

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2

Session of
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CHADWICK, PLATTS AND SAYLOR, JANUARY 19, 1995

REFERRED TO COMMITTEE ON HEALTH AND HUMAN SERVICES,
JANUARY 19, 1995

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
2 act to consolidate, editorially revise, and codify the public
3 welfare laws of the Commonwealth," providing for a job
4 training program and establishing a timetable for
5 implementation; further providing for a workfare program, for
6 applications for assistance, for eligibility and for aid to
7 families with dependent children; providing for an electronic
8 benefit distribution system; establishing a random drug
9 testing program for public assistance recipients; and
10 providing for powers and duties of the Department of Public
11 Welfare, for retesting and for protective custody of AFDC
12 children for a publicly financed voucher program to provide
13 access to privately delivered health insurance coverage.

14 The General Assembly of the Commonwealth of Pennsylvania
15 hereby enacts as follows:

16 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
17 as the Public Welfare Code, is amended by adding a section to
18 read:

1 Section 214. Job Training Program.--(a) The department
2 shall, within sixty days of the effective date of this act,
3 establish, implement and administer a three-year job training
4 program with the ultimate goal of securing economic self-
5 sufficiency for welfare recipients.

6 (b) The program shall contain the following:

7 (1) The program shall consist of three pilot projects
8 located in three separate counties in different geographical
9 regions representing rural, suburban and urban populations of
10 this Commonwealth.

11 (2) The program shall consist of, but not be limited to, the
12 following:

13 (i) Acquisition of sufficient educational skills in reading,
14 writing and mathematics to enable the trainee to function in the
15 workforce.

16 (ii) Acquisition of skills necessary to conduct successful
17 interviews, acquire marketable work ethics and employe
18 dependability.

19 (iii) Such other areas, including life management skills,
20 which the department deems important.

21 (3) Each program operator shall provide support services to
22 trainees, including, but not limited to, health care, day care
23 and other educational and support services including
24 transportation.

25 (4) Each program operator shall match trainees with existing
26 job vacancies which pay wages and benefits sufficient to ensure
27 the financial security of the trainee and any dependents to
28 enable that trainee and dependents to remain free of any State
29 assistance for at least one year.

30 (5) Each program operator may be an employer, a nonprofit

1 association or corporation or any combination thereof.

2 (6) Payments by the department to a project operator shall
3 be scheduled so that twenty-five percent of the contract price
4 is paid during training, twenty-five percent is paid upon
5 completion of training, twenty-five percent after the trainee is
6 employed continuously for a period of at least six months and
7 twenty-five percent after the trainee is employed continuously
8 for a period of at least one year.

9 (c) It is the intent of the General Assembly that this pilot
10 program be continuously evaluated. The department shall be
11 required to analyze the pilot program, measuring its results
12 against the goals of this legislation as well as comparing it to
13 other Federal and State job training programs. A report on the
14 evaluation shall be submitted to the Governor and the General
15 Assembly detailing the findings and recommendations of the
16 evaluation no later than two years following implementation of
17 the program. The report shall include, but not be limited to,
18 whether the pilot program is cost-effective in the use of job
19 training resources and has resulted in improved rates of
20 permanent job placements and reduction of welfare rolls.

21 (d) In the event the report submitted by the department
22 indicates that the pilot program has achieved the goals of this
23 section and has resulted in improved outcomes in job placement
24 as compared to other existing job training programs, the
25 department shall recommend changes to State law and regulations
26 within twelve months after issuance of the report to permanently
27 implement the components of the pilot program Statewide within
28 twelve months after issuance of the report.

29 (e) The department shall promulgate regulations to implement
30 the provisions of this section.

1 Section 2. Section 405.2(a), (b), (c) and (d) of the act,
2 amended or added April 8, 1982 (P.L.231, No.75) and June 16,
3 1994 (P.L.319, No.49), are amended to read:

4 Section 405.2. [Community Work] Workfare Program.--(a) The
5 department shall [coordinate the establishment of community work
6 projects by] enter into cooperative agreements to establish
7 workfare projects with departments, agencies or institutions of
8 the Commonwealth or any political subdivision located within the
9 Commonwealth or any agency of the Federal Government or
10 department-approved nonprofit organizations [that receive State
11 or county funds] and shall assign to these work projects able-
12 bodied cash assistance recipients [for whom the Office of
13 Employment Security has] who have been unable to secure
14 employment. In instances when [community work] workfare projects
15 are not available for all able-bodied cash assistance
16 recipients, priority shall be given to general assistance
17 recipients for referral to available projects.

