

HOUSE BILL NO. 115

INTRODUCED BY M. MACDONALD

BY REQUEST OF THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

A BILL FOR AN ACT ENTITLED: "AN ACT GIVING THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES AUTHORITY TO IMPLEMENT MEASURES REQUIRED BY PUBLIC LAW 111-148 AND PUBLIC LAW 111-152 AS THEY RELATE TO THE MEDICAID AND CHILDREN'S HEALTH INSURANCE PROGRAMS; GIVING THE DEPARTMENT AUTHORITY TO PREVENT AND DETECT PROVIDER FRAUD, ABUSE, AND MISAPPROPRIATION AND TO ENSURE THE APPROPRIATE DELIVERY OF SERVICES AND OTHER BENEFITS BY PROVIDERS UNDER THE MEDICAID AND CHILDREN'S HEALTH INSURANCE PROGRAMS; PROVIDING AUTHORITY FOR THE ADOPTION OF ADDITIONAL CATEGORIES OF PERSONS ELIGIBLE FOR MEDICAID-FUNDED HEALTH CARE BENEFITS AND THE DESIGNATION OF HEALTH CARE BENEFITS AVAILABLE WITHIN THOSE CATEGORIES; PROVIDING MANDATORY COVERAGE FOR FREESTANDING BIRTH CENTER AND TOBACCO CESSATION SERVICES FOR PREGNANT WOMEN; PROVIDING FOR MANDATORY COVERAGE OF ADDITIONAL HEALTH CARE BENEFITS REQUIRED BY FEDERAL REGULATIONS IMPLEMENTING PUBLIC LAW 111-148 AND PUBLIC LAW 111-152; PROVIDING AUTHORITY FOR CONDUCTING CRIMINAL BACKGROUND CHECKS FOR PERSONS PROVIDING DIRECT-CARE SERVICES; PROVIDING FOR COLLABORATION AMONG STATE AND FEDERAL ENTITIES, SERVICE PROVIDERS, AND OTHER ENTITIES IN ELIGIBILITY DETERMINATIONS AND BENEFIT COORDINATION FOR MEDICAID-FUNDED SERVICES; AMENDING SECTIONS 53-2-207, 53-6-101, 53-6-113, 53-6-131, 53-6-132, AND 53-6-133, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 53-2-207, MCA, is amended to read:

**"53-2-207. Power of department in administering state and federal funds.** (1) In administering or supervising any state or federal funds appropriated or made available to the department for public assistance purposes, the department may:

(+) (a) make use of all legal processes to enforce the standards prescribed for public assistance purposes by the department; and



1           ~~(2)(b)~~ require that each part of the public assistance laws be in effect in all counties of the state.

2           ~~(2) (a) In order to administer the medicaid program and children's health insurance program that provide~~  
3 ~~funding for health care benefits and to administer other federal and state health care-related programs, the~~  
4 ~~department shall implement in accordance with the provisions of Public Law 111-148, Public Law 111-152, or~~  
5 ~~federal regulations implementing those laws any administrative, enrollment, contractual, auditing, and other~~  
6 ~~measures needed to:~~

7           ~~(i) prevent, control, and penalize provider fraud, abuse, and misappropriation;~~

8           ~~(ii) ensure the integrity of program service delivery and provider fiscal accountability;~~

9           ~~(iii) prevent recipient and consumer fraud;~~

10           ~~(iv) coordinate efforts between state and federal agencies, including the sharing of eligibility, utilization,~~  
11 ~~provider-related, and other data;~~

12           ~~(v) provide for appropriate administrative measures to recover money;~~

13           ~~(vi) impose penalties on providers participating in a health care program;~~

14           ~~(vii) bar, suspend, or terminate providers from participation in a health care program;~~

15           ~~(viii) establish necessary due process procedures and criteria; and~~

16           ~~(ix) ensure that expenditures on health care benefits are properly authorized and that services are~~  
17 ~~delivered to the intended beneficiary in the proper amounts and forms and are appropriate in nature, medically~~  
18 ~~effective, and cost-effective.~~

19           ~~(b) The measures implemented under this subsection (2) are in addition to existing statutory provisions~~  
20 ~~related to the control of provider fraud, abuse, and misappropriation and may supersede other statutory provisions~~  
21 ~~if required in order to comply with the provisions of Public Law 111-148, Public Law 111-152, or federal~~  
22 ~~regulations implementing those laws.~~

