

Amendment No. 2 to HB2500

**Fitzhugh
Signature of Sponsor**

AMEND Senate Bill No. 2597

House Bill No. 2500*

by adding the following new sections immediately preceding the first section of the bill as amended and by renumbering the subsequent sections accordingly:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following as new sections:

71-5-151.

(a) Notwithstanding any other provision of this chapter, including § 71-5-2805, in the event that a waiver or waiver amendment goes into effect under § 71-5-152, then monies credited or deposited to the maintenance of coverage trust fund, on and after July 1, 2014, shall be redirected as provided in this section.

(b)

(1) Subject to appropriation in the annual appropriations act, from monies credited or deposited to the maintenance of coverage trust fund a sum not to exceed two hundred forty million dollars (\$240,000,000) shall be directed to fund matters as authorized by the annual appropriations act.

(2) Subject to appropriation in the annual appropriations act, from monies credited or deposited to the maintenance of coverage trust fund a sum not to exceed twenty-nine million six hundred thousand dollars (\$29,600,000) shall be redirected to fund higher education projects and

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services identified in the annual appropriations act for fiscal year 2014-2015.

(c) For any funds redirected pursuant to subsection (b), the governor shall designate the specific benefits and services under § 71-5-2805(d) that otherwise would have received monies in fiscal year 2014-2015 from the maintenance of coverage trust fund that shall not receive those funds due to the redirection. The governor shall promptly and reasonably inform the speaker of the house of representatives, the speaker of the senate, the majority and minority leaders of each house of the general assembly, and the officers of the senate and house finance, ways and means committees of the governor's designations.

(d) With respect to any funds redirected pursuant to this section, § 71-5-2803(c) and § 71-5-2804(i) shall not apply.

SECTION 2. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following as a new section:

71-5-152.

(a) The commissioner of finance and administration is directed to seek an appropriate amendment to the federal waiver providing medical assistance through the TennCare II Section 1115 demonstration program or to seek an appropriate new federal waiver to provide medical assistance under this chapter in order to provide medical assistance in accord with this section. The commissioner shall seek a waiver amendment or a new waiver that maximizes the amount of federal funds

available to the medical assistance program. The commissioner shall seek a waiver amendment or a new waiver that is consistent with the negotiations concerning medical assistance between the state and the federal department of health and human services since the enactment of Public Law 111-118.

(b) The waiver amendment or new waiver shall modify the medical assistance program operated under this chapter as follows:

(1) The medical assistance program shall require the enforcement of cost sharing by enrollees receiving medical assistance to the full extent permitted by federal law of three dollars (\$3.00) per visit to a health care provider and three dollars (\$3.00) per prescription for prescription drugs on appropriate enrollees; provided, the cost sharing shall be designed to promote appropriate utilization of care and services and shall also provide for incentives to promote wellness and health-seeking behavior; and

(2) The medical assistance program shall accept additional otherwise eligible individuals whose family income is under one hundred thirty-three percent (133%) of the federal poverty level as authorized by 42 U.S.C. § 1396a (10)(A)(i)(VIII), and other applicable provisions of federal law, as eligible for medical assistance; provided, that the number of persons eligible under this subsection shall not exceed three hundred fifty thousand (350,000) individuals at any time; and

(3) The new waiver or waiver amendment shall be in effect for fiscal years 2014-2015 and 2015-2016. The new waiver or waiver amendment shall expire on June 30, 2016.

SECTION 3. Tennessee Code Annotated, Section 71-5-2806, as amended by Public Chapter ____ (SB 1908/HB 1950) of the Acts of 2014, is amended by deleting the language "June 30, 2015" and by substituting instead the language "June 30, 2016".

SECTION 4. Notwithstanding any other provision of law, additional approval by the general assembly shall not be required in order to provide eligibility for a person for medical assistance pursuant to this act prior to or during any period in which when any waiver or waiver amendment pursuant to Section 2 is in effect.

SECTION 5. The commissioner of finance and administration is authorized to promulgate rules and regulations to effectuate the purposes of SECTIONS 1 through 5. All such rules and regulations shall be promulgated in accordance with Tennessee Code Annotated, Title 4, Chapter 5.

AND FURTHER AMEND by adding the following language at the beginning of the effective date section:

Sections 1 and 3 shall take effect at 12:01 am on July 1, 2014, the public welfare requiring it. Sections 2, 4 and 5 shall take effect upon becoming a law, the public welfare requiring it.