

SENATE BILL NO. 334

INTRODUCED BY M. REGIER

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO PROVIDE EXPANSION OF MEDICAID ONLY TO ABLE-BODIED ADULTS WHO COMPLY WITH COMMUNITY ENGAGEMENT REQUIREMENTS; AMENDING SECTIONS 39-12-103, 53-6-1304, 53-6-1307, 53-6-1308, AND 53-6-1313, MCA; PROVIDING FOR CONTINGENT VOIDNESS; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Medicaid expansion renewal and waiver -- eligibility. (1) The department may only expand medicaid eligibility to those who are not otherwise eligible for coverage under the Montana medicaid program provided for in Title 53, chapter 6, part 1, if it:

- (a) submits a federal waiver application and receives approval; and
 - (b) provides expanded eligibility only to those individuals who meet the eligibility requirements prescribed in 53-6-1304 and complete the community engagement requirements prescribed in 53-6-1308.
- (2) The department shall apply for the waiver by December 1, 2025.
- (3) If the federal waiver is rejected, the department shall submit a report to the legislature and the appropriate interim budget committee within 60 days of the rejection summarizing:
- (a) the efforts made by the department to seek waiver approval;
 - (b) the basis of the rejection;
 - (c) the availability, prospect, and efforts made in furtherance of a legal challenge to the rejection;
- and
- (d) whether the department will amend the waiver application to increase the chances of approval.
- (4) The department may develop additional measures to increase program integrity, limit spending, and promote self-sufficiency, including:
- (a) redeterminations twice a year for newly eligible adults;

(b) suspension of the use of prepopulated forms and automatic renewal of eligibility based on available information;

(c) a lifetime benefit limit for able-bodied adults; and

(d) other measures to achieve the goals of this section.

Section 2. Section 39-12-103, MCA, is amended to read:

"39-12-103. (Temporary) Montana HELP Act workforce development -- participation -- providers -- allowable activities -- report. (1) The department shall provide individuals receiving assistance for health care services pursuant to Title 53, chapter 6, part 13, with the option of taking part in a workforce development program to allow the participant to increase the participant's earning capacity and economic stability.

(2) The department shall:

(a) assist program participants with completion of an employment or reemployment assessment; and

(b) contract with one or more private nonprofit or for-profit entities to provide workforce development services. The services must emphasize training in high-demand occupations, particularly in the health care field and in short-term certification programs for entry-level cybersecurity analysts.

(3) Allowable workforce development services include:

(a) education and training; and

(b) supportive services that assist a program participant with the items or services necessary to participate in the workforce, including but not limited to supportive services involving clothing, transportation, and equipment needed to obtain or maintain employment.

(4) Entities contracting to provide workforce development services shall report quarterly to the department on the activities provided. At a minimum, the entities shall report on:

(a) the number of clients enrolled in program activities and co-enrolled in other workforce programs;

(b) the types of services provided;

(c) the number of clients who attained a credential or gained a measurable skill;

(d) the number of clients who exited the program;

