

2013 SENATE HUMAN SERVICES

SB 2109

2013 SENATE STANDING COMMITTEE MINUTES

Senate Human Services Committee
Red River Room, State Capitol

SB 2109

1/15/2013

Recording Job Number: 17159

☐ Conference Committee

Committee Clerk Signature:



Explanation or reason for introduction of bill/resolution:

Relating to eligibility determinations for the children's health insurance program.

Minutes:

You may make reference to "attached testimony."

Chairman Lee opens hearing on SB 2109.

Maggie Anderson, Director of Medical Services Division for the Department of Human Services, is first up to testify in support of SB 2109.

See testimony attachments #1 and #2.

Chairman Lee opens the committee for questions for Ms. Anderson.

Senator Axness asks for the timeline.

Ms. Anderson responds that CMS has asked states to fill out a policy template by the middle of this month so they know what disregards and deductions all states have in place. Human Services submitted theirs back in December so it is hopeful something will happen within the month but it is not certain. This has significant implications for the Children's Health Insurance Program (CHIP), the Medicaid program, and the budget.

Chairman Lee proceeds to familiarize the room with CHIP and provides an example.

Ms. Anderson follows up by explaining that there is a provision in the bill that by the spring of 2015 the exchanges are supposed to report to the Secretary of Health and Human Services on the availability of child only policies in the exchanges. Currently, CHIP is authorized through September of 2019, but only funded through September of 2015. If when the report is released in the spring and it shows that there are adequate child only policies in the exchanges, there would be an effort to eliminate the CHIP program.

Senator Anderson questions the percentage of federal match for the CHIP program and if it is the same as other federal matches.

Ms. Anderson states that it is higher than the regular match and will get the exact match to the committee. Typically, it tends to run about 15-20% higher than the regular match.

Senator Dever is interested in knowing if there is an advantage to continue with the net income or would it be better to go to a gross income at a higher level.

Ms. Anderson responds that, regardless, CMS would have to be assured that no children lost coverage. It is not clear as of now if there would be advantages because the level that was in place, referring to the modified adjusted gross income level, would have been used for certain pieces of the calculation.

Chairman Lee is curious how we budget for this.

Ms. Anderson explains that when the department built the budget for Medicaid and CHIP it was known that children would be going back and forth so both the difference in the match rates and the difference in the premium that is paid to BCBS for the coverage vs. what would be paid if they were on the Medicaid program were taken into consideration and there was an effort to balance it. It is uncertain if it is all covered but it is hopeful that all the implications were considered as the budget was built.

Senator Dever states that he would like to see an increase in the eligibility number, but the bill would have to pass in order for that to be possible since authority needs to be granted to establish a modified adjusted gross income equivalent. There are no other bills relating to that purpose that Ms. Anderson is aware of at this time.

There are no further questions from the committee for Ms. Anderson and no further testimony either in support or against the bill.

Chairman Lee closes the hearing on SB 2109 and time allows for committee discussion.

Committee agrees that they would like to have the Department of Human Services provide more information on what an expanded number might mean so that there is something to work with. It was decided that the numbers at levels 185 and 200 gross would be provided along with information on the allotment since CHIP's allotment is slightly different than the Medicaid program. Any hazards to increase the number that could be encountered with the federal rules as time goes by will also be included in that additional information.

No more comments or questions from the committee.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Human Services Committee
Red River Room, State Capitol

SB 2109

1/22/13

Recording Job Number: 17471

☐ Conference Committee

Committee Clerk Signature:



Explanation or reason for introduction of bill/resolution:

Relating to eligibility determinations for the children's health insurance program.

Minutes:

You may make reference to "attached testimony."

Committee discussion on SB 2109.

Chairman Lee references an email from Maggie Anderson (see attachment #3).

Chairman Lee asks committee if they would like to have Ms. Anderson come back to discuss this further since she will have more information after the CMS call.

Senator Axness spoke with Maggie and it sounded like they would be eligible for the re-allotments so there would potentially be federal money available.

