

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. _____

Medicaid options study.

Sponsored by: Joint Labor, Health and Social Services
Interim Committee

A BILL

for

1 AN ACT relating to the administration of government,
2 Medicaid and the 2010 federal health care reform; providing
3 for a study related to options for reconfiguring of the
4 Medicaid program; requiring a report; providing report
5 requirements; providing an appropriation; and providing for
6 an effective date.

7

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

9

10 **Section 1.**

11

12 (a) The governor shall conduct a study to develop
13 estimates of the cost of the reconfiguring of the Medicaid

1 programs currently operating and those mandated by the
2 Patient Protection and Affordable Care Act, P.L. 111-148,
3 and the Health Care and Education Reconciliation Act of
4 2010, P.L. 111-152, hereinafter referred to collectively as
5 "the health care reform acts." The governor shall
6 designate a study oversight organization, which may be a
7 state agency, more than one (1) state agency or an ad hoc
8 organization created by the governor to conduct the study.

9

10 (b) The oversight organization shall have the
11 authority to contract with experts and consultants as may
12 be useful in conducting the study and making the cost
13 estimates.

14

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

16

17 (i) The study shall examine each Medicaid
18 program that provides healthcare paid by the state and
19 federal government and determine the total annual cost of
20 healthcare benefits per enrolled persons who are part of
21 each program. The cost shall be broken down by state
22 share, federal share, client share and any other costs,

1 administrative or otherwise hidden, that are part of each
2 program;

3

4 (ii) The study shall examine the broad
5 categories, including physical, mental and dental health,
6 of the benefits associated with each program and account
7 for the cost of each benefit;

8

9 (iii) The study shall collect information from
10 insurance companies to determine premium costs of private
11 insurance providing equivalent or nearly equivalent
12 benefits for similarly aged clients;

13

14 (iv) The study shall summarize the basic
15 insurance policy benefits package that is available using a
16 median value of individual and group health insurance
17 premium paid in the state of Wyoming and compare the
18 benefits with those provided by the various Medicaid
19 programs;

20

21 (v) The study shall compare the cost of the
22 healthcare portion of each Medicaid program in paragraph
23 (i) of this subsection with the premium and other costs of

1 private insurance premiums and other associated costs were
2 the Medicaid clients covered by private insurance;

3

4 (vi) The study shall determine the cost of the
5 state supporting Medicaid-like insurance premiums for
6 individuals who would otherwise be eligible for Medicaid
7 programs;

8

9 (vii) The study shall determine the cost of the
10 state supporting Medicaid-like insurance premiums using a
11 sliding scale of reasonable co-pays by clients whose income
12 is greater than one hundred percent (100%) of the federal
13 poverty level up to the level currently established for the
14 various Medicaid programs and up to the level proposed in
15 the federal health care reform acts;

16

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

20

21 (ix) The study shall discuss the feasibility and
22 procedure necessary to replace any of the current health
23 insurance Medicaid programs with state funded private

1 premium assistance programs, if the results of the study
2 indicate that the state funded private premium assistance
3 program could be established for a cost that is within one
4 hundred twenty percent (120%) of the total current state
5 appropriations for the respective Medicaid program.
6 Variances in benefits, as well as sliding scale co-pays,
7 may be considered to achieve near equivalence. Each
8 program shall be considered independently;

9

10 (x) The study shall separately identify
11 additional anticipated costs to each program affected by
12 proposed coverage limit changes included in the federal
13 health care reform acts, and those shall be noted and
14 considered as additions to predicted future costs;

15

16 (xi) The study shall include any proposals that
17 reveal themselves in the course of the study that have the
18 possibility to provide safety-net health insurance coverage
19 for the various Medicaid groups which result in a savings
20 to the state or enhanced coverage for recipients at a
21 lesser or near neutral cost.

22

1 (d) In conducting the study and reporting its
2 results, the oversight organization and any contractors
3 shall consider that the study is expected to be used:
4

5 (i) To assist the people, the governor and the
6 legislature of Wyoming in deciding whether to accept the
7 new mandatory eligibility and other requirements of the
8 Medicaid program under the health care reform acts, to
9 withdraw from that program and establish an independent
10 State supported safety net program for healthcare by
11 setting forth the financial consequences of that decision
12 or to seek a waiver from CMMS to reconfigure the methods
13 that safety net programs are offered by cooperative
14 agreement between the state and federal government;
15

16 (ii) To assist the executive branch and
17 legislative budget staff in making accurate budget
18 estimates for the cost of Medicaid reconfiguration, if
19 accepted;
20

21 (iii) To help form the basis for an application
22 for a Medicaid waiver covering all or part of the current
23 and newly eligible population, the purpose of the waiver

1 being to reduce the cost of the eligibility expansion by
2 using additional cost control techniques;

3

4 (iv) To allow legislators and members of the
5 public who are not expert in Medicaid costs to make their
6 own cost estimates using data from the study and varying
7 key assumptions, including especially estimates of the
8 respective federal and state cost shares.

9

10 (e) Before letting any contract, the oversight
11 organization shall submit a draft of the request for
12 proposal or other document governing the contract to the
13 joint labor, health and social services interim committee
14 and the joint appropriations interim committee.

15

16 (f) The study shall be completed by September 1,
17 2012, unless the governor requires an earlier completion
18 date, and submitted to the joint labor, health and social
19 services interim committee and the joint appropriations
20 interim committee. The oversight organization shall be
21 prepared to present the results of the study to these
22 committees before the 2013 general session of the
23 legislature.

1

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

5

6 **Section 2.** There is appropriated three hundred
7 thousand dollars (\$300,000.00) from the general fund to the
8 governor's office. This appropriation shall be for the
9 period beginning with the effective date of this act and
10 ending June 30, 2013. This appropriation shall only be
11 expended for the purpose of conducting the study and
12 preparing the report required by this act. Notwithstanding
13 any other provision of law, this appropriation shall not be
14 transferred or expended for any other purpose and any
15 unexpended, unobligated funds remaining from this
16 appropriation shall revert as provided by law on June 30,
17 2013. This appropriation shall not be included in the
18 governor's 2013-2014 standard biennial budget request.

19

20 **Section 3.** This act is effective immediately upon
21 completion of all acts necessary for a bill to become law
22 as provided by Article 4, Section 8 of the Wyoming
23 Constitution.

1

2

(END)