

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 290

BY HEALTH AND WELFARE COMMITTEE

AN ACT

1
2 RELATING TO PUBLIC FUNDS; AMENDING SECTION 31-863, IDAHO CODE, TO PROVIDE
3 THAT AN AD VALOREM TAX MAY BE LEVIED ON PROPERTY TO PROVIDE FUNDS FOR
4 MEDICAID EXPANSION AND TO PROVIDE CERTAIN SERVICES, TO PROVIDE THAT
5 COUNTIES SHALL BE RESPONSIBLE FOR THEIR SHARE OF MEDICAID EXPANSION
6 COSTS, TO PROVIDE FOR TRANSFER OF MONEYS TO THE MEDICAID EXPANSION AC-
7 COUNT, AND TO ESTABLISH PROVISIONS REGARDING FAILURE TO COMPLY WITH
8 THE PROVISIONS OF THIS SECTION; AMENDING CHAPTER 35, TITLE 31, IDAHO
9 CODE, BY THE ADDITION OF A NEW SECTION 31-3505H, IDAHO CODE, TO PROVIDE
10 EXCLUSIONS FROM ELIGIBILITY FOR THE COUNTY MEDICALLY INDIGENT PRO-
11 GRAM AND THE CATASTROPHIC HEALTH CARE COST PROGRAM; AMENDING SECTION
12 31-4602, IDAHO CODE, TO REVISE PROVISIONS REGARDING A COUNTY JUSTICE
13 FUND; AMENDING SECTION 49-673, IDAHO CODE, TO PROVIDE THAT A PORTION OF
14 A FINE FOR SAFETY RESTRAINT VIOLATION CITATIONS SHALL BE APPORTIONED TO
15 THE MEDICAID EXPANSION ACCOUNT AS OF A CERTAIN DATE AND TO MAKE A TECHNI-
16 CAL CORRECTION; AND AMENDING SECTION 56-209B, IDAHO CODE, TO CREATE THE
17 MEDICAID EXPANSION ACCOUNT AND TO MAKE TECHNICAL CORRECTIONS.

18 Be It Enacted by the Legislature of the State of Idaho:

19 SECTION 1. That Section 31-863, Idaho Code, be, and the same is hereby
20 amended to read as follows:

21 31-863. LEVY FOR CHARITIES FUND -- MEDICAID EXPANSION OBLIGA-
22 TION. (1) For the purpose of nonmedical indigent assistance pursuant to
23 chapter 34, title 31, Idaho Code, for the purpose of providing funds for the
24 medicaid expansion account established in section 56-209b(7), Idaho Code,
25 for the purpose of providing services authorized by chapter 46, title 31,
26 Idaho Code, and for the purpose of providing financial assistance on behalf
27 of the medically indigent, pursuant to chapter 35, title 31, Idaho Code, said
28 boards are authorized to levy an ad valorem tax not to exceed ten hundredths
29 of one percent (.10%) of the market value for assessment purposes of all
30 taxable property in the county.

31 (2) On and after October 1, 2020, each county shall be responsible for
32 its share of the cost of medicaid expansion for each county resident enrolled
33 pursuant to section 56-267(1), Idaho Code. The department of health and wel-
34 fare shall provide the enrollment for each county on or before the first Mon-
35 day in March of each year. The annual amount owed by each county shall be cal-
36 culated using the following formula: the total number of county residents
37 enrolled in medicaid pursuant to section 56-267(1), Idaho Code, multiplied
38 by the annual per member cost of the program, multiplied by one-tenth (0.1),
39 multiplied by forty-five hundredths (0.45). Any increase in the annual cost
40 per member shall not exceed an amount calculated at a percentage equal to the
41 county's maximum budget increase as calculated under section 63-802, Idaho
42 Code.

1 (3) Moneys transferred by each county to the medicaid expansion account
 2 pursuant to this section shall be transferred quarterly to the state trea-
 3 surer for deposit into the medicaid expansion account established in section
 4 56-209b(7), Idaho Code.

