

FIRST REGULAR SESSION

SENATE BILL NO. 151

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SATER.

Pre-filed December 15, 2014, and ordered printed.

ADRIANE D. CROUSE, Secretary.

0845S.03I

AN ACT

To repeal sections 208.152 and 208.201, RSMo, and to enact in lieu thereof two new sections relating to public medical assistance.

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

Section A. Sections 208.152 and 208.201, RSMo, are repealed and two new
2 sections enacted in lieu thereof, to be known as sections 208.152 and 208.201, to
3 read as follows:

208.152. 1. MO HealthNet payments shall be made on behalf of those
2 eligible needy persons as defined in section 208.151 who are unable to provide for
3 it in whole or in part, with any payments to be made on the basis of the
4 reasonable cost of the care or reasonable charge for the services as defined and
5 determined by the MO HealthNet division, unless otherwise hereinafter provided,
6 for the following:

7 (1) Inpatient hospital services, except to persons in an institution for
8 mental diseases who are under the age of sixty-five years and over the age of
9 twenty-one years; provided that the MO HealthNet division shall provide through
10 rule and regulation an exception process for coverage of inpatient costs in those
11 cases requiring treatment beyond the seventy-fifth percentile professional
12 activities study (PAS) or the MO HealthNet children's diagnosis length-of-stay
13 schedule; and provided further that the MO HealthNet division shall take into
14 account through its payment system for hospital services the situation of
15 hospitals which serve a disproportionate number of low-income patients;

16 (2) All outpatient hospital services, payments therefor to be in amounts
17 which represent no more than eighty percent of the lesser of reasonable costs or
18 customary charges for such services, determined in accordance with the principles
19 set forth in Title XVIII A and B, Public Law 89-97, 1965 amendments to the

20 federal Social Security Act (42 U.S.C. Section 301, et seq.), but the MO HealthNet
21 division may evaluate outpatient hospital services rendered under this section
22 and deny payment for services which are determined by the MO HealthNet
23 division not to be medically necessary, in accordance with federal law and
24 regulations;

25 (3) Laboratory and X-ray services;

26 (4) Nursing home services for participants, except to persons with more
27 than five hundred thousand dollars equity in their home or except for persons in
28 an institution for mental diseases who are under the age of sixty-five years, when
29 residing in a hospital licensed by the department of health and senior services or
30 a nursing home licensed by the department of health and senior services or
31 appropriate licensing authority of other states or government-owned and
32 -operated institutions which are determined to conform to standards equivalent
33 to licensing requirements in Title XIX of the federal Social Security Act (42
34 U.S.C. Section 301, et seq.), as amended, for nursing facilities. The MO
35 HealthNet division may recognize through its payment methodology for nursing
36 facilities those nursing facilities which serve a high volume of MO HealthNet
37 patients. The MO HealthNet division when determining the amount of the
38 benefit payments to be made on behalf of persons under the age of twenty-one in
39 a nursing facility may consider nursing facilities furnishing care to persons under
40 the age of twenty-one as a classification separate from other nursing facilities;

41 (5) Nursing home costs for participants receiving benefit payments under
42 subdivision (4) of this subsection for those days, which shall not exceed twelve per
43 any period of six consecutive months, during which the participant is on a
44 temporary leave of absence from the hospital or nursing home, provided that no
45 such participant shall be allowed a temporary leave of absence unless it is
46 specifically provided for in his plan of care. As used in this subdivision, the term
47 "temporary leave of absence" shall include all periods of time during which a
48 participant is away from the hospital or nursing home overnight because he is
49 visiting a friend or relative;

50 (6) Physicians' services, whether furnished in the office, home, hospital,
51 nursing home, or elsewhere;

52 (7) Drugs and medicines when prescribed by a licensed physician, dentist,
53 podiatrist, or an advanced practice registered nurse; except that no payment for
54 drugs and medicines prescribed on and after January 1, 2006, by a licensed
55 physician, dentist, podiatrist, or an advanced practice registered nurse may be

