

Sponsor: Allen

This bill changes the laws regarding medical assistance. The Department of Social Services must maximize the use of existing contracted prepaid health plans and other alternative service delivery and reimbursement methodologies to facilitate the cost-effective purchase of comprehensive health care, including pharmacy benefits and services. The department must permit each prepaid health plan to have full control over its formulary and preferred drug list (PDL). The department must apply for a waiver from the Centers for Medicare and Medicaid Services (CMS) for a pilot program and a demonstration project in selected service areas, including Phelps County in the Eastern Region and Jackson County in the Western Region. The pilot program must provide services to:

(1) Persons certified by the MO HealthNet Division within the department who are patients in a medical facility, including nursing homes, hospitals, tuberculosis sanatoriums, or institutions for the treatment of mental disease and, except for the fact they're patients in the medical facility, would qualify for grants under Title IV, Supplemental Social Security Income (SSI) benefits under Title XVI or state supplements and aged, blind and disabled persons who would not be eligible for SSI benefits or state supplements if they were not institutionalized in a medical facility but whose income is below the maximum standard set by the division;

(2) Individuals who are qualified Medicare beneficiaries (QMB) entitled to Medicare Part A as defined in Section 301 of the Medicare Catastrophic Coverage Act of 1988 and whose income does not exceed 100% of the nonfarm official poverty level as defined by the federal Office of Management and Budget (OMB). The eligibility of these individuals must be determined by the department and the individuals determined to be eligible must receive Medicare cost-sharing expenses only as more fully defined by the Medicare Catastrophic Coverage Act of 1988 and the Balanced Budget Act of 1997;

(3) Individuals entitled to Medicare Part A as defined in Section 4501 of the Omnibus Budget Reconciliation Act of 1990 and whose income does not exceed 120% of the nonfarm official poverty level as defined by the federal OMB. Eligibility for MO HealthNet benefits is limited to the full payment of Medicare Part B premiums;

(4) Individuals entitled to Medicare Part A with an income more

than 120% but less than 135% of the federal poverty level and not otherwise eligible for MO HealthNet benefits. Eligibility for MO HealthNet benefits is limited to the full payment of Medicare Part B premiums. The number of eligible individuals is limited by the availability of the federal capped allocation at 100% of federal matching funds as defined in the Balanced Budget Act of 1997;

(5) Disabled workers who are eligible to enroll in Medicare Part A as required by the Omnibus Budget Reconciliation Act of 1989 and whose income does not exceed 200% of the federal poverty level as determined in accordance with the SSI program. Eligibility must be determined by the department and the individuals must be entitled to buy-in coverage of Medicare Part A premiums only; and

(6) Workers with a potentially severe disability as determined by the department. The individuals must be allowed to purchase MO HealthNet coverage.

The demonstration project must be conducted in a manner that is consistent with Section 204 of the Ticket to Work and Work Incentives Improvement Act of 1999. The number of individuals and the eligibility of the individuals must be determined by the department including:

(1) Individuals 65 years of age or older who are deemed disabled under Section 1614(a)(3) of the federal Social Security Act, as amended, and whose income does not exceed 135% of the nonfarm official poverty level as defined by the federal OMB and the MO HealthNet program and are not otherwise covered by Medicare. These individuals are not entitled to benefits and his or her eligibility must be determined by the department;

(2) Individuals 65 years of age or older who are disabled as determined by the Section 1614(a)(3) of the federal Social Security Act, as amended and are end-stage renal disease patients on dialysis, cancer patients on chemotherapy, or organ transplant recipients on anti-rejection drugs. The individuals income must not exceed 135% of the nonfarm official poverty level as defined by the federal OMB, and his or her resources must not exceed those established by the department. The individuals are not entitled to benefits and eligibility of these individuals must be determined by the department; and

(3) Individuals who are entitled to Medicare Part D and whose income does not exceed 150% of the nonfarm official poverty level as defined by the federal OMB. Eligibility for payment of the Medicare Part D subsidy must be determined by the department.