

ONE HUNDRED FOURTH LEGISLATURE - SECOND SESSION - 2016
COMMITTEE STATEMENT
LB1032

Hearing Date: Wednesday February 10, 2016
Committee On: Health and Human Services
Introducer: McCollister
One Liner: Adopt the Transitional Health Insurance Program Act and provide duties for the Department of Health and Human Services

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	4	Senators Baker, Campbell, Crawford, Howard
Nay:	3	Senators Fox, Kolterman, Riepe
Absent:		
Present Not Voting:		

Verbal Testimony:

Proponents:

Senator John McCollister
Patricia Boozang
Gwendolen Hines
Roma Amundson
Merlin Friesen, MD
Sarah Parker
Christi Crosby

Lynn Rex
Jessica Metzler
Vincent Litwinowicz
Bob Rauner

Paulette Jones
Lisa Metzler
Rowen Zetterman
Cory Shaw
Andrea Skolkin
Keith Nelson
Emmanuel Chavez
Melissa Florell
Lowen Kruse
Lauren Kolojejchick-Kotch
Andy Hale
LaDonna VanArsdall
Shawn Murphy
Amanda Gershon
Nathan Williams

Representing:

District 20
Manah Health
Unitarian Church of Lincoln
Lancaster County Board of Commissioners; NACO
Nebraska Farmers Union
Self
Nebraska Planning Council on Developmental Disabilities
League of Nebraska Municipalities
Self
Self
NE Academy of Family Physicians; NE Medical Association
Self
Self
Nebraska Medical Association
Nebraska Medicine
Health Center Association of Nebraska
OTOC - Omaha Together One Community
Heartland Workers Center
Nebraska Nurses Association
Self
Deb Craig
Nebraska Hospital Association
Self
Self
Self
Self

Janet Bonet
James Goddard
Carol McShane
Amber Hansen
John O'Neal

Self
Nebraska Appleseed
Nebraskans for Peace
Community Action of Nebraska
National Multiple Sclerosis Society

Opponents:

AR State Senator Bryan King
Calder Lynch
Bruce Ramage
Jim Vokal
Nic Horton
Matt Litt

Representing:

Nebraska Americans for Prosperity
Nebraska DHHS
Nebraska Department of Insurance
Platte Institute
Foundation for Government Accountability
Americans for Prosperity

Neutral:

Edward Truemper MD

Representing:

Self

Summary of purpose and/or changes:

LB1032 creates the Transitional Health Insurance Program Act.

Requires DHHS to submit a waiver to implement a health insurance premium assistance program, an employer sponsored insurance premium program for those with access to health insurance through their employer, and an innovation health improvement program for the medically frail, with coverage equal to a silver level plan on the exchange. Such premiums are to be paid directly to the health insurers. Requires the Department to provide fee for service coverage from the date of enrollment until the plan is effective, plus wrap around services. If the newly eligible individual has access to employer sponsored insurance, premiums, copays and deductibles may be paid by DHHS, if DHHS determines the employer's policy is cost effective. Defines benefits for each program. Eligibility lasts for 12 months and is renewed annually. Includes insurance carriers existing provider networks, federally qualified health centers, and rural health clinics for inclusion in provider networks.

Requires the waiver to ensure personal responsibility, the development of cost conscious behavior and use of preventative care. Requires new enrollees into the programs to contribute 2% of their monthly income if their income exceeds 50% FPL, not to exceed 5% of family income per quarter. Declares failure to pay such monthly contribution as a debt to the state. No additional copays or cost sharing is allowed except for inappropriate use of the emergency room, which is capped at \$50. Such contributions offset the state's cost for the program. Requires the Department to submit the waivers within 14 months of the effective date of the Act and to negotiate in good faith with CMS.

Requires the health plan to ensure the newly eligible enrollees have a primary care provider and patient centered medical home where available. Requires the Department to develop plans to increase availability of patient-centered medical homes, if they are not available for a significant number of participants. Requires enrollees to make an appointment with their primary care provider within 60 days of enrollment. Requires medically frail to have access to a primary care provider and be enrolled in a health home. Requires the delivery system to integrate providers and services. Requires DHHS to develop clinical outcomes measures for patient-centered medical homes, health homes, and for quality.

Creates the Transitional Health Insurance Employment program to provide recipients of assistance with referral to employment and education programs. Requires DHHS to share data with such entities, who are required to notify DHHS when a participant has received services. Requires the program to prioritize unemployed, provided English reading and writing and math skills to succeed in a postsecondary educational program, select participants who are co-enrolled in adult education, developmental education, or English as a second language. Requires the program to target workforce needs of the state, to use educational best practices, and provide for supportive services. If possible, such program shall work with programs funded by the Workforce Innovation and Opportunity Act. Appropriates \$500,000 each fiscal year, disallows the use of state or federal medicaid dollars for the program. Requires evaluation of the program. The program sunsets June 30, 2020. Allows DHHS to contract with a non profit to administer the program. Allows DHHS to suspend the program if funding is not available.

Requires data collection to determine effects of the program on participants, such as transition off Medicaid, continuous

access to health insurance, employment, earnings, educational attainment, and decreased utilization of public assistance programs. Requires data collection to determine effects of the program on the administration of Medicaid, the health outcomes for the medically frail, the health benefit exchange participation, and emergency room use for non-emergency needs. Such data shall be analyzed and a report provided to the HHS Committee of the Legislature December 1, 2017 and annually thereafter.

Creates the Transitional Health Insurance Program Fund. The fund shall be used to support Medicaid, including for the state's share of cost for the newly eligible participants. Allows the use of the Health Care Cash Fund for purposes of the Transitional Health Insurance program.

Ensure that if the federal funding falls below 90%, coverage for the newly eligible enrollees terminates immediately.

Explanation of amendments:

AM2473 sunsets the Transitional Health Insurance Program Act after three years, requires DHHS to notify participants of the termination, and ensures no appeals to the loss of eligibility due to this termination. Requires DHHS to hire a consultant to analyze the performance, revenue and savings of the Act six months prior to the legislative session when the program would terminate. Appropriates \$63 million from the Health Care Cash Fund to the Transitional Health Insurance Program Fund only for purposes of the state match for the newly eligible's coverage.

Kathy Campbell, Chairperson