56 made on behalf of any person who qualifies for prescription drug coverage under
57 the provisions of P.L. 108-173;

58 (8) Emergency ambulance services and, effective January 1, 1990,
59 medically necessary transportation to scheduled, physician-prescribed nonelective
60 treatments;

61 (9) Early and periodic screening and diagnosis of individuals who are
62 under the age of twenty-one to ascertain their physical or mental defects, and
63 health care, treatment, and other measures to correct or ameliorate defects and
64 chronic conditions discovered thereby. Such services shall be provided in
65 accordance with the provisions of Section 6403 of P.L. 101-239 and federal
66 regulations promulgated thereunder;

67 (10) Home health care services;

68 (11) Family planning as defined by federal rules and regulations;
69 provided, however, that such family planning services shall not include abortions
70 unless such abortions are certified in writing by a physician to the MO HealthNet
71 agency that, in the physician's professional judgment, the life of the mother would
72 be endangered if the fetus were carried to term;

73 (12) Inpatient psychiatric hospital services for individuals under age
74 twenty-one as defined in Title XIX of the federal Social Security Act (42 U.S.C.
75 Section 1396d, et seq.);

76 (13) Outpatient surgical procedures, including presurgical diagnostic
77 services performed in ambulatory surgical facilities which are licensed by the
78 department of health and senior services of the state of Missouri; except, that
79 such outpatient surgical services shall not include persons who are eligible for
80 coverage under Part B of Title XVIII, Public Law 89-97, 1965 amendments to the
81 federal Social Security Act, as amended, if exclusion of such persons is permitted
82 under Title XIX, Public Law 89-97, 1965 amendments to the federal Social
83 Security Act, as amended;

84 (14) Personal care services which are medically oriented tasks having to
85 do with a person's physical requirements, as opposed to housekeeping
86 requirements, which enable a person to be treated by his or her physician on an
87 outpatient rather than on an inpatient or residential basis in a hospital,
88 intermediate care facility, or skilled nursing facility. Personal care services shall
89 be rendered by an individual not a member of the participant's family who is
90 qualified to provide such services where the services are prescribed by a physician
91 in accordance with a plan of treatment and are supervised by a licensed

92 nurse. Persons eligible to receive personal care services shall be those persons
93 who would otherwise require placement in a hospital, intermediate care facility,
94 or skilled nursing facility. Benefits payable for personal care services shall not
95 exceed for any one participant one hundred percent of the average statewide
96 charge for care and treatment in an intermediate care facility for a comparable
97 period of time. Such services, when delivered in a residential care facility or
98 assisted living facility licensed under chapter 198 shall be authorized on a tier
99 level based on the services the resident requires and the frequency of the services.
100 A resident of such facility who qualifies for assistance under section 208.030
101 shall, at a minimum, if prescribed by a physician, qualify for the tier level with
102 the fewest services. The rate paid to providers for each tier of service shall be set
103 subject to appropriations. Subject to appropriations, each resident of such facility
104 who qualifies for assistance under section 208.030 and meets the level of care
105 required in this section shall, at a minimum, if prescribed by a physician, be
106 authorized up to one hour of personal care services per day. Authorized units of
107 personal care services shall not be reduced or tier level lowered unless an order
108 approving such reduction or lowering is obtained from the resident's personal
109 physician. Such authorized units of personal care services or tier level shall be
110 transferred with such resident if he or she transfers to another such
111 facility. Such provision shall terminate upon receipt of relevant waivers from the
112 federal Department of Health and Human Services. If the Centers for Medicare
113 and Medicaid Services determines that such provision does not comply with the
114 state plan, this provision shall be null and void. The MO HealthNet division
115 shall notify the revisor of statutes as to whether the relevant waivers are
116 approved or a determination of noncompliance is made;

