5-SESSION SUMMARY

MEDICAID/CHIP CONTINUOUS ELIGIBILITY

LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting. (5-4-105, MCA; <u>Chapter 309</u>, <u>Laws of 2017</u>) The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.

Background Materials and Research

Topic Summary: Since 1997, federal laws governing Medicaid and the Children's Health Insurance Program (CHIP) have allowed for low-income children to be covered by the programs for a full 12 months at a time, even if a family's income increases above the eligibility standards for the programs. States could opt to offer that so-called "continuous eligibility" or could require more frequent renewal periods. Montana has opted to offer continuous eligibility for children in those programs.

For many other Medicaid coverage groups, federal Medicaid regulations require that eligibility be redetermined no more frequently than every 12 months – unless a person reports a change in income or other eligibility criteria. At that time, a person whose income has increased could lose coverage before the 12-month period ends. States can seek a waiver of that requirement in order to continue covering people even if their incomes are higher than allowed by law. Until 2022, Montana had three waivers that allowed the state to provide continuous eligibility:

- the Health and Economic Livelihood Partnership (HELP) Act waiver for the Medicaid expansion population, covering nondisabled, nonpregnant adults ages 19 to 64 with incomes at or below 138% of the federal poverty level;
- the Plan First waiver, which covers family planning services for women ages 19 through 44 with income up to 211% of the poverty level who are not otherwise eligible for Medicaid; and
- the Waiver for Additional Services and Populations (WASP), which covers:
 - o adults with dependent children receiving a specific package of Medicaid benefits;
 - blind, disabled, or elderly adults who qualify for the traditional Medicaid program but receive an extended dental benefit; and
 - o adults with severe disabling mental illness who have incomes at or below 150% of the poverty level.



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Legislative Action: 2021

The 2021 Legislature included language in the general appropriations act directing the Department of Public Health and Human Services (DPHHS) to end continuous eligibility for the Medicaid expansion population and reduced funding accordingly. DPHHS then asked for – and received – federal approval to end continuous eligibility for both the expansion population and for the parent and caretaker relatives covered by the WASP waiver. However, the state cannot put the changes into effect until the federal government ends the COVID-19 public health emergency. The state has accepted enhanced federal funding for the Medicaid program under a coronavirus relief package and cannot change eligibility standards while accepting the higher rate.

Background Materials:

- <u>42 CFR 435.916: Periodic Renewal of Medicaid Eligibility</u>
- <u>Continuous Eligibility for Medicaid and CHIP Coverage</u>, Centers for Medicare and Medicaid Services (CMS)
- <u>Medicaid: Compliance with Eligibility Requirements</u>, Testimony of Judith Solomon, Center on Budget and Policy Priorities, Before the Senate Finance Subcommittee on Health Care
- <u>Health Affairs Article</u>: Continuous Eligibility Policies Stabilize Medicaid Coverage For Children And Could Be Extended To Adults With Similar Results, September 2013

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES MATERIALS

- HELP (Medicaid Expansion) Waiver Amendment
 - o <u>DPHHS Application</u>, September 3, 2021
 - o <u>CMS Approval Letter</u>, December 21, 2021
- WASP Waiver Amendment
 - o <u>DPHHS Application</u>, September 3, 2021
 - o <u>CMS Approval Letter</u>, March 30, 2022
- Medicaid Expansion/Health and Economic Livelihood Partnership (HELP) Waiver Legislative Summary, November 2020
- <u>Plan First Demonstration Waiver Legislative Summary</u>, November 2020
- <u>Waiver for Additional Services and Populations (WASP) Legislative Summary</u>, November 2020

Introduced Legislation

Please Note: A status of "Chapter Number Assigned" means a bill was passed by the Legislature, approved by the governor, and became law.

<u>2021</u>

<u>House Bill No. 2</u> (Chapter Number Assigned) -- AN ACT APPROPRIATING MONEY TO VARIOUS STATE AGENCIES FOR THE BIENNIUM ENDING JUNE 30, 2023; AND PROVIDING AN EFFECTIVE DATE. (See Page B-5 for language regarding legislative intent.)

House Bill No. 676 (Tabled in House Committee) -- AN ACT GENERALLY REVISING LAWS RELATED TO THE MEDICAID AND CHILDREN'S HEALTH INSURANCE PROGRAMS; ESTABLISHING ELIGIBILITY VERIFICATION PROCEDURES AND REQUIREMENTS; PROHIBITING CONTINUOUS ELIGIBILITY FOR THE MEDICAID EXPANSION PROGRAM AND EXTENDED ELIGIBILITY FOR THE 1931 MEDICAID



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PROGRAM; REVISING COPAYMENT REQUIREMENTS FOR THE CHILDREN'S HEALTH INSURANCE PROGRAM; REQUIRING CONSIDERATION OF ADMINISTRATIVE EXPENSE REDUCTIONS BEFORE MAKING REDUCTIONS TO SERVICES IN MEDICAL ASSISTANCE PROGRAMS; PROVIDING DEFINITIONS; AMENDING SECTIONS 15-30-2618, 15-31-511, 53-2-215, 53-2-613, 53-4-1002, 53-4-1003, 53-4-1004, 53-4-1008, 53-4-1115, 53-6-101, 53-6-131, 53-6-133, 53-6-134, AND 53-6-1304, MCA; AMENDING SECTION 48, CHAPTER 415, LAWS OF 2019; AND PROVIDING EFFECTIVE DATES AND A CONTINGENT TERMINATION DATE.

Senate Bill No. 100 (Tabled in House Committee) -- AN ACT ESTABLISHING PROCEDURES FOR PREVENTING FRAUD IN PUBLIC ASSISTANCE PROGRAMS; ESTABLISHING VERIFICATION REQUIREMENTS FOR INFORMATION SUBMITTED BY APPLICANTS FOR AND RECIPIENTS OF CERTAIN PUBLIC ASSISTANCE PROGRAMS; ALLOWING THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO CONTRACT FOR A VERIFICATION SYSTEM; PROVIDING DEFINITIONS; PROVIDING RULEMAKING AUTHORITY; PROVIDING FOR CONTINGENT VOIDNESS; AND AMENDING SECTIONS 53-2-101 AND 53-2-201, MCA.

2019: None

2017: None

2015: None

2013: None

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