

SENATE BILL NO. 199

INTRODUCED BY J. TREBAS, D. EMRICH

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE MEDICAID EXPANSION PROGRAM; REVISING THE TAXPAYER INTEGRITY FEE FOR PROGRAM PARTICIPANTS; REVISING THE COMMUNITY ENGAGEMENT REQUIREMENTS FOR PROGRAM PARTICIPANTS; AMENDING SECTIONS 15-30-2660 AND 53-6-1308, MCA; AMENDING SECTION 28, CHAPTER 368, LAWS OF 2015, SECTIONS 38 AND 48, CHAPTER 415, LAWS OF 2019, SECTION 17, CHAPTER 456, LAWS OF 2019, AND SECTIONS 3 AND 4, CHAPTER 318, LAWS OF 2021; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 15-30-2660, MCA, is amended to read:

"15-30-2660. (Temporary) Taxpayer integrity fees. (1) (a) The department shall assess a fee as provided in subsection (2) for a taxpayer who is a participant in the Montana Health and Economic Livelihood Partnership Act provided for in Title 53, chapter 6, part 13, and Title 39, chapter 12, and owns:

(i) equity in real property or improvements to real property, or both, that exceeds the limit established for homesteads under 70-32-104 by \$5,000 or more, if the real property is not agricultural land;

(ii) more than one light vehicle per adult in the household when the combined depreciated value of the manufacturer's suggested retail price totals \$20,000 or more and the participant's equity in the vehicles exceeds that combined depreciated value by \$5,000 or more; or

(iii) agricultural land with a taxable value in excess of \$1,500 a year.

(b) For the purposes of subsection (1)(a):

(i) "real property or improvements to real property" does not include property held in trust by the United States for the benefit of a Montana federally recognized Indian tribe; and

(ii) the depreciated value of the manufacturer's suggested retail price must be computed as provided in 61-3-503(2).

(2) The fee is \$100 a month plus an amount equal to an additional \$4 a month for:

1 (a) each \$1,000 in equity value above the limits established in subsections (1)(a)(i) and (1)(a)(ii);
2 and

3 (b) each \$100 of taxable value in agricultural land above \$1,500.

4 (3) (a) The department shall assess a fee for an entity organized under 26 U.S.C. 501(d) and
5 subject to taxes as provided in Title 15, chapter 31, if the entity has members who are receiving medicaid
6 coverage under Title 53, chapter 6, part 13.

7 (b) The fee is equal to the state's share of the average annual cost per program participant, as
8 defined in 53-6-1303, multiplied by the number of individuals in the 26 U.S.C. 501(d) organization who are
9 receiving medicaid coverage because they are eligible under 53-6-1304, less the total annual amount the
10 entity's members have paid in premiums.

11 (4) (a) For the purposes of calculating the fee required under subsection (3), the department of
12 public health and human services shall provide the department of revenue by February 1 of each year with:

13 (i) the percentage of medicaid claims costs of program participants for which the state was
14 responsible in the previous calendar year; and

15 (ii) the average annual cost of medical claims for program participants in the previous calendar
16 year.

17 (b) The department of public health and human services shall post the average annual cost for a
18 program participant on the department's website by February 15 of each year.

19 (5) An organization shall pay the fee provided for in subsection (3) as follows:

20 (a) on or before the last day of each month, the organization shall pay an estimated fee equal to
21 one-twelfth of the most recently published annual cost per program participant; and

22 (b) on or before April 15 of each year, the organization shall report and pay any additional amount
23 owed for the prior year or request a refund of any overpayment made in the prior year.

24 (6) (a) The department of public health and human services shall provide the department of
25 revenue with the names of program participants and other necessary information to assist the department of
26 revenue in administering and enforcing this section.

27 (b) The department of justice shall provide the department of revenue with vehicle registration
28 information for the administration of this section.

(7) Fees collected pursuant to this section must be deposited in the Montana HELP Act special revenue account provided for in 53-6-1315.

(8) A fee remains until paid and may be collected through assessments against future income tax returns or through a civil action initiated by the state.

(9) For the purposes of this section, the following definitions apply:

(a) (i) "Agricultural land" means agricultural land as described in 15-7-202 that is taxed as class three property at the rate provided in 15-6-133.

(ii) The term does not include:

(A) parcels of land that are considered nonqualified agricultural land as provided in 15-6-133(1)(c);

(B) improvements to real property; or

(C) land held in trust by the United States for the benefit of a Montana federally recognized Indian tribe.

(b) "Light vehicle" has the meaning provided in 61-1-101.

