



law, to implement an online employment and training program for those individuals subject to a work requirement. Participation in the job placement assistance program established by the Act would constitute qualifying community engagement activities.

**Section 7** of the bill would prohibit the cabinet from exercising the state's option to develop a basic health program as permitted by federal law without first obtaining authorization from the General Assembly.

**Section 8** would provide that if the Department for Medicaid Services is for any reason limited in its ability to dis-enroll people from the state's medical assistance program, the Department is to continue eligibility re-determinations as normal and to act on the re-determinations to the fullest extent allowed by federal law; and would require certain actions of the Department if those restrictions expire.

**Section 10** would create a new section of KRS Chapter 205 providing instructions to hospitals following their determination that a person does or does not meet the criteria for presumptive eligibility for Medicaid, including notifying the applicant of the determination; would establish that, to the extent allowed by federal law, a pregnant person would be limited to one period of presumptive eligibility per pregnancy; a hospital that uses a contractor or vendor for conducting presumptive eligibility screenings and determinations, the hospital is responsible for seeing the contractor/vendor complies with applicable state and federal laws regarding presumptive eligibility..

**Section 11** would require, to the extent provided by federal law, that Kentucky's medical assistance program cover substance use disorder treatment for incarcerated people; coverage would include peer support services, treatment, and patient navigation provided by a licensed clinical social worker.

The bill doesn't expressly state that this provision would apply to county inmates as well as to state inmates; in order for it to apply to county inmates it would require a Section 1115 waiver by the federal Centers for Medicare and Medicaid Services; Kentucky may not provide Medicaid coverage to any inmate without federal approval of a waiver.

**Section 13** would require the cabinet to identify in a timely manner public assistance beneficiaries who have been incarcerated or released from incarceration.

**Section 15** would authorize the Attorney General to enforce KRS Chapter 205 and to bring an action against the Cabinet if HB 7 GA is not fully implemented, or is violated.

**Section 16** would direct the Education and Workforce Development Cabinet to establish a job placement assistance program for people enrolled in the state's medical assistance program within 120 days.

**Section 17** would establish the Medicaid Oversight and Advisory Committee, comprised of members of the state legislature from both chambers; the Committee would have oversight of implementation and administration of all public assistance programs within

the Commonwealth, including access to services and benefits, utilization of services and benefits, and cost containment; the committee would be charged with examining strategies to promote participation in the workforce by public assistance beneficiaries.

**Section 18** would amend KRS 205.178 to require the Supplemental Nutrition Assistance Program (SNAP), at least quarterly, receive and review information from the Administrative Office of the Courts and the Department of Revenue concerning people enrolled in SNAP that indicates a change in the person's circumstances that may affect their eligibility, including their incarceration status. CHFS shall assign all public assistance recipients subject to work requirements to an employment and training program.

**Section 19** would amend KRS 205.200 to prohibit the cabinet, unless required by federal law, accepting self-attestation of facts qualifying a person for medical assistance; the foregoing would not apply to people living in an assisted-living or long-term care facility; would establish sanctions, up to and including permanent ineligibility for benefits, against a recipient who traffics, sells, distributes, gives or otherwise transfers an electronic benefit transfer card for money, service, or other valuable consideration.

**Section 20** would extend the right to appeal a decision regarding an application for public assistance to persons deemed ineligible or disqualified from receiving public assistance benefits.

**Section 22** would amend KRS 205.725 to render it mandatory, rather than optional, when the cabinet receives an application for public assistance on behalf of a needy child, for CHFS to take action to require a parent care for a child, including enforcement of applicable federal law, unless: there are credible allegations of child abuse or domestic abuse so that such action may endanger the needy child or custodial parent; or enforcement may not be in the best interests of the child; or the custodial parent is the needy child's mother and she did not name a father on the birth certificate; would authorize the CHFS to disqualify a person from public assistance during a month he or she is delinquent in paying court-ordered child support.

**Section 23** would require the cabinet report the following within 90 days of the effective date of the Act:

1. The number of additional families served by the Child Care Assistance Program following the increase in eligibility;
2. An assessment of the additional cost to the state from increasing the Child Care Assistance Program eligibility; and
3. An assessment of what the fiscal impact of discounting multiple copayments for families with more than one child in the Child Care Assistance Program would be.

**Section 24** requires the cabinet, if it determines that a plan amendment, waiver, or other form of authorization from a federal agency is necessary before any provision of HB 7 GA may be implemented, to submit an application for the amendment, waiver, or authorization within 120 days of its effective date.

**Section 25** would direct the Education and Workforce Development Cabinet to launch an online portal or Web site where private employers can post available job openings, to be searchable by the public.

**Section 26** would direct the Legislative Oversight and Investigations Committee to analyze the Temporary Assistance for Needy Families (TANF) and the Kentucky Transition Assistance Program (K-Tap) spending, and to look for other sources of funding to child welfare programs and services currently funded by TANF and K-TAP.

**Section 31** of HB 7 GA would establish that Sections 26-31 of the bill have the same legal status as a House Concurrent Resolution.

**Section 32** would establish that if any section or provision of the Act is invalidated by a court no other section or provision would be affected.

**The bill would have a minimal to moderate positive fiscal impact on local jails that offer substance abuse treatment programs, depending on the federal waiver and budget for those jails.** Currently, Medicaid coverage is available for an incarcerated person only if that person is hospitalized for more than 24 hours. Under HB 7 GA, Medicaid coverage would also be available for non-hospitalized inmates who are receiving substance abuse treatment or social worker navigation services.

Nationally, in 2020 it was estimated that sixty-four percent of jail inmates have a substance dependence or abuse disorder. Currently, under the oversight of the Kentucky Department of Corrections, nineteen full service jails provide a total of twenty-nine in-patient substance abuse programs (SAP) to 1,570 offenders, of which 105 are non-state offenders incarcerated in the jails. The estimated average cost of incarcerating a convicted felon participating in a SAP is \$44.43 per day. The amount reimbursed by the Department of Corrections is \$9 more than the \$31.34 per day reimbursement, or \$40.34 per day. Since the \$40.34 per diem pays for housing a convicted felon participating in a SAP, the per diem may be less than, equal to, or greater than the actual housing cost. Medicaid may reimburse the jails offering those services at a higher rate than the amount received by the jails from the Department of Corrections for those services.

### **Part III: Differences to Local Government Mandate Statement from Prior Versions**

Part II applies to HB 7 GA. HB 7 GA incorporates HCS 1 which was adopted by the committee. **HCS 1 would have less fiscal impact on local jails than HB 7 as introduced.** This is because the GA version eliminates the requirement that local jailers notify the cabinet of incarceration or release of county prisoners. Additionally, the GA version does add a requirement at Section 13 that the cabinet identify, in a timely manner, public assistance beneficiaries who have been incarcerated or released.

**Data Source(s):** Kentucky Jailers Association; LRC staff

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