- 1 (e) the number of clients who exited the program to employment;
- 2 (f) the number of clients who continued enrollment in the program;
- 3 (g) the amount and type of outreach the entity has done to recruit program participants; and
- 4 (h) the amount of money spent directly on participants.
- 5 (5) (a) The department shall notify the department of public health and human services when a
- 6 participant has received all services and assistance under subsection (1) that can reasonably be provided to
- 7 the individual.
- 8 (b) The department is not required to provide further services under this section after it has
- 9 provided the notification provided for in subsection (5)(a).
- 10 (c) A participant who is no longer receiving services under this section does not meet the criteria of
- 11 ~~53-6-1307(6)(c)~~ 53-6-1307(5)(c) for the exemption granted under ~~53-6-1307(6)~~ 53-6-1307(5).
- 12 (6) The department shall report the following information to the legislative finance committee and
- 13 the children, families, health, and human services interim committee in accordance with 5-11-210:
- 14 (a) the activities undertaken to establish the employer grant program provided for in 39-12-106;
- 15 (b) the number of employers receiving grant awards and the number and types of activities,
- 16 training, or jobs the employers provided; and
- 17 (c) the services provided and the total cost of providing workforce development services under this
- 18 chapter, including related administrative costs.
- 19 (7) To the extent possible, the department of public health and human services shall offset the cost
- 20 of workforce development activities provided under this section by using temporary assistance for needy
- 21 families reserve funds.
- 22 (8) The department shall reduce fraud, waste, and abuse in determining and reviewing eligibility for
- 23 unemployment insurance benefits by enhancing technology system support to provide knowledge-based
- 24 authentication for verifying the identity and employment status of individuals seeking benefits, including the use
- 25 of public records to confirm identity and to flag changes in demographics. (Terminates June 30, 2025--secs. 38,
- 26 48, Ch. 415, L. 2019.)"

27

28 **Section 3.** Section 53-6-1304, MCA, is amended to read:

1 **"53-6-1304. (Temporary) Montana HELP Act program -- eligibility for coverage of health care**
2 **services -- exceptions.** (1) An individual is eligible for coverage of health care services provided pursuant to
3 this part if the individual:

4 (a) _____ meets the requirements of 42 U.S.C. 1396a(a)(10)(A)(i)(VIII);

5 (b) _____ has an income between 0% and 100% of the federal poverty level;

6 (c) _____ is under 65 years of age; and

7 (d) _____ is able-bodied.

8 (2) The department may serve individuals who are eligible for medicaid-funded services pursuant
9 to this part through the medical assistance program established in Title 53, chapter 6, part 1, if the individuals
10 would be served more appropriately because the individuals:

11 (a) have exceptional health care needs, including but not limited to medical, mental health, or
12 developmental conditions;

13 (b) live in a geographical area, including an Indian reservation, that would not be effectively or
14 efficiently served through this part;

15 (c) need continuity of care that would not be available or cost-effective through this part;

16 (d) are exempt under the waiver implementing this part as of July 1, 2019; or

17 (e) are otherwise exempt under federal law. (Terminates June 30, 2025--secs. 38, 48, Ch. 415, L.
18 2019.)"

19
20 **Section 4.** Section 53-6-1307, MCA, is amended to read:

21 **"53-6-1307. (Temporary) Premiums -- collection of overdue premiums -- nonpayment as**
22 **voluntary disenrollment -- reenrollment -- exemptions.** (1) (a) A program participant shall pay an annual
23 premium, billed monthly, equal to a percentage of the participant's modified adjusted gross income as
24 determined in accordance with 42 U.S.C. 1396a(e)(14). Except as provided in subsection (1)(b), the premiums
25 must:

26 (i) be set at 2% of a participant's income in the first 2 years the participant receives coverage
27 under this part; and

28 (ii) increase by 0.5% in each subsequent year that a participant receives coverage, up to a

1 maximum of 4% of the participant's income.

2 (b) A program participant who is exempt from the community engagement requirements as
3 allowed under 53-6-1308 is exempt from the premium increases in subsection (1)(a)(ii).

4 (c) Premiums paid pursuant to this section must be deposited in the Montana HELP Act special
5 revenue account provided for in 53-6-1315.

6 (2) Within 30 days of a participant's failure to make a required payment, the department or a third-
7 party administrator administering the program, if any, shall notify the participant that payment is overdue and
8 that all overdue premiums must be paid within 90 days of the date the notification was sent.

9 (3) (a) If a participant with an income of 100% of the federal poverty level or less fails to make
10 payment for overdue premiums, the department shall provide notice to the department of revenue of the
11 participant's failure to pay. The department of revenue shall collect the amount due for nonpayment by
12 assessing the amount against the participant's annual income tax in accordance with Title 15, chapters 1 and
13 30.

