

# Informational Pamphlet

**Initiative Measure No. 427**

**Appearing on the 2018 General Election Ballot**



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This pamphlet is intended to provide the voters of Nebraska with additional information about a measure proposed by the initiative petition process that will appear on the General Election ballot, Tuesday, November 6, 2018.

The measure contains three portions: the text of the measure, the language which will appear on the ballot in November, and arguments supporting and opposing the measure. The arguments are derived from information received from supporters and opponents of this measure provided to the Secretary of State.

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## Table of Contents

<b>Ballot Title and Text.....</b>	<b>2</b>
<b>Full Text of Proposed Measure.....</b>	<b>3</b>
<b>Arguments FOR and AGAINST .....</b>	<b>8</b>

## Ballot Title and Text for Initiative Measure 427

Initiative ordered by Petition of the People

Initiative No. 427

*A vote "FOR" will amend Nebraska statutes to provide that the state shall amend its Medicaid state plan to expand eligibility for medical assistance to cover certain adults ages 19 through 64 whose incomes are one hundred thirty-eight percent (138%) of the federal poverty level or below as defined by federal law, and to maximize federal financial participation to fund their care.*

*A vote "AGAINST" will not cause Nebraska statutes to be amended in such manner.*

Shall Nebraska statutes be amended to provide that the state shall amend its Medicaid state plan to expand eligibility for medical assistance to cover certain adults ages 19 through 64 whose incomes are one hundred thirty-eight percent (138%) of the federal poverty level or below as defined by federal law, and to maximize federal financial participation to fund their care?

- FOR
- AGAINST

## Object Statement

**TITLE:** A Statutory change to add Section 2 to Section 68-901 of the Revised Statutes of Nebraska to provide that the state shall amend its Medicaid state plan to expand eligibility to cover certain adults ages 19 through 64 whose incomes are one-hundred thirty-eight percent (138%) of the federal poverty level or below as defined and authorized by federal law, and to maximize federal financial participation to fund their care.

(underscored language indicates added language, ~~strike-through~~ indicates language being removed)

## Proposed Text of Statutory Initiative Petition

**TEXT:** FOR AN ACT relating to the Medical Assistance Act; to amend section 68-915, Revised Statutes Cumulative Supplement, 2016, and section 68-901, Revised Statutes Supplement, 2017; to change provisions relating to eligibility for medicaid; to harmonize provisions; to provide severability; and to repeal the original sections.

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

Section 1. Section 68-901, Revised Statutes Supplement, 2017, is amended to read:

68-901 Sections 68-901 to 68-991 and section 2 of this act shall be known and may be cited as the Medical Assistance Act.

Sec. 2. (1) Eligibility for medical assistance shall be expanded to include certain adults ages nineteen through sixty-four whose income is equal to or less than one hundred thirty-eight percent of the federal poverty level, as authorized and using the income methodology defined by 42 U.S.C. 1396a(a)(10)(A)(i)(VIII) and related federal regulations and guidance, as such statute, regulations, and guidance existed on January 1, 2018.

(2) On or before April 1, 2019, in order to ensure that eligibility for medical assistance is expanded as required by this section, the Department of Health and Human Services shall submit

a state plan amendment and all other necessary documents seeking required approvals or waivers to the federal Centers for Medicare and Medicaid Services.

(3) The Department of Health and Human Services shall take all actions necessary to maximize federal financial participation in funding medical assistance pursuant to this section.

(4) No greater or additional burdens or restrictions on eligibility, enrollment, benefits, or access to health care services shall be imposed on persons eligible for medical assistance pursuant to this section than on any other population eligible for medical assistance.

(5) This section shall apply notwithstanding any other provision of law or federal waiver.

