

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 1742**  
93RD GENERAL ASSEMBLY

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Reported from the Committee on Pensions, Veterans' Affairs and General Laws, April 20, 2006, with recommendation that the Senate Committee Substitute do pass.

5088S.03C

TERRY L. SPIELER, Secretary.

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AN ACT

To repeal section 208.151, RSMo, and to enact in lieu thereof two new sections relating to medical assistance eligibility for certain persons, with an emergency clause and expiration date.

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

Section A. Section 208.151, RSMo, is repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 208.146 and 208.151, to read as  
3 follows:

208.146. 1. Subject to appropriations and in accordance with the  
2 federal Ticket to Work and Work Incentives Improvement Act of 1999  
3 (TWWIIA), Public Law 106-170, the medical assistance provided for in  
4 section 208.151 may be paid for a person who is employed and who:

5 (1) Except for earnings, meets the definition of disabled under  
6 the Supplemental Security Income Program or meets the definition of  
7 an employed individual with a medically improved disability under  
8 TWWIIA;

9 (2) Has earned income, as defined in subsection 2 of this section;

10 (3) Meets the asset limits in subsection 3 of this section;

11 (4) Has net income, as defined in subsection 3 of this section,  
12 that does not exceed the limit for permanent and totally disabled (PTD)  
13 individuals to receive nonspenddown Medicaid under subdivision (24)  
14 of subsection 1 of section 208.151; and

15 (5) Has a gross income of two hundred fifty percent or less of the  
16 federal poverty level. For purposes of this subdivision, "gross income"  
17 includes all income of the person and the person's spouse that would

18 be considered in determining Medicaid eligibility for permanent and  
19 totally disabled (PTD) individuals under subdivision (24) of subsection  
20 1 of section 208.151. Individuals with gross incomes in excess of one  
21 hundred percent of the federal poverty level shall pay a premium for  
22 participation in accordance with subsection 4 of this section.

23         2. For income to be considered earned income for purposes of  
24 this section, the department of social services shall document that  
25 Medicare and Social Security taxes are withheld from such  
26 income. Self-employed persons shall provide proof of payment of  
27 Medicare and Social Security taxes for income to be considered earned.

28         3. (1) For purposes of determining eligibility under this section,  
29 the available asset limit and the definition of available assets shall be  
30 the same as those used to determine Medicaid eligibility for permanent  
31 and totally disabled (PTD) individuals under subdivision (24) of  
32 subsection 1 of section 208.151 except for:

33             (a) Medical savings accounts limited to deposits of earned  
34 income and earnings on such income while a participant in the  
35 program created under this section with a value not to exceed five  
36 thousand dollars per year;

37             (b) Independent living accounts limited to deposits of earned  
38 income and earnings on such income while a participant in the  
39 program created under this section with a value not to exceed five  
40 thousand dollars per year. For purposes of this section, an  
41 "independent living account" means an account established and  
42 maintained to provide savings for transportation, housing, home  
43 modification, and personal care services and assistive devices  
44 associated with such person's disability.

45         (2) To determine net income, the following shall be disregarded:

46             (a) All earned income of the disabled worker;

47             (b) The first sixty-five dollars and one-half of the remaining  
48 earned income of a nondisabled spouse's earned income;

49             (c) A twenty-dollar standard deduction;

50             (d) Health insurance premiums;

51             (e) All Supplemental Security Income (SSI) payments;

52             (f) A standard deduction for impairment-related employment  
53 expenses equal to one-half of the disabled worker's earned income.

54         4. Any person whose gross income exceeds one hundred percent

55 of the federal poverty level shall pay a premium for participation in the  
56 medical assistance provided in this section. Such premium shall be:

57 (1) For a person whose gross income is more than one hundred  
58 percent but less than one hundred fifty percent of the federal poverty  
59 level, seven and one-half percent of income at one hundred percent of  
60 the federal poverty level;

61 (2) For a person whose gross income equals or exceeds one  
62 hundred fifty percent but is less than two hundred percent of the  
63 federal poverty level, seven and one-half percent of income at one  
64 hundred fifty percent of the federal poverty level;

65 (3) For a person whose gross income equals or exceeds two  
66 hundred percent of the federal poverty level, seven and one-half  
67 percent of income at two hundred percent of the federal poverty level.