117 (15) Mental health services. The state plan for providing medical
118 assistance under Title XIX of the Social Security Act, 42 U.S.C. Section 301, as
119 amended, shall include the following mental health services when such services
120 are provided by community mental health facilities operated by the department
121 of mental health or designated by the department of mental health as a
122 community mental health facility or as an alcohol and drug abuse facility or as
123 a child-serving agency within the comprehensive children's mental health service
124 system established in section 630.097. The department of mental health shall
125 establish by administrative rule the definition and criteria for designation as a
126 community mental health facility and for designation as an alcohol and drug
127 abuse facility. Such mental health services shall include:

128 (a) Outpatient mental health services including preventive, diagnostic,
129 therapeutic, rehabilitative, and palliative interventions rendered to individuals
130 in an individual or group setting by a mental health professional in accordance
131 with a plan of treatment appropriately established, implemented, monitored, and
132 revised under the auspices of a therapeutic team as a part of client services
133 management;

134 (b) Clinic mental health services including preventive, diagnostic,
135 therapeutic, rehabilitative, and palliative interventions rendered to individuals
136 in an individual or group setting by a mental health professional in accordance
137 with a plan of treatment appropriately established, implemented, monitored, and
138 revised under the auspices of a therapeutic team as a part of client services
139 management;

140 (c) Rehabilitative mental health and alcohol and drug abuse services
141 including home and community-based preventive, diagnostic, therapeutic,
142 rehabilitative, and palliative interventions rendered to individuals in an
143 individual or group setting by a mental health or alcohol and drug abuse
144 professional in accordance with a plan of treatment appropriately established,
145 implemented, monitored, and revised under the auspices of a therapeutic team
146 as a part of client services management. As used in this section, mental health
147 professional and alcohol and drug abuse professional shall be defined by the
148 department of mental health pursuant to duly promulgated rules. With respect
149 to services established by this subdivision, the department of social services, MO
150 HealthNet division, shall enter into an agreement with the department of mental
151 health. Matching funds for outpatient mental health services, clinic mental
152 health services, and rehabilitation services for mental health and alcohol and
153 drug abuse shall be certified by the department of mental health to the MO
154 HealthNet division. The agreement shall establish a mechanism for the joint
155 implementation of the provisions of this subdivision. In addition, the agreement
156 shall establish a mechanism by which rates for services may be jointly developed;

157 (16) Such additional services as defined by the MO HealthNet division to
158 be furnished under waivers of federal statutory requirements as provided for and
159 authorized by the federal Social Security Act (42 U.S.C. Section 301, et seq.)
160 subject to appropriation by the general assembly;

161 (17) The services of an advanced practice registered nurse with a
162 collaborative practice agreement to the extent that such services are provided in
163 accordance with chapters 334 and 335, and regulations promulgated thereunder;

164 (18) Nursing home costs for participants receiving benefit payments under
165 subdivision (4) of this subsection to reserve a bed for the participant in the
166 nursing home during the time that the participant is absent due to admission to
167 a hospital for services which cannot be performed on an outpatient basis, subject
168 to the provisions of this subdivision:

169 (a) The provisions of this subdivision shall apply only if:

170 a. The occupancy rate of the nursing home is at or above ninety-seven
171 percent of MO HealthNet certified licensed beds, according to the most recent
172 quarterly census provided to the department of health and senior services which
173 was taken prior to when the participant is admitted to the hospital; and

174 b. The patient is admitted to a hospital for a medical condition with an
175 anticipated stay of three days or less;

176 (b) The payment to be made under this subdivision shall be provided for
177 a maximum of three days per hospital stay;

178 (c) For each day that nursing home costs are paid on behalf of a
179 participant under this subdivision during any period of six consecutive months
180 such participant shall, during the same period of six consecutive months, be
181 ineligible for payment of nursing home costs of two otherwise available temporary
182 leave of absence days provided under subdivision (5) of this subsection; and

