

# SENATE NO. 661

## AN ACT STRENGTHENING HEALTH REFORM

*Be it enacted by the Senate and House of Representatives in General Court assembled,  
And by the authority of the same, as follows:*

1           SECTION 1. Subsection (8) of section 9A of chapter 118E of the General Laws is  
2 hereby amended by adding the following sentence:- Premiums shall not be charged for medical  
3 benefits for children in households in which an adult is enrolled in the Commonwealth Care  
4 Health Insurance Program established in chapter 118H.

5           SECTION 2. The second sentence of subsection (4) of section 16C of said chapter 118E,  
6 is hereby amended by inserting after the word “level” the following words:- ; provided, that no  
7 premiums shall be required of households in which an adult is enrolled in Commonwealth Care  
8 Health Insurance Program established in chapter 118H.

9           SECTION 3. Subsection (d) of section 10F of said chapter 118E is hereby amended by adding  
10 the following sentence:- Premium contributions shall not be charged for children in households  
11 in which an adult is enrolled in the Commonwealth Care Health Insurance Program established  
12 in chapter 118H.

13 SECTION 4. Section 3 of chapter 118H of the General Laws, as appearing in section 45  
14 of chapter 58 of the Acts of 2006, is hereby amended by adding after subsection (b) the  
15 following subsection:-

16 (c) Insurance plans made available by the program shall include, but not be limited to:  
17 (1) inpatient services; (2) outpatient services and preventive care by participating providers; (3)  
18 prescription drugs; (4) medically necessary inpatient and outpatient mental health services and  
19 substance abuse services; (5) medically necessary dental services, including preventive and  
20 restorative procedures; (6) smoking and tobacco use cessation treatment and information  
21 benefits, including nicotine replacement therapy, other evidence-based pharmacologic aids to  
22 quitting smoking and accompanying counseling by a physician, certified tobacco use cessation  
23 counselor or other qualified clinician; and (7) all emergency ambulance calls which result in a  
24 transport and all medically-necessary, non-emergency ambulance and wheelchair van trips.

25 SECTION 5. Subsection (a) of section 6 of chapter 118H of the General Laws, as so  
26 appearing, is hereby amended by striking the words: “and (5) medically necessary dental  
27 services, including preventive and restorative procedures.” and inserting in place thereof the  
28 following:- ; (5) medically necessary dental services, including preventive and restorative  
29 procedures; (6) smoking and tobacco use cessation treatment and information benefits,  
30 including nicotine replacement therapy, other evidence-based pharmacologic aids to quitting  
31 smoking and accompanying counseling by a physician, certified tobacco use cessation  
32 counselor or other qualified clinician; and (7) all emergency ambulance calls which result in a  
33 transport and all medically-necessary, non-emergency ambulance and wheelchair van trips.

34 SECTION 6. Section 108 of chapter 58 of the Acts of 2006 is hereby repealed.

35 SECTION 7. Chapter 118E of the General Laws is hereby amended by inserting after  
36 section 10F the following section:-

37 Section 10G. The division shall provide coverage for smoking and tobacco use cessation  
38 treatment, information, and education, including relevant promotional activities, within its  
39 MassHealth-covered services. Smoking and tobacco use cessation treatment and information  
40 benefits shall include nicotine replacement therapy, and other evidence-based pharmacologic  
41 aids to quitting smoking and accompanying counseling by a physician, dentist, certified tobacco  
42 use cessation counselor or other qualified clinician. The executive office shall report annually  
43 on the number of enrollees who participate in smoking cessation services, number of enrollees  
44 who quit smoking, and Medicaid expenditures tied to tobacco use by Medicaid enrollees. The  
45 comptroller shall transfer not less than \$7 million from the Health Care Security Trust,  
46 established by Section 1 of Chapter 29D, to the General Fund in each fiscal year to fund this  
47 program.

48 SECTION 8. Chapter 118H of the General Laws, as appearing in section 45 of chapter  
49 58 of the Acts of 2006, as amended by chapter 324 of the Acts of 2006, is hereby amended by  
50 striking out section 5 and inserting in place thereof the following section:-

51 Section 5. Premium assistance payments shall be made under a schedule set annually by the  
52 board, in consultation with the office of Medicaid and the health safety net office; provided that  
53 this schedule shall be published on or before September 30, starting in 2006. Premium  
54 assistance payments shall not be subject to appropriation from the fund, established by section  
55 2000 of chapter 29, and shall be made directly by the connector to eligible health insurance  
56 plans, under chapter 176Q. If the board, after a public hearing, determines that amounts in the

57 fund are insufficient to meet the projected costs of enrolling new eligible individuals, the  
58 director may impose a cap on enrollment in the program.

