

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.

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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; requiring the Department to investigate the feasibility of establishing a program to verify the provider of primary insurance for recipients of Medicaid and insurance through the Children's Health Insurance Program; 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. (42 U.S.C. § 1396a(cc)(1))

Section 2 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 income level set forth in federal law. (42 U.S.C. § 1396a(cc)(1)) **Section 2** 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.

Section 3 of this bill requires the Department to investigate the feasibility of establishing a program to verify the primary insurance provider of recipients of



Medicaid and insurance through the Children's Health Insurance Program. **Section 3** also authorizes the Department to contract with a qualified and independent consultant to conduct the investigation. If the Department determines it is feasible, the Department shall adopt regulations to establish such a program.

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 the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 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 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).*

Sec. 3. 1. *The Department shall investigate the feasibility of establishing a program to verify the provider of primary insurance for recipients of Medicaid and persons who receive insurance pursuant to the Children's Health Insurance Program.*

2. *If the Department determines that such a program is feasible, the Department shall adopt regulations to establish a program to verify the provider of primary insurance for recipients*



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1 *of Medicaid and persons who receive insurance pursuant to the*
2 *Children's Health Insurance Program, including, without*
3 *limitation, regulations prescribing the information that must be*
4 *submitted by a provider of health care pursuant to the program*
5 *and the form for submission of such information.*

6 *3. The Department may, through a process of competitive*
7 *bidding, contract with a qualified and independent consultant to*
8 *carry out the investigation required by subsection 1.*

9 **Sec. 4.** This act becomes effective on October 1, 2008.

