

1 **AMENDMENTS TO MEDICAID AND HEALTH CARE**

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Brian E. Shiozawa**

5 House Sponsor: \_\_\_\_\_

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**LONG TITLE**

7 **General Description:**

8 This bill establishes a health care premium partnership program to provide an  
9 individual who does not currently qualify for Medicaid and who is below 100% of the  
10 federal poverty level with a premium subsidy to enroll in a health benefit plan.  
11

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ defines terms;
- 15 ▶ establishes a new premium partnership program to provide an individual who is not  
16 currently eligible for Medicaid and who is below 100% of the federal poverty level  
17 with a premium subsidy to enroll in a health benefit plan;
- 18 ▶ instructs the Utah Department of Health to obtain from the Centers for Medicare  
19 and Medicaid Services within the United States Department of Health and Human  
20 Services waivers from federal law necessary to implement the premium partnership  
21 program;
- 22 ▶ requires the Utah Department of Health to seek waivers that allow maximum  
23 flexibility in the benefit design, cost sharing requirements, and individual  
24 responsibility requirements of health benefit plans that may be selected by an  
25 eligible individual; and
- 26 ▶ sunsets the premium partnership program if federal participation in the program is  
27 reduced.



28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **26-18-18**, as enacted by Laws of Utah 2013, Chapter 477

36 *Be it enacted by the Legislature of the state of Utah:*

37 Section 1. Section **26-18-18** is amended to read:

38 **26-18-18. Utah Premium Partnership expansion.**

39 (1) For purposes of this section:

40 (a) "Medically frail" shall be determined by the department based on:

41 (i) 42 C.F.R. 440.315; and

42 (ii) an automated assessment adopted by the department in consultation with the

43 Department of Workforce Services.

44 (b) "Optional expansion population" means individuals who:

45 (i) do not qualify for the Medicaid program; and

46 (ii) the Centers for Medicare and Medicaid Services within the United States

47 Department of Health and Human Services would otherwise determine are eligible for funding

48 at the enhanced Federal Medical Assistance Percentage available under PPACA beginning

49 January 1, 2014.

50 (c) PPACA is as defined in Section 31A-1-301.

51 (2) The department and the governor shall not expand the [state's] Medicaid program to  
52 the optional expansion population [~~under PPACA~~] unless:

53 [~~(a) the Health Reform Task Force has completed a thorough analysis of a statewide  
54 charity care system;~~]

55 [~~(b) the department and its contractors have:]~~

56 [~~(i) completed a thorough analysis of the impact to the state of expanding the state's  
57 Medicaid program to optional populations under PPACA; and]~~

58 [~~(ii) made the analysis conducted under Subsection (2)(b)(i) available to the public;]~~

59           ~~[(e)]~~ (a) the governor or the governor's designee has reported the intention to expand  
 60 the [state] Medicaid program [~~under PPACA~~] to the Legislature in compliance with the  
 61 legislative review process in Sections ~~63M-1-2505.5~~ and ~~26-18-3~~; ~~Ŝ→ [and] ←Ŝ~~

62           ~~Ŝ→~~ ~~[[~~ ~~Ŝ→~~ ~~[(d)]~~ (b) ~~←Ŝ~~ notwithstanding Subsection ~~63J-5-103~~(2), the governor submits the  
 62a request for  
 63 expansion of the Medicaid program for optional populations to the Legislature under the high  
 64 impact federal funds request process required by Section ~~63J-5-204~~, Legislative review and  
 65 approval of certain federal funds request ~~Ŝ→ [-] ; and ←Ŝ~~ ~~[[~~ ~~←Ŝ~~

66           ~~Ŝ→~~ ~~[(b)]~~ (c) ~~←Ŝ~~ the department establishes a premium partnership program, as provided in  
 67 Subsection (3), that focuses on enrolling individuals ~~Ŝ→ in ←Ŝ~~ health benefit plans rather than  
 68 government administered health care.

69           (3) The department shall amend the state Medicaid plan and obtain from the Centers  
 70 for Medicare and Medicaid Services within the United States Department of Health and  
 71 Human Services waivers from federal statutory and regulatory law necessary to implement a  
 72 plan to:

73           (a) provide a premium subsidy to an individual who is:

74           (i) below 100% of the federal poverty level;

75           (ii) in the optional expansion population; and

76           (iii) ~~Ŝ→~~ **except as provided in Subsection (3)(f), ←Ŝ** not medically frail;

77           (b) obtain the enhanced federal financial participation for the optional expansion  
 78 population up to 100% of the federal poverty level, as described in PPACA, Subsection  
 79 2001(a)(3);

80           (c) for individuals described in Subsection (3)(a), establish a mechanism for an  
 81 individual to:

82           (i) select a health benefit plan using the premium subsidy offered under Subsection  
 83 (3)(a); or

84           (ii) if the individual is offered employer sponsored health insurance, enroll in the  
 85 employer sponsored coverage;

86           (d) seek maximum flexibility for the benefit design of the health benefit plans that an  
 87 individual described in Subsection (3)(a) may select;

88           (e) seek maximum flexibility for individual responsibility, cost sharing, and wellness  
 89 programs incorporated into the health benefit plans an individual described in Subsection (3)(a)

90 may select; and

91 (f) offer coverage in accordance with 42 C.F.R. 440.315 to an individual who is in the  
92 optional expansion population, medically frail, and below 100% of the federal poverty level

92a **§→ ,which shall include the option for the individual to accept a premium subsidy under**  
92b **Subsection (3)(a) ←§ .**

93 **(4) §→ If the department obtains the waivers in accordance with Subsection (3), the**  
93a **department and the governor are considered to have met the requirements for**  
93b **Subsection(2)(d). If the department does not obtain waivers in accordance with Subsection (3),**  
93c **the department and the governor shall comply with Subsection (2)(d) before expanding**  
93d **Medicaid to the optional population.**

93e **(5) ←§ The premium subsidy program and benefits provided to the optional expansion**  
94 **population under this section are repealed on the date of a certification by the executive**  
95 **director that:**

96 **(a) Congress has taken an action that will reduce the federal financial participation for**  
97 **the expansion population; and**

98 **(b) the reduction in federal financial participation exceeds the reductions described in**  
99 **PPACA, Subsection 2001(a)(3).**

**Legislative Review Note**  
**as of 2-19-14 12:39 PM**

**Office of Legislative Research and General Counsel**