5 (4) The department of health and welfare shall notify the state tax
 6 commission if any county fails to comply with subsection (2) of this sec-
 7 tion, and the state tax commission shall withhold from that county the annual
 8 distribution of sales tax pursuant to section 63-3638(10), Idaho Code. The
 9 state tax commission shall withhold and retain such money in a reserve ac-
 10 count until the department of health and welfare certifies that the county
 11 has complied with the provisions of this section, at which point the state
 12 tax commission shall pay any money owed to the county previously in violation
 13 of this section.

14 SECTION 2. That Chapter 35, Title 31, Idaho Code, be, and the same is
 15 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 16 ignated as Section 31-3505H, Idaho Code, and to read as follows:

17 31-3505H. ELIGIBILITY FOR FINANCIAL ASSISTANCE. (1) Notwithstanding
 18 any provision of law or rule to the contrary, no person eligible for medicaid
 19 pursuant to section 56-254 or 56-267, Idaho Code, shall be eligible for fi-
 20 nancial assistance pursuant to this chapter.

21 (2) Notwithstanding any provision of law or rule to the contrary, no
 22 person eligible for health insurance shall be eligible for financial assis-
 23 tance pursuant to this chapter.

24 (3) Notwithstanding any provision of law or rule to the contrary, no
 25 person committed pursuant to chapter 3, title 66, Idaho Code, who is covered
 26 by medicaid or eligible for health insurance shall be eligible for financial
 27 assistance pursuant to this chapter.

28 SECTION 3. That Section 31-4602, Idaho Code, be, and the same is hereby
 29 amended to read as follows:

30 31-4602. JUSTICE FUND ESTABLISHMENT. The board of county commis-
 31 sioners of any county may, in conjunction with development of their annual
 32 budget, by resolution adopted at a public meeting of the board, establish a
 33 county justice fund for any of the following purposes: to provide funding
 34 for the operation of the county sheriff's office, construction, remodeling,
 35 operation and maintenance of county jails, juvenile detention facilities
 36 and/or county courthouses, operation of the prosecuting attorney's office,
 37 provision of public defender service and otherwise court-appointed counsel,
 38 and/or operation of the office of the clerk of the district court, to the ex-
 39 tent that operation of that office provides support for the district court.
 40 The justice fund shall be separate and distinct from the county current ex-
 41 pense fund and expenditures from the justice fund shall be solely dedicated
 42 to the purposes set forth in this section.

43 At the discretion of the board of county commissioners, funds deposited
 44 in the county justice fund may be allowed to accumulate over a period of years
 45 for designated capital improvements or be expended on a regular basis.

1 SECTION 4. That Section 49-673, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 49-673. SAFETY RESTRAINT USE. (1) Except as provided in section
4 49-672, Idaho Code, and subsection (2) of this section, each occupant of a
5 motor vehicle that has a gross vehicle weight of not more than eight thousand
6 (8,000) pounds, and that was manufactured with safety restraints in compli-
7 ance with federal motor vehicle safety standard no. 208, shall have a safety
8 restraint properly fastened about the occupant's body at all times when the
9 vehicle is in motion.

10 (2) The provisions of this section shall not apply to:

11 (a) An occupant of a motor vehicle who possesses a written statement
12 from a licensed physician that the occupant is unable for medical rea-
13 sons to wear a safety restraint;

14 (b) Occupants of motorcycles, implements of husbandry and emergency
15 vehicles;

16 (c) Occupants of seats of a motor vehicle in which all safety restraints
17 are then properly in use by other occupants of that vehicle; or

18 (d) Mail carriers only if all vehicle regulations and safety practices
19 of the United States postal service are adhered to.

20 (3) (a) A citation may be issued to:

21 (i) Any occupant of the motor vehicle who is age eighteen (18)
22 years or older and fails to wear a safety restraint as required in
23 this section; and

24 (ii) The operator of the motor vehicle who is age eighteen (18)
25 years or older if any occupant under eighteen (18) years of age
26 fails to wear a safety restraint as required in this section.
27 For purposes of this subparagraph, it shall be deemed a single
28 violation regardless of the number of occupants not properly re-
29 strained.

