

SENATE FILE NO. SF0066

Medicaid-expansion alternative.

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

A BILL

for

1 AN ACT relating to Medicaid; providing for expansion of  
2 coverage to low income persons as specified; authorizing a  
3 Medicaid demonstration waiver; providing waiver  
4 requirements as specified; creating the health care reserve  
5 account; providing an appropriation; and providing for an  
6 effective date.

7

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

9

10 **Section 1.** W.S. 42-4-401 through 42-4-404 are created  
11 to read:

12

13

ARTICLE 4

14

MEDICAID EXPANSION

15

1           **42-4-401. Definitions.**

2

3           (a) As used in this article:

4

5                   (i) "Basic benefit plan" means a plan of limited  
6 health and wellness benefits, as specified in the state  
7 Medicaid coverage negotiated pursuant to W.S. 42-4-403(a),  
8 for those beneficiaries who have failed to contribute as  
9 required to a PHWA;

10

11                   (ii) "Cost sharing" means any premiums charged  
12 for coverage, any required contributions to the PHWA and  
13 any copayments paid directly by an individual;

14

15                   (iii) "Expanded benefit plan" means a plan of  
16 health and wellness benefits, as specified in the state  
17 Medicaid coverage negotiated pursuant to W.S. 42-4-403(a),  
18 for those beneficiaries who have contributed as required to  
19 a PHWA;

20

21                   (iv) "Personal health and wellness account" or  
22 "PHWA" means an account similar to a health savings  
23 account, administered by the department or the department's  
agent, that includes a beneficiary's contributions and

1 state contributions on behalf of the beneficiary, and used  
2 for the beneficiary's health related cost-sharing expenses  
3 as required under this article;

4

5 (v) "Rollover" means to transfer to an employer  
6 sponsored or individually managed health coverage or  
7 similar account when an individual leaves the Medicaid  
8 program.

9

10 **42-4-402. Medicaid expansion.**

11

12 (a) The director of the department, the insurance  
13 commissioner and the governor shall negotiate with the  
14 centers for Medicare and Medicaid services of the United  
15 States department of health and human services for a  
16 demonstration waiver, state plan amendment, or a  
17 combination of both, to provide Medicaid coverage effective  
18 as soon as practicable after completion of the negotiations  
19 pursuant to this section for all persons described under  
20 section 1902(a)(10)(A)(i)(VIII) of the Social Security Act,  
21 42 U.S.C. § 1396a(a)(10)(A)(i)(VIII).

22

1           (b) Any expansion of Medicaid pursuant to this  
2 section shall be subject to the following:

3

4           (i) The waiver shall be limited to a maximum  
5 period of five (5) years without additional legislative  
6 authorization;

7

8           (ii) The plan shall have two (2) levels of  
9 alternative benefits available, a basic level and an  
10 expanded level;

11

12           (iii) Nondisabled adults with incomes up to one  
13 hundred thirty-three percent (133%) of the federal poverty  
14 level, as defined in 42 U.S.C. 1396(e)(14)(I)(i), shall be  
15 required to contribute to a personal health and wellness  
16 account, modeled after a health savings account, in amounts  
17 as provided in W.S. 42-4-405;

18

19           (iv) Individuals who make required contributions  
20 to a PHWA shall be eligible, beginning the first of the  
21 month after a beneficiary's first contribution to the PHWA,  
22 for the expanded level of Medicaid benefits with no cost  
23 sharing except for copayments made from the PHWA;

1

2           (v) Individuals with incomes between one hundred  
3 percent (100%) and one hundred thirty-three percent (133%)  
4 of the federal poverty level, as defined in 42 U.S.C.  
5 1396(e)(14)(I)(i), who fail to make required contributions  
6 to a PHWA shall be disenrolled from coverage under the  
7 expanded benefit plan, moved to the basic benefit plan and  
8 barred from reenrolling in the expanded benefit plan for  
9 six (6) months. If an individual fails to make a  
10 contribution to the PWHA, the person shall be notified and  
11 given thirty (30) days from the time the notification is  
12 sent to make the contribution before the sanction in this  
13 paragraph is implemented;

14

15           (vi) Individuals with incomes up to one hundred  
16 percent (100%) of the federal poverty level who fail to  
17 make required contributions to a PHWA shall be enrolled in  
18 the basic level of Medicaid benefits with cost sharing,  
19 which may exceed monthly PHWA contributions, and shall be  
20 barred from reenrolling in the expanded benefit plan for  
21 six (6) months;

22

1           (vii) Participants who are able to work and who  
2 are not full-time students shall be enrolled in a work  
3 assistance benefit at the time of application. The goal  
4 shall be to enable as many participants as possible to be  
5 employed at least twenty (20) hours per week. Work  
6 assistance may include but is not limited to access to job  
7 search facilities, resume assistance, skills-to-job  
8 matching services, job training, vocational rehabilitation  
9 and employment referral;

10

11           (viii) For beneficiaries with employer sponsored  
12 insurance, the program shall provide a defined contribution  
13 to the PHWA which may be used to cover the cost of the  
14 beneficiary's premium and any cost sharing under the  
15 employer plan, including deductibles and copayments;

