

LEGISLATIVE BILL 808

Approved by the Governor June 9, 1993

Introduced by Hall, 7; Baack, 47; Dierks, 40; Haberman, 44;
Moore, 24; Schellpeper, 18; Warner, 25;
Wehrbein, 2; Wesely, 26; Will, 8;
Bernard-Stevens, 42

AN ACT relating to medical assistance; to amend sections 68-1019 and 68-1021, Reissue Revised Statutes of Nebraska, 1943; to provide for a schedule of copayments and deductibles; to provide powers and duties for the Director of Social Services and the Department of Social Services; to require collection of any applicable copayment or deductible by the vendor; to prohibit certain advertising and promotion by vendors; to prohibit providers from establishing policies to automatically waive copayments or deductibles; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 68-1019, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

68-1019. (1) Medical assistance on behalf of recipients shall be paid directly to vendors.

(2) On behalf of recipients over sixty-five years of age, medical assistance shall include care in an institution for mental diseases.

(3) On behalf of all recipients, medical assistance shall include:

(a) Inpatient ~~other inpatient~~ and outpatient hospital care;

(b) Laboratory ~~laboratory~~ and X-ray services;

(c) Nursing ~~nursing~~ home services;

(d) Care ~~care~~ home services;

(e) Home ~~home~~ health care services;

(f) Nursing ~~nursing~~ services;

(g) Clinic ~~clinic~~ services;

(h) Services ~~services~~ of practitioners licensed by the Department of Health; ; and

(i) Such ~~such~~ drugs, appliances, and health aids as may be prescribed by practitioners licensed by the Department of Health.

(4) The Director of Social Services shall adopt a schedule of copayments and deductibles for goods and services provided under the medical assistance program as may be allowed by Title XIX of the Social Security Act. The system of copayments and deductibles in the schedule shall discourage abuse of high-cost services and encourage the utilization of cost-effective services. Prior to the adoption of the schedule of copayments and deductibles, the director shall provide a report to the

Governor and the Legislature outlining proposed copayments and deductibles. The report shall collect and summarize available data from other states concerning their experience with copayments and deductibles, determine if vendors may be reimbursed for copayments and deductibles resulting from a recipient's inability to pay, evaluate the collectability of copayments and deductibles, and assess the effect of copayments and deductibles on recipients, vendors, access to and availability of care, and utilization of affected medical assistance program services. The report shall include data from Nebraska as it becomes available. The report shall also provide information as to other cost-containment mechanisms which have been implemented or proposed by the Department of Social Services for the fiscal year. The report shall be provided to the Governor and the Legislature by December 1 of each year. No schedule of copayments and deductibles shall be put into effect until July 1 following the report, except that for the first year the schedule shall be put into effect by April 1. A vendor shall be responsible for collecting any applicable copayment or deductible from the recipient.

(5) No vendor shall advertise or promote through newspapers, magazines, circulars, direct mail, directories, radio, television, or otherwise that such vendor will waive the collection of all or any portion of any copayment or deductible established pursuant to subsection (4) of this section.

Sec. 2. That section 68-1021, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

68-1021. For the purpose of paying medical assistance as defined in sections 68-1002, 68-1006, and 68-1018 to 68-1025, the State of Nebraska hereby accepts and assents to all applicable provisions of Title XIX of an Act of Congress identified as H.R. 6675, 89th Congress, approved July 30, 1965. The Director of Social Services is authorized to promulgate rules and regulations, to enter into agreements, and to adopt fee schedules with regard to medical assistance benefits, rehabilitation services, and any other remedial services, and to adopt copayments and deductibles with respect to such benefits and services if the requirements of subsection (4) of section 68-1019 are met.

Sec. 3. The Department of Social Services shall seek a waiver of federal requirements that a copayment or deductible may not be paid by a public assistance recipient if the recipient makes a declaration that he or she is not able to pay.

Sec. 4. As a condition of eligibility as a provider under the medical assistance program, a provider shall not establish a policy to automatically waive copayments or deductibles established pursuant to sections 68-1019 and 68-1021.

Sec. 5. That original sections 68-1019 and 68-1021, Reissue Revised Statutes of Nebraska, 1943, are repealed.