183 (d) The provisions of this subdivision shall not apply unless the nursing
184 home receives notice from the participant or the participant's responsible party
185 that the participant intends to return to the nursing home following the hospital
186 stay. If the nursing home receives such notification and all other provisions of
187 this subsection have been satisfied, the nursing home shall provide notice to the
188 participant or the participant's responsible party prior to release of the reserved
189 bed;

190 (19) Prescribed medically necessary durable medical equipment. An
191 electronic web-based prior authorization system using best medical evidence and
192 care and treatment guidelines consistent with national standards shall be used
193 to verify medical need;

194 (20) Hospice care. As used in this subdivision, the term "hospice care"
195 means a coordinated program of active professional medical attention within a
196 home, outpatient and inpatient care which treats the terminally ill patient and
197 family as a unit, employing a medically directed interdisciplinary team. The
198 program provides relief of severe pain or other physical symptoms and supportive
199 care to meet the special needs arising out of physical, psychological, spiritual,

200 social, and economic stresses which are experienced during the final stages of
201 illness, and during dying and bereavement and meets the Medicare requirements
202 for participation as a hospice as are provided in 42 CFR Part 418. The rate of
203 reimbursement paid by the MO HealthNet division to the hospice provider for
204 room and board furnished by a nursing home to an eligible hospice patient shall
205 not be less than ninety-five percent of the rate of reimbursement which would
206 have been paid for facility services in that nursing home facility for that patient,
207 in accordance with subsection (c) of Section 6408 of P.L. 101-239 (Omnibus
208 Budget Reconciliation Act of 1989);

209 (21) Prescribed medically necessary dental services. Such services shall
210 be subject to appropriations. An electronic web-based prior authorization system
211 using best medical evidence and care and treatment guidelines consistent with
212 national standards shall be used to verify medical need;

213 (22) Prescribed medically necessary optometric services. Such services
214 shall be subject to appropriations. An electronic web-based prior authorization
215 system using best medical evidence and care and treatment guidelines consistent
216 with national standards shall be used to verify medical need;

217 (23) Blood clotting products-related services. For persons diagnosed with
218 a bleeding disorder, as defined in section 338.400, reliant on blood clotting
219 products, as defined in section 338.400, such services include:

220 (a) Home delivery of blood clotting products and ancillary infusion
221 equipment and supplies, including the emergency deliveries of the product when
222 medically necessary;

223 (b) Medically necessary ancillary infusion equipment and supplies
224 required to administer the blood clotting products; and

225 (c) Assessments conducted in the participant's home by a pharmacist,
226 nurse, or local home health care agency trained in bleeding disorders when
227 deemed necessary by the participant's treating physician;

228 (24) The MO HealthNet division shall, by January 1, 2008, and annually
229 thereafter, report the status of MO HealthNet provider reimbursement rates as
230 compared to one hundred percent of the Medicare reimbursement rates and
231 compared to the average dental reimbursement rates paid by third-party payors
232 licensed by the state. The MO HealthNet division shall, by July 1, 2008, provide
233 to the general assembly a four-year plan to achieve parity with Medicare
234 reimbursement rates and for third-party payor average dental reimbursement
235 rates. Such plan shall be subject to appropriation and the division shall include

236 in its annual budget request to the governor the necessary funding needed to
237 complete the four-year plan developed under this subdivision.

238 2. Additional benefit payments for medical assistance shall be made on
239 behalf of those eligible needy children, pregnant women and blind persons with
240 any payments to be made on the basis of the reasonable cost of the care or
241 reasonable charge for the services as defined and determined by the MO
242 HealthNet division, unless otherwise hereinafter provided, for the following:

243 (1) Dental services;

244 (2) Services of podiatrists as defined in section 330.010;

245 (3) Optometric services as defined in section 336.010;

246 (4) Orthopedic devices or other prosthetics, including eye glasses,
247 dentures, hearing aids, and wheelchairs;