Chairman Lee asks the law intern to contact Ms. Anderson to see if she has any time available to visit with the committee regarding the CHIP levels and any gross and net equivalents.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Human Services Committee
Red River Room, State Capitol

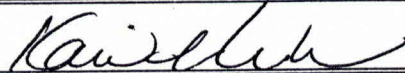
SB 2109

1/23/13

Recording Job Number: 17637

☐ Conference Committee

Committee Clerk Signature:



Explanation or reason for introduction of bill/resolution:

Relating to eligibility determinations for the children's health insurance program.

Minutes:

You may make reference to "attached testimony."

Committee discussion #2 on SB 2109.

Maggie Anderson is back with more information for the committee. She begins by explaining the chart illustrating the Medicaid expansion (see attachment #4) and also references back to the income eligibility levels chart from her previous testimony (attachment #2).

Upon request from the committee, the numbers pulled are as follows:

- At 185% gross poverty, 658 additional children will be covered and 291 children who already have coverage would lose CHIP coverage.
- At 200% gross poverty, 821 additional children will be covered and, according to her statistics, 419 children would lose coverage but this number doesn't seem right because it should be less than the number lost at 185%. Ms. Anderson is going to double check on this. Regardless, children will lose coverage at this level.

Ms. Anderson also feels the need to inform the committee about eligibility system changes. They are in the process of developing a system at the request of the department as part of its budget and the counties have come forward and requested that they develop a unified system. The piece that would need to be in place to increase it and go to gross income won't be available until Oct 2013 at the earliest. She also discusses her conversations with CMS and whether or not they will allow this to happen. All in all, there's a lot of uncertainty and children would lose coverage going to a gross income test.

Chairman Lee and Ms. Anderson proceed to discuss the pros and cons of changing it vs. keeping it as is. By leaving the bill as it was introduced enables the department to do what it needs to do at this time. Changing it will require a lot of work since it will most likely be temporary and since the existence of CHIP is uncertain after September 30, 2015.

Senator Anxess states that after hearing how complex an increase would make things makes him rethink his position.

In conclusion, Ms. Anderson's testimony and additional information is trusted and respected amongst the committee due to her vast knowledge and credibility.

Committee moves forward with action. Senator Anderson briefly stepped out of the room but his vote was taken upon return and documented below with the roll call votes.

Senator Dever moves Do Pass.

Senator Larsen seconds.

Roll call vote: 5-0, Do Pass.

Senator Dever carries bill to the floor.

FISCAL NOTE
Requested by Legislative Council
12/21/2012

Bill/Resolution No.: SB 2109

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2109 changes the CHIP eligibility requirements to a Modified Adjusted Gross Income(MAGI) test as required in 42 U.S.C. 1396a(e)(14). It also changes the "net income" eligibility limit to a "gross" income limit.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 2 provides for the plan requirements and changes the income eligibility limit from a net to a gross income test. It is the Departments assumption that this change will simplify the eligibility process while providing approximately the same number of eligible recipients. We anticipate minimal to no fiscal impact from this required change.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*
- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name: Debra McDermott

Agency: Department of Human Services

Telephone: 701-328-1980

Date Prepared: 01/04/2013

Date: 1/23/13
Roll Call Vote #: 1

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2109

Senate Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Sen. Dever Seconded By Sen. Larsen

Senators	Yes	No	Senator	Yes	No
Chairman Judy Lee	✓		Senator Tyler Axness	✓	
Vice Chairman Oley Larsen	✓				
Senator Dick Dever	✓				
Senator Howard Anderson, Jr.	✓				

Total (Yes) 5 No 0

Absent 0

Floor Assignment Sen. Dever

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2109: Human Services Committee (Sen. J. Lee, Chairman) recommends **DO PASS**
(5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2109 was placed on the
Eleventh order on the calendar.

2013 HOUSE HUMAN SERVICES

SB 2109

2013 HOUSE STANDING COMMITTEE MINUTES

House Human Services Committee Fort Union Room, State Capitol

SB 2109
March 6, 2013
Job #19517

☐ Conference Committee

Committee Clerk Signature

Vicky Crabtree

Explanation or reason for introduction of bill/resolution:

Relating to eligibility determinations for the children's health insurance program.

Minutes:

Testimonies #1

Chairman Weisz opened the hearing on HB 2109.

Maggie Anderson: Director of Medical Services of DHS testified in support of the bill. (See Testimony #1)

4:38

Chairman Weisz: Does your language here limit you to the equivalent of the 160 net or can you go higher than that?

