FIRST REGULAR SESSION

HOUSE BILL NO. 900

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MEREDITH.

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D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 208, RSMo, by adding thereto two new sections relating to the MO HealthNet program.

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

Section A. Chapter 208, RSMo, is amended by adding thereto two new sections, to be known as sections 208.990 and 208.995, to read as follows:

208.990. 1. Notwithstanding any other provisions of law, in order to be eligible for MO HealthNet coverage individuals shall meet eligibility criteria set forth in 42 CFR Part 435, including, but not limited to the requirements that:

- (1) The individual is a resident of the state of Missouri;
- 5 (2) The individual has a valid Social Security number;
 - (3) The individual is a citizen of the United States or a qualified alien as described in Section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, 8 U.S.C. Section 1641, who has provided satisfactory documentary evidence of qualified alien status which has been verified with the Department of Homeland Security under a declaration required by Section 1137(d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 that the applicant or beneficiary is an alien in a satisfactory immigration status;
 - (4) An individual claiming eligibility as a pregnant woman shall verify pregnancy.
- 2. Notwithstanding any other provisions of law, effective January 1, 2014, the family support division shall conduct an annual review of all MO HealthNet participants' eligibility as provided in 42 CFR Section 435.916.

HB 900 2

3. Notwithstanding any other provisions of law, applications for MO HealthNet shall be submitted in accordance with the requirements of 42 CFR Section 435.907 and other applicable law. The individual shall provide all required information and documentation necessary to make an eligibility determination or for a purpose directly connected to the administration of the medical assistance program.

- 4. Notwithstanding any other provisions of law, in order to be eligible for MO HealthNet coverage under section 208.995, individuals shall meet the eligibility requirements set forth in subsection 1 of this section and all other eligibility criteria set forth in 42 CFR Parts 435 and 457, including, but not limited to the requirement that:
- (1) The department of social services shall determine the individual's financial eligibility on income based on projected annual household income and family size for the remainder of the current calendar year;
- (2) The department of social services shall determine household income for purposes of determining the modified adjusted gross income by including all actually available cash support provided by the person claiming such individual as a tax dependent;
- (3) The department of social services shall determine a pregnant woman's household size by counting the pregnant woman plus the number of children she is expected to deliver;
- (4) CHIP-eligible children shall be uninsured, shall not have access to affordable insurance, and shall pay the required premium;
 - (5) An individual claiming eligibility as an uninsured woman shall be uninsured.
- 5. The MO HealthNet program shall not provide MO HealthNet coverage under subsections 4 and 5 of section 208.995 to a parent or other caretaker relative living with a dependent child unless the child is receiving benefits under the MO HealthNet program, the Children's Health Insurance Program (CHIP) under 42 CFR Chapter IV, Subchapter D, or otherwise is enrolled in minimum essential coverage as defined in 42 CFR Section 435.4.
- 208.995. 1. For purposes of this section and section 208.990 the following terms mean:
- (1) "Caretaker relative", a relative of a dependent child by blood, adoption, or marriage with whom the child is living, who assumes primary responsibility for the child's care, which may, but is not required to, be indicated by claiming the child as a tax dependent for federal income tax purposes, and who is one of the following:
- (a) The child's father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, or niece;

HB 900 3

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9 **(b)** The spouse of such parent or relative, even after the marriage is terminated by 10 death or divorce;

- (2) "Child" or "children", a person or persons who are under the age of nineteen;
- 12 (3) "CHIP-eligible children", children who are eligible for Missouri's children's 13 health insurance program as provided in sections 208.631 to 208.658, including paying the 14 premiums required under sections 208.631 to 208.658;
- 15 (4) "Department", the Missouri department of social services, or a division or unit 16 within the department as designated by the department's director;
- 17 (5) "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
- 21 (c) Tax exempt Social Security income;
- 22 (6) "MAGI equivalent net income standard", an income eligibility threshold based 23 on modified adjusted gross income that are not less than the effective income eligibility 24 levels that were in effect prior to enactment of Public Law 111-148 and Public Law 25 111-152;
- 26 (7) "Medically frail", individuals with:
- 27 (a) Serious emotional disturbances;
- 28 **(b) Disabling mental disorders;**
- 29 (c) Substance use disorders who are at high risk for significant medical and social 30 costs;
 - (d) Serious and complex medical conditions; and
- (e) Physical or mental disabilities that significantly impair their ability to perform one or more activities of daily living.
- 2. (1) Effective January 1, 2014, notwithstanding any other provision of law, the following individuals shall be eligible for MO HealthNet coverage as provided in this section:
- 37 (a) Individuals covered by MO HealthNet for families as provided in section 38 208.145;
- 39 (b) Individuals covered by transitional MO HealthNet as provided in 42 U.S.C.
 40 Section 1396r-6;
- 41 (c) Individuals covered by extended MO HealthNet for families on child support 42 closings as provided in 42 U.S.C. Section 1396r-6;
- 43 (d) Pregnant women as provided in subdivisions (10), (11), and (12) of subsection 44 1 of section 208.151;