23           ~~(3) (a) In order to administer the medicaid program and children's health insurance program that provide~~  
24 ~~funding for health care benefits and to administer other federal and state health care-related programs, the~~  
25 ~~department shall implement in accordance with the provisions of Public Law 111-148, Public Law 111-152, or~~  
26 ~~federal regulations implementing those laws procedures and criteria to govern eligibility for the programs and to~~  
27 ~~coordinate the delivery of benefits.~~

28           ~~(b) For purposes of the coordination of program eligibility procedures and criteria and of benefit delivery~~  
29 ~~with other departmental programs or with other entities, the department may implement protocols and other~~  
30 ~~measures, including rules as appropriate, to govern information system development and implementation,~~

1 information sharing, processing of eligibility determinations, and other necessary or appropriate activities and  
2 functions that are undertaken with those programs and entities."

3

4 **Section 2.** Section 53-6-101, MCA, is amended to read:

5 **"53-6-101. Montana medicaid program -- authorization of services.** (1) There is a Montana medicaid  
6 program established for the purpose of providing necessary medical services to eligible persons who have need  
7 for medical assistance. The Montana medicaid program is a joint federal-state program administered under this  
8 chapter and in accordance with Title XIX of the Social Security Act, 42 U.S.C. 1396, et seq. The department shall  
9 administer the Montana medicaid program.

10 (2) The department and the legislature shall consider the following funding principles when considering  
11 changes in medicaid policy that either increase or reduce services:

12 (a) protecting those persons who are most vulnerable and most in need, as defined by a combination  
13 of economic, social, and medical circumstances;

14 (b) giving preference to the elimination or restoration of an entire medicaid program or service, rather  
15 than sacrifice or augment the quality of care for several programs or services through dilution of funding; and

16 (c) giving priority to services that employ the science of prevention to reduce disability and illness,  
17 services that treat life-threatening conditions, and services that support independent or assisted living, including  
18 pain management, to reduce the need for acute inpatient or residential care.

19 (3) Medical assistance provided by the Montana medicaid program includes the following services:

20 (a) inpatient hospital services;

21 (b) outpatient hospital services;

22 (c) other laboratory and x-ray services, including minimum mammography examination as defined in  
23 33-22-132;

24 (d) skilled nursing services in long-term care facilities;

25 (e) physicians' services;

26 (f) nurse specialist services;

27 (g) early and periodic screening, diagnosis, and treatment services for persons under 21 years of age;

28 (h) ambulatory prenatal care for pregnant women during a presumptive eligibility period, as provided in  
29 42 U.S.C. 1396a(a)(47) and 42 U.S.C. 1396r-1;

30 (i) targeted case management services, as authorized in 42 U.S.C. 1396n(g), for high-risk pregnant

- 1 women;
- 2 (j) services that are provided by physician assistants within the scope of their practice and that are  
3 otherwise directly reimbursed as allowed under department rule to an existing provider;
- 4 (k) health services provided under a physician's orders by a public health department; ~~and~~
- 5 (l) federally qualified health center services, as defined in 42 U.S.C. 1396d(l)(2);
- 6 (m) freestanding birth center services, as defined in 42 U.S.C. 1396d;
- 7 (n) comprehensive tobacco cessation services for pregnant women; and
- 8 (o) any additional health care-related services required by Public Law 111-148 or Public Law 111-152.
- 9 (4) Medical assistance provided by the Montana medicaid program may, as provided by department rule,  
10 also include the following services:
- 11 (a) medical care or any other type of remedial care recognized under state law, furnished by licensed  
12 practitioners within the scope of their practice as defined by state law;
- 13 (b) home health care services;
- 14 (c) private-duty nursing services;
- 15 (d) dental services;
- 16 (e) physical therapy services;
- 17 (f) mental health center services administered and funded under a state mental health program  
18 authorized under Title 53, chapter 21, part 10;
- 19 (g) clinical social worker services;
- 20 (h) prescribed drugs, dentures, and prosthetic devices;
- 21 (i) prescribed eyeglasses;
- 22 (j) other diagnostic, screening, preventive, rehabilitative, chiropractic, and osteopathic services;
- 23 (k) inpatient psychiatric hospital services for persons under 21 years of age;
- 24 (l) services of professional counselors licensed under Title 37, chapter 23;
- 25 (m) hospice care, as defined in 42 U.S.C. 1396d(o);
- 26 (n) case management services, as provided in 42 U.S.C. 1396d(a) and 1396n(g), including targeted case  
27 management services for the mentally ill;
- 28 (o) services of psychologists licensed under Title 37, chapter 17;
- 29 (p) inpatient psychiatric services for persons under 21 years of age, as provided in 42 U.S.C. 1396d(h),  
30 in a residential treatment facility, as defined in 50-5-101, that is licensed in accordance with 50-5-201; and

1 (q) any additional medical service or aid allowable under or provided by the federal Social Security Act.