Anderson: It would be the 160 or the 200 and that would be the ceiling.

Rep. Silbernagel: The CHIP program is for what age group?

Maggie Anderson: It is for children whose families exceed the Medicaid income criteria. For our 0-6 year olds on Medicaid we cover them up to 133% of poverty. So for that group it would be from 134-160. The 6-19 year olds are covered up to 100% of poverty and for that group it would be 101-160. So some children are on Medicaid and some are on CHIP.

Rep. Porter: Where is the harmless in here that you were speaking of? Of the currently eligible that may be kicked off.

Maggie Anderson: That is in the federal law and guidance we have been receiving and is not in this law. It is contained within the Affordable Care Act. In the aggregate we are to cover the same number of children and will have to develop this process where we would cover any children that may exceed the criteria. That could happen with the Medicaid program as well.

Chairman Weisz: What kind of plan would you develop if they get kicked off from Medicaid and put onto CHIP, is that considered acceptable that you are still covering them?

Maggie Anderson: We know the kids will flip flop between the two programs. There may be children who do not qualify for either program and we have to create this third tier for them. The third tier will be funded with our CHIP dollars and match rate rather than the Medicaid match rate. We don't know what that is going to look like. They may tell us this will be for a one year redetermination period. There is a provision in the Affordable Care Act that calls for the secretary of health and human services in the spring of 2015 to do a report on child only policies available in the exchange. The reason for the report is to determine if there are enough policies, the affordability of them, and the coverage that is available. Some believe depending on the results of that report, that the children's health insurance program could end sometime in 2015. The program now is reauthorized through September 2019 and it is funded only through September 2015.

NO OPPOSITION

Chairman Weisz closed the hearing on SB 2109.

2013 HOUSE STANDING COMMITTEE MINUTES

House Human Services Committee Fort Union Room, State Capitol

SB 2109
March 6, 2013
Job #19526

☐ Conference Committee

Committee Clerk Signature

Nicky Crabtree

Explanation or reason for introduction of bill/resolution:

Relating to eligibility determinations for the children's health insurance program.

Minutes:

You may make reference to "attached testimony."

Chairman Weisz: We can look at this bill.

Rep. Porter: The only question I have is on page 3, line 19 if it was there intent to notify council or management.

Chairman Weisz: It really should say management.

Rep. Porter: I move we amend 2109 on page 3, line 19 to overstrike the word "council" and insert the word "management".

Rep. Looyen: Second.

VOICE VOTE: MOTION CARRIED

Rep. Porter: I move a Do Pass as amended.

Rep. Looyen: Second.

Rep. Fehr: Do we have to do this? What if we didn't do this, what happens?

Maggie Anderson: It is mandatory as part of the Affordable Care Act and we all know that is to be upheld. I can't say we will be fined, but the department would eventually be operating in violation of that century code.

Chairman Weisz: In the past we couldn't leave anybody out. In this Affordable Care Act you can cover those that are left out. We had to come up with a gross income that wouldn't leave anybody off.

ROLL CALL VOTE: 13 y 0 n 0 absent

House Human Services Committee

SB 2109

March 6, 2013

Page 2

MOTION CARRIED

Bill Carrier: Rep. Fehr

(Legislative Council brought back the bill and said the committee could not make the amendment of changing a word on the bill and it would have to be reconsidered.)

2013 HOUSE STANDING COMMITTEE MINUTES

House Human Services Committee Fort Union Room, State Capitol

SB 2109
March 11, 2013
Job #19659

☐ Conference Committee

Committee Clerk Signature

Vicky Crabtree

Explanation or reason for introduction of bill/resolution:

Relating to eligibility determinations for the children's health insurance program.

Minutes:

Chairman Weisz: We need to reconsider SB 2109 as we cannot change the word "council" to "management".

Rep. Porter: I move we reconsider SB 2109.

Rep. Fehr: Second.

VOICE VOTE: MOTION CARRIED

Rep. Porter: I move we reconsider our actions where we amended SB 2109.

Rep. Fehr: Second.

VOICE VOTE: MOTION CARRIED

Rep. Porter: I move a Do Pass on SB 2109.

