

FIRST REGULAR SESSION

# HOUSE BILL NO. 840

99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE MITTEN.

0824H.011

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal sections 208.990 and 208.991, RSMo, and to enact in lieu thereof two new sections relating to the MO HealthNet program.

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

Section A. Sections 208.990 and 208.991, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 208.990 and 208.991, to read as follows:

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

(1) The individual is a resident of the state of Missouri;

(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; and

(4) An individual claiming eligibility as a pregnant woman shall verify pregnancy.

2. Notwithstanding any other provisions of law to the contrary, effective January 1, 2014, the family support division shall conduct an annual redetermination of all MO HealthNet participants' eligibility as provided in 42 CFR 435.916. The department may contract with an administrative service organization to conduct the annual redeterminations if it is cost effective.

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.

17           3. The department, or family support division, shall conduct electronic searches to  
18 redetermine eligibility on the basis of income, residency, citizenship, identity and other criteria  
19 as described in 42 CFR 435.916 upon availability of federal, state, and commercially available  
20 electronic data sources. The department, or family support division, may enter into a contract  
21 with a vendor to perform the electronic search of eligibility information not disclosed during the  
22 application process and obtain an applicable case management system. The department shall  
23 retain final authority over eligibility determinations made during the redetermination process.

24           4. Notwithstanding any other provisions of law to the contrary, applications for MO  
25 HealthNet benefits shall be submitted in accordance with the requirements of 42 CFR 435.907  
26 and other applicable federal law. The individual shall provide all required information and  
27 documentation necessary to make an eligibility determination, resolve discrepancies found  
28 during the redetermination process, or for a purpose directly connected to the administration of  
29 the medical assistance program.

30           5. Notwithstanding any other provisions of law to the contrary, to be eligible for MO  
31 HealthNet coverage under section 208.991, individuals shall meet the eligibility requirements  
32 set forth in subsection 1 of this section and all other eligibility criteria set forth in 42 CFR 435  
33 and 457, including, but not limited to, the requirements that:

34           (1) The department of social services shall determine the individual's financial eligibility  
35 based on projected annual household income and family size for the remainder of the current  
36 calendar year;

37           (2) The department of social services shall determine household income for the purpose  
38 of determining the modified adjusted gross income by including all available cash support  
39 provided by the person claiming such individual as a dependent for tax purposes;

40           (3) The department of social services shall determine a pregnant woman's household size  
41 by counting the pregnant woman plus the number of children she is expected to deliver;

42           (4) CHIP-eligible children shall be uninsured, shall not have access to affordable  
43 insurance, and their parent shall pay the required premium;

44           (5) An individual claiming eligibility as an uninsured woman shall be uninsured.

45           **6. The MO HealthNet program shall not provide MO HealthNet coverage under**  
46 **subsections 4 and 5 of section 208.991 to a parent or other caretaker relative living with a**  
47 **dependent child unless the child is receiving benefits under the MO HealthNet program,**  
48 **the Children's Health Insurance Program (CHIP) under 42 CFR Chapter IV, Subchapter**  
49 **D, or otherwise is enrolled in minimum essential coverage as defined in 42 CFR 435.4.**

208.991. 1. For purposes of this section and section 208.990, the following terms mean:

2           (1) **"Caretaker relative", a relative of a dependent child by blood, adoption, or**  
3 **marriage with whom the child is living, who assumes primary responsibility for the child's**

4 care, which may, but is not required to, be indicated by claiming the child as a tax  
5 dependent for federal income tax purposes, and who is one of the following:

6 (a) The child's father, mother, grandfather, grandmother, brother, sister,  
7 stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, or niece;  
8 or

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

11 (2) "Child" or "children", a person or persons who are under nineteen years of age;

12 [~~2~~] (3) "CHIP-eligible children", children who meet the eligibility standards for  
13 Missouri's children's health insurance program as provided in sections 208.631 to 208.658,  
14 including paying the premiums required under sections 208.631 to 208.658;

15 [~~3~~] (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 [(4)] (5) "MAGI", the individual's modified adjusted gross income as defined in Section  
18 36B(d)(2) of the Internal Revenue Code of 1986, as amended, and:

19 (a) Any foreign earned income or housing costs;

20 (b) Tax-exempt interest received or accrued by the individual; and

21 (c) Tax-exempt Social Security income;

22 [~~5~~] (6) "MAGI equivalent net income standard", an income eligibility threshold based  
23 on modified adjusted gross income that is not less than the income eligibility levels that were in  
24 effect prior to the enactment of Public Law 111-148 and Public Law 111-152;

25 (7) "Medically frail", individuals with:

26 (a) Serious emotional disturbances;

27 (b) Disabling mental disorders;

28 (c) Substance use disorders who are at high risk for significant medical and social  
29 costs;

30 (d) Serious and complex medical conditions; or

31 (e) Physical or mental disabilities that significantly impair their ability to perform  
32 one or more activities of daily living.

