

LEGISLATURE OF NEBRASKA  
ONE HUNDREDTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 818**

Introduced by Avery, 28.

Read first time January 10, 2008

Committee: Health and Human Services

A BILL

1 FOR AN ACT relating to medical assistance; to amend sections  
2 68-915, 68-1713, and 68-1724, Revised Statutes  
3 Supplement, 2007; to change provisions relating to  
4 eligibility; to harmonize provisions; and to repeal the  
5 original sections.

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

1           Section 1. Section 68-915, Revised Statutes Supplement,  
2 2007, is amended to read:

3           68-915 The following persons shall be eligible for  
4 medical assistance:

5           (1) Dependent children as defined in section 43-504;

6           (2) Aged, blind, and disabled persons as defined in  
7 sections 68-1002 to 68-1005;

8           (3) Children under nineteen years of age who are eligible  
9 under section 1905(a)(i) of the federal Social Security Act;

10          (4) Persons who are presumptively eligible as allowed  
11 under sections 1920 and 1920B of the federal Social Security Act;

12          (5) Children under nineteen years of age and pregnant  
13 women with a family income equal to or less than ~~one~~ two hundred  
14 ~~eighty-five~~ percent of the Office of Management and Budget income  
15 poverty guideline, as allowed under Title XIX and Title XXI of  
16 the federal Social Security Act, without regard to resources.

17 Children described in this subdivision and subdivision (6) of this  
18 section shall remain eligible for ~~six~~ twelve consecutive months  
19 from the date of initial eligibility prior to redetermination  
20 of eligibility; ~~— The department may review eligibility monthly~~  
21 ~~thereafter pursuant to rules and regulations adopted and~~  
22 ~~promulgated by the department. The department may determine upon~~  
23 ~~such review that a child is ineligible for medical assistance if~~  
24 ~~such child no longer meets eligibility standards established by the~~  
25 ~~department;~~

1           (6) For purposes of Title XIX of the federal Social  
2 Security Act as provided in subdivision (5) of this section,  
3 children with a family income as follows:

4           (a) Equal to or less than one hundred fifty percent of  
5 the Office of Management and Budget income poverty guideline with  
6 eligible children one year of age or younger;

7           (b) Equal to or less than one hundred thirty-three  
8 percent of the Office of Management and Budget income poverty  
9 guideline with eligible children over one year of age and under six  
10 years of age; or

11           (c) Equal to or less than one hundred percent of the  
12 Office of Management and Budget income poverty guideline with  
13 eligible children six years of age or older and less than nineteen  
14 years of age;

15           (7) Persons who are medically needy caretaker relatives  
16 as allowed under 42 U.S.C. 1396d(a)(ii);

17           (8) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii),  
18 disabled persons as defined in section 68-1005 with a family income  
19 of less than two hundred fifty percent of the Office of Management  
20 and Budget income poverty guideline and who, but for earnings in  
21 excess of the limit established under 42 U.S.C. 1396d(q)(2)(B),  
22 would be considered to be receiving federal Supplemental Security  
23 Income. The department shall apply for a waiver to disregard any  
24 unearned income that is contingent upon a trial work period in  
25 applying the Supplemental Security Income standard. Such disabled

1 persons shall be subject to payment of premiums as a percentage of  
2 family income beginning at not less than two hundred percent of  
3 the Office of Management and Budget income poverty guideline. Such  
4 premiums shall be graduated based on family income and shall not be  
5 less than two percent or more than ten percent of family income;  
6 and

7 (9) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii),  
8 persons who:

9 (a) Have been screened for breast and cervical cancer  
10 under the Centers for Disease Control and Prevention breast and  
11 cervical cancer early detection program established under Title XV  
12 of the federal Public Health Service Act, 42 U.S.C. 300k et seq.,  
13 in accordance with the requirements of section 1504 of such act, 42  
14 U.S.C. 300n, and who need treatment for breast or cervical cancer,  
15 including precancerous and cancerous conditions of the breast or  
16 cervix;

17 (b) Are not otherwise covered under creditable coverage  
18 as defined in section 2701(c) of the federal Public Health Service  
19 Act, 42 U.S.C. 300gg(c);

20 (c) Have not attained sixty-five years of age; and

21 (d) Are not eligible for medical assistance under any  
22 mandatory categorically needy eligibility group.