248 (5) Hospice care. As used in this subdivision, the term "hospice care"
249 means a coordinated program of active professional medical attention within a
250 home, outpatient and inpatient care which treats the terminally ill patient and
251 family as a unit, employing a medically directed interdisciplinary team. The
252 program provides relief of severe pain or other physical symptoms and supportive
253 care to meet the special needs arising out of physical, psychological, spiritual,
254 social, and economic stresses which are experienced during the final stages of
255 illness, and during dying and bereavement and meets the Medicare requirements
256 for participation as a hospice as are provided in 42 CFR Part 418. The rate of
257 reimbursement paid by the MO HealthNet division to the hospice provider for
258 room and board furnished by a nursing home to an eligible hospice patient shall
259 not be less than ninety-five percent of the rate of reimbursement which would
260 have been paid for facility services in that nursing home facility for that patient,
261 in accordance with subsection (c) of Section 6408 of P.L. 101-239 (Omnibus
262 Budget Reconciliation Act of 1989);

263 (6) Comprehensive day rehabilitation services beginning early posttrauma
264 as part of a coordinated system of care for individuals with disabling
265 impairments. Rehabilitation services must be based on an individualized,
266 goal-oriented, comprehensive and coordinated treatment plan developed,
267 implemented, and monitored through an interdisciplinary assessment designed
268 to restore an individual to optimal level of physical, cognitive, and behavioral
269 function. The MO HealthNet division shall establish by administrative rule the
270 definition and criteria for designation of a comprehensive day rehabilitation
271 service facility, benefit limitations and payment mechanism. Any rule or portion

272 of a rule, as that term is defined in section 536.010, that is created under the
273 authority delegated in this subdivision shall become effective only if it complies
274 with and is subject to all of the provisions of chapter 536 and, if applicable,
275 section 536.028. This section and chapter 536 are nonseverable and if any of the
276 powers vested with the general assembly pursuant to chapter 536 to review, to
277 delay the effective date, or to disapprove and annul a rule are subsequently held
278 unconstitutional, then the grant of rulemaking authority and any rule proposed
279 or adopted after August 28, 2005, shall be invalid and void.

280 3. The MO HealthNet division may require any participant receiving MO
281 HealthNet benefits to pay part of the charge or cost until July 1, 2008, and an
282 additional payment after July 1, 2008, as defined by rule duly promulgated by the
283 MO HealthNet division, for all covered services except for those services covered
284 under subdivisions (14) and (15) of subsection 1 of this section and sections
285 208.631 to 208.657 to the extent and in the manner authorized by Title XIX of the
286 federal Social Security Act (42 U.S.C. Section 1396, et seq.) and regulations
287 thereunder. When substitution of a generic drug is permitted by the prescriber
288 according to section 338.056, and a generic drug is substituted for a name-brand
289 drug, the MO HealthNet division may not lower or delete the requirement to
290 make a co-payment pursuant to regulations of Title XIX of the federal Social
291 Security Act. A provider of goods or services described under this section must
292 collect from all participants the additional payment that may be required by the
293 MO HealthNet division under authority granted herein, if the division exercises
294 that authority, to remain eligible as a provider. Any payments made by
295 participants under this section shall be in addition to and not in lieu of payments
296 made by the state for goods or services described herein except the participant
297 portion of the pharmacy professional dispensing fee shall be in addition to and
298 not in lieu of payments to pharmacists. A provider may collect the co-payment
299 at the time a service is provided or at a later date. A provider shall not refuse
300 to provide a service if a participant is unable to pay a required payment. If it is
301 the routine business practice of a provider to terminate future services to an
302 individual with an unclaimed debt, the provider may include uncollected
303 co-payments under this practice. Providers who elect not to undertake the
304 provision of services based on a history of bad debt shall give participants
305 advance notice and a reasonable opportunity for payment. A provider,
306 representative, employee, independent contractor, or agent of a pharmaceutical
307 manufacturer shall not make co-payment for a participant. This subsection shall

308 not apply to other qualified children, pregnant women, or blind persons. If the
309 Centers for Medicare and Medicaid Services does not approve the Missouri MO
310 HealthNet state plan amendment submitted by the department of social services
311 that would allow a provider to deny future services to an individual with
312 uncollected co-payments, the denial of services shall not be allowed. The
313 department of social services shall inform providers regarding the acceptability
314 of denying services as the result of unpaid co-payments.

