

FIRST REGULAR SESSION

HOUSE BILL NO. 124

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE FREDERICK.

0282H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 208, RSMo, by adding thereto one new section relating to the patients first Medicaid reform act.

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

Section A. Chapter 208, RSMo, is amended by adding thereto one new section, to be
2 known as section 208.1040, to read as follows:

**208.1040. 1. This section shall be known and may be cited as the “Patients First
2 Medicaid Reform Act”.**

**3 2. For purposes of this section, the term “MO HealthNet savings account” or
4 “MSA” means an account funded by the department of social services that can be used for
5 medical expenses and qualifying nonmedical expenses as approved by the department of
6 social services.**

**7 3. The department of social services shall seek a Medicaid waiver from the Centers
8 for Medicare and Medicaid Services to receive federal funding as a five-year block grant.**

**9 4. To qualify, a health insurance policy shall meet federal requirements for health
10 savings account (HSA) eligibility. All policies shall cover federally mandated Medicaid
11 benefits. All policies shall be exempt from other state mandated benefits. HSA-eligible
12 policies available through the state or federal high-risk pool are eligible for those
13 individuals who meet enrollment criteria.**

**14 5. The department of social services shall establish MO HealthNet savings accounts
15 for MO HealthNet enrollees or their families with the state treasurer. The amount
16 deposited in an individual’s account shall be equal to the amount required to purchase a
17 qualifying individual or family high-deductible policy and fund a portion of a related HSA.**

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 **The amount shall be adjusted for age and health status. Funds shall be made available on**
19 **a pro-rated basis each month. Only high-deductible policies that meet federal**
20 **requirements to be eligible for an HSA shall be eligible for purchase.**

21 **6. A current MO HealthNet recipient or guardian who becomes employed may**
22 **continue to receive premium supports and MSA deposits as long as the recipient continues**
23 **to qualify and keeps the same policy. Subsidies shall phase out with income until the**
24 **recipient no longer qualifies for MO HealthNet. The employer of a current MO HealthNet**
25 **recipient or guardian who enrolls in an employer-sponsored insurance policy shall receive**
26 **premium support payments from the department of social services. Payments shall phase**
27 **out with income until the recipient no longer qualifies for MO HealthNet. A current**
28 **recipient or guardian shall have the option to continue the same health insurance coverage**
29 **without subsidies. Thirty percent of any unspent funds in an MSA account, including**
30 **earnings, shall vest to a MO HealthNet recipient or guardian who no longer qualifies for**
31 **MO HealthNet.**

32 **7. A MO HealthNet recipient may apply in writing to the department of social**
33 **services to use MSA funds in excess of any insurance out-of-pocket maximum for**
34 **education, job training, child care, or other qualifying nonmedical expenses. The**
35 **department of social services shall respond within seven days to each such request and**
36 **have a final decision within thirty days.**

37 **8. All transactions involving the state shall be considered public information and**
38 **posted in an online database after redaction of personal identifying information. The**
39 **department of social services shall provide an annual report to the general assembly on**
40 **cost savings, use of preventive care services, enrollee transition from MO HealthNet, and**
41 **other appropriation information.**

42 **9. The department of social services may adopt rules and regulations to implement**
43 **the provisions of this section. Any rule or portion of a rule, as that term is defined in**
44 **section 536.010, that is created under the authority delegated in this section shall become**
45 **effective only if it complies with and is subject to all of the provisions of chapter 536 and,**
46 **if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any**
47 **of the powers vested with the general assembly pursuant to chapter 536 to review, to delay**
48 **the effective date, or to disapprove and annul a rule are subsequently held**
49 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**
50 **after August 28, 2017, shall be invalid and void.**

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