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Comparison of the Governor’s MO HealthNet Proposal and the Truly Agreed To and Finally Passed SB 577

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This chart provides a brief analysis of how the final version of the MO HealthNet program compares with the Governor’s recommendations for MO HealthNet (December 7, 2006). This analysis does not include full descriptions of each component of the two versions of MO HealthNet, but it highlights the major provisions of both. The final version of MO HealthNet as truly agreed to and finally passed in Senate Bill 577 on the last day of the 2007 legislative session had some of the components of the Governor’s recommendations; however, there are also some significant differences. Also, where general ideas are the same, certain program details may differ. Senate Bill 577 now awaits the Governor’s signature.

While the final version of Senate Bill 577 will expand MO HealthNet benefits to a very small portion of Missourians, it is not real health care reform. It does nearly nothing to address the approximately 700,000 uninsured Missourians in this state. Missouri needs to continue the health care reform process to make MO HealthNet a strong safety net for the most vulnerable Missourians and to ensure that all Missourians have access to high quality, comprehensive, and affordable health care coverage.

All “No” responses have been highlighted in the chart below to draw attention to what is different in each version of MO HealthNet.

<i>Note: This chart is for comparison purposes only. For an assessment of the merits of the different versions, please see companion analyses on the Missouri Budget Project website.</i>	Governor’s Recommendations – MO HealthNet	Truly Agreed To and Finally Passed – MO HealthNet (SB577)
Restores health care services and eligibility levels that were cut in 2005. <i>The Missouri Budget Project believes this should be part of any reform.</i>	No	No
Eliminates discrepancies in covered health care services established by the 2005 Medicaid cuts, e.g. people who are blind can receive hearing aids, but not people who are deaf. <i>The Missouri Budget Project believes this should be part of any reform.</i>	No	No

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<p>Takes significant steps towards covering all Missourians. <i>The Missouri Budget Project believes this should be part of any reform.</i></p>	<p>No</p>	<p>No</p>
<p>Changes the Name of “Medicaid” to “MO HealthNet”.</p>	<p>Yes</p>	<p>Yes</p>
<p>Changes the “Division of Medical Services” to the “MO HealthNet Division”.</p>	<p>Yes</p>	<p>Yes</p>
<p>Establishes a health care home and health care home coordinator for MO HealthNet participants. This includes a health risk assessment and a plan of care for MO HealthNet participants.</p>	<p>Yes</p>	<p>Yes <i>However, only requires each participant to have a health care home.</i></p>
<p>Provides assistance to parents in MO HealthNet who do not receive temporary cash assistance to achieve independence by improving health outcomes and self-reliance.</p>	<p>Yes</p>	<p>No</p>
<p>Creates opportunity for participants to access other Medicaid-eligible services by earning credits by engaging in healthy behaviors.</p>	<p>Yes <i>Termed “MO HealthNet Plus”.</i></p>	<p>No</p>
<p>Increases physician-related reimbursement rates.</p>	<p>Yes</p>	<p>No <i>However, requires that a plan be developed by July 1, 2008 to outline a four-year strategy for raising reimbursement rates to 100% of Medicare rates.</i></p>
<p>Implements pay-for-performance measures to create incentives for providers to improve the health of MO HealthNet participants.</p>	<p>Yes <i>Pay-for-performance would be based on the provision of evidence-based care. Initial focus will be on providers in the Chronic Care Improvement Program. Expansion to more participants will follow.</i></p>	<p>Yes <i>Requires providers in all health improvement plans (risk bearing, administrative services organization, and state plan) to participate in the pay-for-performance program. The program must not discourage providers from providing care for those with complex and high risk conditions.</i></p>
<p>Expands efforts to reduce fraud, waste, and abuse.</p>	<p>Yes <i>Suggests that the state implement the False Claims Act as described in the Federal Deficit Reduction Act of 2005.</i></p>	<p>Yes <i>Includes some additional fraud and abuse provisions. However, does not meet the criteria of the Federal Deficit Reduction Act of 2005.</i></p>