33 2. (1) Effective January 1, 2014, notwithstanding any other provision of law to the  
34 contrary, the following individuals shall be eligible for MO HealthNet coverage as provided in  
35 this section:

36 (a) Individuals covered by MO HealthNet for families as provided in section 208.145;

37 (b) Individuals covered by transitional MO HealthNet as provided in 42 U.S.C. Section  
38 1396r-6;

39 (c) Individuals covered by extended MO HealthNet for families on child support closings  
40 as provided in 42 U.S.C. Section 1396r-6;

41 (d) Pregnant women as provided in subdivisions (10), (11), and (12) of subsection 1 of  
42 section 208.151;

43 (e) Children under one year of age as provided in subdivision (12) of subsection 1 of  
44 section 208.151;

45 (f) Children under six years of age as provided in subdivision (13) of subsection 1 of  
46 section 208.151;

47 (g) Children under nineteen years of age as provided in subdivision (14) of subsection  
48 1 of section 208.151;

49 (h) CHIP-eligible children; and

50 (i) Uninsured women as provided in section 208.659.

51 (2) Effective January 1, 2014, the department shall determine eligibility for individuals  
52 eligible for MO HealthNet under subdivision (1) of this subsection based on the following  
53 income eligibility standards, unless and until they are changed:

54 (a) For individuals listed in paragraphs (a), (b), and (c) of subdivision (1) of this  
55 subsection, the department shall apply the July 16, 1996, Aid to Families with Dependent  
56 Children (AFDC) income standard as converted to the MAGI equivalent net income standard;

57 (b) For individuals listed in paragraphs (f) and (g) of subdivision (1) of this subsection,  
58 the department shall apply one hundred thirty-three percent of the federal poverty level converted  
59 to the MAGI equivalent net income standard;

60 (c) For individuals listed in paragraph (h) of subdivision (1) of this subsection, the  
61 department shall convert the income eligibility standard set forth in section 208.633 to the MAGI  
62 equivalent net income standard;

63 (d) For individuals listed in paragraphs (d), (e), and (i) of subdivision (1) of this  
64 subsection, the department shall apply one hundred eighty-five percent of the federal poverty  
65 level converted to the MAGI equivalent net income standard.

66 (3) Individuals eligible for MO HealthNet under subdivision (1) of this subsection shall  
67 receive all applicable benefits under section 208.152.

68 **3. Effective January 1, 2018, individuals who meet the following qualifications shall**  
69 **be eligible for the alternative package of MO HealthNet benefits under subsection 4 of this**  
70 **section, subject to the other requirements of this section:**

71 **(1) Are nineteen years of age or older and under sixty-five years of age;**

72 **(2) Are not pregnant;**

73 **(3) Are not entitled to or enrolled for Medicare benefits under Part A or B of Title**  
74 **XVIII of the Social Security Act;**

75 (4) Are not otherwise eligible for and enrolled for mandatory coverage under the  
76 MO HealthNet program in accordance with 42 CFR 435, Subpart B; and

77 (5) Have household income that is at or below one hundred thirty-three percent of  
78 the federal poverty level for the applicable family size for the applicable year as converted  
79 to the MAGI equivalent net income standard, except the household income may be reduced  
80 by a dollar amount equivalent to five percent of the federal poverty level for the applicable  
81 family size as required under 42 U.S.C. Section 1396a(e)(14)(I)(i).

82 4. Except for those individuals who meet the definition of medically frail, the  
83 individuals eligible for MO HealthNet benefits under subsection 3 of this section shall only  
84 receive a package of alternative minimum benefits. The MO HealthNet division of the  
85 department of social services shall promulgate regulations to be effective January 1, 2018,  
86 that provide an alternative benefit package that complies with the requirements of federal  
87 law and subject to limitations as established in regulations of the MO HealthNet division.

88 5. Individuals eligible for coverage under subsection 3 of this section who meet the  
89 definition of medically frail shall receive all coverage they are eligible to receive under  
90 section 208.151.

91 6. The department of social services shall establish a screening process in  
92 conjunction with the department of mental health and department of health and senior  
93 services for determining whether an individual is medically frail.

94 7. The department shall provide premium subsidies and other cost supports for  
95 individuals eligible for medical assistance under subsection 3 of this section to enroll in  
96 employer-provided health plans based on cost-effective principles determined by the  
97 department.

98 8. The department or appropriate divisions of the department shall promulgate rules to  
99 implement the provisions of this section. Any rule or portion of a rule, as the term is defined in  
100 section 536.010, that is created under the authority delegated in this section shall become  
101 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if  
102 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the  
103 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
104 date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
105 rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid  
106 and void.

107 [4.] 9. The department shall submit such state plan amendments and waivers to the  
108 Centers for Medicare and Medicaid Services of the federal Department of Health and Human  
109 Services as the department determines are necessary to implement the provisions of this section.

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