(c) "Manufacturer's suggested retail price" has the meaning provided in 61-3-503(3). (Terminates June 30, 2025--secs. 38, 48, Ch. 415, L. 2019 on occurrence of contingency.)"

Section 2. Section 53-6-1308, MCA, is amended to read:

"53-6-1308. (Temporary) Community engagement requirements -- countable activities -- exemptions -- self-attestation. (1) Except as provided in subsections (3) through (5), an individual receiving coverage under this part shall participate in 80 hours of community engagement activities each month if the individual is at least 19 years of age but no more than 55 years of age.

(2) Time spent in one or more of the following activities may be counted toward the monthly requirement for community engagement:

(a) employment;

(b) work readiness or workforce training activities;

(c) secondary, postsecondary, or vocational education;

(d) ~~substance abuse education or substance use disorder treatment; or~~

(e) ~~other work or community engagement activities that promote work or work readiness or~~

1 advance the health purpose of the medicaid program;

2 ~~(f) a community service or volunteer opportunity; or~~

3 ~~(g)(e)~~ any other activity required by the centers for medicare and medicaid services for the purpose of
4 obtaining necessary waivers under this part.

5 (3) A program participant is exempt from the requirements of this section if the participant is:

6 (a) medically frail as defined in 42 CFR 440.315;

7 (b) blind or disabled;

8 (c) pregnant;

9 (d) experiencing an acute medical condition requiring immediate medical treatment;

10 (e) mentally or physically unable to work;

11 (f) a primary caregiver for a person who is unable to provide self-care;

12 (g) a foster parent;

13 (h) a full-time student in a secondary school;

14 (i) a student enrolled in the equivalent of at least six credits in a postsecondary or vocational
15 institution;

16 ~~(j) participating in or exempt from the work requirements of the temporary assistance for needy
17 families program or the supplemental nutrition assistance program;~~

18 ~~(k)(j)~~ under supervision of the department of corrections, a county jail, or another entity as directed
19 by a court, the department of corrections, or the board of pardons and parole;

20 ~~(l) experiencing chronic homelessness;~~

21 ~~(m)(k)~~ a victim of domestic violence as defined by the Personal Responsibility and Work Opportunity
22 Reconciliation Act of 1996, 42 U.S.C. 601, et seq.;

23 ~~(n) living in an area with a high-poverty designation;~~

24 ~~(o)(l)~~ a member of an entity subject to the fee provided for in 15-30-2660(3); or

25 ~~(p)(m)~~ otherwise exempt under federal law.

26 (4) A program participant is exempt from the requirements of this section if the department
27 determines that the participant's income exceeds an amount equal to the average of 80 hours per month
28 multiplied by the minimum wage.

(5) A program participant is exempt from the requirements of this section in any reporting period in which the participant:

(a) is hospitalized or caring for an immediate family member who has been hospitalized;

(b) has a documented serious illness or incapacity or is caring for an immediate family member with a documented serious illness or incapacity; or

(c) is impacted by a catastrophic event or hardship as defined by the department by rule that 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. (Terminates ~~June 30, 2025,~~ on occurrence of contingency--~~sec. 48, Ch. 415, L. 2019.~~)"

Section 3. Section 28, Chapter 368, Laws of 2015, is amended to read:

"Section 28. ~~Termination~~ Contingent termination. ~~(1) [This act] terminates June 30, 2019.~~

~~(2) The department may reapply for the same waiver received to implement the Montana Health and Economic Livelihood Partnership Act program if the waiver expires before June 30, 2019. (1) If the necessary approvals or waivers needed from the U.S. department of health and human services are not obtained, [this act], except as provided in subsection (3), terminates June 30 of the year in which the next regular legislative session is held after the director of the department of public health and human services certifies to the governor that the necessary approvals or waivers have not been obtained.~~

~~(2) The governor shall immediately transmit a copy of the certification to the code commissioner.~~

~~(3) [Sections 9, 19, and 21] do not terminate."~~

Section 4. Section 38, Chapter 415, Laws of 2019, is amended to read:

"Section 38. Section 28, Chapter 368, Laws of 2015, is amended to read:

"Section 28. ~~Termination~~ Contingent termination. ~~(1) [This act] terminates June 30, 2019 June 30, 2025.~~

(2) — The department may reapply for the same waiver received to implement the Montana Health and Economic Livelihood Partnership Act program if the waiver expires before June 30, 2019 June 30, 2025.

(1) If the necessary approvals or waivers needed from the U.S. department of health and human services are not obtained, [this act], except as provided in subsection (3), terminates June 30 of the year in which the next regular legislative session is held after the director of the department of public health and human services certifies to the governor that the necessary approvals or waivers have not been obtained.