68 5. If an eligible person's employer offers employer-sponsored  
69 health insurance and the department of social services determines that  
70 it is more cost effective, such person shall participate in the employer-  
71 sponsored insurance. The department shall pay such person's portion  
72 of the premiums, co-payments, and any other costs associated with  
73 participation in the employer-sponsored health insurance.

74 6. The provisions of this section shall expire on June 30, 2008.

208.151. 1. For the purpose of paying medical assistance on behalf of  
2 needy persons and to comply with Title XIX, Public Law 89-97, 1965 amendments  
3 to the federal Social Security Act (42 U.S.C. Section 301 et seq.) as amended, the  
4 following needy persons shall be eligible to receive medical assistance to the  
5 extent and in the manner hereinafter provided:

6 (1) All recipients of state supplemental payments for the aged, blind and  
7 disabled;

8 (2) All recipients of aid to families with dependent children benefits,  
9 including all persons under nineteen years of age who would be classified as  
10 dependent children except for the requirements of subdivision (1) of subsection  
11 1 of section 208.040;

12 (3) All recipients of blind pension benefits;

13 (4) All persons who would be determined to be eligible for old age  
14 assistance benefits, permanent and total disability benefits, or aid to the blind  
15 benefits under the eligibility standards in effect December 31, 1973, or less  
16 restrictive standards as established by rule of the family support division, who

17 are sixty-five years of age or over and are patients in state institutions for mental  
18 diseases or tuberculosis;

19 (5) All persons under the age of twenty-one years who would be eligible  
20 for aid to families with dependent children except for the requirements of  
21 subdivision (2) of subsection 1 of section 208.040, and who are residing in an  
22 intermediate care facility, or receiving active treatment as inpatients in  
23 psychiatric facilities or programs, as defined in 42 U.S.C. 1396d, as amended;

24 (6) All persons under the age of twenty-one years who would be eligible  
25 for aid to families with dependent children benefits except for the requirement of  
26 deprivation of parental support as provided for in subdivision (2) of subsection 1  
27 of section 208.040;

28 (7) All persons eligible to receive nursing care benefits;

29 (8) All recipients of family foster home or nonprofit private child-care  
30 institution care, subsidized adoption benefits and parental school care wherein  
31 state funds are used as partial or full payment for such care;

32 (9) All persons who were recipients of old age assistance benefits, aid to  
33 the permanently and totally disabled, or aid to the blind benefits on December 31,  
34 1973, and who continue to meet the eligibility requirements, except income, for  
35 these assistance categories, but who are no longer receiving such benefits because  
36 of the implementation of Title XVI of the federal Social Security Act, as amended;

37 (10) Pregnant women who meet the requirements for aid to families with  
38 dependent children, except for the existence of a dependent child in the home;

39 (11) Pregnant women who meet the requirements for aid to families with  
40 dependent children, except for the existence of a dependent child who is deprived  
41 of parental support as provided for in subdivision (2) of subsection 1 of section  
42 208.040;

43 (12) Pregnant women or infants under one year of age, or both, whose  
44 family income does not exceed an income eligibility standard equal to one  
45 hundred eighty-five percent of the federal poverty level as established and  
46 amended by the federal Department of Health and Human Services, or its  
47 successor agency;

48 (13) Children who have attained one year of age but have not attained six  
49 years of age who are eligible for medical assistance under 6401 of P.L. 101-239  
50 (Omnibus Budget Reconciliation Act of 1989). The family support division shall  
51 use an income eligibility standard equal to one hundred thirty-three percent of  
52 the federal poverty level established by the Department of Health and Human