HB 900 4

45 (e) Children under age of one as provided in subdivision (12) of subsection 1 of 46 section 208.151:

- 47 (f) Children under age of six as provided in subdivision (13) of subsection 1 of 48 section 208.151;
 - (g) Children under age of nineteen as provided in subdivision (14) of subsection 1 of section 208.151;
 - (h) CHIP-eligible children; and

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- (i) Uninsured women as provided in section 208.659.
- (2) Effective January 1, 2014, the department of social services shall determine eligibility for individuals eligible for MO HealthNet under subdivision (1) of this subsection based on the following income eligibility standards:
- (a) For individuals listed in paragraphs (a), (b) and (c) of subdivision (1) of this subsection, the department of social services shall apply the July 16, 1996, Aid to Families with Dependent Children (AFDC) income standard as converted to the MAGI equivalent net income standard;
- (b) For individuals listed in paragraphs (d), (f), (g) and (i) of subdivision (1) of this subsection, the department of social services shall apply one hundred thirty-three percent of the federal poverty level converted to the MAGI equivalent net income standard;
- (c) For individuals listed in paragraph (h) of subdivision (1) of this subsection, the department of social services shall convert the income eligibility standard set forth in section 208.633 to the MAGI equivalent net income standard;
- (d) For individuals listed in paragraph (e) of subdivision (1) of this subsection, the department of social services shall apply one hundred eighty-five percent of the federal poverty level converted to the MAGI equivalent net income standard.
- (3) Individuals eligible for MO HealthNet under subdivision (1) of this subsection shall receive all applicable benefits under section 208.152.
- 3. Effective January 1, 2014, individuals who meet the following qualifications shall be eligible for the alternative package of MO HealthNet benefits as set forth in subsection 4 of this section, subject to the other requirements of this section:
 - (a) Are age nineteen or older and under age sixty-five;
 - (b) Are not pregnant;
- (c) Are not entitled to or enrolled for Medicare benefits under Part A or B of Title 77 XVIII of the Social Security Act;
- 78 (d) Are not otherwise eligible for and enrolled for mandatory coverage under 79 Missouri's MO HealthNet program in accordance with 42 CFR Part 435, Subpart B; and

HB 900 5

80 (e) Have household income that is at or below one hundred percent of the federal poverty level for the applicable family size for the applicable year.

- 4. Except for those individuals who meet the definition of medically frail, the individuals eligible for MO HealthNet benefits in subsection 3 of this section shall only receive a package of alternative minimum benefits. The MO HealthNet division of the department of social services shall promulgate regulations to be effective January 1, 2014, that provide an alternative benefit package that complies with the requirements of federal law and subject to limitations as established in regulations of the MO HealthNet division.
- 5. Individuals eligible for coverage under subsection 3 of this section who meet the definition of medically frail shall receive all coverage they are eligible to receive under section 208.151.
- 6. The department of social services shall establish a screening process in conjunction with the department of mental health and department of health and senior services for determining whether an individual is medically frail.
- 7. The department shall provide premium subsidy and other cost supports for individuals eligible for medical assistance under subsection 3 of this section to enroll in employer-provided health plans based on cost effective principles determined by the department.
- 8. The department of social services or appropriate divisions of the department shall promulgate rules to implement this section. Any rule or portion of a rule, as the term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.
- 9. The department of social services shall submit such state plan amendments and waivers to the centers for Medicare and Medicaid services of the United States Department of Health and Human Services as the department determines are necessary to implement this section.

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