18 (b) Every individual who has not received a bona fide offer
19 of training or employment under section 405.1 shall, as a
20 condition of continuing eligibility for cash assistance, report
21 to and work in [a community work] an available workfare project
22 established under this section unless such individual is exempt
23 from the registration requirements of section 405.1. Such
24 individual shall be required to work that number of hours which
25 when multiplied by the applicable minimum wage equals the amount
26 of cash assistance such person receives: Provided, however,
27 That:

28 (1) such work shall not exceed forty hours per week; and

29 (2) the parent or other caretaker of a child between the
30 ages of six and fourteen who is personally providing care for

1 the child with only very brief and infrequent absences from the
2 child shall not be required to participate in [community work]
3 workfare projects except on days and at times when the child is
4 in school or when there are adequate day-care arrangements
5 available for the child at no cost to the recipient.

6 (c) [Community work] Workfare projects established under
7 this section must be approved by the department. To qualify for
8 approval, a work site must conform to appropriate health and
9 safety standards. Cash assistance recipients shall not be
10 assigned to work opportunities available due to a labor dispute,
11 strike, or lockout and shall not be assigned to perform work so
12 as to cause the layoff, downgrading or prevention of return to
13 work of an available competent employee. Cash assistance
14 recipients shall be assigned to [community work] workfare
15 projects within twenty-five miles of their place of residence
16 unless the department determines that a greater distance is not
17 a hardship.

18 (d) A person who without good cause fails or refuses to
19 accept assignment to and participate in a [community work]
20 workfare project shall be [disqualified from receiving cash
21 assistance for sixty days for the first violation and thereafter
22 until such time he or she is willing to comply. For the second
23 violation and subsequent violations the disqualification period
24 shall be one hundred twenty days. The disqualification period
25 shall commence on the date the department's order imposing
26 disqualification is final.] terminated from assistance pursuant
27 to section 432.3.

28 * * *

29 Section 3. Section 414 of the act, added June 16, 1994
30 (P.L.319, No.49), is amended to read:

1 Section 414. Assistance Recipient Identification Program.--

2 (a) Subject to Federal approval, only where necessary, there is
3 hereby created a [pilot] Statewide program within the department
4 to be known as the Assistance Recipient Identification Program.

5 (b) The purpose of the program is to eliminate duplication
6 of assistance to recipients, to deter fraud and to assist law
7 enforcement officials in their duties.

8 [(c) The department shall select three geographic areas in
9 this Commonwealth representing rural, suburban and urban areas
10 to participate in this program.]

11 (d) A person currently receiving or applying for assistance
12 shall participate in the program. The person shall be identified
13 using available technological means that may include, but are
14 not limited to, two-digit fingerimaging.

15 (e) The department, wherever feasible, shall work with
16 neighboring states to execute agreements between each of those
17 states and the Commonwealth to implement compatible computer
18 cross-matching identification systems.

19 (f) It is a violation for a person in the program to acquire
20 or attempt to acquire duplication of assistance.

21 (g) Absent a court order, only the department, the
22 Pennsylvania State Police, the chief of a local municipal police
23 department and the designated officials of neighboring states
24 with whom the department executes agreements under subsection
25 (e) shall have access to records under this program.

26 [(h) The department shall make a report to the General
27 Assembly one year after the effective date of this act. The
28 report shall include:

29 (1) Caseload data before implementation of this section as
30 well as after one year for comparison purposes to judge the

1 program's effectiveness at fraud deterrence.

2 (2) Attempts at and instances of multiple enrollment by
3 persons.

4 (3) Analysis of the cost-effectiveness of the project.

5 (4) Recommendations regarding whether the program should be
6 discontinued, expanded or otherwise modified.

7 (i) This section shall expire two years after the effective
8 date of this act unless extended by the General Assembly.

9 (j) As used in this section, the term "program" means the
10 Assistance Recipient Identification Program.]

11 (h) The department shall make a report to the General
12 Assembly on a yearly basis in order to report the attempts at
13 and instances of multiple enrollment by persons. In addition,
14 the department shall provide total enrollment figures for the
15 current year of all public assistance recipients.