53 Services, or its successor agency;

54 (14) Children who have attained six years of age but have not attained  
55 nineteen years of age. For children who have attained six years of age but have  
56 not attained nineteen years of age, the family support division shall use an  
57 income assessment methodology which provides for eligibility when family income  
58 is equal to or less than equal to one hundred percent of the federal poverty level  
59 established by the Department of Health and Human Services, or its successor  
60 agency. As necessary to provide Medicaid coverage under this subdivision, the  
61 department of social services may revise the state Medicaid plan to extend  
62 coverage under 42 U.S.C. 1396a (a)(10)(A)(i)(III) to children who have attained  
63 six years of age but have not attained nineteen years of age as permitted by  
64 paragraph (2) of subsection (n) of 42 U.S.C. 1396d using a more liberal income  
65 assessment methodology as authorized by paragraph (2) of subsection (r) of 42  
66 U.S.C. 1396a;

67 (15) The family support division shall not establish a resource eligibility  
68 standard in assessing eligibility for persons under subdivision (12), (13) or (14)  
69 of this subsection. The division of medical services shall define the amount and  
70 scope of benefits which are available to individuals eligible under each of the  
71 subdivisions (12), (13), and (14) of this subsection, in accordance with the  
72 requirements of federal law and regulations promulgated thereunder;

73 (16) Notwithstanding any other provisions of law to the contrary,  
74 ambulatory prenatal care shall be made available to pregnant women during a  
75 period of presumptive eligibility pursuant to 42 U.S.C. Section 1396r-1, as  
76 amended;

77 (17) A child born to a woman eligible for and receiving medical assistance  
78 under this section on the date of the child's birth shall be deemed to have applied  
79 for medical assistance and to have been found eligible for such assistance under  
80 such plan on the date of such birth and to remain eligible for such assistance for  
81 a period of time determined in accordance with applicable federal and state law  
82 and regulations so long as the child is a member of the woman's household and  
83 either the woman remains eligible for such assistance or for children born on or  
84 after January 1, 1991, the woman would remain eligible for such assistance if she  
85 were still pregnant. Upon notification of such child's birth, the family support  
86 division shall assign a medical assistance eligibility identification number to the  
87 child so that claims may be submitted and paid under such child's identification  
88 number;

89           (18) Pregnant women and children eligible for medical assistance  
90 pursuant to subdivision (12), (13) or (14) of this subsection shall not as a  
91 condition of eligibility for medical assistance benefits be required to apply for aid  
92 to families with dependent children. The family support division shall utilize an  
93 application for eligibility for such persons which eliminates information  
94 requirements other than those necessary to apply for medical assistance. The  
95 division shall provide such application forms to applicants whose preliminary  
96 income information indicates that they are ineligible for aid to families with  
97 dependent children. Applicants for medical assistance benefits under subdivision  
98 (12), (13) or (14) shall be informed of the aid to families with dependent children  
99 program and that they are entitled to apply for such benefits. Any forms utilized  
100 by the family support division for assessing eligibility under this chapter shall be  
101 as simple as practicable;

102           (19) Subject to appropriations necessary to recruit and train such staff,  
103 the family support division shall provide one or more full-time, permanent case  
104 workers to process applications for medical assistance at the site of a health care  
105 provider, if the health care provider requests the placement of such case workers  
106 and reimburses the division for the expenses including but not limited to salaries,  
107 benefits, travel, training, telephone, supplies, and equipment, of such case  
108 workers. The division may provide a health care provider with a part-time or  
109 temporary case worker at the site of a health care provider if the health care  
110 provider requests the placement of such a case worker and reimburses the  
111 division for the expenses, including but not limited to the salary, benefits, travel,  
112 training, telephone, supplies, and equipment, of such a case worker. The division  
113 may seek to employ such case workers who are otherwise qualified for such  
114 positions and who are current or former welfare recipients. The division may  
115 consider training such current or former welfare recipients as case workers for  
116 this program;