315 4. The MO HealthNet division shall have the right to collect medication
316 samples from participants in order to maintain program integrity.

317 5. Reimbursement for obstetrical and pediatric services under subdivision
318 (6) of subsection 1 of this section shall be timely and sufficient to enlist enough
319 health care providers so that care and services are available under the state plan
320 for MO HealthNet benefits at least to the extent that such care and services are
321 available to the general population in the geographic area, as required under
322 subparagraph (a)(30)(A) of 42 U.S.C. Section 1396a and federal regulations
323 promulgated thereunder.

324 6. Beginning July 1, 1990, reimbursement for services rendered in
325 federally funded health centers shall be in accordance with the provisions of
326 subsection 6402(c) and Section 6404 of P.L. 101-239 (Omnibus Budget
327 Reconciliation Act of 1989) and federal regulations promulgated thereunder.

328 7. Beginning July 1, 1990, the department of social services shall provide
329 notification and referral of children below age five, and pregnant, breast-feeding,
330 or postpartum women who are determined to be eligible for MO HealthNet
331 benefits under section 208.151 to the special supplemental food programs for
332 women, infants and children administered by the department of health and senior
333 services. Such notification and referral shall conform to the requirements of
334 Section 6406 of P.L. 101-239 and regulations promulgated thereunder.

335 8. Providers of long-term care services shall be reimbursed for their costs
336 in accordance with the provisions of Section 1902 (a)(13)(A) of the Social Security
337 Act, 42 U.S.C. Section 1396a, as amended, and regulations promulgated
338 thereunder.

339 9. Reimbursement rates to long-term care providers with respect to a total
340 change in ownership, at arm's length, for any facility previously licensed and
341 certified for participation in the MO HealthNet program shall not increase
342 payments in excess of the increase that would result from the application of
343 Section 1902 (a)(13)(C) of the Social Security Act, 42 U.S.C. Section 1396a

344 (a)(13)(C).

345 10. The MO HealthNet division, may enroll qualified residential care
346 facilities and assisted living facilities, as defined in chapter 198, as MO
347 HealthNet personal care providers.

348 11. Any income earned by individuals eligible for certified extended
349 employment at a sheltered workshop under chapter 178 shall not be considered
350 as income for purposes of determining eligibility under this section.

351 **12. For fiscal year 2016 only and subject to an appropriation for**
352 **such purpose, reimbursement rates to physicians providing primary**
353 **care services shall be no less than the reimbursement rates to**
354 **physicians providing such services under the Medicare program in**
355 **accordance with 42 U.S.C. Section 1395w-4.**

208.201. 1. The "MO HealthNet Division" is hereby established within the
2 department of social services. The director of the MO HealthNet division shall
3 be appointed by the director of the department. Where the title "division of
4 medical services" is found in the Missouri Revised statutes it shall mean "MO
5 HealthNet division".

6 2. The MO HealthNet division is an integral part of the department of
7 social services and shall have and exercise all the powers and duties necessary
8 to carry out fully and effectively the purposes assigned to it by law and shall be
9 the state agency to administer payments to providers under the MO HealthNet
10 program and to carry out such other functions, duties, and responsibilities as the
11 MO HealthNet division may be transferred by law, or by a departmental
12 reorganizational plan pursuant to law.

13 3. All powers, duties and functions of the family support division relative
14 to the development, administration and enforcement of the medical assistance
15 programs of this state are transferred by type I transfer as defined in the
16 Omnibus State Reorganization Act of 1974 to the MO HealthNet division. The
17 family support division shall retain the authority to determine and regulate the
18 eligibility of needy persons for participation in the MO HealthNet program.

