## FIRST REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR

## SENATE BILL NO. 203

## 99TH GENERAL ASSEMBLY

Reported from the Committee on Health and Pensions, March 2, 2017, with recommendation that the Senate Committee Substitute do pass.

ADRIANE D. CROUSE, Secretary.

0546S.02C

## AN ACT

To repeal section 208.146, RSMo, and to enact in lieu thereof one new section relating to the MO HealthNet buy-in for workers with disabilities program.

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

Section A. Section 208.146, RSMo, is repealed and one new section 2 enacted in lieu thereof, to be known as section 208.146, to read as follows:

208.146. 1. The program established under this section shall be known

- 2 as the "[Ticket to Work Health Assurance] MO HealthNet Buy-In For
- 3 Workers With Disabilities Program". Subject to appropriations and in
- 4 accordance with the federal Ticket to Work and Work Incentives Improvement Act
- 5 of 1999 (TWWIIA), Public Law 106-170, the medical assistance provided for in
- 6 section 208.151 may be paid for a person who is employed and who:
- 7 (1) Except for earnings, meets the definition of disabled under the
- 8 Supplemental Security Income Program or meets the definition of an employed
- 9 individual with a medically improved disability under TWWIIA;
- 10 (2) Has earned income, as defined in subsection 2 of this section;
- 11 (3) Meets the asset limits in subsection 3 of this section; and
- 12 (4) Has [net] income, as defined in subsection 3 of this section, that does
- 13 not exceed [the limit for permanent and totally disabled individuals to receive
- 14 nonspenddown MO HealthNet under subdivision (24) of subsection 1 of section
- 15 208.151; and
- 16 (5) Has a gross income of two hundred fifty percent or less of the federal
- 17 poverty level, excluding any earned income of the worker with a disability
- 18 between two hundred fifty and three hundred percent of the federal poverty

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- level. For purposes of this subdivision, "gross income" includes all income of the person and the person's spouse that would be considered in determining MO HealthNet eligibility for permanent and totally disabled individuals under subdivision (24) of subsection 1 of section 208.151. Individuals with gross incomes in excess of one hundred percent of the federal poverty level shall pay a premium for participation in accordance with subsection 4 of this section] three hundred percent of the federal poverty level.
  - 2. For income to be considered earned income for purposes of this section, the department of social services shall document that Medicare and Social Security taxes are withheld from such income. Self-employed persons shall provide proof of payment of Medicare and Social Security taxes for income to be considered earned.
  - 3. (1) For purposes of determining eligibility under this section, the available asset limit and the definition of available assets shall be [the same as those used to determine MO HealthNet eligibility for permanent and totally disabled individuals under subdivision (24) of subsection 1 of section 208.151 except for] those assets the person owns or resources the person possesses not to exceed ten thousand dollars; provided, however, that if such person is married and living with his or her spouse, he or she, or they, individually or jointly, may own resources not to exceed twenty thousand dollars. Beginning in fiscal year 2020 and each successive fiscal year thereafter, the MO HealthNet division shall measure the cost-of-living percentage increase, if any, as of the preceding July over the level as of July of the immediately preceding year of the Consumer Price Index for All Urban Consumers or successor index published by the U.S. Department of Labor or its successor agency, and the sum of resources allowed under this subdivision shall be modified accordingly to reflect any increases in the cost-of-living, with the amount of the resource limit rounded to the nearest five cents. For the purposes of determining eligibility under this section, the following shall be exempt from asset limit consideration:
  - (a) Medical savings accounts limited to deposits of earned income and earnings on such income while a participant in the program created under this section with a value not to exceed five thousand dollars per year; [and]
- 53 (b) Independent living accounts limited to deposits of earned income and 54 earnings on such income while a participant in the program created under this

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section with a value not to exceed five thousand dollars per year. For purposes of this section, an "independent living account" means an account established and maintained to provide savings for transportation, housing, home modification, and 57 personal care services and assistive devices associated with such person's 58 disability; and 59

- 60 (c) Retirement accounts, including but not limited to, individual accounts, 401(k) plans, 403(b) plans, Keogh plans, and pension plans. 61
  - (2) To determine [net] income, the following shall be disregarded:
  - (a) [All earned income of the disabled worker;
- (b) The first [sixty-five dollars and one-half] seventy-five thousand 64 dollars of [the remaining] earned income of [a nondisabled spouse's earned 65 66 income the person's spouse;
  - [(c)] **(b)** A twenty dollar standard deduction;
- 68 [(d)] (c) Health insurance premiums;
- 69 (e) (d) A seventy-five dollar a month standard deduction for the 70 disabled worker's dental and optical insurance when the total dental and optical 71 insurance premiums are less than seventy-five dollars;
- 72 [(f)] (e) All Supplemental Security Income payments, and the first fifty dollars of SSDI payments; 73
- 74[(g)] (f) A standard deduction for impairment-related employment 75 expenses equal to one-half of the disabled worker's earned income.
  - 4. Any person whose [gross] income exceeds one hundred percent of the federal poverty level shall pay a premium for participation in the medical assistance provided in this section. Such premium shall be:
- 79 (1) For a person whose [gross] income is more than one hundred percent but less than one hundred fifty percent of the federal poverty level, four percent 80 81 of income at one hundred percent of the federal poverty level;
- 82 (2) For a person whose [gross] income equals or exceeds one hundred fifty percent but is less than two hundred percent of the federal poverty level, four 83 percent of income at one hundred fifty percent of the federal poverty level;
- (3) For a person whose [gross] income equals or exceeds two hundred 85 86 percent but less than two hundred fifty percent of the federal poverty level, five percent of income at two hundred percent of the federal poverty level;
- 88 (4) For a person whose [gross] income equals or exceeds two hundred fifty 89 percent up to and including three hundred percent of the federal poverty level, six percent of income at two hundred fifty percent of the federal poverty level. 90

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- 91 5. Recipients of services through this program shall report any change in income or household size within ten days of the occurrence of such change. An 92 increase in premiums resulting from a reported change in income or household 93 size shall be effective with the next premium invoice that is mailed to a person 94after due process requirements have been met. A decrease in premiums shall be 95effective the first day of the month immediately following the month in which the 96 change is reported. 97
  - 6. If an eligible person's employer offers employer-sponsored health insurance and the department of social services determines that it is more cost effective, such person shall participate in the employer-sponsored insurance. The department shall pay such person's portion of the premiums, co-payments, and any other costs associated with participation in the employer-sponsored health insurance. If the department elects to pay such person's employersponsored insurance costs pursuant to this subsection, then the medical assistance provided under this section shall be provided to an eligible person as a secondary or supplemental policy to any employersponsored benefits which may be available to such person.
- 7. The [provisions of this section shall expire August 28, 2019] 108 109 department shall provide to the general assembly an annual report of the number of participants in the program, as well as describe the 110 outreach and education efforts to increase awareness and enrollment in MO HealthNet buy-in for workers with disabilities. 112
  - 8. The department shall submit such state plan amendments and waivers to the Centers for Medicare and Medicaid Services of the federal Department of Health and Human Services as the department determines are necessary to implement the provisions of this section.