23 Eligibility shall be determined under this section  
24 using an income budgetary methodology that determines children's  
25 eligibility at no greater than ~~one~~ two hundred ~~eighty-five~~ percent

1 of the Office of Management and Budget income poverty guideline and  
2 adult eligibility using adult income standards no greater than the  
3 applicable categorical eligibility standards established pursuant  
4 to state or federal law. The department shall determine eligibility  
5 under this section pursuant to such income budgetary methodology  
6 and subdivision (1)(q) of section 68-1713.

7           Sec. 2. Section 68-1713, Revised Statutes Supplement,  
8 2007, is amended to read:

9           68-1713 (1) The Department of Health and Human Services  
10 shall implement the following policies:

11           (a) Permit Work Experience in Private for-Profit  
12 Enterprises;

13           (b) Permit Job Search;

14           (c) Permit Employment to be Considered a Program  
15 Component;

16           (d) Make Sanctions More Stringent to Emphasize  
17 Participant Obligations;

18           (e) Alternative Hearing Process;

19           (f) Permit Adults in Two-Parent Households to Participate  
20 in Activities Based on Their Self-Sufficiency Needs;

21           (g) Eliminate Exemptions for Individuals with Children  
22 Between the Ages of 12 Weeks and Age Six;

23           (h) Providing Poor Working Families with Transitional  
24 Child Care to Ease the Transition from Welfare to Self-Sufficiency;

25           (i) Provide Transitional Health Care for 12 Months After

1 Termination of ADC if funding for such transitional medical  
2 assistance is available under Title XIX of the federal Social  
3 Security Act, as amended, as described in section 68-906;

4 (j) Require Adults to Ensure that Children in the Family  
5 Unit Attend School;

6 (k) Encourage Minor Parents to Live with Their Parents;

7 (l) Establish a Resource Limit of \$4,000 for a single  
8 individual and \$6,000 for two or more individuals for ADC;

9 (m) Exclude the Value of One Vehicle Per Family When  
10 Determining ADC Eligibility;

11 (n) Exclude the Cash Value of Life Insurance Policies in  
12 Calculating Resources for ADC;

13 (o) Establish Food Stamps as a Continuous Benefit with  
14 Eligibility Reevaluated with Yearly Redeterminations;

15 (p) Establish a Budget the Gap Methodology Whereby  
16 Countable Earned Income is Subtracted from the Standard of the  
17 Need and Payment is Based on the Difference or Maximum Payment  
18 Level, Whichever is Less. That this Gap be Established at a Level  
19 that Encourages Work but at Least at a Level that Ensures that  
20 Those Currently Eligible for ADC do not Lose Eligibility Because of  
21 the Adoption of this Methodology;

22 (q) Adopt an Earned Income Disregard of Twenty Percent of  
23 Gross Earnings in the ADC Program and One Hundred Dollars in the  
24 Related Medical Assistance Program;

25 (r) Disregard Financial Assistance Received Intended for

1 Books, Tuition, or Other Self-Sufficiency Related Use;

2 (s) Culture: Eliminate the 100-Hour Rule, The Quarter of  
3 Work Requirement, and The 30-Day Unemployed/Underemployed Period  
4 for ADC-UP Eligibility; and

5 (t) Make ADC a Time-Limited Program.

6 (2) The Department of Health and Human Services shall (a)  
7 apply for a waiver to allow for a sliding-fee schedule for the  
8 population served by the caretaker relative program or (b) pursue  
9 other public or private mechanisms, to provide for transitional  
10 health care benefits to individuals and families who do not  
11 qualify for cash assistance. It is the intent of the Legislature  
12 that transitional health care coverage be made available on a  
13 sliding-scale basis to individuals and families with incomes up to  
14 ~~one~~ two hundred ~~eighty-five~~ percent of the federal poverty level if  
15 other health care coverage is not available.