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<p>Creates premium offset program.</p>	<p>Yes <i>Recommended criteria for participation include having an income below 200% FPL, with a 1/3 state contribution and 2/3 contribution by the employer and employee.</i></p>	<p>Yes <i>Program is a pilot program to be implemented in one rural and one urban area. Eligibility criteria include below 185% FPL and uninsured for one year. The budget contains \$13.2 million for this, and states that the Department of Social Services will initially pursue coverage for adults with incomes at or below 100% of the FPL.</i></p>
<p>Extends MO HealthNet coverage to workers with disabilities.</p>	<p>Yes <i>Would cover approximately 1,800 workers with disabilities.</i></p>	<p>Yes <i>Will cover more workers with disabilities than the governor's proposal. Final estimate is currently unknown, but expected to be less than 3,000.</i></p>
<p>Extends MO HealthNet coverage to youth aging out of the foster care system.</p>	<p>Yes <i>Would impact approximately 1,000 youth.</i></p>	<p>Yes <i>Will impact approximately 1,000 youth. An emergency clause was also enacted for this provision.</i></p>
<p>Redefines the “affordability” test for MC+ children to make it fairer</p>	<p>Yes <i>Sliding scale at a 3%, 4% and 5% progression between 150 and 300% FPL. The Departments' recommendation was 1%, 3% and 5% and would allow an additional 13,800 uninsured children to participate in SCHIP.</i></p>	<p>Yes <i>Sliding scale equals 3%, 4%, 5% progression between 150 and 300% FPL. Will allow an additional 6,000 children to participate in SCHIP. The budget contains \$7.8 mil</i></p>
<p>Creates the Healthcare Technology Fund.</p>	<p>No <i>However, encourages increased use of technology for MO HealthNet participants.</i></p>	<p>Yes <i>Fund will be used to promote advances in patient care, decrease administrative burdens, and increase patient and provider satisfaction.</i></p>
<p>Makes SCHIP void if there are no funds appropriated by the US Congress for the program.</p>	<p>No</p>	<p>Yes</p>

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Establishes the Missouri Long-Term Care (LTC) Partnership Act. Offers asset disregard in determining MO HealthNet eligibility equal to the amount of benefits paid by a qualified LTC insurance policy.	Yes	Yes <i>Additionally, increases the allowable deduction from taxable Missouri income to 100% of the non-reimbursed amounts paid toward premiums for long-term care insurance.</i>
Establishes Health Improvement Plans. All MO HealthNet participants will all be enrolled in a health improvement plan (risk-bearing care coordination, administrative services organization, or coordinated fee for service plan) by 2011.	No	Yes <i>Aged, blind, and disabled shall not be required to enroll in a risk-bearing managed care plan.</i>
Establishes the MO HealthNet Oversight Committee to oversee the health improvement plans and other program components and creates the Joint Committee on MO HealthNet in the Missouri legislature.	No	Yes
Excludes nursing home recipients with greater than \$500,000 in home equity from receiving MO HealthNet payments.	No	Yes <i>This change reflects mandatory provisions in the Federal Deficit Reduction Act of 2005. However, states have the option to extend the limit to \$750,000.</i>
Allows for additional cost sharing requirements.	No	Yes
Creates the Missouri Healthcare Access Fund.	No	Yes <i>The fund shall be used to pay costs associated with providing primary care to areas of defined need. Donations to the fund will be eligible for a tax credit.</i>
Creates the Chronic Kidney Disease Task Force.	No	Yes <i>The task force will provide education and information about the benefits of screening, early intervention, and best practices.</i>
Extends MO HealthNet eligibility for participants participating in drug court.	No	Yes <i>Extends MO HealthNet eligibility 60 days for parents enrolled in drug court following the date of removal of a child from custody.</i>
Provides durable medical equipment as a covered MO HealthNet benefit.	No	Yes

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Provides dental care and optometric care as a covered MO HealthNet benefit.	No	Yes <i>However, services are subject to appropriations <u>and</u> only provided if they are “medically necessary.” Money is not in the 2008 budget for these services (except for blind persons, pregnant women, and children).</i>
Disregards annual cost of living increases in Social Security income until the federal poverty level is updated for each year.	No	Yes
Allows limited out-of-pocket medical expenses to be counted towards spend down for up to three months following the expense.	No	Yes
Establishes the Public Assistance Beneficiary Employer Disclosure Act.	No	Yes <i>The Department of Social Services must document and track information about MO HealthNet beneficiaries' employers.</i>
Revises eligibility for the Women's Health Program.	No	Yes <i>Women are eligible if they are at least 18 years of age, at or below 185% FPL, have assets less than \$250,000 and do not have access to employer-sponsored insurance. This is NOT a comprehensive MO HealthNet benefit. Rather it will provide a limited package of preventive well woman services to an estimated 90,000 women.</i>
Extends the sunset of the consumer directed health program to 2019.	No	Yes

Sources

Ferber, J. (February 13, 2007). *Key aspects of the Governor's proposed Medicaid reforms*. St. Louis: Legal Services of Eastern Missouri.

Missouri Department of Social Services, Health and Senior Services, and Mental Health. (December 7, 2006). *The transformation of Missouri Medicaid to MO HealthNet: Recommendations offered by the Departments of Social Services, Health and Senior Services and Mental Health*. December 7, 2006. Available at <http://www.dss.mo.gov/mis/mcdtransform.pdf>

Peterson, S., & Ehresman, R. (2007). *Missouri Medicaid becomes MO HealthNet: A summary of the truly agreed to and finally passed SB577*. St. Louis: Missouri Budget Project.