

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 28
99TH GENERAL ASSEMBLY

Reported from the Committee on Seniors, Families and Children, February 2, 2017, with recommendation that the Senate Committee Substitute do pass.

0519S.05C

ADRIANE D. CROUSE, Secretary.

AN ACT

To amend chapter 208, RSMo, by adding thereto four new sections relating to the Medicaid global waiver.

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

Section A. Chapter 208, RSMo, is amended by adding thereto four new sections, to be known as sections 208.1205, 208.1210, 208.1215, and 208.1220, to read as follows:

208.1205. 1. The department of social services shall apply for and obtain a Medicaid global waiver and any other necessary waivers or state plan amendments from the Secretary of the United States Department of Health and Human Services, including, but not limited to, a waiver of the appropriate sections of Title XIX, 42 U.S.C. Section 1396 et. seq. The application for and the provisions of such waivers or state plan amendments shall be implemented as follows:

(1) The federal waiver application process shall be reviewed by the joint committee on public assistance, established under section 208.952. Prior to the submission of the waiver application to the federal government, the department shall provide the joint committee with the proposed waiver application. The waiver application shall not be submitted to the federal government until the provisions of this section have been followed;

(2) The joint committee shall review the waiver application and hold a public hearing within thirty days of receipt of the application, during which public testimony shall be received. The director of the department, or the director of the division of MO HealthNet, shall testify on the proposed waiver application; and

20 (3) Within thirty days of the public hearing, the joint committee
21 shall either accept or reject the proposed waiver application and shall,
22 if necessary, propose modifications to or other recommendations for
23 the application as submitted.

24 2. The waiver application shall include provisions, to the fullest
25 extent possible, that maximize the flexibility of the state to design a
26 patient-centered, sustainable, and cost-effective approach to a market-
27 based health care system that emphasizes competitive and value-based
28 purchasing. Such flexibility may include:

29 (1) Eligibility determinations which may include work
30 requirements for certain able-bodied adults;

31 (2) Initiatives to promote healthy outcomes and reward personal
32 responsibility, including the use of co-payments, premiums, and health
33 savings accounts. Such initiatives may include the forgiveness of a
34 patient's co-payments, premiums, or other out-of-pocket obligations or
35 the use of other incentives in exchange for the patient's performance
36 or participation in healthy incentives and wellness programs or for
37 choosing lower-cost health care services;

38 (3) Measures to improve the quality of and to lower the cost of
39 health care through policies such as selective contracting and
40 competitive bidding, preferred provider networks, and health outcome-
41 based provider reimbursement; and

42 (4) Accountability and transparency measures designed to
43 promote interdepartmental cooperation and coordination while
44 eliminating redundancies. Such measures shall also promote the
45 efficient and cost-effective delivery of health care services in a patient-
46 centered approach, including physical and mental health care services.

47 3. The waiver application shall include provisions, to the fullest
48 extent possible, that propose or accept funding mechanisms similar to
49 a federally-capped block grant, which may include capped per capita
50 allocations, capped allotments, or shared savings based on per-enrollee
51 spending targets, adjusted for inflation, state gross domestic product,
52 state population growth, state Medicaid population growth, natural
53 disasters, man-made disasters, extensive economic downturns, and
54 other economic and demographic factors, for the duration of the
55 waiver.

208.1210. 1. It shall be necessary to propose legislative changes

2 in order to comply with the federal waiver application submitted under
3 section 208.1205, if the application is approved by the federal
4 government. Until such statutory changes are enacted through the
5 legislative process, all applicable laws relating to MO HealthNet shall
6 remain in effect. In order to effectuate additional programmatic
7 changes to the MO HealthNet program beyond those authorized by the
8 ninety-ninth general assembly, first regular session, and as authorized
9 by the waiver, the department of social services shall propose the
10 additional statutory changes required. Such changes cannot be
11 effectuated until the necessary statutes have been enacted.

12 2. The joint committee on public assistance shall hold public
13 hearings and receive public testimony on such proposed statutory
14 changes to determine whether or not such proposals satisfy the goals
15 enumerated in section 208.1205 and would result in substantial new
16 opportunities for the MO HealthNet program on a cost-neutral basis.

17 3. Upon the enactment of legislation related to the waiver, the
18 department shall adopt rules and regulations to implement the
19 provisions of the waiver. Any rule or portion of a rule, as that term is
20 defined in section 536.010 that is created under the authority delegated
21 in this section shall become effective only if it complies with and is
22 subject to all of the provisions of chapter 536, and, if applicable, section
23 536.028. This section and chapter 536 are nonseverable and if any of
24 the powers vested with the general assembly pursuant to chapter 536,
25 to review, to delay the effective date, or to disapprove and annul a rule
26 are subsequently held unconstitutional, then the grant of rulemaking
27 authority and any rule proposed or adopted after August 28, 2017, shall
28 be invalid and void.

208.1215. After the approval of the waiver application submitted
2 under section 208.1205 by the federal government, the joint committee
3 on public assistance shall meet at least twice a year. The joint
4 committee shall have the authority to:

- 5 (1) Provide oversight on the Medicaid global waiver;
- 6 (2) Communicate as necessary with the director of the
7 department of social services, the director of the MO HealthNet
8 division, and any other divisions or departments within the scope of
9 the MO HealthNet program;
- 10 (3) Recommend the type of services for the MO HealthNet

11 program offered by the state;

12 (4) Issue, in accordance with section 21.400, subpoenas,
13 subpoenas duces tecum, and orders for the production of books,
14 accounts, papers, records, and documents; and

15 (5) Recommend to the general assembly and the department any
16 amendments to the waiver and any corrective clarifying legislation that
17 may be necessary.

208.1220. 1. In the event that the global waiver or related
2 waivers or state plan amendments submitted under section 208.1205 are
3 suspended or terminated for any reason, or in the event that the global
4 waiver or related waivers or state plan amendments expire, the
5 department of social services shall apply for an extension or renewal
6 of the global waiver or any new waivers that, at a minimum, ensure the
7 continuation of the waiver authorities in existence prior to the
8 acceptance of the global waiver. The department shall ensure that any
9 such actions are conducted in accordance with applicable federal
10 statutes and regulations relating to waiver renewals, extensions, or
11 terminations. The department shall, to the fullest extent possible,
12 ensure that said waiver authorities are reinstated prior to any
13 suspension, termination, or expiration of the global waiver.

14 2. In the event that the provisions of Title XIX, 42 U.S.C. Section
15 1396 et. seq. are changed or repealed to the extent that Medicaid
16 becomes, or the federal government otherwise offers, a block grant to
17 the states for the provision of health care services to certain eligible
18 persons, the provisions of sections 208.1205 to 208.1215 shall expire.

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