16 Section 4. Section 432(3) of the act, amended June 16, 1994
17 (P.L.319, No.49), is amended and the section is amended by
18 adding a clause to read:

19 Section 432. Eligibility.--Except as hereinafter otherwise
20 provided, and subject to the rules, regulations, and standards
21 established by the department, both as to eligibility for
22 assistance and as to its nature and extent, needy persons of the
23 classes defined in clauses (1), (2), and (3) shall be eligible
24 for assistance:

25 * * *

26 (3) Other persons who are citizens of the United States, or
27 lawfully admitted aliens and who are chronically needy or
28 transitionally needy persons.

29 (i) Chronically needy persons are those persons chronically
30 in need who may be eligible for an indeterminate period as a

1 result of medical, social or related circumstances and shall be
2 limited to:

3 (A) A child who is under age eighteen or who is eighteen
4 through twenty years of age and attending a secondary or
5 equivalent vocational or technical school full-time and may
6 reasonably be expected to complete the program before reaching
7 twenty-one years of age.

8 (B) Persons who are parents residing in two-parent
9 households with their child who is under eighteen years of age.
10 Every possible effort shall be made by the department to place
11 these persons in the AFDC program.

12 (C) A person who has a serious physical or mental handicap
13 which prevents him or her from working in any substantial
14 gainful activity as determined in accordance with standards
15 established by the department. The department may require that
16 documentation of disability be submitted from a physician or
17 psychologist. The department may also require further medical
18 documentation of disability and may also order at the
19 department's expense a person to submit to an independent
20 examination as a condition of receiving assistance under this
21 clause.

22 (D) A person who is a nonparental caretaker of a child under
23 eighteen years of age or a caretaker of another person because
24 of illness or disability. Such child or other person must be a
25 member of the household and the caretaker must be a person whose
26 presence is required in the home to care for another person as
27 determined in accordance with department regulations.

28 (E) A person who is currently undergoing active treatment
29 for substance abuse in a drug and alcohol program licensed or
30 approved by the Department of Health or administered by an

1 agency of the Federal Government. No individual shall qualify as
2 chronically needy under this clause for more than nine months in
3 a lifetime.

4 (F) A pregnant woman whose pregnancy has been medically
5 verified.

6 (G) A person who is a victim of domestic violence and who is
7 receiving protective services as defined by the department. No
8 individual shall qualify as chronically needy under this
9 provision for more than nine months in his lifetime.

10 (ii) Assistance for chronically needy persons shall continue
11 as long as the person remains eligible. Redeterminations shall
12 be conducted on at least an annual basis and persons capable of
13 work, even though otherwise eligible for assistance to the
14 chronically needy, would be required to register for employment
15 and accept employment if offered as a condition of eligibility
16 except as otherwise exempt under section 405.1.

17 (iii) Transitionally needy persons are those persons who are
18 otherwise eligible for general assistance but do not qualify as
19 chronically needy. A person without a physical or mental
20 disability who is at least eighteen years of age, but not more
21 than twenty-five years of age, shall not qualify as
22 transitionally needy. Assistance for transitionally needy
23 persons shall be authorized for not more than sixty days in any
24 twenty-four month period. Any transitionally needy benefits
25 received in the twelve-month period prior to the effective date
26 of this subclause shall be applied toward the total period of
27 benefits an individual is eligible for, beginning with the
28 receipt of the first cash assistance check in the previous
29 twelve-month period.

30 * * *

1 (9) Assistance may not be granted to any person who has been
2 convicted of a felony or misdemeanor offense and who has not
3 otherwise satisfied the penalty imposed on that person by law.
4 The department and the Pennsylvania State Police shall enter
5 into a cooperative agreement. Notwithstanding any provisions in
6 18 Pa.C.S. Ch. 91 (relating to criminal history record
7 information), this agreement shall provide the department with
8 access to the central repository within the Pennsylvania State
9 Police in order to carry out the objectives of this section. The
10 Pennsylvania State Police shall have access to the records of
11 the Assistance Recipient Identification Program under section
12 414 within the department in order to carry out the objectives
13 of section 414.

