services to pregnant  
203 women by contract or agreement with the department of social  
204 services through local health departments organized under  
205 the provisions of chapter 192 or chapter 205 or a city  
206 health department operated under a city charter or a  
207 combined city-county health department or other department



208 of health and senior services designees. To the greatest  
209 extent possible the department of social services and the  
210 department of health and senior services shall mutually  
211 coordinate all services for pregnant women and children with  
212 the crippled children's program, the prevention of  
213 intellectual disability and developmental disability program  
214 and the prenatal care program administered by the department  
215 of health and senior services. The department of social  
216 services shall by regulation establish the methodology for  
217 reimbursement for case management services provided by the  
218 department of health and senior services. For purposes of  
219 this section, the term "case management" shall mean those  
220 activities of local public health personnel to identify  
221 prospective MO HealthNet-eligible high-risk mothers and  
222 enroll them in the state's MO HealthNet program, refer them  
223 to local physicians or local health departments who provide  
224 prenatal care under physician protocol and who participate  
225 in the MO HealthNet program for prenatal care and to ensure  
226 that said high-risk mothers receive support from all private  
227 and public programs for which they are eligible and shall  
228 not include involvement in any MO HealthNet prepaid, case-  
229 managed programs;

230 (22) By January 1, 1988, the department of social  
231 services and the department of health and senior services  
232 shall study all significant aspects of presumptive  
233 eligibility for pregnant women and submit a joint report on  
234 the subject, including projected costs and the time needed  
235 for implementation, to the general assembly. The department  
236 of social services, at the direction of the general  
237 assembly, may implement presumptive eligibility by  
238 regulation promulgated pursuant to chapter 207;

239           (23) All participants who would be eligible for aid to  
240 families with dependent children benefits except for the  
241 requirements of paragraph (d) of subdivision (1) of section  
242 208.150;

243           (24) (a) All persons who would be determined to be  
244 eligible for old age assistance benefits under the  
245 eligibility standards in effect December 31, 1973, as  
246 authorized by 42 U.S.C. Section 1396a(f), or less  
247 restrictive methodologies as contained in the MO HealthNet  
248 state plan as of January 1, 2005; except that, on or after  
249 July 1, 2005, less restrictive income methodologies, as  
250 authorized in 42 U.S.C. Section 1396a(r)(2), may be used to  
251 change the income limit if authorized by annual  
252 appropriation;

253           (b) All persons who would be determined to be eligible  
254 for aid to the blind benefits under the eligibility  
255 standards in effect December 31, 1973, as authorized by 42  
256 U.S.C. Section 1396a(f), or less restrictive methodologies  
257 as contained in the MO HealthNet state plan as of January 1,  
258 2005, except that less restrictive income methodologies, as  
259 authorized in 42 U.S.C. Section 1396a(r)(2), shall be used  
260 to raise the income limit to one hundred percent of the  
261 federal poverty level;

262           (c) All persons who would be determined to be eligible  
263 for permanent and total disability benefits under the  
264 eligibility standards in effect December 31, 1973, as  
265 authorized by 42 U.S.C. Section 1396a(f); or less  
266 restrictive methodologies as contained in the MO HealthNet  
267 state plan as of January 1, 2005; except that, on or after  
268 July 1, 2005, less restrictive income methodologies, as  
269 authorized in 42 U.S.C. Section 1396a(r)(2), may be used to  
270 change the income limit if authorized by annual

271 appropriations. Eligibility standards for permanent and  
272 total disability benefits shall not be limited by age;

273 (25) Persons who have been diagnosed with breast or  
274 cervical cancer and who are eligible for coverage pursuant  
275 to 42 U.S.C. Section 1396a(a)(10)(A)(ii)(XVIII). Such  
276 persons shall be eligible during a period of presumptive  
277 eligibility in accordance with 42 U.S.C. Section 1396r-1;

278 (26) Persons who are in foster care under the  
279 responsibility of the state of Missouri on the date such  
280 persons attained the age of eighteen years, or at any time  
281 during the thirty-day period preceding their eighteenth  
282 birthday, or persons who received foster care for at least  
283 six months in another state, are residing in Missouri, and  
284 are at least eighteen years of age, without regard to income  
285 or assets, if such persons:

286 (a) Are under twenty-six years of age;

287 (b) Are not eligible for coverage under another  
288 mandatory coverage group; and

289 (c) Were covered by Medicaid while they were in foster  
290 care;

291 (27) Any homeless child or homeless youth, as those  
292 terms are defined in section 167.020, subject to approval of  
293 a state plan amendment by the Centers for Medicare and  
294 Medicaid Services.

295 2. Rules and regulations to implement this section  
296 shall be promulgated in accordance with chapter 536. Any  
297 rule or portion of a rule, as that term is defined in  
298 section 536.010, that is created under the authority  
299 delegated in this section shall become effective only if it  
300 complies with and is subject to all of the provisions of  
301 chapter 536 and, if applicable, section 536.028. This  
302 section and chapter 536 are nonseverable and if any of the

303 powers vested with the general assembly pursuant to chapter  
304 536 to review, to delay the effective date or to disapprove  
305 and annul a rule are subsequently held unconstitutional,  
306 then the grant of rulemaking authority and any rule proposed  
307 or adopted after August 28, 2002, shall be invalid and void.

