

SENATE FILE NO. SF0034

Medicaid options study.

Sponsored by: Joint Labor, Health and Social Services  
Interim Committee

A BILL

for

1 AN ACT relating to the administration of government,  
2 Medicaid and the 2010 federal health care reform; providing  
3 for a study related to options for reconfiguring of the  
4 Medicaid program; requiring a report; providing report  
5 requirements; providing for legislative advice as  
6 specified; reappropriating funds to be used for the study;  
7 providing an appropriation; repealing previous legislative  
8 authority for the Medicaid options study; and providing for  
9 an effective date.

10

11 *Be It Enacted by the Legislature of the State of Wyoming:*

12

13 **Section 1.**

14

15 (a) The governor shall conduct a study to analyze the  
16 cost drivers and identify other areas within the Medicaid

1 program that may benefit from redesign, to evaluate  
2 potential redesign of current Medicaid programs and to  
3 evaluate the design of Medicaid programs mandated by the  
4 Patient Protection and Affordable Care Act, P.L. 111-148,  
5 and the Health Care and Education Reconciliation Act of  
6 2010, P.L. 111-152, hereinafter referred to collectively as  
7 "the health care reform acts." The governor shall  
8 designate a study oversight entity, which may be a state  
9 agency, more than one (1) state agency or an ad hoc  
10 committee created by the governor to conduct the study.

11

12 (b) The oversight entity shall have the authority to  
13 contract with experts and consultants as may be useful in  
14 conducting the study and shall utilize expertise from  
15 public interest research groups, from within the department  
16 of health, from private interest groups and from private  
17 stakeholders.

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19 (c) The study shall be subject to the following:

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21 (i) The study shall examine the Medicaid state  
22 plan that provides health care paid by the state and  
23 federal government and determine the total annual cost of  
24 health care benefits per enrolled persons who are part of

1 each program. The cost shall be broken down by state  
2 share, federal share, client share and any other costs,  
3 administrative or otherwise hidden, that are part of each  
4 program;

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6 (ii) The study shall examine the broad  
7 categories, including physical, mental and dental health,  
8 of the benefits associated with each program and account  
9 for the cost of each benefit. The study shall identify and  
10 analyze cost drivers, as defined by the department, within  
11 each of the broad categories;

12

13 (iii) The study shall report the total  
14 appropriations necessary to support each program by fiscal  
15 year through the 2019-2020 biennium;

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17 (iv) After the study has identified cost drivers  
18 and other areas within the Medicaid program which may  
19 benefit from redesign, and also identified Medicaid  
20 programs that are mandated by the Affordable Care Act, the  
21 study shall identify and evaluate possible redesigns or  
22 designs for those programs. Possible options that may be  
23 evaluated include:

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1                   (A) Establishment of innovative service  
2 delivery systems and models such as healthy frontiers and  
3 accountable care organizations, including health homes,  
4 medical homes, primary care medical homes and total health  
5 records;

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7                   (B) Implementation of alternative financing  
8 mechanisms;

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10                   (C) Establishment of insurance models such  
11 as the child health insurance program for specific segments  
12 of the Medicaid population;

13

14                   (D) Establishment of managed Medicaid  
15 models;

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17                   (E) Establishment of innovative programs,  
18 including implementation of programs similar to those  
19 developed by Medicaid programs in other states;

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21                   (F) Block grants;

22

23                   (G) Voucher systems.

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1           (v) The study shall separately identify  
2 additional anticipated costs to each program affected by  
3 proposed coverage limit changes included in the federal  
4 health care reform acts, and those shall be noted and  
5 considered as additions to predicted future costs of  
6 current Medicaid programs. This information may be taken  
7 from other recent studies performed on this issue;

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9           (vi) The study shall include any proposals in  
10 the course of the study that demonstrate the possibility to  
11 provide safety-net health insurance coverage for the  
12 various Medicaid groups with a savings to the state or  
13 enhanced coverage for recipients at a lesser or near  
14 neutral cost;

15

16           (vii) The study shall include:

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18                   (A) Recommended methods to obtain  
19 eligibility and participation information;

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21                   (B) Recommended methods to track and  
22 analyze utilization rates.