2 (5) Services for persons qualifying for medicaid under the medically needy category of assistance, as  
3 described in 53-6-131, may be more limited in amount, scope, and duration than services provided to others  
4 qualifying for assistance under the Montana medicaid program. The department is not required to provide all of  
5 the services listed in subsections (3) and (4) to persons qualifying for medicaid under the medically needy  
6 category of assistance.

7 (6) In accordance with federal law or waivers of federal law that are granted by the secretary of the U.S.  
8 department of health and human services, the department may implement limited medicaid benefits, to be known  
9 as basic medicaid, for adult recipients who are eligible because they are receiving financial assistance, as defined  
10 in 53-4-201, as the specified caretaker relative of a dependent child under the FAIM project and for all adult  
11 recipients of medical assistance only who are covered under a group related to a program providing financial  
12 assistance, as defined in 53-4-201. Basic medicaid benefits consist of all mandatory services listed in subsections  
13 (3)(a) through (3)(l) but may include those optional services listed in subsections (4)(a) through (4)(q) that the  
14 department in its discretion specifies by rule. The department, in exercising its discretion, may consider the  
15 amount of funds appropriated by the legislature, whether approval has been received, as provided in 53-1-612,  
16 and whether the provision of a particular service is commonly covered by private health insurance plans.  
17 However, a recipient who is pregnant, meets the criteria for disability provided in Title II of the Social Security Act,  
18 42 U.S.C. 416, et seq., or is less than 21 years of age is entitled to full medicaid coverage.

19 (7) The department may implement, as provided for in Title XIX of the Social Security Act, 42 U.S.C.  
20 1396, et seq., as may be amended, a program under medicaid for payment of medicare premiums, deductibles,  
21 and coinsurance for persons not otherwise eligible for medicaid.

22 (8) Health care benefits for persons who are eligible for medicaid assistance pursuant to Public Law  
23 111-148, Public Law 111-152, or federal regulations implementing those laws and as provided by 53-6-131 must  
24 be established in accordance with the provisions of Public Law 111-148, Public Law 111-152, or the applicable  
25 federal regulations.

26 ~~(8)~~(9) The department may set rates for medical and other services provided to recipients of medicaid  
27 and may enter into contracts for delivery of services to individual recipients or groups of recipients.

28 ~~(9)~~(10) The services provided under this part may be only those that are medically necessary and that  
29 are the most efficient and cost-effective.

30 ~~(10)~~(11) The amount, scope, and duration of services provided under this part must be determined by

1 the department in accordance with Title XIX of the Social Security Act, 42 U.S.C. 1396, et seq., as may be  
2 amended.

3 ~~(11)~~(12) Services, procedures, and items of an experimental or cosmetic nature may not be provided.

4 ~~(12)~~(13) If available funds are not sufficient to provide medical assistance for all eligible persons, the  
5 department may set priorities to limit, reduce, or otherwise curtail the amount, scope, or duration of the medical  
6 services made available under the Montana medicaid program after taking into consideration the funding  
7 principles set forth in subsection (2)."

8

9 **Section 3.** Section 53-6-113, MCA, is amended to read:

10 **"53-6-113. Department to adopt rules.** (1) The department shall adopt appropriate rules necessary for  
11 the administration of the Montana medicaid program as provided for in this part and that may be required by  
12 federal laws and regulations governing state participation in medicaid under Title XIX of the Social Security Act,  
13 42 U.S.C. 1396, et seq., as amended.

14 (2) The department shall adopt rules that are necessary to further define for the purposes of this part the  
15 services provided under 53-6-101 and to provide that services being used are medically necessary and that the  
16 services are the most efficient and cost-effective available. The rules may establish the amount, scope, and  
17 duration of services provided under the Montana medicaid program, including the items and components  
18 constituting the services.