14 (b) The debt remains until paid and may be collected through assessments against future income
15 tax returns or through a civil action initiated by the state.

16 ~~(4) If a participant with an income of more than 100% but not more than 138% of the federal~~
17 ~~poverty level fails to make the overdue payments within 90 days of the date the notification was sent, the~~
18 ~~department shall:~~

19 ~~(a) follow the procedure established in subsection (3) for collection of the unpaid premiums; and~~

20 ~~(b) consider the failure to pay to be a voluntary disenrollment from the program. The department~~
21 ~~may reenroll a participant in the program upon payment of the total amount of overdue payments.~~

22 ~~(5)(4)~~ If a participant who has failed to pay the premiums does not indicate that the participant no
23 longer wishes to participate in the program, the department may reenroll the person in the program when the
24 department of revenue assesses the unpaid premium through the participant's income taxes.

25 ~~(6)(5)~~ Participants who meet two of the following criteria are not subject to the voluntary disenrollment
26 provisions of this section:

27 (a) discharge from United States military service within the previous 12 months;

28 (b) enrollment for credit in any Montana university system unit, a tribal college, or any other

1 accredited college within Montana offering at least an associate degree, subject to the provisions of subsection
2 ~~(7)~~ (6);

3 (c) participation in a workforce program or activity established under Title 39, chapter 12; or

4 (d) participation in any of the following healthy behavior plans developed by a health care provider
5 or third-party administrator, if any, or approved by the department:

6 (i) a medicaid health home;

7 (ii) a patient-centered medical home;

8 (iii) a cardiovascular disease, obesity, or diabetes prevention program;

9 (iv) a program restricting the participant to obtaining primary care services from a designated
10 provider and obtaining prescriptions from a designated pharmacy;

11 (v) a medicaid primary care case management program established by the department;

12 (vi) a tobacco use prevention or cessation program;

13 (vii) a medicaid waiver program providing coverage for family planning services;

14 (viii) a substance abuse treatment program; or

15 (ix) a care coordination or health improvement plan administered by the third-party administrator.

16 ~~(7)(6)~~ A participant seeking an exemption under subsection ~~(6)(b)~~ (5)(b) is not eligible for the education
17 exemption provided for in subsection ~~(6)(b)~~ (5)(b) for more than 4 years. (Void on occurrence of contingency--
18 sec. 45, Ch. 415, L. 2019; terminates June 30, 2025--secs. 38, 48, Ch. 415, L. 2019.)

19 **53-6-1307. (Temporary -- effective on occurrence of contingency) Premiums -- collection of**
20 **overdue premiums -- nonpayment as voluntary disenrollment -- reenrollment -- exemptions.** (1) (a) A
21 program participant shall pay an annual premium, billed monthly, equal to 2% of the participant's income as
22 determined in accordance with 42 U.S.C. 1396a(e)(14).

23 (b) Premiums paid pursuant to this section must be deposited in the general fund.

24 (2) Within 30 days of a participant's failure to make a required payment, the department or a third-
25 party administrator administering the program, if any, shall notify the participant that payment is overdue and
26 that all overdue premiums must be paid within 90 days of the date the notification was sent.

27 (3) (a) If a participant with an income of 100% of the federal poverty level or less fails to make
28 payment for overdue premiums, the department shall provide notice to the department of revenue of the

1 participant's failure to pay. The department of revenue shall collect the amount due for nonpayment by
2 assessing the amount against the participant's annual income tax in accordance with Title 15, chapters 1 and
3 30.

4 (b) The debt remains until paid and may be collected through assessments against future income
5 tax returns or through a civil action initiated by the state.