19 4. All state regulations adopted under the authority of the division of
20 medical services shall remain in effect unless withdrawn or amended by authority
21 of the MO HealthNet division.

22 5. The director of the MO HealthNet division shall exercise the powers
23 and duties of an appointing authority under chapter 36 to employ such
24 administrative, technical, and other personnel as may be necessary, and may

25 designate subdivisions as needed for the performance of the duties and
26 responsibilities of the division.

27 6. In addition to the powers, duties and functions vested in the MO
28 HealthNet division by other provisions of this chapter or by other laws of this
29 state, the MO HealthNet division shall have the power:

30 (1) To sue and be sued;

31 (2) To adopt, amend and rescind such rules and regulations necessary or
32 desirable to perform its duties under state law and not inconsistent with the
33 constitution or laws of this state;

34 (3) To make and enter into contracts and carry out the duties imposed
35 upon it by this or any other law;

36 (4) To administer, disburse, accept, dispose of and account for funds,
37 equipment, supplies or services, and any kind of property given, granted, loaned,
38 advanced to or appropriated by the state of Missouri or the federal government
39 for any lawful purpose;

40 (5) To cooperate with the United States government in matters of mutual
41 concern pertaining to any duties of the MO HealthNet division or the department
42 of social services, including the adoption of such methods of administration as are
43 found by the United States government to be necessary for the efficient operation
44 of state medical assistance plans required by federal law, and the modification or
45 amendment of a state medical assistance plan where required by federal law;

46 (6) To make reports in such form and containing such information as the
47 United States government may, from time to time, require and comply with such
48 provisions as the United States government may, from time to time, find
49 necessary to assure the correctness and verification of such reports;

50 (7) To create and appoint, when and if it may deem necessary, advisory
51 committees not otherwise provided in any other provision of the law to provide
52 professional or technical consultation with respect to MO HealthNet program
53 administration. Each advisory committee shall consult with and advise the MO
54 HealthNet division with respect to policies incident to the administration of the
55 particular function germane to their respective field of competence;

56 (8) To define, establish and implement the policies and procedures
57 necessary to administer payments to providers under the MO HealthNet program;

58 (9) To conduct utilization reviews to determine the appropriateness of
59 services and reimbursement amounts to providers participating in the MO
60 HealthNet program;

61 (10) To establish or cooperate in research or demonstration projects
62 relative to the medical assistance programs, including those projects which will
63 aid in effective coordination or planning between private and public medical
64 assistance programs and providers, or which will help improve the administration
65 and effectiveness of medical assistance programs.

66 **7. (1) No later than January 1, 2016, the MO HealthNet division**
67 **shall procure a contractor to verify eligibility for assistance under**
68 **section 208.151. The contractor shall conduct data matches using the**
69 **name, date of birth, address, and Social Security number of each**
70 **applicant and recipient against public records to verify eligibility.**

71 **(2) The contractor, upon preliminary determination that an**
72 **enrollee is eligible or ineligible, shall notify the division, except that**
73 **the contractor shall not make preliminary determinations regarding**
74 **the eligibility of persons residing in long term care facilities whose**
75 **income and resources were at or below the applicable financial**
76 **eligibility standards at the time of their last review. Within twenty**
77 **business days of such notification, the division shall accept the**
78 **recommendation or reject it with a stated reason. The division shall**
79 **retain final authority over eligibility determinations. The contractor**
80 **shall keep a record of all preliminary determinations of ineligibility**
81 **communicated to the division.**

82 **(3) Within thirty days of the end of each calendar quarter, the**
83 **division and contractor shall file a joint report on a quarterly basis to**
84 **the governor, the speaker of the house of representatives, the senate**
85 **president pro tempore. The report shall include, but shall not be**
86 **limited to, monthly recommendations of preliminary determinations of**
87 **eligibility or ineligibility communicated by the contractor, the actions**
88 **taken on those preliminary determinations by the division, and the**
89 **stated reasons for those recommendations that the division rejected.**

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