19 (3) The department shall establish by rule the rates for reimbursement of services provided under this  
20 part. The department may in its discretion set rates of reimbursement that it determines necessary for the  
21 purposes of the program. In establishing rates of reimbursement, the department may consider but is not limited  
22 to considering:

23 (a) the availability of appropriated funds;

24 (b) the actual cost of services;

25 (c) the quality of services;

26 (d) the professional knowledge and skills necessary for the delivery of services; and

27 (e) the availability of services.

28 (4) The department shall specify by rule those professionals who may deliver or direct the delivery of  
29 particular services.

30 (5) The department may provide by rule for payment by a recipient of a portion of the reimbursements

1 established by the department for services provided under this part.

2 (6) The department may adopt rules consistent with this part to govern eligibility for the Montana  
3 medicaid program, including the medicaid program provided for in 53-6-195. Rules may include but are not limited  
4 to financial standards and criteria for income and resources, treatment of resources, nonfinancial criteria, family  
5 responsibilities, residency, application, termination, definition of terms, confidentiality of applicant and recipient  
6 information, and cooperation with the state agency administering the child support enforcement program under  
7 Title IV-D of the Social Security Act, 42 U.S.C. 651, et seq. The department may not apply financial criteria below  
8 \$15,000 for resources other than income in determining the eligibility of a child under 19 years of age for poverty  
9 level-related children's medicaid coverage groups, as provided in 42 U.S.C. 1396a(l)(1)(B) through (l)(1)(D).

10 (7) The department may adopt rules limiting eligibility based on criteria more restrictive than that provided  
11 in 53-6-131 if required by Title XIX of the Social Security Act, 42 U.S.C. 1396, et seq., as may be amended, or  
12 if funds appropriated are not sufficient to provide medical care for all eligible persons.

13 (8) The department may adopt rules necessary for the administration of medicaid managed care systems.  
14 Rules to be adopted may include but are not limited to rules concerning:

- 15 (a) participation in managed care;  
16 (b) selection and qualifications for providers of managed care; and  
17 (c) standards for the provision of managed care.

18 (9) Subject to subsection (6), the department shall establish by rule income limits for eligibility for  
19 extended medical assistance of persons receiving section 1931 medicaid benefits, as defined in 53-4-602, who  
20 lose eligibility because of increased income to the assistance unit, as that term is defined in the rules of the  
21 department, as provided in 53-6-134, and shall also establish by rule the length of time for which extended  
22 medical assistance will be provided. The department, in exercising its discretion to set income limits and duration  
23 of assistance, may consider the amount of funds appropriated by the legislature.

24 (10) In accordance with 42 U.S.C. 1396a and related federal regulations adopted pursuant to Public Law  
25 111-148 or Public Law 111-152 and implemented by 53-6-131, the department may adopt rules for the purpose  
26 of defining eligibility criteria and benefits for persons who are eligible for medicaid assistance pursuant to Public  
27 Law 111-148, Public Law 111-152, or federal regulations implementing those laws.

28 (11) In accordance with 42 U.S.C. 1320a and related federal regulations adopted implement Public Law  
29 111-148 or Public Law 111-152, the department may establish by rule the requirements and procedures  
30 necessary to conduct screening and criminal background checks for employees of long-term care facilities and

1 for employees of providers of direct-care services."

2

3 **Section 4.** Section 53-6-131, MCA, is amended to read:

4 **"53-6-131. Eligibility requirements.** (1) Medical assistance under the Montana medicaid program may  
5 be granted to a person who is determined by the department of public health and human services, in its  
6 discretion, to be eligible as follows:

7 (a) The person receives or is considered to be receiving supplemental security income benefits under  
8 Title XVI of the Social Security Act, 42 U.S.C. 1381, et seq., and does not have income or resources in excess  
9 of the applicable medical assistance limits.

10 (b) The person would be eligible for assistance under the program described in subsection (1)(a) if that  
11 person were to apply for that assistance.

12 (c) The person is in a medical facility that is a medicaid provider and, but for residence in the facility, the  
13 person would be receiving assistance under the program in subsection (1)(a).

14 (d) The person is under 21 years of age and in foster care under the supervision of the state or was in  
15 foster care under the supervision of the state and has been adopted as a child with special needs.