14 Section 5. Section 432.12 of the act is amended by adding
15 subsections to read:

16 Section 432.12. Determination of Need.--* * *

17 (d) In determining the amount of assistance payments to a
18 recipient family for aid to families with dependent children,
19 the department shall revise the schedule of benefits to be paid
20 to the recipient family by eliminating the increment in benefits
21 under the program for which that family would otherwise be
22 eligible as a result of the birth of a child during the period
23 in which the family is eligible for aid to families with
24 dependent children benefits, or during a temporary period in
25 which the family or adult recipient is ineligible for aid to
26 families with dependent children benefits pursuant to a penalty
27 imposed by the department for failure to comply with benefit
28 eligibility requirements, subsequent to which the family or
29 adult recipient is again eligible for benefits. The department
30 shall provide instead that a recipient family in which the adult

recipient parents an additional child during the adult recipient's period of eligibility for aid to families with dependent children benefits, or during a temporary penalty period of ineligibility for benefits, may receive additional benefits only pursuant to subsection (e), except in the case of a general increase in the amount of aid to families with dependent children benefits which is provided to all program recipients.

(e) In the case of a family that receives aid to families with dependent children in which the adult recipient parents an additional child during the period in which the family is eligible for aid to families with dependent children benefits, or during a temporary penalty period of ineligibility for benefits subsequent to which the family of the adult recipient again becomes eligible for benefits, the department, subject to Federal approval, shall, in addition to eliminating the increase in the benefit as provided in subsection (d), provide that in computing the amount of financial assistance which is available to the family that receives aid to families with dependent children, the monthly earned income disregard for each employed person in the family shall increase by an amount equal to that which the family would have otherwise received by parenting an additional child, adjusted for family size.

Section 6. The act is amended by adding a section to read:

Section 438. Electronic Benefit Transfer System.--(a) The department shall establish a Statewide electronic benefit transfer system for the purpose of issuing food stamps, aid to families with dependent children and general assistance benefits.

(b) Food stamps, AFDC and general assistance benefits shall

1 be issued through point-of-sale terminals and automated teller
2 machines at locations throughout this Commonwealth with an
3 industry-standard plastic access card.

4 (c) The department shall promulgate rules and regulations to
5 administer and enforce this section.

6 Section 7. Article IV of the act is amended by adding
7 subarticles to read:

8 ARTICLE IV

9 PUBLIC ASSISTANCE

10 * * *

11 (n) Drug Testing

12 Section 494. Definitions.--As used in this subarticle:

13 "AFDC" is an acronym for the program which provides aid to
14 families with dependent children under this act.

15 "Drug" means a substance, other than alcohol, that has known
16 mind-altering or function-altering effects on a human being. The
17 term includes a controlled substance as defined in section
18 802(6) of the Federal Food, Drug, and Cosmetic Act (52 Stat.
19 1040, 21 U.S.C. § 301 et seq.), a substance listed in 21 CFR
20 1308 (relating to schedules of controlled substances), a
21 controlled substance as defined in section 4 of the of April 14,
22 1972 (P.L.233, No.64), known as "The Controlled Substance, Drug,
23 Device and Cosmetic Act," and a controlled substance analog or
24 volatile substance which produces the psychological and
25 physiological effects of a controlled substance through
26 deliberate inhalation, ingestion or injection.

27 "Drug test" means a test, approved by the Department of
28 Health, whether random or follow-up, administered for the
29 purpose of determining the presence or absence of drugs within a
30 person's body.

1 "Prescription or nonprescription medication" means a drug
2 prescribed for use by a physician or other medical practitioner
3 licensed to issue prescriptions or a drug that is authorized for
4 general distribution and use in the treatment of human diseases
5 or injuries under the Federal Food, Drug, and Cosmetic Act (52
6 Stat. 1040, 21 U.S.C. § 301 et seq.).

7 "Public assistance" means assistance granted under the
8 provisions of section 432, including, but not limited to,
9 general assistance and AFDC. With regard to an AFDC recipient,
10 the term shall refer to only that portion of the family AFDC
11 grant specifically allocated by formula to the recipient.

12 Section 494.1. Drug Testing Program.--(a) Following Federal
13 approval, if necessary, the department shall establish a three-
14 year random drug testing program for public assistance
15 recipients to be located in three separate counties representing
16 rural, suburban and urban populations.

17 (b) The department shall:

18 (1) Provide for notice to the public assistance recipient of
19 the consequences of refusing to submit to the drug test, of
20 failing the drug test or of refusing to participate in an
21 approved drug rehabilitation program.

22 (2) Require that, as a condition of eligibility, the
23 recipient shall sign an agreement whereby the individual agrees
24 to be bound by the provisions of sections 494.1 through 494.8 on
25 drug testing.

26 (3) Establish a procedure whereby the public assistance
27 recipient may submit medical documentation to verify the
28 recipient's use of prescription or nonprescription medication.
29 Verification, however, shall not preclude the administration of
30 the drug test.

