

SENATE FILE NO. SF0050

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 an appropriation; and providing for  
6 an effective date.

7

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

9

10 **Section 1.**

11

12 (a) The governor shall conduct a study to develop  
13 estimates of the cost of redesigning the Medicaid programs  
14 currently operating and those mandated by the Patient  
15 Protection and Affordable Care Act, P.L. 111-148, and the  
16 Health Care and Education Reconciliation Act of 2010, P.L.

1 111-152, hereinafter referred to collectively as "the  
2 health care reform acts." The governor shall designate a  
3 study oversight entity, which may be a state agency, more  
4 than one (1) state agency or an ad hoc committee created by  
5 the governor to conduct the study.

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7 (b) The oversight entity shall have the authority to  
8 contract with experts and consultants as may be useful in  
9 conducting the study and making the cost estimates.

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

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13 (i) The study shall examine the Medicaid state  
14 plan that provides health care paid by the state and  
15 federal government and determine the total annual cost of  
16 health care benefits per enrolled persons who are part of  
17 each program. The cost shall be broken down by state  
18 share, federal share, client share and any other costs,  
19 administrative or otherwise hidden, that are part of each  
20 program;

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22 (ii) The study shall examine the broad  
23 categories, including physical, mental and dental health,

1 of the benefits associated with each program and account  
2 for the cost of each benefit;

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4 (iii) The study shall collect information from  
5 insurance companies to determine premium costs of private  
6 insurance providing equivalent or nearly equivalent  
7 benefits for similarly grouped clients, considering such  
8 factors as age, geographic area and eligibility category;

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10 (iv) The study shall summarize the basic  
11 insurance policy benefits package that is available using a  
12 median value of individual and group health insurance  
13 premium paid in the state of Wyoming and compare the  
14 benefits with those provided by the various Medicaid  
15 programs;

16

17 (v) The study shall compare the cost of the  
18 health care portion of each Medicaid program in paragraph  
19 (i) of this subsection with the premium and other costs of  
20 private insurance premiums and other associated costs if  
21 the Medicaid clients were covered by private insurance;

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23 (vi) The study shall determine the cost of the  
24 state supporting Medicaid-like insurance premiums for

1 individuals who would otherwise be eligible for Medicaid  
2 programs;

3

4 (vii) The study shall determine the cost of the  
5 state supporting Medicaid-like insurance premiums using a  
6 sliding scale of reasonable co-pays by clients whose income  
7 is greater than one hundred percent (100%) of the federal  
8 poverty level up to the level currently established for the  
9 various Medicaid programs and up to the level proposed in  
10 the federal health care reform acts;

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

15

16 (ix) The study shall evaluate options including,  
17 but not limited to, the following:

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19 (A) Establishment of innovative service  
20 delivery systems and models such as healthy frontiers and  
21 accountable care organizations, including health homes,  
22 medical homes, primary care medical homes and total health  
23 records;

24

1 (B) Provision of more limited benefits for  
2 a specific population than the Medicaid statute requires;

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4 (C) Implementation of cost-sharing at  
5 levels that exceed Medicaid statutory limitations;

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7 (D) Implementation of alternative financing  
8 mechanisms;

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

13

14 (F) Establishment of managed Medicaid  
15 models;

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

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21 (H) Block grants;

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23 (J) Voucher systems.

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1           (x) 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;

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

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15           (xii) The study shall include:

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

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20                   (B) Recommended methods to track and  
21 analyze utilization rates;

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1                   (C) Analysis of the implications of the  
2 program options considered pursuant to this section on the  
3 information needs.

4  
5           (d) In conducting the study and reporting its  
6 results, the oversight entity and any contractors shall  
7 consider that the study is expected to be used:

8  
9           (i) To assist the people, the governor and the  
10 legislature of Wyoming in deciding whether to accept the  
11 new mandatory eligibility and other requirements of the  
12 Medicaid program under the health care reform acts, to  
13 withdraw from that program and establish an independent  
14 state supported safety net program for health care by  
15 setting forth the financial consequences of that decision  
16 or to seek a waiver from centers for Medicare and Medicaid  
17 services to reconfigure the methods that safety net  
18 programs are offered by cooperative agreement between the  
19 state and federal government;

20  
21           (ii) To assist the executive branch and  
22 legislative budget staff in making accurate budget  
23 estimates for the cost of Medicaid reconfiguration, if  
24 accepted;

1

2 (iii) To help form the basis for an application  
3 for a Medicaid waiver covering all or part of the current  
4 and newly eligible population, the purpose of the waiver  
5 being to reduce the cost of the eligibility expansion by  
6 using additional cost control techniques;

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8 (iv) To allow legislators and members of the  
9 public who are not expert in Medicaid costs to make their  
10 own cost estimates using data from the study and varying  
11 key assumptions, including estimates of the respective  
12 federal and state cost shares.

13

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

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19 (f) The study shall be completed by May 1, 2012,  
20 unless the governor requires an earlier completion date,  
21 and submitted to the joint labor, health and social  
22 services interim committee and the joint appropriations  
23 interim committee. The oversight entity shall present the



1 results of the study in person to these committees before  
2 the 2013 general session of the legislature.

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4 (g) The study shall be available to the people and  
5 the legislature on at least one (1) relevant website and in  
6 hard copy.

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8 **Section 2.** There is appropriated one hundred thousand  
9 dollars (\$100,000.00) from the general fund to the  
10 governor's office. This appropriation shall be for the  
11 period beginning with the effective date of this act and  
12 ending June 30, 2013. This appropriation shall only be  
13 expended for the purpose of conducting the study and  
14 preparing the report required by this act. Notwithstanding  
15 any other provision of law, this appropriation shall not be  
16 transferred or expended for any other purpose and any  
17 unexpended, unobligated funds remaining from this  
18 appropriation shall revert as provided by law on June 30,  
19 2013. This appropriation shall not be included in the  
20 governor's 2013-2014 standard biennial budget request.

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1           **Section 3.** This act is effective immediately upon  
2 completion of all acts necessary for a bill to become law  
3 as provided by Article 4, Section 8 of the Wyoming  
4 Constitution.

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(END)