30 (b) A person issued a citation pursuant to this subsection shall be sub-
31 ject to a fine of ten dollars (\$10.00), ~~with~~ plus court costs. Through
32 September 30, 2020, five dollars (\$5.00) of such fine ~~to~~ shall be ap-
33 portioned to the catastrophic health care cost fund, as set forth in
34 section 57-813, Idaho Code. On or after October 1, 2020, five dollars
35 (\$5.00) of such fine shall be apportioned to the medicaid expansion ac-
36 count created in section 56-209b, Idaho Code. A conviction under this
37 subsection shall not result in violation point counts as prescribed in
38 section 49-326, Idaho Code, nor shall such a conviction be deemed to be a
39 moving traffic violation for the purpose of establishing rates of motor
40 vehicle insurance charged by a casualty insurer.

41 (4) A citation may be issued to the operator of the motor vehicle if the
42 operator is under eighteen (18) years of age and the operator or any other
43 occupant who is under eighteen (18) years of age fails to wear a safety re-
44 straint as required in this section. For purposes of this subsection, it
45 shall be deemed a single violation regardless of the number of occupants not
46 properly restrained. A person issued a citation pursuant to this subsec-
47 tion shall be subject to a fine of ten dollars (\$10.00), plus court costs.
48 Through September 30, 2020, five dollars (\$5.00) of such fine ~~to~~ shall be ap-
49 portioned to the catastrophic health care cost fund as set forth in section

1 57-813, Idaho Code, ~~plus court costs.~~ On and after October 1, 2020, five dol-
 2 lars (\$5.00) of such fine shall be apportioned to the medicaid expansion ac-
 3 count created in section 56-209b, Idaho Code. A conviction under this sub-
 4 section shall not result in violation point counts as prescribed in section
 5 49-326, Idaho Code. In addition, a conviction under this subsection shall
 6 not be deemed to be a moving traffic violation for the purpose of establish-
 7 ing rates of motor vehicle insurance charged by a casualty insurer.

8 (5) Enforcement of this section by law enforcement officers may be ac-
 9 complished only as a secondary action when the operator of the motor vehicle
 10 has been detained for a suspected violation of another law.

11 (6) The department shall initiate and conduct an educational program,
 12 to the extent sufficient private donations or federal funds for this spe-
 13 cific purpose are available to the department, to encourage compliance with
 14 the provisions of this section and to publicize the effectiveness of use of
 15 safety restraints and other restraint devices in reducing risk of harm to oc-
 16 cupants of motor vehicles.

17 (7) The department shall evaluate the effectiveness of the provisions
 18 of this section and shall include a report of its findings in its annual eval-
 19 uation report on the Idaho highway safety plan which it submits to the na-
 20 tional highway traffic safety administration and federal highway adminis-
 21 tration pursuant to 23 U.S.C. ~~section~~ 402.

22 (8) The failure to use a safety restraint shall not be considered under
 23 any circumstances as evidence of contributory or comparative negligence,
 24 nor shall such failure be admissible as evidence in any civil action with
 25 regard to negligence.

26 SECTION 5. That Section 56-209b, Idaho Code, be, and the same is hereby
 27 amended to read as follows:

28 56-209b. MEDICAL ASSISTANCE -- MEDICAL ASSISTANCE ACCOUNT. (1) Medi-
 29 cal assistance shall be awarded to persons as mandated by federal law; and
 30 medical assistance may be awarded to such other persons not required to be
 31 awarded medical assistance as mandated by federal law when such award is to
 32 the fiscal advantage of the state of Idaho.

33 (2) There is hereby created in the dedicated fund the medical assis-
 34 tance account. The medical assistance account shall be an entity primarily
 35 designed to receive moneys from the families and relatives of patients re-
 36 ceiving medical assistance under the state plan for medicaid, and to pro-
 37 vide a source of moneys to pay for the state's share of medical assistance ex-
 38 penses. Moneys in the medical assistance account may not be commingled with
 39 moneys in the cooperative welfare ~~account~~ fund. Moneys in the medical as-
 40 sistance account must be appropriated in order to be expended to pay for the
 41 state's share of medical assistance expenses.

42 (3) In all cases where the department of health and welfare through the
 43 medical assistance program has or will be required to pay medical expenses
 44 for a recipient and that recipient is entitled to recover any or all such med-
 45 ical expenses from any third party or entity, the department of health and
 46 welfare will be subrogated to the rights of the recipient to the extent of the
 47 amount of medical assistance benefits paid by the department as the result of
 48 the occurrence giving rise to the claim against the third party or entity.

