

SENATE BILL NO. 206
INTRODUCED BY COBB, WEINBERG

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO CONDUCT A STUDY TO DETERMINE THE FEASIBILITY, IMPACT, AND COST OF PROVIDING EMPLOYER-SPONSORED HEALTH INSURANCE TO PERSONAL-CARE ATTENDANTS AND DIRECT-CARE EMPLOYEES OF ORGANIZATIONS THAT RECEIVE THE MAJORITY OF THEIR REVENUE AS A RESULT OF PROVIDING MEDICAID-FUNDED LONG-TERM CARE SERVICES BY INCREASING CERTAIN MEDICAID PAYMENTS TO THEIR EMPLOYERS AND REQUIRING THE INCREASED PAYMENTS BE USED TO FUND THE HEALTH INSURANCE; AUTHORIZING THE DEPARTMENT TO ESTABLISH A PILOT PROGRAM; REQUIRING A REPORT TO THE LEGISLATURE; PROVIDING RULEMAKING AUTHORITY; PROVIDING AN APPROPRIATION FOR THE PILOT PROGRAM; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."

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

NEW SECTION. Section 1. Department to conduct study of increasing reimbursement to medicaid direct-care service providers in order to provide employee health insurance -- policy -- pilot program -- report to legislature -- rulemaking. (1) The department of public health and human services, in conjunction with the commissioner of insurance, health insurers, persons providing medicaid personal assistance and other direct-care services and their employers, and other interested parties, shall conduct and coordinate a study that, at a minimum:

(a) (i) examines the feasibility of increasing medicaid payments to employers of personal-care attendants and other organizations that employ direct-care employees and that receive the majority of their revenue as a result of providing medicaid-funded long-term care services, with the increase in payments earmarked to pay the cost of providing employer-sponsored health insurance to those employees;

(ii) identifies organizations that employ personal-care attendants and direct-care employees and that receive the majority of their revenue for providing medicaid-funded long-term care services, including organizations such as personal-assistance providers, private-duty nursing providers, licensed nursing facilities, developmental disability community services providers, and providers of certain child and adult mental health services;

(iii) determines the number of employees that would be eligible for coverage;

(iv) calculates the cost to the state of the increased payments after recognizing that nearly 70% of the increase will be covered by the federal government's portion of the payments; and

(v) calculates, to the extent possible, the cost incurred by other government programs, such as temporary assistance to needy families and medicaid, due to the lack of health insurance on the part of personal-care attendants and other direct-care employees and calculates the projected impact, if any, that providing these employees with adequate health insurance would have on future utilization of and costs incurred by other government programs;

(b) determines, in conjunction with the commissioner of insurance, the health insurance coverage that employers would be required to provide to personal-care attendants and direct-care employees in order to be eligible to receive the earmarked increase in medicaid payments;

(c) determines the cost, if any, to individual employees for the proposed health insurance;

(d) calculates the increased need for and projected availability of personal-care attendants and direct-care employees in Montana over the next 20 to 30 years as a result of the aging population and examines whether the provision of health insurance for those workers has the potential to increase the number and quality of workers available in the future;

(e) explores the possibility of combining any health insurance program developed for personal-care attendants and direct-care employees with other state programs designed to provide Montanans with increased access to affordable health insurance, such as the small business health insurance pool; and

(f) calculates, to the extent possible, the health care costs that are shifted to the insurance premiums and other health care expenses paid by privately insured Montanans and their employers or that are incurred by hospitals as uncompensated care due to the lack of health insurance for personal-care attendants and direct-care employees.

(2) (a) The department of public health and human services may, to the extent that funds are available, establish a pilot program to provide employer-sponsored health insurance to a portion of the personal-care attendants and direct-care employees who are determined by the department to be eligible for the pilot program by increasing medicaid payments to their employers with the requirement that the increased payments be used to provide those employees with health insurance that meets the requirements established by the department.

(b) The purpose of the pilot program is to test the feasibility, impact, and cost of providing health insurance payments to the employers of personal-care attendants and direct-care employees. The pilot program may require partial payment of health insurance costs by an employee if necessary.

(c) In establishing and conducting the pilot program, the department of public health and human services shall consult with the commissioner of insurance, persons providing medicaid personal assistance and direct-care services and their employers, and other interested parties.

(3) If a pilot program is established, the department of public health and human services shall monitor the pilot program, shall report its study findings and pilot program results, if any, to the legislature, and shall report on the feasibility, impact, and cost of providing health insurance to personal-care attendants and direct-care employees who provide medicaid-funded long-term care services, as designated in subsection (1)(a). The report must be made to the legislature as provided in 5-11-210.

(4) The department of public health and human services may adopt rules to implement this section.

NEW SECTION. SECTION 2. APPROPRIATION. THE FOLLOWING MONEY IS APPROPRIATED TO IMPLEMENT THE PROVISIONS OF [THIS ACT] WITH RESPECT TO CREATION OF A PILOT PROGRAM. THE APPROPRIATIONS MAY BE USED ONLY TO IMPLEMENT THE PROVISIONS OF [THIS ACT] PERTAINING TO THE PILOT PROGRAM.

| | <u>FISCAL YEAR 2008</u> | <u>FISCAL YEAR 2009</u> |
|--------------------------------|-------------------------|-------------------------|
| <u>GENERAL FUND</u> | <u>\$1,290,186</u> | <u>\$2,945,125</u> |
| <u>FEDERAL SPECIAL REVENUE</u> | <u>2,819,998</u> | <u>6,407,447</u> |

NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.

NEW SECTION. Section 4. Termination. [This act] terminates January 1, 2009.

- END -