6 ~~(4) If a participant with an income of more than 100% but not more than 138% of the federal~~
7 ~~poverty level fails to make the overdue payments within 90 days of the date the notification was sent, the~~
8 ~~department shall:~~

9 ~~(a) follow the procedure established in subsection (3) for collection of the unpaid premiums; and~~

10 ~~(b) consider the failure to pay to be a voluntary disenrollment from the program. The department~~
11 ~~may reenroll a participant in the program upon payment of the total amount of overdue payments.~~

12 ~~(5)(4)~~ If a participant who has failed to pay the premiums does not indicate that the participant no
13 longer wishes to participate in the program, the department may reenroll the person in the program when the
14 department of revenue assesses the unpaid premium through the participant's income taxes.

15 ~~(6)(5)~~ Participants who meet two of the following criteria are not subject to the voluntary disenrollment
16 provisions of this section:

17 (a) discharge from United States military service within the previous 12 months;

18 (b) enrollment for credit in any Montana university system unit, a tribal college, or any other
19 accredited college within Montana offering at least an associate degree, subject to the provisions of subsection
20 ~~(7) (6)~~;

21 (c) participation in a workforce program or activity established under Title 39, chapter 12; or

22 (d) participation in any of the following healthy behavior plans developed by a health care provider
23 or third-party administrator, if any, or approved by the department:

24 (i) a medicaid health home;

25 (ii) a patient-centered medical home;

26 (iii) a cardiovascular disease, obesity, or diabetes prevention program;

27 (iv) a program restricting the participant to obtaining primary care services from a designated
28 provider and obtaining prescriptions from a designated pharmacy;

1 (v) a medicaid primary care case management program established by the department;
 2 (vi) a tobacco use prevention or cessation program;
 3 (vii) a medicaid waiver program providing coverage for family planning services;
 4 (viii) a substance abuse treatment program; or
 5 (ix) a care coordination or health improvement plan administered by the third-party administrator.
 6 ~~(7)(6)~~ A participant seeking an exemption under subsection ~~(6)~~ (5) is not eligible for the education
 7 exemption provided for in subsection ~~(6)(b)~~ (5)(b) for more than 4 years. (Terminates June 30, 2025--secs. 38,
 8 48, Ch. 415, L. 2019.)"
 9

10 **Section 5.** Section 53-6-1308, MCA, is amended to read:

11 **"53-6-1308. (Temporary) Community engagement requirements -- countable activities --**
 12 **exemptions -- self-attestation.** (1) Except as provided in subsections (3) through (5), an individual receiving
 13 coverage under this part shall participate in 80 hours of community engagement activities each month if the
 14 individual is at least 19 years of age but no more than ~~55~~ 65 years of age.
 15 (2) Time spent in one or more of the following activities may be counted toward the monthly
 16 requirement for community engagement:
 17 (a) employment;
 18 (b) work readiness or workforce training activities;
 19 (c) secondary, postsecondary, or vocational education;
 20 (d) substance abuse education or substance use disorder treatment;
 21 (e) other work or community engagement activities that promote work or work readiness or
 22 advance the health purpose of the medicaid program;
 23 (f) a community service or volunteer opportunity; or
 24 (g) any other activity required by the centers for medicare and medicaid services for the purpose of
 25 obtaining necessary waivers under this part.
 26 (3) A program participant is exempt from the requirements of this section if the participant is:
 27 (a) medically frail as defined in 42 CFR 440.315;
 28 (b) blind or disabled;