Rep. Fehr: Second.

ROLL CALL VOTE: 13 y 0 n 0 absent:

MOTION CARRIED

Bill Carrier: Rep. Fehr

FISCAL NOTE
Requested by Legislative Council
12/21/2012

Bill/Resolution No.: SB 2109

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- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 2 provides for the plan requirements and changes the income eligibility limit from a net to a gross income test. It is the Departments assumption that this change will simplify the eligibility process while providing approximately the same number of eligible recipients. We anticipate minimal to no fiscal impact from this required change.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*
- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name: Debra McDermott

Agency: Department of Human Services

Telephone: 701-328-1980

Date Prepared: 01/04/2013

Date: 3-6-13
Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2109

House Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Porter Seconded By Rep. Looyzen

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN WEISZ			REP. MOONEY		
VICE-CHAIRMAN HOFSTAD			REP. MUSCHA		
REP. ANDERSON			REP. OVERSEN		
REP. DAMSCHEN					
REP. FEHR					
REP. KIEFERT					
REP. LANING					
REP. LOOYSEN					
REP. PORTER					
REP. SILBERNAGEL					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

page 3, line 19 overstrike the word "council" insert word "management."

*Voice Vote
Motion Carried*

Date: 3-6-13
Roll Call Vote #: 2

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2109

House Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Porter Seconded By Rep. Looyse

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN WEISZ	✓		REP. MOONEY	✓	
VICE-CHAIRMAN HOFSTAD	✓		REP. MUSCHA	✓	
REP. ANDERSON	✓		REP. OVERSEN	✓	
REP. DAMSCHEN	✓				
REP. FEHR	✓				
REP. KIEFERT	✓				
REP. LANING	✓				
REP. LOOYSEN	✓				
REP. PORTER	✓				
REP. SILBERNAGEL	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Rep. Fehr

If the vote is on an amendment, briefly indicate intent:

Date: 3-11-13
Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2/09

House Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☒ Reconsider

Motion Made By Rep. Porter Seconded By Rep. Zehr

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN WEISZ			REP. MOONEY		
VICE-CHAIRMAN HOFSTAD			REP. MUSCHA		
REP. ANDERSON			REP. OVERSEN		
REP. DAMSCHEN					
REP. FEHR					
REP. KIEFERT					
REP. LANING					
REP. LOOYSEN					
REP. PORTER					
REP. SILBERNAGEL					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

*Voice Vote
Motion Carried*

Date: 3-11-13
Roll Call Vote #: 2

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2109

House Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☒ Reconsider The Amendment

Motion Made By Rep. Porter Seconded By Rep. Fehr

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN WEISZ			REP. MOONEY		
VICE-CHAIRMAN HOFSTAD			REP. MUSCHA		
REP. ANDERSON			REP. OVERSEN		
REP. DAMSCHEN					
REP. FEHR					
REP. KIEFERT					
REP. LANING					
REP. LOOYSEN					
REP. PORTER					
REP. SILBERNAGEL					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Remove
the
amendment

Voice Vote
Motion
Carried

Date: 3-11-13
Roll Call Vote #: 3

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2109

House Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Porter Seconded By Rep. Fehr

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN WEISZ	✓		REP. MOONEY	✓	
VICE-CHAIRMAN HOFSTAD	✓		REP. MUSCHA	✓	
REP. ANDERSON	✓		REP. OVERSEN	✓	
REP. DAMSCHEN	✓				
REP. FEHR	✓				
REP. KIEFERT	✓				
REP. LANING	✓				
REP. LOOYSEN	✓				
REP. PORTER	✓				
REP. SILBERNAGEL	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Rep. Fehr

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2109: Human Services Committee (Rep. Weisz, Chairman) recommends **DO PASS**
(13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2109 was placed on the
Fourteenth order on the calendar.

2013 TESTIMONY

SB 2109

Testimony
Senate Bill 2109 – Department of Human Services
Senate Human Services Committee
Senator Judy Lee, Chairman
January 14, 2013

Chairman Lee, members of the Senate Human Services Committee, I am Maggie Anderson, Director of the Medical Services Division for the Department of Human Services. I am here to provide support of Senate Bill 2109, which was introduced at the request of the Department.