1 (4) Provide for and develop the necessary procedures to
2 implement the follow-up testing required under section 494.4.

3 (c) It is the intent of the General Assembly that this pilot
4 program be continuously evaluated. The department shall be
5 required to analyze the pilot program and submit a report to the
6 Governor and the General Assembly detailing the findings and
7 recommendations of the evaluation no later than July 1, 1998.
8 The report shall include, but not be limited to, the number of
9 recipients tested, the results of the drug testing by
10 recipient's eligibility category, the number of recipients who
11 refused to submit to drug testing and the number of recipients
12 who entered and either successfully or unsuccessfully completed
13 a drug rehabilitation program.

14 Section 494.2. Failure of Drug Test.--(a) A public
15 assistance recipient who is determined to have used a drug which
16 is not a prescription or nonprescription medication or which
17 usage is in violation of any Federal or State law or regulation
18 shall agree to participate in an available drug and alcohol
19 program licensed or approved by the Department of Health or
20 administered by an agency of the Federal Government. If the
21 recipient agrees to participate in an available program, the
22 public assistance received by that recipient shall continue for
23 as long as the recipient otherwise qualifies for the assistance,
24 but not beyond any applicable eligibility period specified in
25 this act.

26 (b) If the recipient refuses to agree to participate in an
27 available drug rehabilitation program or fails to successfully
28 complete the program, then the recipient shall no longer receive
29 public assistance until the recipient resubmits to the drug
30 test, tests drug free and otherwise qualifies for assistance.

1 Section 494.3. Refusal to Submit to Drug Tests.--A public
2 assistance recipient who refuses to submit to drug testing shall
3 not receive assistance until the recipient submits to the test,
4 tests drug free and otherwise qualifies for assistance.

5 Section 494.4. Retesting.--A public assistance recipient who
6 tests positive for drug use, who enters and successfully
7 completes a drug rehabilitation program or submits to testing
8 and tests drug free after initially refusing to submit to
9 testing or refusing to agree to participate in an available drug
10 rehabilitation program upon testing positive or failing to
11 successfully complete a drug rehabilitation program shall be
12 subject to follow-up drug testing on a quarterly basis for one
13 year, provided the recipient is still receiving assistance at
14 the time of retesting.

15 Section 494.5. Licensed Laboratories.--Drug tests shall only
16 be administered through laboratories licensed by the Department
17 of Health under the act of September 26, 1951 (P.L.1539,
18 No.389), known as "The Clinical Laboratory Act," or licensed
19 under the Clinical Laboratories Improvement Act of 1967 (Public
20 Law 90-174, 81 Stat. 533), and approved by the Department of
21 Health.

22 Section 494.6. Hearings.--A public assistance recipient
23 shall be afforded the opportunity for a hearing in accordance
24 with 2 Pa.C.S. (relating to administrative law and procedure)
25 prior to the termination of assistance.

26 Section 494.7. Penalties.--A person who administers a drug
27 test which, in its methodologies or procedures, violates this
28 subarticle shall be assessed a civil penalty of not less than
29 two hundred fifty dollars (\$250) nor more than five hundred
30 dollars (\$500). For purposes of this section, a failure to use

approved test methods or procedures on a single sample shall constitute a separate offense.

Section 494.8. Rules and Regulations.--The department shall promulgate rules and regulations to carry out the provisions of this subarticle.

(o) Voucher Program

Section 495. Definitions.--As used in this subarticle:

"Insurer" means:

(1) Any insurance company, association or reciprocal, nonprofit hospital plan corporation.

(2) A nonprofit professional health service plan.

(3) A health maintenance organization organized and regulated under the act of December 29, 1972 (P.L.1701, No.364), known as the "Health Maintenance Organization Act."

(4) A risk-assuming preferred provider organization organized and regulated under the act of May 17, 1921 (P.L.682, No.284), known as "The Insurance Company Law of 1921."

(5) A preferred provider with a "health management gatekeeper" role for primary care physicians organized and regulated as a health services corporation or a preferred provider organization subject to the provisions of section 630 of "The Insurance Company Law of 1921."

(6) A fraternal benefit society subject to the provisions of the act of December 14, 1992 (P.L.835, No.134), known as the "Fraternal Benefit Societies Code."

"Program" means a publicly financed voucher program providing access to privately delivered health insurance coverage for eligible medical assistance recipients.