16

17           (ix) Total cost sharing shall be limited to five  
18 percent (5%) of household income;

19

20           (x) Provision of wellness benefits with  
21 incentives, which may include additional PHWA contributions  
22 by Medicaid, for those beneficiaries completing preventive  
23 services recommended by the beneficiary's primary care

1 provider or for completing healthy behaviors specified in  
2 the Medicaid coverage negotiated pursuant to W.S.  
3 42-4-403(a), such as completing a smoking cessation  
4 program;

5  
6 (xi) Administration of the expanded Medicaid  
7 program negotiated pursuant to this section shall be the  
8 responsibility of the department. The department shall  
9 carry out this responsibility through contracts with  
10 private insurance carriers or third party administration,  
11 subject to the following:

12  
13 (A) Contracts shall be awarded pursuant to  
14 requests for proposals, following to the extent practical  
15 the normal state contracting processes;

16  
17 (B) The bidders may be limited to those  
18 companies, or a subset of those companies, offering a  
19 qualified health plan pursuant to 42 U.S.C. section 18031  
20 in Wyoming to individuals or small groups;

21

1                   (C) Contracts may be awarded to multiple  
2 bidders and the department is encouraged to award multiple  
3 contracts to give Medicaid clients a choice;

4

5                   (D) Contracts shall include the  
6 administration of the PHWA accounts;

7

8                   (E) Contracts shall include provisions for  
9 financial reporting and payment of contractors as the  
10 federal government may reasonably require in the Medicaid  
11 coverage agreement negotiated pursuant to this section;

12

13                   (F) Contracts may include risk sharing  
14 provisions.

15

16           (c) Any negotiations for expansion of Medicaid  
17 pursuant to this section may include the following  
18 provisions:

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20                   (i) Differential cost sharing, for emergent and  
21 nonemergent use of an emergency room;

22



1           (ii) Programs to increase access to  
2 transportation;

3  
4           (iii) Optional Medicaid premium assistance for  
5 adults with employer sponsored insurance and for children  
6 to be covered through their parents' employer sponsored  
7 insurance or exchange qualified health plan;

8  
9           (iv) Reductions in cost sharing obligations for  
10 beneficiaries who attain or maintain specified uniform  
11 standards of healthy behaviors. Uniform standards shall  
12 include, at a minimum, completion of an approved annual  
13 health risk assessment to identify unhealthy  
14 characteristics, including alcohol use, substance use  
15 disorders, tobacco use, obesity and deficiencies in  
16 immunization status.

17

18           **42-4-403. Medicaid expansion; federal funding**  
19 **contingency.**

20

21 The program created by this article shall not be  
22 administered during any time period in which the federal  
23 medical assistance percentage, as currently provided

1 pursuant to 42 U.S.C. § 1396d(y), is less than ninety  
2 percent (90%).

3

4 **42-4-404. Personal health and wellness accounts;**  
5 **contributions; copayments; state funding.**

6

7 (a) Personal health and wellness accounts required  
8 pursuant to this article shall be subject to the following:

9

10 (i) A sliding scale for monthly contribution  
11 based on a beneficiary's income as a percent of federal  
12 poverty level;

13

14 (ii) Expanded benefit level beneficiaries  
15 contributing consistently to their PHWA shall be eligible  
16 to roll over unused account balances;

17

18 (iii) The PHWA for each beneficiary shall be in  
19 the amount of two thousand five hundred dollars (\$2,500.00)  
20 with appropriated Medicaid funds used to fund the  
21 difference between beneficiary contributions and the full  
22 account balance;

23

1           (iv) The Medicaid contribution to each PHWA may  
2 be made over a period of time provided at least five  
3 hundred dollars (\$500.00) is made at enrollment and may be  
4 in part conditioned on health and wellness actions taken by  
5 the beneficiary;

6  
7           (v) If the PHWA has insufficient funds to pay  
8 owed copayments, Medicaid shall pay the copayments and the  
9 individual's contributions to the PHWA shall be increased  
10 by fifty percent (50%) for each one thousand dollars  
11 (\$1,000.00) or fraction thereof that Medicaid pays,  
12 provided the increase shall be limited by the cost sharing  
13 limits provided in this article.

14  
15           (b) Copayments under the basic level of health  
16 benefits shall be developed to encourage use of preventive  
17 care services, outpatient services and preferred drugs, and  
18 to discourage use of inpatient services, nonpreferred drugs  
19 and nonemergency visits to emergency rooms.

20  
21           **Section 2.** There is appropriated five dollars (\$5.00)  
22 from the general fund to the department of health. This  
23 appropriation shall be for the period beginning with the

1 effective date of this act and ending June 30, 2016. This  
2 appropriation shall only be expended to provide for  
3 administration of expanded Medicaid benefits as provided in  
4 this act. Notwithstanding any other provision of law, this  
5 appropriation shall not be transferred or expended for any  
6 other purpose and any unexpended, unobligated funds  
7 remaining from this appropriation shall revert as provided  
8 by law on June 30, 2016.

9

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

14

15 (END)