

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 140

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES GARA, Buch, Kawasaki, Doll, Gardner, Gruenberg

Introduced: 2/28/07

Referred: Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act expanding medical assistance coverage for eligible children and pregnant
2 women; relating to the poverty guideline and cost sharing for certain recipients of
3 medical assistance; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 SHORT TITLE. This Act may be known as the No Child Left Uninsured Act.

8 * **Sec. 2.** AS 47.07.020(b) is amended to read:

9 (b) In addition to the persons specified in (a) of this section, the following
10 optional groups of persons for whom the state may claim federal financial
11 participation are eligible for medical assistance:

12 (1) persons eligible for but not receiving assistance under any plan of
13 the state approved under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act,
14 Supplemental Security Income) or a federal program designated as the successor to the

1 aid to families with dependent children program;

2 (2) persons in a general hospital, skilled nursing facility, or
3 intermediate care facility, who, if they left the facility, would be eligible for assistance
4 under one of the federal programs specified in (1) of this subsection;

5 (3) persons under 21 years of age who are under supervision of the
6 department, for whom maintenance is being paid in whole or in part from public
7 funds, and who are in foster homes or private child-care institutions;

8 (4) aged, blind, or disabled persons, who, because they do not meet
9 income and resources requirements, do not receive supplemental security income
10 under 42 U.S.C. 1381 - 1383c (Title XVI, Social Security Act), and who do not
11 receive a mandatory state supplement, but who are eligible, or would be eligible if
12 they were not in a skilled nursing facility or intermediate care facility to receive an
13 optional state supplementary payment;

14 (5) persons under 21 years of age who are in an institution designated
15 as an intermediate care facility for the mentally retarded and who are financially
16 eligible as determined by the standards of the federal program designated as the
17 successor to the aid to families with dependent children program;

18 (6) persons in a medical or intermediate care facility whose income
19 while in the facility does not exceed \$1,656 a month but who would not be eligible for
20 an optional state supplementary payment if they left the hospital or other facility;

21 (7) persons under 21 years of age who are receiving active treatment in
22 a psychiatric hospital and who are financially eligible as determined by the standards
23 of the federal program designated as the successor to the aid to families with
24 dependent children program;

25 (8) persons under 21 years of age and not covered under (a) of this
26 section, who would be eligible for benefits under the federal program designated as
27 the successor to the aid to families with dependent children program, except that they
28 have the care and support of both their natural and adoptive parents;

29 (9) pregnant women not covered under (a) of this section and who
30 meet the income and resource requirements of the federal program designated as the
31 successor to the aid to families with dependent children program;

1 (10) persons under 21 years of age not covered under (a) of this section
 2 who the department has determined cannot be placed for adoption without medical
 3 assistance because of a special need for medical or rehabilitative care and who the
 4 department has determined are hard-to-place children eligible for subsidy under
 5 AS 25.23.190 - 25.23.210;

6 (11) persons who can be considered under 42 U.S.C. 1396a(e)(3) (Title
 7 XIX, Social Security Act, Medical Assistance) to be individuals with respect to whom
 8 a supplemental security income is being paid under 42 U.S.C. 1381 - 1383c (Title
 9 XVI, Social Security Act) because they meet all of the following criteria:

10 (A) they are 18 years of age or younger and qualify as disabled
 11 individuals under 42 U.S.C. 1382c(a) (Title XVI, Social Security Act);

12 (B) the department has determined that

13 (i) they require a level of care provided in a hospital,
 14 nursing facility, or intermediate care facility for the mentally retarded;

15 (ii) it is appropriate to provide their care outside of an
 16 institution; and

17 (iii) the estimated amount that would be spent for
 18 medical assistance for their individual care outside an institution is not
 19 greater than the estimated amount that would otherwise be expended
 20 individually for medical assistance within an appropriate institution;

21 (C) if they were in a medical institution, they would be eligible
 22 for medical assistance under other provisions of this chapter; and

23 (D) home and community-based services under a waiver
 24 approved by the federal government are either not available to them under this
 25 chapter or would be inappropriate for them;

26 (12) disabled persons, as described in 42 U.S.C.
 27 1396a(a)(10)(A)(ii)(XIII), who are in families whose income, as determined under
 28 applicable federal regulations or guidelines, is less than 250 percent of the **federal**
 29 **poverty guideline for Alaska set by the United States Department of Health and**
 30 **Human Services** [OFFICIAL POVERTY LINE] applicable to a family of that size
 31 [ACCORDING TO THE FEDERAL OFFICE OF MANAGEMENT AND

1 BUDGET], and who, but for earnings in excess of the limit established under 42
 2 U.S.C. 1396d(q)(2)(B), would be considered to be individuals with respect to whom a
 3 supplemental security income is being paid under 42 U.S.C. 1381 - 1383c; a person
 4 eligible for assistance under this paragraph who is not eligible under another provision
 5 of this section shall pay a premium or other cost-sharing charges according to a sliding
 6 fee scale that is based on income as established by the department in regulations;

7 (13) persons under 19 years of age who are not covered under (a) of
 8 this section and whose household income does not exceed **200 percent of the federal**
 9 **poverty guideline for Alaska set by the United States Department of Health and**
 10 **Human Services**

11 [(A) \$1,635 A MONTH IF THE HOUSEHOLD CONSISTS
 12 OF ONE PERSON;

13 (B) \$2,208 A MONTH IF THE HOUSEHOLD CONSISTS OF
 14 TWO PERSONS;