59 SECTION 9. Notwithstanding any general or special law to the contrary, all agencies  
60 and instrumentalities of the commonwealth, including, but not limited to the commonwealth  
61 health insurance connector authority, the executive office of health and human services and its  
62 constituent agencies, the division of insurance and the executive office of administration and  
63 finance shall fully cooperate with any independent evaluations of the health reform policies  
64 enacted by chapter 58 of the acts of 2006, as amended and implemented, including by providing  
65 all available data reports and information relating to the implementation of said chapter 58,  
66 including enrollment statistics, cost and spending statistics and raw survey results.

67 SECTION 10. Section 21 of chapter 118E of the General Laws is hereby amended by  
68 adding the following paragraph:–

69 The division shall assist applicants and recipients to obtain at no cost to said applicant or  
70 recipient any verification of citizenship required for purposes of obtaining federal  
71 reimbursement for Medicaid expenditures. A U.S. citizen who has not provided verification of  
72 citizenship required for a MassHealth determination but who satisfies all other conditions of  
73 eligibility for medical benefits, including benefits provided through the Commonwealth Care  
74 Health Insurance Program, Uncompensated Care Trust Fund or the Health Safety Net Trust  
75 Fund shall not have a determination of eligibility for such benefits denied or delayed so long as  
76 the applicant or recipient is making a good faith effort to obtain such verification; an individual  
77 who is unable to comply due to a physical or mental incapacity shall be deemed to be making  
78 such a good faith effort and the Division shall provide such further assistance as may be  
79 necessary to obtain required verifications for such an individual.

80 SECTION 11. Chapter 46 of the General Laws is hereby amended by inserting after  
81 section 19C the following new section:-

82 Section 19D. The state registrar shall exempt from payment of a fee any person  
83 requesting a copy of a birth certificate for the purpose of establishing eligibility for benefits  
84 under chapter 118E or chapter 118H, and payments so exempted shall be considered expenses  
85 of the executive office in administering said benefits.

86 SECTION 12. The third sentence of section 2 of chapter 118H of the General Laws, as  
87 appearing in section 45 of chapter 58 of the Acts of 2006, is hereby amended by striking out the  
88 words, “as determined by the board of the connector” and inserting in place thereof the  
89 following words:- as determined by the board of the connector, subject to section 7.

90 SECTION 13. Chapter 118H of the General Laws, as so appearing, is hereby further  
91 amended by adding the following section:-

92 Section 7. (a) Enrollee premium contributions for the commonwealth care health  
93 insurance program shall be subject to the following schedule:

94 (1) an eligible individual with financial eligibility that exceeds 100 percent of the federal  
95 poverty level and does not exceed 150 percent of the federal poverty level shall not pay enrollee  
96 premium contributions.

97 (2) an eligible individual with financial eligibility that exceeds 150 percent of the federal  
98 poverty level and does not exceed 200 percent of the federal poverty level shall pay an enrollee  
99 premium contribution that does not exceed 1 percent of the household’s income.

100 (3) an eligible individual with financial eligibility that exceeds 200 percent of the federal  
101 poverty level and does not exceed 250 percent of the federal poverty level shall pay an enrollee  
102 premium contribution that does not exceed 1.5 percent of the household’s income.

103 (4) an eligible individual with financial eligibility that exceeds 250 percent of the federal  
104 poverty level and does not exceed 300 percent of the federal poverty level shall pay an enrollee  
105 premium contribution that does not exceed 2 percent of the households' income.

106 (b) Notwithstanding subsection (a),

107 (1) the connector board may set a single enrollee premium contributions for a range of  
108 incomes of not more than 50 percentage points, provided that the enrollee premium contribution  
109 does not exceed the level specified in subsection (a) for an individual at the middle point of the  
110 range of incomes; and

111 (2) if a member of a household is enrolled in the commonwealth care health insurance  
112 program, the enrollee premium contribution for additional persons in the household shall not  
113 exceed 75% of the enrollee premium contribution otherwise applicable to the additional person.

