

1 SENATE BILL NO. 247

2 INTRODUCED BY B. GLASER

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOCATING TOBACCO SETTLEMENT PROCEEDS TO PROVIDE
5 MEDICAID ELIGIBILITY FOR CERTAIN CHILDREN; AMENDING SECTION 53-6-131, MCA; AND PROVIDING
6 EFFECTIVE DATES."

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

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10 NEW SECTION. **Section 1. Tobacco settlement proceeds to accelerate medicaid eligibility for**
11 **certain teenagers.** The proceeds from payments received after December 1, 1998, as a portion of Montana's
12 allocable share pursuant to the master settlement agreement in Civil Action No. 9700306-14, filed in the first
13 judicial district as the settlement of a legal action against participating tobacco product manufacturers and
14 subsequent proceeds at the beginning of each biennium must be allocated first to the department for the
15 purposes of implementing 53-6-131(7)(b). Prior to each biennium, the department shall calculate the amount
16 necessary to fund the implementation of 53-6-131(7)(b) for the upcoming biennium. The amount certified by the
17 department must be deposited in a state special revenue account to the credit of the department. Any unused
18 portion of the account reverts to the general fund at the end of the biennium.

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20 **Section 2.** Section 53-6-131, MCA, is amended to read:

21 **"53-6-131. Eligibility requirements.** (1) Medical assistance under the Montana medicaid program may
22 be granted to a person who is determined by the department of public health and human services, in its
23 discretion, to be eligible as follows:

24 (a) The person receives or is considered to be receiving supplemental security income benefits under
25 Title XVI of the Social Security Act, 42 U.S.C. 1381, et seq., and does not have income or resources in excess
26 of the applicable medical assistance limits or receive from FAIM financial assistance, as defined in 53-4-702,
27 benefits under Title IV of the federal Social Security Act, 42 U.S.C. 601, et seq.

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

30 (c) The person is in a medical facility that is a medicaid provider and, but for residence in the facility, the

1 person would be receiving assistance under one of the programs in subsection (1)(a).

2 (d) The person is under 19 years of age and meets the conditions of eligibility in the state plan, as
3 defined in 53-4-201, other than with respect to age and school attendance.

4 (e) The person is under 21 years of age and in foster care under the supervision of the state or was in
5 foster care under the supervision of the state and has been adopted as a hard-to-place child.

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

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

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

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

16 (B) has resources that are within the resource standards of the federal supplemental security income
17 program.

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

19 (2) The department may establish income and resource limitations. Limitations of income and resources
20 must be within the amounts permitted by federal law for the medicaid program.

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

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

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

30 (4) The department may pay a medicaid-eligible person's expenses for premiums, coinsurance, and

1 similar costs for health insurance or other available health coverage, as provided in 42 U.S.C. 1396b(a)(1).

2 (5) In accordance with waivers of federal law that are granted by the secretary of the U.S. department
3 of health and human services, the department of public health and human services may grant eligibility for basic
4 medicaid benefits as described in 53-6-101 to an individual receiving FAIM financial assistance, as defined in
5 53-4-702, as the specified caretaker relative of a dependent child under the FAIM project and to all adult
6 recipients of medical assistance only who are covered under a group related to the program of FAIM financial
7 assistance. A recipient who is pregnant, meets the criteria for disability provided in Title II of the Social Security
8 Act, 42 U.S.C. 416, et seq., or is less than 21 years of age is entitled to full medicaid coverage as provided in
9 53-6-101.

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

14 (7) Notwithstanding any other provision of this chapter, medical assistance must be provided to:

15 (a) infants and pregnant women whose family income does not exceed 133% of the federal poverty
16 threshold, as provided in 42 U.S.C. 1396a(a)(10)(A)(ii)(IX) and 42 U.S.C. 1396a(l)(2)(A)(i), and whose family
17 resources do not exceed standards that the department determines reasonable for purposes of the program; and

18 (b) all children under 19 years of age whose family income does not exceed the federal poverty line or
19 who live in a household whose income and whose resources do not exceed the medically needy income and
20 resource standards specified by the department by rule regardless of whether the child lives with a parent or
21 specified caretaker relative as defined by the department by rule.

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

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

28 (10) The department may establish resource and income standards of eligibility for mental health services
29 that are more liberal than the resource and income standards of eligibility for physical health services. The
30 standards for eligibility for mental health services may provide for eligibility for households with family income that

1 does not exceed 200% of the federal poverty threshold or that does not exceed a lesser amount determined in
2 the discretion of the department. The department may by rule specify under what circumstances deductions for
3 medical expenses should be used to reduce countable family income in determining eligibility. The department
4 may also adopt rules establishing fees to be charged recipients for services. The fees may vary according to
5 family income."

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7 NEW SECTION. **Section 3. Codification instruction.** [Section 1] is intended to be codified as an
8 integral part of Title 53, chapter 6, part 1, and the provisions of Title 53, chapter 6, part 1, apply to [section 1].

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10 NEW SECTION. **Section 4. Effective dates.** (1) [Section 1 and this section] are effective on passage
11 and approval.

12 (2) [Section 2] is effective July 1, 1999.

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