16 Sec. 3. Section 68-1724, Revised Statutes Supplement,  
17 2007, is amended to read:

18 68-1724 (1) Cash assistance shall be provided for a  
19 period or periods of time not to exceed a total of sixty months for  
20 recipient families with children subject to the following:

21 (a) If the state fails to meet the specific terms of  
22 the self-sufficiency contract developed under section 68-1719,  
23 the sixty-month time limit established in this section shall be  
24 extended;

25 (b) The sixty-month time period for cash assistance shall

1 begin within the first month of eligibility;

2 (c) When no longer eligible to receive cash assistance,  
3 assistance shall be available to reimburse work-related child care  
4 expenses even if the recipient family has not achieved economic  
5 self-sufficiency. The amount of such assistance shall be based on a  
6 cost-shared plan between the recipient family and the state which  
7 shall provide assistance up to ~~one~~ two hundred ~~eighty-five~~ percent  
8 of the federal poverty level for up to twenty-four months. A  
9 recipient family may be required to contribute up to twenty percent  
10 of such family's gross income for child care. It is the intent  
11 of the Legislature that transitional health care coverage be made  
12 available on a sliding-scale basis to individuals and families with  
13 incomes up to ~~one~~ two hundred ~~eighty-five~~ percent of the federal  
14 poverty level if other health care coverage is not available; and

15 (d) The self-sufficiency contract shall be revised and  
16 cash assistance extended when there is no job available for  
17 adult members of the recipient family. It is the intent of the  
18 Legislature that available job shall mean a job which results in  
19 an income of at least equal to the amount of cash assistance that  
20 would have been available if receiving assistance minus unearned  
21 income available to the recipient family.

22 The department shall develop policy guidelines to allow  
23 for cash assistance to persons who have received the maximum  
24 cash assistance provided by this section and who face extreme  
25 hardship without additional assistance. For purposes of this



1 section, extreme hardship means a recipient family does not have  
2 adequate cash resources to meet the costs of the basic needs of  
3 food, clothing, and housing without continuing assistance or the  
4 child or children are at risk of losing care by and residence with  
5 their parent or parents.

6 (2) Cash assistance conditions under the Welfare Reform  
7 Act shall be as follows:

8 (a) Adults in recipient families shall mean individuals  
9 at least nineteen years of age living with and related to a  
10 child eighteen years of age or younger and shall include parents,  
11 siblings, uncles, aunts, cousins, or grandparents, whether the  
12 relationship is biological, adoptive, or step;

13 (b) The payment standard shall be based upon family size;

14 (c) The adults in the recipient family shall ensure that  
15 the minor children regularly attend school. Education is a valuable  
16 personal resource. The cash assistance provided to the recipient  
17 family may be reduced when the parent or parents have failed to  
18 take reasonable action to encourage the minor children of the  
19 recipient family ages sixteen and under to regularly attend school.  
20 No reduction of assistance shall be such as may result in extreme  
21 hardship. It is the intent of the Legislature that a process be  
22 developed to insure communication between the case manager, the  
23 parent or parents, and the school to address issues relating to  
24 school attendance;

25 (d) Two-parent families which would otherwise be eligible

1 under section 43-504 or a federally approved waiver shall receive  
2 cash assistance under this section;

3 (e) For minor parents, the assistance payment shall be  
4 based on the minor parent's income. If the minor parent lives  
5 with at least one parent, the family's income shall be considered  
6 in determining eligibility and cash assistance payment levels for  
7 the minor parent. If the minor parent lives independently, support  
8 shall be pursued from the parents of the minor parent. If the  
9 absent parent of the minor's child is a minor, support from his or  
10 her parents shall be pursued. Support from parents as allowed under  
11 this subdivision shall not be pursued when the family income is  
12 less than three hundred percent of the federal poverty guidelines;  
13 and

14 (f) For adults who are not biological or adoptive  
15 parents or stepparents of the child or children in the family,  
16 if assistance is requested for the entire family, including the  
17 adults, a self-sufficiency contract shall be entered into as  
18 provided in section 68-1719. If assistance is requested for only  
19 the child or children in such a family, such children shall be  
20 eligible after consideration of the family's income and if (i)  
21 the family cooperates in pursuing child support and (ii) the minor  
22 children of the family regularly attend school.

23 Sec. 4. Original sections 68-915, 68-1713, and 68-1724,  
24 Revised Statutes Supplement, 2007, are repealed.