

## HOUSE BILL No. 2675

By Committee on Federal and State Affairs

2-9

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1 AN ACT concerning health and healthcare; relating to health insurance  
2 coverage; expanding medical assistance eligibility; requiring the  
3 department of health and environment to direct certain individuals to a  
4 work referral program and to study certain medicaid expansion topics.

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6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. (a) Sections 1 through 8, and amendments thereto, shall be  
8 known and may be cited as the Kansas innovative solutions for affordable  
9 healthcare act.

10 (b) The legislature expressly consents to expand eligibility for receipt  
11 of benefits under the Kansas program of medical assistance, as required by  
12 K.S.A. 39-709(e)(2), and amendments thereto, by the passage and  
13 enactment of the act, subject to all requirements and limitations established  
14 in the act.

15 (c) The secretary of health and environment shall adopt rules and  
16 regulations as necessary to implement and administer the act.

17 (d) As used in sections 1 through 8, and amendments thereto, unless  
18 otherwise specified:

19 (1) "138% of the federal poverty level," or words of like effect,  
20 includes a 5% income disregard permitted under the federal patient  
21 protection and affordable care act.

22 (2) "Act" means the Kansas innovative solutions for affordable  
23 healthcare act.

24 Sec. 2. (a) The secretary of health and environment shall submit to  
25 the United States centers for medicare and medicaid services and the  
26 United States department of the treasury any state plan amendment, waiver  
27 request or other approval request necessary to implement the act. At least  
28 10 calendar days prior to submission of any such approval request to the  
29 United States centers for medicare and medicaid services or the United  
30 States department of the treasury, the secretary of health and environment  
31 shall submit such approval request application to the state finance council.

32 (b) For purposes of eligibility determinations under the Kansas  
33 program of medical assistance on and after January 1, 2023, medical  
34 assistance shall be granted to any adult under 65 years of age who is not  
35 pregnant and whose income meets the limitation established in subsection  
36 (c), as permitted under the provisions of 42 U.S.C. § 1396a, as it exists on

1 the effective date of the act, and subject to a 90% federal medical  
2 assistance percentage and all requirements and limitations established in  
3 the act.

4 (c) The secretary of health and environment shall submit to the  
5 United States centers for medicare and medicaid services any approval  
6 request necessary to provide medical assistance eligibility to individuals  
7 described in subsection (b) whose modified adjusted gross income does  
8 not exceed 138% of the federal poverty level.

9 Sec. 3. (a) The secretary of health and environment shall refer each  
10 non-disabled adult applying for or receiving coverage under the act who is  
11 unemployed to the Kansasworks program administered by the department  
12 of commerce. The secretary of commerce shall coordinate with the  
13 secretary of health and environment to certify to the secretary of health  
14 and environment each covered individual's compliance with this section.  
15 The secretary of commerce shall maintain a unique identifier for  
16 Kansasworks participants who are covered individuals under the act to  
17 track employment outcomes and progress toward employment.

18 (b) A full-time student enrolled in a postsecondary educational  
19 institution or technical college, as defined by K.S.A. 74-3201b, and  
20 amendments thereto, shall be exempt from the referral required under  
21 subsection (a) for each year the student is enrolled in such educational  
22 setting.

23 (c) The secretary of health and environment shall report annually to  
24 the legislature, in coordination with the secretary of commerce, on or  
25 before the first day of each regular session of the legislature regarding the  
26 employment outcomes of covered individuals under the act.

27 Sec. 4. Except to the extent prohibited by 42 U.S.C. § 1396u-2(a)(2),  
28 as it exists on the effective date of this act, the secretary of health and  
29 environment shall administer medical assistance benefits using a managed  
30 care delivery system using organizations subject to assessment of the  
31 privilege fee under K.S.A. 40-3213, and amendments thereto. If the United  
32 States centers for medicare and medicaid services determines that the  
33 assessment of a privilege fee provided in K.S.A. 40-3213, and  
34 amendments thereto, is unlawful or otherwise invalid, then the secretary of  
35 health and environment shall administer state medicaid services using a  
36 managed care delivery system.

37 Sec. 5. If the federal medical assistance percentage for coverage of  
38 medical assistance participants described in section 1902(a)(10)(A)(i)  
39 (VIII) of the federal social security act, 42 U.S.C. § 1396a, as it exists on  
40 the effective date of this section, becomes lower than 90%, then the  
41 secretary of health and environment shall terminate coverage under the act  
42 over a 12-month period, beginning on the first day that the federal medical  
43 assistance percentage becomes lower than 90%. No individual shall be

1 newly enrolled for coverage under the act after such date.

2 Sec. 6. (a) Section 5, and amendments thereto, shall be nonseverable  
3 from the remainder of the act. If the provisions of section 5, and  
4 amendments thereto, are not approved by the United States centers for  
5 medicare and medicaid services, then the act shall be null and void and  
6 shall have no force and effect.

7 (b) A denial of federal approval or federal financial participation that  
8 applies to any provision of the act not enumerated in subsection (a) shall  
9 not prohibit the secretary of health and environment from implementing  
10 any other provision of the act.

11 Sec. 7. (a) On or before January 10, 2024, and on or before the first  
12 day of the regular session of the legislature each year thereafter, the  
13 secretary of health and environment shall prepare and deliver a report to  
14 the legislature that summarizes the cost savings achieved by the state from  
15 the movement of covered individuals from the KanCare program to  
16 coverage under the act, including, but not limited to, the MediKan  
17 program, the medically needy spend-down program and the breast and  
18 cervical cancer program.

19 (b) State cost savings shall be determined by calculating the cost of  
20 providing services to covered individuals in the KanCare program less the  
21 cost of services provided to covered individuals under the act.

22 Sec. 8. On or before February 15 of each year, the secretary of health  
23 and environment shall present a report to the house of representatives  
24 standing committee on appropriations and the senate standing committee  
25 on ways and means that summarizes the costs of the act and the cost  
26 savings and additional revenues generated during the preceding fiscal year.

27 Sec. 9. This act shall take effect and be in force from and after its  
28 publication in the Kansas register.