308 3. After December 31, 1973, and before April 1, 1990,  
309 any family eligible for assistance pursuant to 42 U.S.C.  
310 Section 601, et seq., as amended, in at least three of the  
311 last six months immediately preceding the month in which  
312 such family became ineligible for such assistance because of  
313 increased income from employment shall, while a member of  
314 such family is employed, remain eligible for MO HealthNet  
315 benefits for four calendar months following the month in  
316 which such family would otherwise be determined to be  
317 ineligible for such assistance because of income and  
318 resource limitation. After April 1, 1990, any family  
319 receiving aid pursuant to 42 U.S.C. Section 601, et seq., as  
320 amended, in at least three of the six months immediately  
321 preceding the month in which such family becomes ineligible  
322 for such aid, because of hours of employment or income from  
323 employment of the caretaker relative, shall remain eligible  
324 for MO HealthNet benefits for six calendar months following  
325 the month of such ineligibility as long as such family  
326 includes a child as provided in 42 U.S.C. Section 1396r-6.  
327 Each family which has received such medical assistance  
328 during the entire six-month period described in this section  
329 and which meets reporting requirements and income tests  
330 established by the division and continues to include a child  
331 as provided in 42 U.S.C. Section 1396r-6 shall receive MO  
332 HealthNet benefits without fee for an additional six  
333 months. The MO HealthNet division may provide by rule and

334 as authorized by annual appropriation the scope of MO  
335 HealthNet coverage to be granted to such families.

336 4. When any individual has been determined to be  
337 eligible for MO HealthNet benefits, such medical assistance  
338 will be made available to him or her for care and services  
339 furnished in or after the third month before the month in  
340 which he **or she** made application for such assistance if such  
341 individual was, or upon application would have been,  
342 eligible for such assistance at the time such care and  
343 services were furnished; provided, further, that such  
344 medical expenses remain unpaid.

345 5. The department of social services may apply to the  
346 federal Department of Health and Human Services for a MO  
347 HealthNet waiver amendment to the Section 1115 demonstration  
348 waiver or for any additional MO HealthNet waivers necessary  
349 not to exceed one million dollars in additional costs to the  
350 state, unless subject to appropriation or directed by  
351 statute, but in no event shall such waiver applications or  
352 amendments seek to waive the services of a rural health  
353 clinic or a federally qualified health center as defined in  
354 42 U.S.C. Section 1396d(1)(1) and (2) or the payment  
355 requirements for such clinics and centers as provided in 42  
356 U.S.C. Section 1396a(a)(15) and 1396a(bb) unless such waiver  
357 application is approved by the oversight committee created  
358 in section 208.955. A request for such a waiver so  
359 submitted shall only become effective by executive order not  
360 sooner than ninety days after the final adjournment of the  
361 session of the general assembly to which it is submitted,  
362 unless it is disapproved within sixty days of its submission  
363 to a regular session by a senate or house resolution adopted  
364 by a majority vote of the respective elected members

365 thereof, unless the request for such a waiver is made  
366 subject to appropriation or directed by statute.

367         6. Notwithstanding any other provision of law to the  
368 contrary, in any given fiscal year, any persons made  
369 eligible for MO HealthNet benefits under subdivisions (1) to  
370 (22) of subsection 1 of this section shall only be eligible  
371 if annual appropriations are made for such eligibility.  
372 This subsection shall not apply to classes of individuals  
373 listed in 42 U.S.C. Section 1396a(a)(10)(A)(i).

374         7. (1) Notwithstanding any provision of law to the  
375 contrary, a military service member, or an immediate family  
376 member residing with such military service member, who is a  
377 legal resident of this state and is eligible for MO  
378 HealthNet developmental disability services, shall have his  
379 or her eligibility for MO HealthNet developmental disability  
380 services temporarily suspended for any period of time during  
381 which such person temporarily resides outside of this state  
382 for reasons relating to military service, but shall have his  
383 or her eligibility immediately restored upon returning to  
384 this state to reside.

385         (2) Notwithstanding any provision of law to the  
386 contrary, if a military service member, or an immediate  
387 family member residing with such military service member, is  
388 not a legal resident of this state, but would otherwise be  
389 eligible for MO HealthNet developmental disability services,  
390 such individual shall be deemed eligible for MO HealthNet  
391 developmental disability services for the duration of any  
392 time in which such individual is temporarily present in this  
393 state for reasons relating to military service.

394         **8. A child who is determined to be eligible for**  
395 **benefits under subsection 1 of this section shall remain**  
396 **eligible for twelve months subsequent to the last day of the**

397 month in which the child was enrolled; except that, a child  
398 shall no longer be eligible and shall be disenrolled from MO  
399 HealthNet if the state becomes aware of or is notified that  
400 the child has moved out of the state or the child has  
401 reached nineteen years of age.

208.646. There shall be [a thirty-day] no waiting  
2 period after [enrollment] receipt of an application for an  
3 uninsured [children in families with an income of more than  
4 two hundred twenty-five percent of the federal poverty  
5 level] child before the child becomes eligible for insurance  
6 under the provisions of sections 208.631 to 208.658. If  
7 [the] a parent or guardian with an income of more than two  
8 hundred twenty-five percent of the federal poverty level  
9 fails to meet the co-payment on three separate occasions or  
10 premium requirements for three consecutive months, the child  
11 shall not be eligible for coverage under sections 208.631 to  
12 208.658 for ninety days after the department provides notice  
13 of such failure to the parent or guardian.

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