SENATE BILL NO. 59–SENATOR HECK

PREFILED FEBRUARY 1, 2007

Referred to Committee on Human Resources and Education

SUMMARY—Makes various changes relating to the State Plan for Medicaid. (BDR 38-766)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

AN ACT relating to public welfare; requiring the Director of the Department of Health and Human Services to include in the State Plan for Medicaid a requirement that certain children with disabilities are eligible for Medicaid; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing federal law authorizes a state to provide Medicaid coverage to certain children with disabilities: (1) who are under 19 years of age; (2) who would be eligible for supplemental security income disability benefits except for their income or resources; and (3) whose family income does not exceed a certain income level established by the state. (42 U.S.C. § 1396a(a)(10)(A)(ii)(XIX), 42 U.S.C. § 1396a(cc)(1)) Existing federal law further provides that the Federal Government will provide matching federal funds for such Medicaid coverage to those children with disabilities whose family income does not exceed 300 percent of the federal poverty line as is applicable to that size of family. However, federal law also provides that the Federal Government may not provide federal matching funds for such Medicaid coverage to those children with disabilities whose family income exceeds that income limit of 300 percent of the federal poverty line. (42 U.S.C. § 1396a(cc)(1), 42 U.S.C. § 1397jj(c)(5))

**Section 1** of this bill requires the Director of the Department of Health and Human Services to amend the State Plan for Medicaid to provide, within the limitations of available funding, Medicaid coverage to a child with a disability who satisfies the Medicaid eligibility requirements set forth in federal law and whose family income does not exceed the greater of: (1) the income level set forth in federal law; or (2) 400 percent of the federal poverty line as is applicable to that size of family. Because existing federal law prohibits federal funds from being used to provide Medicaid coverage to a child whose family income is greater than 300 percent of the federal poverty line, Medicaid coverage for any child with a disability in this State whose family income falls between 300 and 400 percent of the federal poverty line must be provided solely with state funds. (42 U.S.C. § 1396a(cc)(1)) **Section 1** further requires the Director, in a manner consistent with federal law, to charge a premium for such Medicaid coverage to the family of a child with a disability unless the Director waives the premium.

---

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 422 of NRS is hereby amended by adding thereto a new section to read as follows:

***1. Except as otherwise provided in subsection 2 and within the limitations of available funding, the Director shall include in the State Plan for Medicaid a requirement that a child with a disability is eligible for Medicaid.***

***2. If the parent of a child with a disability is eligible to obtain coverage for the child under a group health plan as defined in section 2791(a) of the Public Health Service Act, 42 U.S.C. § 300gg-91(a), offered by his employer and for which the employer contributes at least 50 percent towards the premium for such coverage, the parent must obtain such coverage for the child to be or remain eligible for Medicaid pursuant to subsection 1.***

***3. The Director shall, in a manner that is consistent with federal law, require the family of a child with a disability who is eligible for Medicaid pursuant to subsection 1 to pay a premium unless the Director waives the premium.***

***4. If the coverage described in subsection 2 is obtained, the Director, pursuant to 42 U.S.C. § 1396a(cc)(2)(ii), shall:***

***(a) Reduce any premium imposed by subsection 3 by an amount that reasonably reflects the premium contribution made by the parent for private coverage on behalf of a child with a disability; and***

***(b) Treat the coverage as a third party liability pursuant to 42 U.S.C. § 1396a(a)(25).***

***5. As used in this section, "child with a disability" means a child described in 42 U.S.C. § 1396a(cc)(1) whose family income does not exceed:***

***(a) The income level set forth in 42 U.S.C. § 1396a(cc)(1) and for whom the Federal Government provides federal funds pursuant to 42 U.S.C. § 1396a(cc)(1); or***

***(b) Four hundred percent of the poverty line as defined in 42 U.S.C. § 1397jj(c)(5), applicable to the size of that family,***

***➥ whichever is greater.***

**Sec. 2.** This act becomes effective on October 1, 2008.

⑳