Sec. 3. Section 68-915, Revised Statutes Cumulative Supplement, 2016, is amended to read:

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

- (1) Dependent children as defined in section 43-504;
- (2) Aged, blind, and disabled persons as defined in sections 68-1002 to 68-1005;
- (3) Children under nineteen years of age who are eligible under section 1905(a)(i) of the federal Social Security Act;
- (4) Persons who are presumptively eligible as allowed under sections 1920 and 1920B of the federal Social Security Act;
- (5) Children under nineteen years of age with a family income equal to or less than two hundred percent of the Office of Management and Budget income poverty guideline, as allowed under Title XIX and Title XXI of the federal Social Security Act, without regard to resources, and pregnant women with a family income equal to or less than one hundred eighty-five percent of the Office of Management and Budget income poverty guideline, as allowed under Title XIX and Title XXI of the federal Social Security Act, without regard to resources. Children described in this subdivision and subdivision (6) of this section shall remain eligible for six consecutive months from the date of initial eligibility prior to redetermination of eligibility. The department

may review eligibility monthly thereafter pursuant to rules and regulations adopted and promulgated by the department. The department may determine upon such review that a child is ineligible for medical assistance if such child no longer meets eligibility standards established by the department;

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

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

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

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

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

(8) As allowed under 42 U.S.C. 1396a(a)(10)(A)(ii), disabled persons as defined in section 68-1005 with a family income of less than two hundred fifty percent of the Office of Management and Budget income poverty guideline and who, but for earnings in excess of the limit established under 42 U.S.C. 1396d(q)(2)(B), would be considered to be receiving federal Supplemental Security Income. The department shall apply for a waiver to disregard any unearned income that is contingent upon a trial work period in applying the Supplemental Security Income standard. Such disabled persons shall be subject to payment of premiums as a percentage of family income beginning at not less than two hundred percent of the Office of

Management and Budget income poverty guideline. Such premiums shall be graduated based on family income and shall not be less than two percent or more than ten percent of family income;

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

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

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

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

(d) Are not eligible for medical assistance under any mandatory categorically needy eligibility group; ~~and~~

(10) Persons eligible for services described in subsection (3) of section 68-972; and

(11) Persons eligible pursuant to section 2 of this act.

Except as provided in section 68-972, eligibility shall be determined under this section using an income budgetary methodology that determines children's eligibility at no greater than two hundred percent of the Office of Management and Budget income poverty guideline and adult eligibility using adult income standards no greater than the applicable categorical eligibility standards established pursuant to state or federal law. The department shall determine eligibility under this section pursuant to such income budgetary methodology and subdivision (1)(q) of section 68-1713.

Sec. 4. If any section in this act or any part of any section is declared invalid or unconstitutional, the declaration shall not affect the validity or constitutionality of the remaining portions.

Sec. 5. Original section 68-915, Revised Statutes Cumulative Supplement, 2016, and section 68-901, Revised Statutes Supplement, 2017, are repealed.

## **ARGUMENTS FOR AND AGAINST INITIATIVE MEASURE 427**

### **SUPPORTERS CONTEND:**

Initiative 427 will provide healthcare to 90,000 Nebraskans who work at jobs that don't provide health insurance. No one should have to decide if they can afford life-saving care like cancer treatment or heart medication. This will help hard working individuals making less than \$17,000 a year, including people with disabilities, veterans, and working mothers, in industries like restaurant, construction, agriculture, and home health care, to obtain insurance. This initiative will create 10,000 jobs and bring \$600 million of our tax dollars back to Nebraska, where they belong. It will help keep rural hospitals open, and lower property taxes when counties no longer have to pay for the uninsured, while generating \$1.1 billion of new economic activity annually.

### **OPPONENTS CONTEND:**

Medicaid was designed to support our society's most vulnerable: our young, elderly, and disabled. This fundamental principle has been placed at risk by states that expanded Medicaid under Obamacare through unsustainable burdens on taxpayers and crowded-out resources for Medicaid's intended populations. Expansion enrollees are prioritized because they are reimbursed at a higher percentage than those for whom Medicaid was intended. Expansion enrollment spending has far outpaced estimates – per patient costs in the first year of expansion have been 49% higher than projected. Consequently, Medicaid expansion states are now looking for ways to close massive budget gaps by raising taxes, scaling back services, exploring the removal of expansion altogether, or adding work requirements. We have better options available than risking the services for our most vulnerable.