Section 495.1. Voucher Program.--(a) Following Federal approval where necessary, the department shall establish a

three-year demonstration voucher program within three geographic regions representing rural, suburban and urban populations to provide, in a cost-effective manner, access to privately delivered health insurance coverage for residents of this Commonwealth who qualify for benefits under section 441.1, other than nursing facility care programs and the intermediate care facility programs for the mentally retarded.

(b) The department through a competitive bidding process in each region shall select three insurers for that region to participate in the pilot program.

Section 495.2. Issuance of Proof of Eligibility.--If the department determines that a person meets the eligibility requirements set forth under section 441.1, the department shall issue that person proof of eligibility, which entitles the person to coverage under any health insurance or health care policy or contract, offered in accordance with this subarticle.

Section 495.3. Offering of Policies and Contracts.--If coverage is issued to the individual, policyholder or contract holder, the insurer shall submit the proof of eligibility and a request for reimbursement of premium to the department.

Section 495.4. Standards Applicable to the Policies and Contracts.--The health insurance or health care policies and contracts for which insurers are eligible shall be provided in accordance with the following conditions:

(1) The cost of the policies and contracts shall not exceed ninety percent of the average fee-for-service reimbursement made on behalf of medical assistance recipients in that category of eligibility.

(2) The policies and contracts are not subject to any previous State mandatory benefits.

(3) Each policy and contract must include, but not be limited to, a combined maximum of eighteen visits per fiscal year for the following visits to:

(i) (A) A physician's office.

(B) A chiropractor's office.

(C) A podiatrist's office.

(D) An optometrist's office.

(E) A certified registered nurse practitioner's office.

(F) An independent clinic.

(G) A family planning clinic.

(H) A rural health clinic.

(I) A general and rehabilitation hospital clinic.

(J) A federally qualified health center.

(ii) Home health care, limited to thirty visits per fiscal year.

(iii) Medical rehabilitation hospital care, limited to thirty days of inpatient care per fiscal year.

(iv) Drug and alcohol hospital care, limited to thirty days of inpatient care per fiscal year.

(v) Emergency room care services, limited to emergency situations.

(vi) Laboratory and X-ray services, including mammography.

(vii) Dental services, limited to surgical procedures and emergency services, including medically necessary palliative treatment, and diagnostics, restorations, or extractions related to the need for palliative treatment.

(viii) Inpatient hospital services other than services in an institution for tuberculosis or mental illness.

(ix) Outpatient hospital services.

(x) Early and periodic screening, diagnosis and treatment

1 (EPSDT) services, limited to individuals under twenty-one years
2 of age.

3 (xi) Ambulance services, limited to medically necessary
4 emergency transportation.

5 (xii) Specific legend drugs identified by the department,
6 limited to a maximum of three prescriptions or refills per
7 month, in the following categories:

8 (A) Anti-infectives, including oral, parenteral, topical,
9 ophthalmic, otic, vaginal or rectal products containing
10 antibiotics, antifungal, sulfonamides, antimalarial
11 preparations, antituberculous agents, amebicides, antiviral
12 agents, leprostatics, anthelmintics and urinary anti-infectives,
13 either alone or in combination with other drugs.

14 (B) Cardiovascular preparations, including single entity or
15 combination products containing diuretics, cardiac glycosides,
16 antianginal agents, antiarrhythmic agents, channel calcium
17 blocking agents, peripheral vasodilators, beta-adrenergic
18 blocking agents, alpha/beta-adrenergic blocking agents,
19 antihypertensives, antihyperlipidemics, antiplatelet agents,
20 coagulants and anticoagulants.

21 (C) Antidiabetic agents.

22 (D) Anticonvulsants.

23 (E) Psychotherapeutic drugs, including forms of antianxiety
24 agents, antidepressants and antipsychotic agents.

25 (F) Antineoplastic agents.

26 (G) Antiglaucoma agents, including oral and ophthalmic
27 products.

28 (H) Antiparkinson agents.

29 (I) Family planning drugs.

30 (J) Acquired immune deficiency syndrome (AIDS) specific

1 drugs.

2 (K) Asthma specific drugs, including oral and inhalation
3 bronchodilators and antiasthmatic combinations.

4 (L) Ulcer medications, limited to oral and parenteral forms
5 of histamine H2 antagonists, misoprostol, omeprazole and
6 sulcralfate.

