



HB 256 - CHILDREN'S HEALTH INSURANCE AND MEDICAID ADMINISTRATIVE SIMPLIFICATION

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

SUMMARY

This issue brief provides an update to the Legislature on the implementation of HB 256 *Children's Health Insurance and Medicaid Administrative Simplification* passed during the 2011 General Session. This brief is for informational purposes only and requires no Legislative action.

DISCUSSION AND ANALYSIS

HB 256 *Children's Health Insurance and Medicaid Administrative Simplification* made several changes to the Medicaid program and Children's Health Insurance Program which are discussed here below:

1. **Optional Simplified Enrollment and Renewal if Grant Funding can be Obtained**

- a. The Department is directed to seek grant funding in order to simplify the enrollment and renewal eligibility process for some medical assistance programs (Medicaid, Children's Health Insurance Program, Utah's Premium Partnership for Health Insurance, and Primary Care Network) by July 2012:
 - i. With the consent of an applicant confirm adjusted gross income from the State Tax Commission.
 1. Through December 2011 the workgroups have concluded that using verification through the State Tax Commission would add additional verification requirements on the applicant rather than be easier. The Department is working with the bill's sponsor to find an acceptable solution. The Department of Health does not anticipate implementation of this section by July 2012.
 - ii. Pay financial institutions a reasonable fee in order to verify applicants' assets.
 1. The Department of Health did not obtain federal funding for this purpose and so this project is incomplete. The Robert Wood Johnson Grant will not pay for an asset verification system.
 - iii. The Legislation also newly allows the Children's Health Insurance Program to use the verifications systems above for enrollment. The program could already use such a system for renewing eligibility.

2. **Bid Out Medicaid Dental Benefits on Risk-based Contracts** – beginning in 2011 the Department shall request bids for Medicaid dental benefits to be served via a 100% risk-based contract. The Department need not award the contracts if it would cost the Medicaid program more. The Department must bid out dental benefits at least once every five years. If the Department does not bid out dental benefits, then the Department must report to the Health and Human Services Interim Committee. The Department of Health issued a request for proposal in December 2011. Interested applicants have through January 27, 2012 to submit bids for consideration. The Department anticipates making a decision on a contractor by February 2012. The Department anticipates contracting out Medicaid dental services.