117           (20) Pregnant women who are eligible for, have applied for and have  
118 received medical assistance under subdivision (2), (10), (11) or (12) of this  
119 subsection shall continue to be considered eligible for all pregnancy-related and  
120 postpartum medical assistance provided under section 208.152 until the end of  
121 the sixty-day period beginning on the last day of their pregnancy;

122           (21) Case management services for pregnant women and young children  
123 at risk shall be a covered service. To the greatest extent possible, and in  
124 compliance with federal law and regulations, the department of health and senior

125 services shall provide case management services to pregnant women by contract  
126 or agreement with the department of social services through local health  
127 departments organized under the provisions of chapter 192, RSMo, or chapter  
128 205, RSMo, or a city health department operated under a city charter or a  
129 combined city-county health department or other department of health and senior  
130 services designees. To the greatest extent possible the department of social  
131 services and the department of health and senior services shall mutually  
132 coordinate all services for pregnant women and children with the crippled  
133 children's program, the prevention of mental retardation program and the  
134 prenatal care program administered by the department of health and senior  
135 services. The department of social services shall by regulation establish the  
136 methodology for reimbursement for case management services provided by the  
137 department of health and senior services. For purposes of this section, the term  
138 "case management" shall mean those activities of local public health personnel  
139 to identify prospective Medicaid-eligible high-risk mothers and enroll them in the  
140 state's Medicaid program, refer them to local physicians or local health  
141 departments who provide prenatal care under physician protocol and who  
142 participate in the Medicaid program for prenatal care and to ensure that said  
143 high-risk mothers receive support from all private and public programs for which  
144 they are eligible and shall not include involvement in any Medicaid prepaid,  
145 case-managed programs;

146 (22) By January 1, 1988, the department of social services and the  
147 department of health and senior services shall study all significant aspects of  
148 presumptive eligibility for pregnant women and submit a joint report on the  
149 subject, including projected costs and the time needed for implementation, to the  
150 general assembly. The department of social services, at the direction of the  
151 general assembly, may implement presumptive eligibility by regulation  
152 promulgated pursuant to chapter 207, RSMo;

153 (23) All recipients who would be eligible for aid to families with dependent  
154 children benefits except for the requirements of paragraph (d) of subdivision (1)  
155 of section 208.150;

156 (24) (a) All persons who would be determined to be eligible for old age  
157 assistance benefits under the eligibility standards in effect December 31, 1973,  
158 as authorized by 42 U.S.C. Section 1396a(f), or less restrictive methodologies as  
159 contained in the Medicaid state plan as of January 1, 2005; except that, on or  
160 after July 1, 2005, less restrictive income methodologies, as authorized in 42

161 U.S.C. Section 1396a(r)(2), may be used to change the income limit if authorized  
162 by annual appropriation;

163 (b) All persons who would be determined to be eligible for aid to the blind  
164 benefits under the eligibility standards in effect December 31, 1973, as authorized  
165 by 42 U.S.C. Section 1396a(f), or less restrictive methodologies as contained in the  
166 Medicaid state plan as of January 1, 2005, except that less restrictive income  
167 methodologies, as authorized in 42 U.S.C. Section 1396a(r)(2), shall be used to  
168 raise the income limit to one hundred percent of the federal poverty level;

169 (c) All persons who would be determined to be eligible for permanent and  
170 total disability benefits under the eligibility standards in effect December 31,  
171 1973, as authorized by 42 U.S.C. 1396a(f); or less restrictive methodologies as  
172 contained in the Medicaid state plan as of January 1, 2005; except that, on or  
173 after July 1, 2005, less restrictive income methodologies, as authorized in 42  
174 U.S.C. Section 1396a(r)(2), may be used to change the income limit if authorized  
175 by annual appropriations. Eligibility standards for permanent and total  
176 disability benefits shall not be limited by age.

177 Any income earned through certified extended employment at a  
178 sheltered workshop under chapter 178, RSMo, shall not be considered  
179 as income for purposes of determining eligibility under this  
180 subdivision;

181 (25) Persons who have been diagnosed with breast or cervical cancer and  
182 who are eligible for coverage pursuant to 42 U.S.C. 1396a  
183 (a)(10)(A)(ii)(XVIII). Such persons shall be eligible during a period of  
184 presumptive eligibility in accordance with 42 U.S.C. 1396r-1.

