

ENROLLED ACT NO. 58, SENATE

SIXTY-FIRST LEGISLATURE OF THE STATE OF WYOMING
2012 BUDGET SESSION

AN ACT relating to the administration of government, Medicaid and the 2010 federal health care reform; providing for a study related to options for reconfiguring of the Medicaid program; requiring a report; providing report requirements; providing for legislative advice as specified; reappropriating funds to be used for the study; providing an appropriation; repealing previous legislative authority for the Medicaid options study; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1.

(a) The department of health shall conduct a study to analyze the cost drivers and identify other areas within the Medicaid program that may benefit from redesign, to evaluate potential redesign of current Medicaid programs and to evaluate the design of Medicaid programs mandated by the Patient Protection and Affordable Care Act, P.L. 111-148, and the Health Care and Education Reconciliation Act of 2010, P.L. 111-152, hereinafter referred to collectively as "the health care reform acts." The department of health shall conduct the study.

(b) The department of health shall have the authority to contract with experts and consultants as may be useful in conducting the study and shall utilize expertise from public interest research groups, from within the department of health, from private interest groups and from private stakeholders. In contracting for services in amounts not to exceed fifty thousand dollars (\$50,000.00) with experts and consultants for purposes of conducting this study, the department of health shall be exempt from the procurement requirements set out in W.S. 9-2-1016 and any other state

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laws, rules or policies governing the procurement of services by a state agency. This exemption shall expire on June 30, 2013 or upon the completion of this study, whichever occurs first.

(c) The study shall be subject to the following:

(i) The study shall examine the Medicaid state plan that provides health care paid by the state and federal government and determine the total annual cost of health care benefits per enrolled persons who are part of each program. The cost shall be broken down by state share, federal share, client share and any other costs, administrative or otherwise hidden, that are part of each program;

(ii) The study shall examine the broad categories, including physical, mental and dental health, of the benefits associated with each program and account for the cost of each benefit. The study shall identify and analyze cost drivers, as defined by the department, within each of the broad categories;

(iii) The study shall report the total appropriations necessary to support each program by fiscal year through the 2019-2020 biennium;

(iv) The study shall examine the current disability waiver programs for increased efficiencies. The examination shall include the following items:

(A) Alternative service delivery methods;

(B) Means testing for household units of applicant children with developmental disabilities;

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(C) Identification of essential versus optional services;

(D) Participation of clients in the cost of services through a sliding scale income qualification program;

(E) Identification of efficiency improvements that can be implemented currently versus those that can be implemented only upon renewal of waiver approval by the Centers for Medicare and Medicaid Services;

(F) The possibility of operating dual waiver programs simultaneously with differential eligibility and services features for current and new enrollees.

(v) After the study has identified cost drivers and other areas within the Medicaid program which may benefit from redesign, and also identified Medicaid programs that are mandated by the Affordable Care Act, the study shall identify and evaluate possible redesigns or designs for those programs. Possible options that may be evaluated include:

(A) Establishment of innovative service delivery systems and models;

(B) Implementation of alternative financing mechanisms;

(C) Establishment of insurance models such as the child health insurance program for specific segments of the Medicaid population;

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(D) Establishment of managed Medicaid models;

(E) Establishment of innovative programs, including implementation of programs similar to those developed by Medicaid programs in other states;

(F) Block grants;

(G) Voucher systems.

(vi) The study shall separately identify additional anticipated costs to each program affected by proposed coverage limit changes included in the federal health care reform acts, and those shall be noted and considered as additions to predicted future costs of current Medicaid programs. This information may be taken from other recent studies performed on this issue;

(vii) The study shall include:

(A) Recommended methods to obtain eligibility and participation information;

(B) Recommended methods to track and analyze utilization rates;

(C) Any other identified recommended methods to realize cost savings.

(viii) The study shall include a discussion of the home and community based Medicaid waivers that shall include the following:

(A) Identification of cost drivers;

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(B) Identification of whether the state could impose co-payments on recipients of the children's developmental disability waiver;

(C) Identification of waiver wrap around service costs;

(D) Discussion of any identified cost savings within the waiver programs, including any successful methods for cost savings implemented in other states.

(d) In conducting the study and reporting its results, the department of health and any contractors shall consider that the study is expected to be used:

(i) To assist the executive branch and legislative budget staff in making accurate budget estimates for the cost of Medicaid reconfiguration, if accepted;

(ii) To help form the basis for an application for a Medicaid waiver covering all or part of the current and newly eligible population, the purpose of the waiver being to reduce the cost of the eligibility expansion by using additional cost control techniques.

(e) The department of health shall present preliminary reports to the joint labor, health and social services interim committee with the first report due by June 1, 2012 and the second report due by October 1, 2012. The study shall be completed by December 1, 2012, unless the governor requires an earlier completion date, and submitted to the joint labor, health and social services interim committee and the joint appropriations interim

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committee. The department of health shall present the results of the study in person to these committees.

(f) The joint labor, health and social services interim committee, augmented by two (2) members of the senate appropriations committee appointed by the president of the senate and two (2) members of the house appropriations committee appointed by the speaker of the house of representatives, shall advise the governor and the department of health on the design and breadth of the study and on a mid-study revision thereof.

(g) The study shall be available to the people and the legislature on at least one (1) relevant website and in hard copy.

(h) Members of the augmented labor, health and social services committee shall be paid salary, per diem and mileage as provided in W.S. 28-5-101 for their official duties required by subsection (g) of this section.

Section 2. 2011 Wyoming Session Laws, Chapter 193 is repealed.

Section 3.

(a) Any funds remaining under the appropriation provided in 2011 Wyoming Session Laws, Chapter 161, Section 3(a) are hereby reappropriated to the department of health to conduct the Medicaid options study pursuant to this act. Any unexpended, unobligated funds remaining from this appropriation shall revert as provided by law on June 30, 2013.

(b) From funds which would otherwise revert to the general fund as a result of section 2 of this act:

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(i) There is appropriated one hundred thousand dollars (\$100,000.00) to the department of health. This appropriation shall be for the period beginning with the effective date of this act and ending June 30, 2013. This appropriation shall only be expended for the purpose of conducting the study and preparing the report required by this act. Notwithstanding any other provision of law, this appropriation shall not be transferred or expended for any other purpose and any unexpended, unobligated funds remaining from this appropriation shall revert as provided by law on June 30, 2013. This appropriation shall not be included in the department's 2015-2016 standard biennial budget request;

(ii) There is appropriated twenty thousand dollars (\$20,000.00) to the legislative service office for payment of salary, per diem and mileage for legislators performing services required by subsections (g) and (j) of section 1 of this act. Any unexpended, unobligated funds remaining from this appropriation shall revert as provided by law on June 30, 2013.

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Section 4. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the Senate.

Chief Clerk