23

1           (d) In conducting the study and reporting its  
2 results, the oversight entity and any contractors shall  
3 consider that the study is expected to be used:

4  
5           (i) To assist the executive branch and  
6 legislative budget staff in making accurate budget  
7 estimates for the cost of Medicaid reconfiguration, if  
8 accepted;

9  
10           (ii) To help form the basis for an application  
11 for a Medicaid waiver covering all or part of the current  
12 and newly eligible population, the purpose of the waiver  
13 being to reduce the cost of the eligibility expansion by  
14 using additional cost control techniques.

15  
16           (e) Upon issuing a request for proposals, the  
17 oversight entity shall submit a draft of the request to the  
18 joint labor, health and social services interim committee  
19 and the joint appropriations interim committee.

20  
21           (f) The oversight entity shall present a preliminary  
22 report to the joint labor, health and social services  
23 interim committee by December 1, 2012. The study shall be  
24 completed by May 1, 2013, unless the governor requires an

1 earlier completion date, and submitted to the joint labor,  
2 health and social services interim committee and the joint  
3 appropriations interim committee. The oversight entity  
4 shall present the results of the study in person to these  
5 committees.

6

7 (g) The joint labor, health and social services  
8 interim committee, augmented by two (2) members of the  
9 senate appropriations committee appointed by the president  
10 of the senate and two (2) members of the house  
11 appropriations committee appointed by the speaker of the  
12 house of representatives, shall advise the governor and the  
13 study oversight entity on the design and breadth of the  
14 study and on a mid-study revision thereof.

15

16 (h) The study shall be available to the people and  
17 the legislature on at least one (1) relevant website and in  
18 hard copy.

19

20 (j) Members of the augmented labor, health and social  
21 services committee shall be paid salary, per diem and  
22 mileage as provided in W.S. 28-5-101 for their official  
23 duties required by subsection (g) of this section.

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1           **Section 2.** 2011 Wyoming Session Laws, Chapter 193 is  
2 repealed.

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4           **Section 3.**

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6           (a) Any funds remaining under the appropriation  
7 provided in 2011 Wyoming Session Laws, Chapter 161, Section  
8 3(a) are hereby reappropriated to the department of health  
9 to conduct the Medicaid options study pursuant to this act.  
10 Any unexpended, unobligated funds remaining from this  
11 appropriation shall revert as provided by law on June 30,  
12 2013.

13

14           (b) From funds which would otherwise revert to the  
15 general fund as a result of section 2 of this act:

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17           (i) There is appropriated one hundred thousand  
18 dollars (\$100,000.00) to the governor's office. This  
19 appropriation shall be for the period beginning with the  
20 effective date of this act and ending June 30, 2013. This  
21 appropriation shall only be expended for the purpose of  
22 conducting the study and preparing the report required by  
23 this act. Notwithstanding any other provision of law, this  
24 appropriation shall not be transferred or expended for any



1 other purpose and any unexpended, unobligated funds  
2 remaining from this appropriation shall revert as provided  
3 by law on June 30, 2013. This appropriation shall not be  
4 included in the governor's 2015-2016 standard biennial  
5 budget request;

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7 (ii) There is appropriated twenty thousand  
8 dollars (\$20,000.00) to the legislative service office for  
9 payment of salary, per diem and mileage for legislators  
10 performing services required by subsections (g) and (j) of  
11 section 1 of this act. Any unexpended, unobligated funds  
12 remaining from this appropriation shall revert as provided  
13 by law on June 30, 2013.

14

15 **Section 4.** This act is effective immediately upon  
16 completion of all acts necessary for a bill to become law  
17 as provided by Article 4, Section 8 of the Wyoming  
18 Constitution.

19

20

(END)