114 (c) total commonwealth care health insurance program enrollee costs for covered  
115 medical services, including, but not limited to, enrollee premium contributions and maximum  
116 copayments, shall not exceed a schedule set by the board of the connector, provided that the  
117 schedule for individuals who have a gross income that is greater than 100 percent of the federal  
118 poverty level to individuals with gross income that does not exceed 300 percent of the federal  
119 poverty level shall range from 0 percent to 4 percent of the individual's income along a  
120 graduated scale that increases in increments of the federal poverty level; and provided further,  
121 that the total of premium contributions and maximum copayments shall not exceed the level  
122 determined affordable pursuant to subsection (q) of section (3) of chapter 176Q.

123 SECTION 14. Subsection (a) of section 2 of chapter 111M of the General Laws, as  
124 appearing in section 12 of chapter 58 of the Acts of 2006, is hereby amended by inserting after

125 the words “established by chapter 176Q” the following:- , in accordance with the requirements  
126 of subsection (f).

127 SECTION 15. Subsection (b) of said section 2 of said chapter 111M of the General  
128 Laws, as so appearing, is further amended by striking out clauses subsections (ii) and (iii) of  
129 section (b) and inserting in place thereof the following clauses:- (ii) claims an exemption under  
130 section 3, (iii) had a certificate issued under section 3 of chapter 176Q, or (iv) had gross income  
131 as shown on the individual’s state tax return such that the percentage of said income required to  
132 purchase the lowest cost insurance on the market for which an individual would be eligible for  
133 creditable coverage, taking into consideration the deductibles, as shown in the schedule created  
134 pursuant to subsection (p) of section 3 of chapter 176Q, exceeds the percentage of income  
135 which an individual could be expected to contribute towards the purchase of insurance in the  
136 report published pursuant to subsection (q) of section 3 of chapter 176Q.

137 SECTION 16. Said section 2 of chapter 111M of the General Laws, as so appearing, is  
138 hereby further amended by inserting after subsection (c) the following subsections:-

139 (d) For the purposes of subsection (b) only, creditable coverage that begins on January 1,  
140 2008 shall constitute coverage as of the last day of the taxable year of 2007.

141 (e) All health plans providing creditable coverage shall require all employers with whom  
142 they contract for group coverage to have open enrollment periods for coverage effective on July  
143 1, 2007 and on January 1, 2008.

144 (f) The affordability schedule set by the board of the connector pursuant to subsection  
145 (a) shall be subject to the following requirements:

146 (1) for individuals with gross income up to 100 percent of poverty the affordability  
147 schedule for premium contributions shall be 0, and for individuals who have a gross income that

148 is greater than 100 percent of the federal poverty level but does not exceed 400 percent of the  
149 federal poverty level, the affordability schedule for all expected enrollee expenditures shall  
150 range from 0% to 5% of the individual's income along a graduated scale that increases in 50  
151 percentage point increments of the federal poverty level;

152 (2) in determining whether creditable coverage is affordable, the board of the connector  
153 shall consider expected enrollee expenditures as the 90<sup>th</sup> percentile of out of pocket costs and  
154 premiums for those enrolled in creditable coverage;

155 (3) For the purposes of this section, "out-of-pocket costs" shall mean the total amount  
156 paid by an enrollee to satisfy the applicable annual deductible, co-payments and co-insurance,  
157 not including monthly premiums.

158 SECTION 17. The definition of "Contributing employer" in subsection (a) of section  
159 188 of chapter 149 of the General Laws, as appearing in section 47 of chapter 58 of the Acts of  
160 2006, as amended by chapter 324 of the Acts of 2006, is hereby amended by inserting after the  
161 words "the division of health care finance and policy" the following words:- subject to the  
162 requirements of this section.

163 SECTION 18. Said subsection (a) of said section 188 of said chapter 149, as so  
164 appearing, is hereby further amended by inserting after the definition of "Employee" the  
165 following definition:-

166 "Fair and Reasonable", an employer will be deemed to make a fair and reasonable  
167 employee contribution if more than: (1) 50 percent of the employer's employees enroll in the  
168 employer's group health plan; or (2) the employer offers to contribute 50 percent or more of the  
169 premium cost of a group health plan offered to employees. Group health plans for purposes of  
170 this section shall satisfy the standard for minimum creditable coverage pursuant to chapter

171 111M. Calculations of the percentage of enrolled employees shall include the pro-rata  
172 allocation of part time and seasonal employees.