1 (4) If a recipient of medical assistance pursues a claim against a third
2 party or entity through litigation or a settlement, the recipient will so notify
3 the department. If a recipient fails to notify the department of such
4 claim, the department may recover the amount of any public assistance obtained
5 by the recipient while the recipient pursued such claim. In addition,
6 if the recipient recovers funds, either by settlement or judgment, from such
7 a third party or entity, the recipient shall reimburse the department to the
8 extent of the funds received in settlement minus attorney's fees and costs,
9 the amount of the medical assistance benefits paid by the department on his
10 behalf as a result of the occurrence giving rise to the need for medical assistance.
11 The department shall be entitled to all the legal rights and powers
12 of a creditor against a debtor in enforcing the recipient's reimbursement
13 obligation.

14 (5) The department shall have priority to any amount received from a
15 third party or entity which can reasonably be construed to compensate the recipient
16 for the occurrence giving rise to the need for medical assistance, whether the
17 settlement or judgment is obtained through the subrogation right of the department
18 or through recovery by the recipient, and whether or not the recipient is made
19 whole by the amount recovered. The department will be entitled to reimbursement
20 of medical assistance benefits paid on behalf of the recipient arising from the
21 incident or occurrence prior to any amount being distributed to the recipient.
22 The department may notify such third party or entity of the department's entitlement
23 to receive the reimbursement prior to any amount being distributed to the recipient.
24 Furthermore, the department may instruct the third party or entity to make such
25 payment directly to the department prior to any amount being distributed to the
26 recipient. Any third party or entity who distributed funds in violation of such a
27 notice shall be liable to the department for the amount of the reimbursement.
28

29 (6) In the event a recipient of assistance through the medical assistance
30 program incurs the obligation to pay attorney's fees and costs for the purpose
31 of enforcing a monetary claim to which the department has a right under this
32 section, the amount which the department is entitled to recover, or any lesser
33 amount ~~which~~ that the department may agree to accept in compromise of its
34 claim, shall be reduced by an amount ~~which~~ that bears the same relation
35 to the total amount of attorney's fees and costs actually paid by the recipient
36 as the amount actually recovered for medical expenses paid by the department,
37 exclusive of the reduction for attorney's fees and costs, bears to the total
38 amount paid by the third party or entity to the recipient. If a settlement or
39 judgment is received by the recipient without delineating what portion of the
40 settlement or judgment is in payment of medical expenses, it will be presumed
41 that the settlement or judgment applies first to the medical expenses incurred
42 by the recipient in an amount equal to the expenditure for medical assistance
43 benefits paid by the department as a result of the occurrence giving rise to
44 the payment or payments to the recipient.

45 (7) There is hereby created in the dedicated fund the medicaid expansion
46 account. The medicaid expansion account is designed to receive moneys
47 from the counties pursuant to chapter 8, title 31, Idaho Code, and shall be
48 used by the department for the purpose of providing medical assistance to
49 individuals described in section 56-267(1), Idaho Code. Moneys in the medic-
50 aid expansion account may not be commingled with moneys in the cooperative

1 welfare fund. Moneys in the medicaid expansion account must be appropriated
2 in order to be expended to pay for the state's share of medical assistance ex-
3 penses.

STATEMENT OF PURPOSE

RS27142

The purpose of this legislation is to redirect the current county expenditures for county indigency medical care to the Medicaid Expansion Fund to pay a portion of the state's 10% share of Medicaid expansion expense.

The Legislation also creates a separate Medicaid Expansion Fund within the Medical Assistance Account in the Department of Health and Welfare for deposit of county monies.

The legislation also redirects the current \$5.00 fee from seat belt fines from the Catastrophic Healthcare Program to the Medicaid Expansion Fund.

The legislation also limits eligibility for the County Indigency Program.

FISCAL NOTE

There will be no impact to the State General Fund.

The cost to the county governments, based on 91,000 enrollees, is \$19,243,224.

Based upon the FY 2018 Trustee and Benefit costs, this would be a savings to the counties of \$1,465,076.

In FY 2018, the counties also spent \$6,748,964 in administration and legal costs, most of which should be a savings to the county governments.

Contact:

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).