15 (C) \$2,782 A MONTH IF THE HOUSEHOLD CONSISTS OF
 16 THREE PERSONS;

17 (D) \$3,355 A MONTH IF THE HOUSEHOLD CONSISTS OF
 18 FOUR PERSONS;

19 (E) \$3,928 A MONTH IF THE HOUSEHOLD CONSISTS OF
 20 FIVE PERSONS;

21 (F) \$4,501 A MONTH IF THE HOUSEHOLD CONSISTS OF
 22 SIX PERSONS;

23 (G) \$5,074 A MONTH IF THE HOUSEHOLD CONSISTS OF
 24 SEVEN PERSONS;

25 (H) \$5,647 A MONTH IF THE HOUSEHOLD CONSISTS OF
 26 EIGHT PERSONS;

27 (I) \$5,647 A MONTH, PLUS AN ADDITIONAL \$574 A
 28 MONTH FOR EACH EXTRA PERSON ABOVE EIGHT PERSONS WHO
 29 IS IN THE HOUSEHOLD IF THE HOUSEHOLD CONSISTS OF NINE
 30 PERSONS OR MORE];

31 (14) pregnant women who are not covered under (a) of this section and

1 whose household income does not exceed **200 percent of the federal poverty**
 2 **guideline for Alaska set by the United States Department of Health and Human**
 3 **Services**

4 [(A) \$2,208 A MONTH IF THE HOUSEHOLD CONSISTS
 5 OF TWO PERSONS;

6 (B) \$2,782 A MONTH IF THE HOUSEHOLD CONSISTS OF
 7 THREE PERSONS;

8 (C) \$3,355 A MONTH IF THE HOUSEHOLD CONSISTS OF
 9 FOUR PERSONS;

10 (D) \$3,928 A MONTH IF THE HOUSEHOLD CONSISTS OF
 11 FIVE PERSONS;

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 17 EIGHT PERSONS;

18 (H) \$5,647 A MONTH, PLUS AN ADDITIONAL \$574 A
 19 MONTH FOR EACH EXTRA PERSON ABOVE EIGHT PERSONS WHO
 20 IS IN THE HOUSEHOLD IF THE HOUSEHOLD CONSISTS OF NINE
 21 PERSONS OR MORE];

22 (15) persons who have been diagnosed with breast or cervical cancer
 23 and who are eligible for coverage under 42 U.S.C. 1396a(a)(10)(A)(ii)(XVIII).

24 * **Sec. 3.** AS 47.07 is amended by adding a new section to read:

25 **Sec. 47.07.022. Extended medical assistance coverage for children; costs.**

26 (a) In addition to the persons specified in AS 47.07.020, a person who resides in the
 27 state and who meets the criteria under (b) of this section is eligible for extended
 28 medical assistance coverage equivalent to the mandatory and optional services
 29 described under AS 47.07.030 if the person submits an annual application and
 30 contribution as specified in (c) of this section.

31 (b) The department shall administer a program of extended medical assistance

1 coverage for a person

2 (1) who is under 19 years of age;

3 (2) whose household income is between 200 and 350 percent of the
4 federal poverty guideline for Alaska set by the United States Department of Health
5 and Human Services; and

6 (3) whose parent or legal guardian certifies that the person cannot
7 obtain coverage under a health insurance policy offered by an employer of the person's
8 parent or legal guardian.

9 (c) The program administered under this section must include an annual
10 application and sliding scale contribution, payable under terms specified in regulations
11 adopted by the department. The regulations must

12 (1) include the option of an assignment of an applicant's permanent
13 fund dividend and the permanent fund dividend of a parent, legal guardian, or other
14 authorized representative of an applicant; and

15 (2) set the contribution amount between \$200 and \$1,200, beginning
16 with \$200 for a person whose household income is between 201 percent and 225
17 percent of the federal poverty guideline and increasing progressively based on the
18 person's household income.

19 (d) In addition to the annual contribution established under (c) of this section,
20 the department shall impose a copayment of 20 percent for medical services and
21 prescription drug costs covered under the program for a person whose household
22 income is between 250 and 350 percent of the federal poverty guideline.

23 * **Sec. 4.** AS 47.07.042(d) is amended to read:

24 (d) In addition to the requirements established under (a) and (b) of this section,
25 the department **shall** [MAY] require premiums or cost-sharing contributions from
26 recipients who are eligible for benefits under **AS 47.07.022.** **The**
27 [AS 47.07.020(b)(13) AND WHOSE HOUSEHOLD INCOME IS GREATER THAN
28 THE APPLICABLE AMOUNT SET OUT IN (f) OF THIS SECTION. IF THE
29 DEPARTMENT REQUIRES PREMIUMS OR COST-SHARING
30 CONTRIBUTIONS UNDER THIS SUBSECTION, THE] department

31 (1) shall adopt in regulation a sliding scale for those premiums or

1 contributions based on household income;

2 (2) may not exceed the maximums allowed under federal law; and

3 (3) shall implement a system by which the department or its designee
4 collects those premiums or contributions.

5 * **Sec. 5.** AS 47.07.042(f) is repealed.

6 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
7 read:

8 **TRANSITION: REGULATIONS.** The Department of Health and Social Services may
9 proceed to adopt regulations necessary to implement the changes made by this Act. The
10 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
11 effective date of secs. 1 - 5 of this Act.

12 * **Sec. 7.** Section 6 of this Act takes effect immediately under AS 01.10.070(c).

13 * **Sec. 8.** Except as provided in sec. 7 of this Act, this Act takes effect July 1, 2008.