185 2. Rules and regulations to implement this section shall be promulgated  
186 in accordance with section 431.064, RSMo, and chapter 536, RSMo. Any rule or  
187 portion of a rule, as that term is defined in section 536.010, RSMo, that is created  
188 under the authority delegated in this section shall become effective only if it  
189 complies with and is subject to all of the provisions of chapter 536, RSMo, and,  
190 if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are  
191 nonseverable and if any of the powers vested with the general assembly pursuant  
192 to chapter 536, RSMo, to review, to delay the effective date or to disapprove and  
193 annul a rule are subsequently held unconstitutional, then the grant of  
194 rulemaking authority and any rule proposed or adopted after August 28, 2002,  
195 shall be invalid and void.

196 3. After December 31, 1973, and before April 1, 1990, any family eligible



197 for assistance pursuant to 42 U.S.C. 601 et seq., as amended, in at least three of  
198 the last six months immediately preceding the month in which such family  
199 became ineligible for such assistance because of increased income from  
200 employment shall, while a member of such family is employed, remain eligible for  
201 medical assistance for four calendar months following the month in which such  
202 family would otherwise be determined to be ineligible for such assistance because  
203 of income and resource limitation. After April 1, 1990, any family receiving aid  
204 pursuant to 42 U.S.C. 601 et seq., as amended, in at least three of the six months  
205 immediately preceding the month in which such family becomes ineligible for  
206 such aid, because of hours of employment or income from employment of the  
207 caretaker relative, shall remain eligible for medical assistance for six calendar  
208 months following the month of such ineligibility as long as such family includes  
209 a child as provided in 42 U.S.C. 1396r-6. Each family which has received such  
210 medical assistance during the entire six-month period described in this section  
211 and which meets reporting requirements and income tests established by the  
212 division and continues to include a child as provided in 42 U.S.C. 1396r-6 shall  
213 receive medical assistance without fee for an additional six months. The division  
214 of medical services may provide by rule and as authorized by annual  
215 appropriation the scope of medical assistance coverage to be granted to such  
216 families.

217 4. When any individual has been determined to be eligible for medical  
218 assistance, such medical assistance will be made available to him or her for care  
219 and services furnished in or after the third month before the month in which he  
220 made application for such assistance if such individual was, or upon application  
221 would have been, eligible for such assistance at the time such care and services  
222 were furnished; provided, further, that such medical expenses remain unpaid.

223 5. The department of social services may apply to the federal Department  
224 of Health and Human Services for a Medicaid waiver amendment to the Section  
225 1115 demonstration waiver or for any additional Medicaid waivers necessary not  
226 to exceed one million dollars in additional costs to the state. A request for such  
227 a waiver so submitted shall only become effective by executive order not sooner  
228 than ninety days after the final adjournment of the session of the general  
229 assembly to which it is submitted, unless it is disapproved within sixty days of  
230 its submission to a regular session by a senate or house resolution adopted by a  
231 majority vote of the respective elected members thereof.

232 6. Notwithstanding any other provision of law to the contrary, in any

233 given fiscal year, any persons made eligible for medical assistance benefits under  
234 subdivisions (1) to (22) of subsection 1 of this section shall only be eligible if  
235 annual appropriations are made for such eligibility. This subsection shall not  
236 apply to classes of individuals listed in 42 U.S.C. Section 1396a(a)(10)(A)(i).

Section B. Because immediate action is necessary to provide assistance  
2 to the employed disabled, section A of this act is deemed necessary for the  
3 immediate preservation of the public health, welfare, peace, and safety, and is  
4 hereby declared to be an emergency act within the meaning of the constitution,  
5 and section A of this act shall be in full force and effect on July 1, 2006, upon its  
6 passage and approval, whichever later occurs.

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