16 (e) The person meets the nonfinancial criteria of the categories in subsections (1)(a) through (1)(d) and:

17 (i) the person's income does not exceed the income level specified for federally aided categories of  
18 assistance and the person's resources are within the resource standards of the federal supplemental security  
19 income program; or

20 (ii) the person, while having income greater than the medically needy income level specified for federally  
21 aided categories of assistance:

22 (A) has an adjusted income level, after incurring medical expenses, that does not exceed the medically  
23 needy income level specified for federally aided categories of assistance or, alternatively, has paid in cash to the  
24 department the amount by which the person's income exceeds the medically needy income level specified for  
25 federally aided categories of assistance; and

26 (B) (I) in the case of a person who meets the nonfinancial criteria for medical assistance because the  
27 person is aged, blind, or disabled, has resources that do not exceed the resource standards of the federal  
28 supplemental security income program; or

29 (II) in the case of a person who meets the nonfinancial criteria for medical assistance because the person  
30 is pregnant, is an infant or child, or is the caretaker of an infant or child, has resources that do not exceed the



1 resource standards adopted by the department.

2 (f) The person is a qualified pregnant woman or a child as defined in 42 U.S.C. 1396d(n).

3 (g) The person is under 19 years of age and lives with a family having a combined income that does not  
4 exceed 185% of the federal poverty level. The department may establish lower income levels to the extent  
5 necessary to maximize federal matching funds provided for in 53-4-1104.

6 (2) The department may establish income and resource limitations. Limitations of income and resources  
7 must be within the amounts permitted by federal law for the medicaid program. Any otherwise applicable eligibility  
8 resource test prescribed by the department does not apply to enrollees in the healthy Montana kids plan provided  
9 for in 53-4-1104.

10 (3) The Montana medicaid program shall pay, as required by federal law, the premiums necessary for  
11 medicaid-eligible persons participating in the medicare program and may, within the discretion of the department,  
12 pay all or a portion of the medicare premiums, deductibles, and coinsurance for a qualified medicare-eligible  
13 person or for a qualified disabled and working individual, as defined in section 6408(d)(2) of the federal Omnibus  
14 Budget Reconciliation Act of 1989, Public Law 101-239, who:

15 (a) has income that does not exceed income standards as may be required by the Social Security Act;  
16 and

17 (b) has resources that do not exceed standards that the department determines reasonable for purposes  
18 of the program.

19 (4) The department may pay a medicaid-eligible person's expenses for premiums, coinsurance, and  
20 similar costs for health insurance or other available health coverage, as provided in 42 U.S.C. 1396b(a)(1).

21 (5) In accordance with waivers of federal law that are granted by the secretary of the U.S. department  
22 of health and human services, the department of public health and human services may grant eligibility for basic  
23 medicaid benefits as described in 53-6-101 to an individual receiving section 1931 medicaid benefits, as defined  
24 in 53-4-602, as the specified caretaker relative of a dependent child under the section 1931 medicaid program.  
25 A recipient who is pregnant, meets the criteria for disability provided in Title II of the Social Security Act, 42 U.S.C.  
26 416, et seq., or is less than 21 years of age is entitled to full medicaid coverage, as provided in 53-6-101.

27 (6) The department, under the Montana medicaid program, may provide, if a waiver is not available from  
28 the federal government, medicaid and other assistance mandated by Title XIX of the Social Security Act, 42  
29 U.S.C. 1396, et seq., as may be amended, and not specifically listed in this part to categories of persons that may  
30 be designated by the act for receipt of assistance.

1 (7) Notwithstanding any other provision of this chapter, medical assistance must be provided to infants  
2 and pregnant women whose family income does not exceed income standards adopted by the department that  
3 comply with the requirements of 42 U.S.C. 1396a(l)(2)(A)(i) and whose family resources do not exceed standards  
4 that the department determines reasonable for purposes of the program.

5 (8) Subject to appropriations, the department may cooperate with and make grants to a nonprofit  
6 corporation that uses donated funds to provide basic preventive and primary health care medical benefits to  
7 children whose families are ineligible for the Montana medicaid program and who are ineligible for any other  
8 health care coverage, are under 19 years of age, and are enrolled in school if of school age.

9 (9) A person described in subsection (7) must be provided continuous eligibility for medical assistance,  
10 as authorized in 42 U.S.C. 1396a(e)(5) through a(e)(7).

