

SS SB 539 -- HEALTH CARE AND SOCIAL SERVICES PROGRAMS

This bill changes the laws regarding health care and social services programs, including the Missouri Medicaid Program, the Missouri Rx Plan, and personal care assistance programs.

MISSOURI MEDICAID PROGRAM

The bill reduces income levels for eligibility for medical assistance and eliminates some optional services, including medical assistance for the working disabled and general relief medical assistance, and lowers from 226% to 151% of the federal poverty level the income of parents of uninsured children in the MC+ for Kids Program who are required to pay a premium. The Family Support Division within the Department of Social Services is required to conduct annual income eligibility and verification reviews of all recipients of medical assistance and send a re-verification form letter annually requiring the recipient to respond and provide income verification documents within 10 days.

The bill changes the division of assets procedure for the purposes of determining eligibility for the Missouri Medicaid Program when one spouse enters a nursing home and the other spouse remains in the community. Currently, resources that are allocated to the institutionalized spouse may be diverted to the community spouse to provide an income stream for the community spouse. The bill requires an institutionalized spouse to divert income to the community spouse to raise the community spouse's income to the level of the minimum monthly needs allowance. The diversion of income must occur before the community spouse is allowed to retain assets in excess of the community spouse's protected amount described in federal law.

For purposes of determining Medicaid eligibility, investment in annuities is limited to those that are actuarially sound, provide equal payments for the duration of the device, and provide the state secondary or contingent beneficiary status. The department must establish a 60-month look-back period to review any investment in an annuity by an applicant for Medicaid benefits. The department is allowed to enforce federal Tax Equity and Fiscal Responsibility Act (TEFRA) liens on the property of permanently institutionalized individuals, which include those persons the department determines cannot reasonably be expected to be discharged and returned to their home.

Subject to federal law, the department is required to promulgate rules that require recipients of medical assistance to participate in cost-sharing activities for all covered services, except for personal care, mental health, and health care for uninsured children programs. The cost-sharing provision will also not apply to other qualified children, pregnant women, or blind persons. A health care provider may not refuse to provide

a service if a recipient is unable to pay a required fee. However, upon approval from the department, a provider may terminate future services to an individual with an unpaid debt, as long as it is the provider's routine business practice and the provider gives advance notice and a reasonable opportunity to make payment to the individual. The department is allowed to apply for federal Medicaid waivers as necessary if the cost to the state as a result of the waiver does not exceed an additional \$1 million. The request for a waiver will not become effective except by an executive order of the Governor.

MISSOURI RX PLAN

The bill allows the Missouri Rx Plan to select one or more prescription drug plans as the preferred plan for purposes of the coordination of benefits between the Missouri Rx Plan and the Medicare part D drug benefit. The Department of Health and Senior Services must give initial enrollment priority to individuals who are dually eligible for both Medicare and Medicaid. The next enrollment priority will be Medicare eligible participants with an annual household income at or below 150% of the federal poverty level.

The plan is the payor of last resort and is meant to cover the costs of participants that are not covered by Medicare part D. Persons ineligible for coverage under the Missouri Rx Plan include individuals qualified for coverage for prescription drugs under a public assistance program other than the Medicare Modernization Act, persons who are not considered dually-eligible, and persons qualified for full coverage under another plan of assistance or insurance.

Persons eligible for services under the current Missouri Senior Rx Program on December 13, 2005, will continue to be eligible for those services until January 1, 2006. The provisions of the current Missouri Senior Rx Program will expire following notice to the Revisor of Statutes by the Missouri Rx Plan Advisory Commission that the Medicare Modernization Act of 2003 has been fully implemented.

PERSONAL CARE ASSISTANCE PROGRAM

The bill transfers the Personal Care Assistance Program for Disabled Persons from the Department of Elementary and Secondary Education to the Department of Health and Senior Services which will provide financial assistance to physically disabled persons for personal care assistance services through eligible vendors. The requirements for eligibility and annual eligibility review are specified; and upon determination of eligibility, the department must develop a personal care assistance services plan

for each disabled person.

Disabled persons receiving personal care assistance are responsible for the supervision of the attendant, while the vendor is responsible for the Medicaid reimbursement process, including filing claims and mailing individual payments directly to the assistant.

The services are not authorized if the primary beneficiary of the services is the household unit and the household may reasonably be expected to share responsibilities or assist one another when they live in the same household. A personal care assistant who is listed on any of the Family Care Safety Registry's background checklists cannot be employed unless a good cause waiver is first obtained from the department.

Applicants for personal care assistance services and consumers receiving those services are entitled to a hearing with the Department of Social Services if eligibility for personal care assistance services is denied, if the type or amount of services is set at a level less than the consumer believes is necessary, if disputes arise after preparation of the personal care assistance services plan concerning the provision of services, or if services are discontinued.

The bill specifies the duties of certain persons to report instances where the person reasonably believes that a disabled person has been neglected, abused, or his or her property or funds have been misappropriated. The duties of the department's case manager to investigate instances of abuse are also specified. A mandated reporter who fails to report abuse will be guilty of a class A misdemeanor. An employee disqualification list will be maintained by the Department of Health and Senior Services for attendants who commit fraudulent acts.

MISCELLANEOUS PROVISIONS

The bill removes provisions specifying recalculation of future nursing facility reimbursement rates that were to be effective starting July 1, 2005, and then successively on July 1, 2006, and July 1, 2007.

The Medicaid Reform Commission is established, consisting of 10 members, five from the House of Representatives and five from the Senate, to study and review the current Missouri Medicaid Program and make recommendations for reforms. The directors of the departments of Social Services, Health and Senior Services, and Mental Health will serve as ex-officio members. The commission must make recommendations to the General Assembly by January 1, 2006, on reforming, redesigning, and restructuring a new innovative healthcare delivery Medicaid system to replace the

current system which will sunset on June 30, 2008.

The bill specifies that the adoption subsidy may only be granted to children who reside in a household with an income that does not exceed 200% of the federal poverty level or who are eligible for Title IV-E adoption assistance.