The Affordable Care Act (ACA) requires that eligibility determinations for the Children's Health Insurance Program (CHIP) follow specific modified adjusted gross income (MAGI) methodologies beginning January 1, 2014. These methodologies follow the definition of MAGI in the Internal Revenue Code, with a few exceptions. This bill seeks to modify state statute to be in conformance with federal law with regard to the determination of income and the income limit.

Determination of Income:

Current N.D.C.C., subsection 1 of section 50-29-02, provides specific requirements for determining the amount of self-employment income considered in determining CHIP eligibility. SB 2109 seeks to modify that language to state that the determination of eligibility must be based on MAGI methodologies as required in 42 U.S.C. 1396(e)(14).

Income Limit:

Current N.D.C.C., subsection 6 of section 50-29-04, provides for a net income eligibility limit of 160 percent of the federal poverty level. The ACA requires that MAGI methodologies no longer allow for disregards or

deductions from income. Instead, the MAGI methodologies require an income limit that, at a minimum, is a gross income equivalent to the net income limit. The determination of the limit is based on a conversion template being developed by the Centers for Medicare and Medicaid Services (CMS). CMS continues development of the conversion template; therefore, the minimum gross equivalent for North Dakota has not yet been established. SB 2109 seeks to modify subdivision "a" of subsection 6 to provide for a gross income eligibility limit that is based on the net income eligibility equivalent of the current limit of 160 percent of the poverty level.

This concludes my testimony. I'll be happy to respond to any questions you may have.

North Dakota Department of Human Services
INCOME ELIGIBILITY LEVELS
Effective April 1, 2012

Family Size	Family Coverage (1931)	Medically Needy 83% of Poverty	SSI (Effective 01/01/13)	Children Age 6 to 19 and QMB 100% of Poverty	SLMB 120% of Poverty	Pregnant Women & Child to Age 6 133% of Poverty	QI-1 135% of Poverty	Healthy Steps 160% of Poverty	Transitional Medicaid 185% of Poverty	Caring for Children & Children with Disabilities & Women's Way 200% of Poverty	Workers with Disabilities 225% of Poverty
1	\$311	\$ 773	\$ 710	\$ 931	\$ 1,117	\$1,238	\$1,257	\$1,490	\$1,723	\$1,862	\$2,095
2	417	1,047	1,068	1,261	1,513	1,677	1,703	2,018	2,333	2,522	2,837
3	523	1,321		1,591	1,909	2,116	2,148	2,546	2,944	3,182	3,580
4	629	1,595		1,921	2,305	2,555	2,594	3,074	3,554	3,842	4,322
5	735	1,869		2,251	2,701	2,994	3,039	3,602	4,165	4,502	5,065
6	841	2,143		2,581	3,097	3,433	3,485	4,130	4,775	5,162	5,807
7	947	2,416		2,911	3,493	3,871	3,930	4,658	5,386	5,822	6,550
8	1,053	2,690		3,241	3,889	4,311	4,376	5,186	5,996	6,482	7,292
9	1,159	2,964		3,571	4,285	4,750	4,821	5,714	6,607	7,142	8,035
10	1,265	3,238		3,901	4,681	5,189	5,267	6,242	7,217	7,802	8,777
+1*	107	274		330	396	439	446	528	611	660	743

Spousal Impoverishment Levels			
Community Spouse Minimum Asset Allowance (Effective 01/01/13)	Community Spouse Maximum Asset Allowance (Effective 01/01/13)	Community Spouse Income Level (Effective 01/01/03)	Income Level for each Additional Individual (Effective 04/01/12)
\$23,184	\$115,920	\$2,267	\$630

Average Cost of Nursing Facility Care	
Average Monthly Cost of Care (Effective 01/01/13)	Average Daily Cost of Care (Effective 01/01/13)
\$6,792	\$223.30

Notes: Nursing Home personal needs allowance increased from \$40 to \$50 effective with the benefit month of 01/01/02.
 ICF/ID and Basic Care personal needs allowance increased from \$50 to \$85 effective 1/1/2010.