11 (10) Full medical assistance under the Montana medicaid program may be granted to an individual during  
12 the period in which the individual requires treatment of breast or cervical cancer, or both, or of a precancerous  
13 condition of the breast or cervix, if the individual:

14 (a) has been screened for breast and cervical cancer under the Montana breast and cervical health  
15 program funded by the centers for disease control and prevention program established under Title XV of the  
16 Public Health Service Act, 42 U.S.C. 300k, or in accordance with federal requirements;

17 (b) needs treatment for breast or cervical cancer, or both, or a precancerous condition of the breast or  
18 cervix;

19 (c) is not otherwise covered under creditable coverage, as provided by federal law or regulation;

20 (d) is not eligible for medical assistance under any mandatory categorically needy eligibility group; and

21 (e) has not attained 65 years of age.

22 (11) Subject to the limitation in 53-6-195, the department shall provide medicaid coverage to workers with  
23 disabilities as provided in 53-6-195 and in accordance with 42 U.S.C. 1396a(a)(10)(A)(ii)(XIII) and (r)(2) and 42  
24 U.S.C. 1396o.

25 (12) As provided for in Public Law 111-148, Public Law 111-152, and federal regulations implementing  
26 those laws, the department may establish by rule eligibility categories that include:

27 (a) children who:

28 (i) are 6 years of age or older and under 19 years of age;

29 (ii) have incomes of up to 133% of the federal poverty level based on the applicable financial eligibility  
30 criteria provided for in Public Law 111-148, Public Law 111-152, and federal regulations implementing those laws;

1 and

2 (iii) are not otherwise eligible for medicaid;

3 (b) adults who are parents of medicaid-eligible children and who:

4 (i) are 19 years of age or older and under 65 years of age;

5 (ii) have incomes of up to 133% of the federal poverty level based on the applicable financial eligibility  
6 criteria provided for in Public Law 111-148, Public Law 111-152, and federal regulations implementing those laws;

7 and

8 (iii) are not eligible for medicare or otherwise eligible for medicaid;

9 (c) childless adults who:

10 (i) are 19 years of age or older and under 65 years of age;

11 (ii) have incomes of up to 133% of the federal poverty level based on the applicable financial eligibility  
12 criteria provided for in Public Law 111-148, Public Law 111-152, and federal regulations implementing those laws;

13 and

14 (iii) are not eligible for medicare or otherwise eligible for medicaid; and

15 (d) adults who:

16 (i) were recipients of medicaid as foster children under the supervision of the department;

17 (ii) are 25 years of age or younger;

18 (iii) are not otherwise eligible for medicaid; and

19 (iv) were in foster care at the age set by the department for ending foster care benefits."

20

21 **Section 5.** Section 53-6-132, MCA, is amended to read:

22 **"53-6-132. Application for assistance --exception.** ~~(1) Subject to subsection (2), application~~  
23 Application for assistance under this part funded through the medicaid program may be made in any local to a  
24 local office of public assistance or other site designated by the department. The department in accordance with  
25 federal law may authorize another departmental program or other appropriate entities to participate in the receipt  
26 of applications and other eligibility-related activities. The application must be presented in the manner and on the  
27 form prescribed by the department. All individuals wishing to apply must have the opportunity to do so.

28 ~~——(2) Notwithstanding the provisions of subsection (1), the department may designate an entity other than~~  
29 ~~the local office of public assistance to determine eligibility for medicaid managed care services."~~

30

1           **Section 6.** Section 53-6-133, MCA, is amended to read:

2           **"53-6-133. Eligibility determination.** (1) ~~The local office of public assistance shall promptly determine~~  
3 ~~the~~ The eligibility of each applicant under this part must be determined promptly in accordance with the rules of  
4 the department. Each applicant must be informed of the right to a fair hearing and of the confidential nature of  
5 the information given. The department, ~~through the local office of public assistance,~~ shall, after the hearing,  
6 determine whether or not the applicant is eligible for assistance under this part, and aid must be furnished  
7 promptly to eligible persons. Each applicant must receive written notice of the decision concerning the applicant's  
8 application, and the right of appeal is secured to the applicant under the procedures of 53-2-606.

9           (2) ~~The local office of public assistance and the~~ The department may accept the federal social security  
10 administration's determination of eligibility for supplemental security income, Title XVI of the Social Security Act,  
11 as qualifying the eligible individuals to receive medical assistance under this part."  
12

13           NEW SECTION. **Section 7. Severability.** If a part of [this act] is invalid, all valid parts that are severable  
14 from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part  
15 remains in effect in all valid applications that are severable from the invalid applications.  
16

17           NEW SECTION. **Section 8. Effective date.** [This act] is effective on passage and approval.  
18

- END -