

S-3/13/02 Human Res.

FEB 27 2002
Place On Calendar

HOUSE FILE 2578
BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO HF 2368)

(p. 764)
Passed House, Date 3-13-02 Passed Senate, Date _____
Vote: Ayes 94 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the resource limits applicable to certain
2 employed persons with disabilities under the medical
3 assistance program.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2578

1 Section 1. Section 249A.3, subsection 2, paragraph a, Code
2 Supplement 2001, is amended to read as follows:

3 a. As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XIII),
4 individuals with disabilities, who are less than sixty-five
5 years of age, who are members of families whose income is less
6 than two hundred fifty percent of the most recently revised
7 official poverty line published by the federal office of
8 management and budget for the family, who have earned income
9 and who are eligible for medical assistance or additional
10 medical assistance under this section if earnings are
11 disregarded. As allowed by 42 U.S.C. § 1396a(r)(2), unearned
12 income shall also be disregarded in determining whether an
13 individual is eligible for assistance under this paragraph.
14 For the purposes of determining the amount of an individual's
15 resources under this paragraph and as allowed by 42 U.S.C. §
16 1396a(r)(2), a maximum of ten thirty thousand dollars of
17 available resources shall be disregarded and any additional
18 resources held in a retirement account, in a medical savings
19 account, in an assistive technology account, or in any other
20 account approved under rules adopted by the department shall
21 also be disregarded. ~~Individuals~~ All individuals eligible for
22 assistance under this paragraph, ~~whose individual income~~
23 ~~exceeds one hundred fifty percent of the official poverty line~~
24 ~~published by the federal office of management and budget for~~
25 ~~an individual~~, shall pay a premium. The amount of the premium
26 shall be based on a sliding fee schedule adopted by rule of
27 the department and shall be based on a percentage of the
28 individual's income. The maximum premium payable by an
29 individual ~~whose income exceeds one hundred fifty percent of~~
30 ~~the official poverty line~~ shall be commensurate with premiums
31 charged for private group health insurance in this state.
32 ~~This paragraph shall be implemented no later than March 1,~~
33 ~~2000.~~

34 EXPLANATION

35 This bill increases the resource disregard under the

1 medical assistance program for employed persons with
2 disabilities from \$10,000 to \$30,000. The bill also adds to
3 retirement accounts and medical savings accounts, assistive
4 technology accounts, as additional resources that may be
5 disregarded under the program. The bill requires all
6 individuals eligible for assistance under the bill to pay a
7 premium based on a sliding fee schedule. Existing law
8 requires payment of a premium only for individuals whose
9 income exceeds 150 percent of the poverty line.

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Legislative Fiscal Bureau Fiscal Note

HF 2578 - Medical Assistance (LSB 5721 HV)
Analyst: Sam Leto (Phone: (515) 281-6764) (sam.letto@legis.state.ia.us)
Fiscal Note Version - New
Requested by Representative Daniel Boddicker

Description

House File 2578 directs the Department of Human Services (DHS) to increase resource disregards under the Medical Assistance Program for employed persons with disabilities from \$10,000 to \$30,000. The Bill adds to retirement accounts and medical savings accounts, assistive technology accounts, as additional resources that may be disregarded under the Program. The Bill requires all individuals eligible for assistance to pay a premium based on a sliding fee schedule.

Assumptions

1. A change in resource disregard will add 94 eligibles in FY 2003 and 109 eligibles in FY 2004.
2. The new eligibles will pay premiums which would offset DHS administrative costs associated with implementing changes to resource disregards.
3. Department of Human Services currently provides a disregard for assistive technology accounts.
4. Requiring all individuals eligible for assistance to pay premiums based on a sliding fee schedule will affect 3,422 additional eligibles.
5. The premium payment would be \$20.00 a month per eligible.
6. There would be administrative costs associated with implementation of the new premium payments and additional eligibles.

Fiscal Impact

The FY 2003 and FY 2004 General Fund impact of HF 2578 is as follows:

<u>Areas of Impact</u>	<u>FY 2003</u>	<u>FY 2004</u>
Resource Disregard	\$214,000	\$283,000
Assistive Technology	0	0
Premium Payments	- 187,000	- 187,000
Net General Fund	<u>\$ 27,000</u>	<u>\$ 96,000</u>

Source

Department of Human Services

/s/ Dennis C Prouty

March 11, 2002

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.