- 1 (c) pregnant;
- 2 (d) experiencing an acute medical condition requiring immediate medical treatment;
- 3 (e) mentally or physically unable to work;
- 4 (f) a primary caregiver for a person who is unable to provide self-care;
- 5 (g) a foster parent;
- 6 (h) a full-time student in a secondary school;
- 7 (i) a student enrolled in the equivalent of at least six credits in a postsecondary or vocational
- 8 institution;
- 9 (j) participating in or exempt from the work requirements of the temporary assistance for needy
- 10 families program or the supplemental nutrition assistance program;
- 11 (k) under supervision of the department of corrections, a county jail, or another entity as directed
- 12 by a court, the department of corrections, or the board of pardons and parole;
- 13 (l) experiencing chronic homelessness;
- 14 (m) a victim of domestic violence as defined by the Personal Responsibility and Work Opportunity
- 15 Reconciliation Act of 1996, 42 U.S.C. 601, et seq.;
- 16 (n) living in an area with a high-poverty designation;
- 17 (o) a member of an entity subject to the fee provided for in 15-30-2660(3); or
- 18 (p) otherwise exempt under federal law.
- 19 (4) A program participant is exempt from the requirements of this section if the department
- 20 determines that the participant's income exceeds an amount equal to the average of 80 hours per month
- 21 multiplied by the minimum wage.
- 22 (5) A program participant is exempt from the requirements of this section in any reporting period in
- 23 which the participant:
- 24 (a) is hospitalized or caring for an immediate family member who has been hospitalized;
- 25 (b) has a documented serious illness or incapacity or is caring for an immediate family member
- 26 with a documented serious illness or incapacity; or
- 27 (c) is impacted by a catastrophic event or hardship as defined by the department by rule that
- 28 prevents the participant from complying with the community engagement requirements of this section.

(6) The department may determine, through use of available administrative data, that a program participant:

(a) meets the community engagement requirements of this section; or

(b) is exempt from meeting the community engagement requirements.

(7) The department shall establish a standardized process for exemption requests to the requirements of this section, including a process by which an individual may appeal a denial of an exemption request. (Terminates June 30, 2025, on occurrence of contingency--sec. 48, Ch. 415, L. 2019.)"

Section 6. Section 53-6-1313, MCA, is amended to read:

"53-6-1313. (Temporary) Reduction in federal medical assistance percentage. (1) If the federal medical assistance percentage for medical services provided to individuals eligible for medicaid-funded services pursuant to 53-6-1304 is set below the levels established in 42 U.S.C. 1396d(y)(1) on the effective date of this section, the continuation of coverage under this part is contingent on:

(1)(a) the appropriation of additional state general fund, appropriation of state special revenue, or other action by the legislature;

(2)(b) the ability of the department to increase premiums assessed under 53-6-1307 or enact other cost-sharing measures to pay the difference; or

(3)(c) a combination of legislative action, cost-sharing measures, and premium increases as necessary to provide for the increased state match obligation.

(2) If the federal medical assistance percentage for medical services provided to individuals eligible for medicaid-funded services pursuant to 53-6-1304 is set below the levels established in 42 U.S.C. 1396d(y)(1) more than 90 days before the next legislative session, the secretary of state shall poll the legislature to determine if the legislature may be convened in a special session pursuant to 5-3-101(1). (Terminates June 30, 2025--sec. 38, Ch. 415, L. 2019.)"

NEW SECTION. Section 7. Direction to department. The department of public health and human services shall implement the requirements of [this act] within current budgeted resources.

1 **NEW SECTION. Section 8. Codification instruction.** [Section 1] is intended to be codified as an
2 integral part of Title 53, chapter 6, part 13, and the provisions of Title 53, chapter 6, part 13, apply to [section 1].

3
4 **NEW SECTION. Section 9. Severability.** If a part of [this act] is invalid, all valid parts that are
5 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,
6 the part remains in effect in all valid applications that are severable from the invalid applications.

7
8 **NEW SECTION. Section 10. Contingent voidness.** If one of the following contingencies occurs,
9 then [this act] is void:

10 (1) if the legislature does not extend or remove the June 30, 2025, termination date of the Montana
11 Health and Economic Livelihood Partnership Act;

12 (2) if any condition for medicaid expansion under [section 1(1)] is not met by May 1, 2026; or

13 (3) if all conditions required for eligibility expansion under [section 1(1)] are met by May 1, 2026,
14 but are not met at any point thereafter.

15
16 **NEW SECTION. Section 11. Effective date.** [This act] is effective July 1, 2025.

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18 **NEW SECTION. Section 12. Termination.** [This act] terminates June 30, 2029.

19 - END -