(2) The governor shall immediately transmit a copy of the certification to the code commissioner.

(3) [Sections 9, 19, and 21] do not terminate."

Section 5. Section 48, Chapter 415, Laws of 2019, is amended to read:

"Section 48. Termination -- contingency--intent. (1) If a court of final disposition finds that the community engagement requirements provided for in [section 1] are invalid, [this act] terminates June 30, 2025.

(2) — It is the intent of the legislature that if the contingency provided for in subsection (1) occurs, the legislature has an opportunity to consider issues of program integrity, reform, and cost-effectiveness to determine whether [this act] should continue. (1) If the necessary approvals or waivers needed from the U.S. department of health and human services are not obtained, [this act] terminates June 30 of the year in which the next regular legislative session is held after the director of the department of public health and human services certifies to the governor that the necessary approvals or waivers have not been obtained.

(2) The governor shall immediately transmit a copy of the certification to the code commissioner.

(3) [Sections 19 and 20] regarding supplemental transfers terminate June 30, 2021."

Section 6. Section 17, Chapter 456, Laws of 2019, is amended to read:

"Section 17. Section 28, Chapter 368, Laws of 2015, is amended to read:

"Section 28. Termination Contingent termination. (1) [This act], except [section 9], terminates June 30, 2019.

(2) — The department may reapply for the same waiver received to implement the Montana Health and Economic Livelihood Partnership Act program if the waiver expires before June 30, 2019. (1) If the necessary approvals or waivers needed from the U.S. department of health and human services are not

1 obtained, [this act], except as provided in subsection (3), terminates June 30 of the year in which the next
 2 regular legislative session is held after the director of the department of public health and human services
 3 certifies to the governor that the necessary approvals or waivers have not been obtained.

4 (2) The governor shall immediately transmit a copy of the certification to the code commissioner.

5 (3) [Sections 9, 19, and 21] do not terminate."

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 7 **Section 7.** Section 3, Chapter 318, Laws of 2021, is amended to read:

8 **"Section 3.** Section 28, Chapter 368, Laws of 2015, is amended to read:

9 **"Section 28. ~~Termination~~ Contingent termination.** ~~(1) [This act] Except as provided in subsection~~
 10 ~~(2), [this act] terminates June 30, 2019 2025.~~

11 ~~(2) [Sections 19 and 21] do not terminate.~~

12 ~~(3) The department may reapply for the same waiver received to implement the Montana Health~~
 13 ~~and Economic Livelihood Partnership Act program if the waiver expires before June 30, 2019 2025. (1) If the~~
 14 ~~necessary approvals or waivers needed from the U.S. department of health and human services are not~~
 15 ~~obtained, [this act], except as provided in subsection (3), terminates June 30 of the year in which the next~~
 16 ~~regular legislative session is held after the director of the department of public health and human services~~
 17 ~~certifies to the governor that the necessary approvals or waivers have not been obtained.~~

18 (2) The governor shall immediately transmit a copy of the certification to the code commissioner.

19 (3) [Sections 9, 19, and 21] do not terminate."

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 21 **Section 8.** Section 4, Chapter 318, Laws of 2021, is amended to read:

22 **"Section 4.** Section 38, Chapter 415, Laws of 2019, is amended to read:

23 **"Section 38.** Section 28, Chapter 368, Laws of 2015, is amended to read:

24 **"Section 28. ~~Termination~~ Contingent termination.** ~~(1) [This act] Except as provided in subsection~~
 25 ~~(2), [this act] terminates June 30, 2019 June 30, 2025.~~

26 ~~(2) [Sections 19 and 21] do not terminate.~~

27 ~~(3) The department may reapply for the same waiver received to implement the Montana Health~~
 28 ~~and Economic Livelihood Partnership Act program if the waiver expires before June 30, 2019 June 30, 2025.~~

(1) If the necessary approvals or waivers needed from the U.S. department of health and human services are not obtained, [this act], except as provided in subsection (3), terminates June 30 of the year in which the next regular legislative session is held after the director of the department of public health and human services certifies to the governor that the necessary approvals or waivers have not been obtained.

(2) The governor shall immediately transmit a copy of the certification to the code commissioner.

(3) [Sections 9, 19, and 21] do not terminate. ""

NEW SECTION. Section 9. Nonseverability. It is the intent of the legislature that each part of [this act] is essentially dependent upon every other part, and if one part is held unconstitutional or invalid, all other parts are invalid.

NEW SECTION. Section 10. Effective date. [This act] is effective on passage and approval.

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