7 (M) Pain medication, including oral, parenteral, rectal and
8 topical products of analgesics, anti-inflammatory agents and
9 antirheumatic agents.

10 (N) Insulin.

11 (O) All medically necessary childhood immunizations.

12 (xiii) Inpatient psychiatric care.

13 (xiv) Medical equipment, supplies, prostheses, orthoses and
14 appliances.

15 (4) The insurer shall not impose any waiting period for
16 benefits, or otherwise reduce or restrict benefits, for any
17 claim that is the result of a high-risk condition.

18 (5) The insurer shall refund to the insured a portion of the
19 premium for coverage of an eligible person if the person locates
20 any item or service, which item or service was not received by
21 or rendered to the person. Every insurer that agrees to
22 participate shall document that it has a utilization review
23 process and a claims audit process whereby a patient may
24 challenge a questionable item or service. The insurance company
25 would be allowed to collect this amount from the health care
26 provider.

27 Section 495.5. Reimbursement of Insurers.--Within thirty
28 days after receipt of a valid proof of eligibility and request
29 for reimbursement from an insurer, the department shall issue
30 payment to the insurer in the amount of the premium.

1 Section 495.6. Duties of Department.--The department shall:

2 (1) Administer and implement the program.

3 (2) Monitor the operation of the program.

4 (3) Disseminate to the insurer and to the public information
5 concerning the program and the persons eligible to receive
6 benefits under the program.

7 (4) Implement a system to provide information and guidance
8 to all persons eligible under the program relative to the
9 program's procedures and the selection of the most appropriate
10 benefits under a health insurance or health care policy or
11 contract.

12 (5) Implement a system whereby a portion of the premium for
13 coverage of an eligible person shall be refunded by the insurer
14 to the person if the person locates any item or service, which
15 item or service was not received by or rendered to the person.
16 The insurer shall be allowed to collect this amount from the
17 health care provider.

18 (6) Continuously evaluate the program. The department shall
19 be required to contract for and complete an analysis of the
20 pilot program, measuring its delivery of and access to quality
21 health care in a cost-effective manner. A report on the
22 evaluation shall be submitted to the Governor and the General
23 Assembly detailing the findings and recommendations of the
24 evaluation at the close of the three-year program. The report
25 shall include, but not be limited to, the following:

26 (i) Cost-effectiveness of the pilot project as compared to
27 the current medical assistance program for both cost of care and
28 administration.

29 (ii) Improvement in access to the health care delivery
30 system.

1 (iii) Maintenance of or improvement of the standard of
2 quality care delivered to this population.

3 Section 495.7. Employer Buy-in.--Employers who hire current
4 medical assistance voucher recipients shall be permitted to
5 provide health care coverage for the employee by buying into the
6 remaining term of the medical assistance recipient's health
7 plan. The amount of the plan would be prorated for the number of
8 months remaining in the current year of coverage.

9 Section 495.8. Employer Responsibility.--If an employer
10 offers health care coverage to employees, the employer shall
11 extend coverage to, or continue coverage of, an employee or an
12 employee's dependents who are eligible to receive benefits
13 provided under this subarticle.

14 Section 495.9. Rules and Regulations.--The department shall
15 promulgate rules and regulations to carry out this subarticle.
16 These shall include, but not be limited to, provisions relating
17 to the development of the program, procedures for determining
18 eligibility under the program, the specific geographic regions
19 chosen, issuance of proof of eligibility, determinations of
20 reimbursable premium amount and procedures for the reimbursement
21 of insurers. These regulations shall be promulgated within six
22 months of the enactment of this legislation.

23 Section 8. Within 90 days of the effective date of this act,
24 the Department of Public Welfare shall submit to the appropriate
25 Federal agency a request for any and all waivers of Federal law
26 and regulations and for any other approvals by the Federal
27 Government necessary for the implementation of the programs
28 added by this act. It shall be the obligation of the Department
29 of Public Welfare to enter into good faith negotiations with the
30 appropriate Federal authorities and to make every effort to

1 obtain the necessary Federal waivers and approvals.

2 Section 9. All references in this act to the Community Work
3 Program shall be deemed to be references to the Workfare
4 Program.

5 Section 10. This act shall take effect as follows:

6 (1) The addition of sections 494 through 494.7 of the
7 act shall take effect in 12 months.

8 (2) The addition of section 494.8 of the act shall take
9 effect immediately.

10 (3) This section shall take effect immediately.

11 (4) The remainder of this act shall take effect in 60
12 days.