Attachment #2

NDLA, S HMS - Herrick, Kari

From: Lee, Judy E.
Sent: Tuesday, January 15, 2013 3:25 PM
To: Dever, Dick D.; Larsen, Oley L.; Anderson, Jr., Howard C.; Axness, Tyler; NDLA, S HMS - Herrick, Kari; NDLA, Intern 02 - Myles, Bethany
Subject: FW: SB 2109 CHIP level and information on CHIP Enhanced Match

Info re: CHIP eligibility.
Please add to the bill's file.

Senator Judy Lee
1822 Brentwood Court
West Fargo, ND 58078
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From: Anderson, Maggie D.
Sent: Monday, January 14, 2013 7:05 PM
To: Lee, Judy E.
Subject: SB 2109 CHIP level and information on CHIP Enhanced Match

Senator Lee,

Today the Senate Human Services Committee asked that we prepare an estimate of increasing the CHIP eligibility level. The eligibility staff are pulling the data and I have scheduled a call tomorrow at noon with CMS to discuss any implications to the Modified Adjusted Gross Income conversion or to our Maintenance of Effort.

In the hearing, I mentioned that we would also need to look at our allotment, as we would need to consider the implications on that front as well. I have received the estimate from our fiscal staff and based on our current income level and our expenditures for the first quarter of Federal Fiscal Year 2013, it does not appear that we will have enough allotment to support an increase in the eligibility level.

When I have the call with CMS tomorrow, I will ask them if there is an opportunity to apply for re-allocated CHIP funds. Also, Senator Anderson requested information on the Federal Match rate for CHIP. For the 2013-2015 biennium, the match rates that we used are:

FFY 2013	66.59	2 months of 13-15 biennium			
FFY 2014	65.00	12 months	"	"	"
FFY 2015	65.00	10 months	"	"	"

For the budget purposes we used an aggregate rate of 65.13%

I will provide more information after my call with CMS. Please let me know if you have questions.

Maggie

North Dakota Department of Human Services
Affordable Care Act (ACA)

Medicaid Expansion Illustration

Federal Poverty Level (For Household (HH) of 1)

0%

100%

138%

400%

\$931

\$1,285

\$3,724

For HH of 1

For HH of 1

For HH of 1

**Individual Mandate for individuals to have
qualified or credible insurance**

**ACA Medicaid Expansion for Non-Disabled,
Childless Adults Under Age 65**

**ACA Federal Subsidies to Purchase Private Insurance
Available Through Health Insurance Exchange**

**No Subsidies for
This Group to
Purchase Private
Insurance**

Testimony
Senate Bill 2109 – Department of Human Services
House Human Services Committee
Representative Weisz, Chairman
March 6, 2013

Chairman Weisz, members of the House Human Services Committee, I am Maggie Anderson, Director of the Medical Services Division for the Department of Human Services. I am here to provide support of Senate Bill 2109, which was introduced at the request of the Department.

The Affordable Care Act (ACA) requires that eligibility determinations for the Children's Health Insurance Program (CHIP) follow specific modified adjusted gross income (MAGI) methodologies beginning January 1, 2014. These methodologies follow the definition of MAGI in the Internal Revenue Code, with a few exceptions. This bill seeks to modify state statute to be in conformance with federal law with regard to the determination of income, and the income limit.

Determination of Income:

Current N.D.C.C., subsection 1 of section 50-29-02, provides specific requirements for determining the amount of self-employment income considered in determining CHIP eligibility. Senate Bill 2109 seeks to modify that language to state that the determination of eligibility must be based on MAGI methodologies as required in 42 U.S.C. 1396(e)(14).

Income Limit:

Current N.D.C.C., subsection 6 of section 50-29-04, provides for a net income eligibility limit of 160 percent of the federal poverty level. The ACA requires that MAGI methodologies no longer allow for disregards or

deductions from income. Instead, the MAGI methodologies require an income limit that, at a minimum, is a gross income equivalent to the net income limit. The determination of the limit is based on a conversion template being developed by the Centers for Medicare and Medicaid Services (CMS). CMS continues development of the conversion template; therefore, the minimum gross equivalent for North Dakota has not yet been established. Senate Bill 2109 seeks to modify subdivision "a" of subsection 6 to provide for a gross income eligibility limit that is based on the net income eligibility equivalent of the current limit of 160 percent of the federal poverty level.

This concludes my testimony. I'll be happy to respond to any questions you may have.