

HCS HB 925 -- MEDICAL ASSISTANCE

SPONSOR: Allen

COMMITTEE ACTION: Voted "Do Pass" by the Special Standing Committee on Emerging Issues in Health Care by a vote of 8 to 0.

This substitute changes the laws regarding medical assistance. The Department of Social Services must maximize the use of prepaid health plans and other alternative service delivery and reimbursement methodologies, including individual primary care physician sponsors or specialty physician services arrangements, to facilitate the cost-effective purchase of comprehensive health care, but must not include pharmacy benefits and services.

A prepaid health plan must not provide:

- (1) Pharmacy benefits;
- (2) All benefits and services currently provided by a community psychiatric rehabilitation provider or a comprehensive substance abuse treatment and rehabilitation provider under the Medicaid rehabilitation state plan option; and
- (3) All benefits and services subject to the clinical upper payment limit under the clinic upper payment limit state plan approved by the Centers for Medicare and Medicaid Services that are provided by privately owned and operated community mental health centers acting as administrative entities for the Department of Mental Health. A community mental health center may be a designated entry and exit point for the department and is required to provide a comprehensive array of services to any department patients in its designated service areas who seek care.

For care coordination and disease management, a prepaid health plan or other alternative service delivery entity must be required to provide MO HealthNet with: an electronic notice of any authorization or denial of an initial request of coverage of inpatient admission within 24 hours of receiving the request; and an electronic copy of all other claims within 10 days of the initial submission and payment of the claim.

The substitute requires the Department of Social Services to purchase medical services for public assistance recipients from prepaid health plans, accountable care organizations, health maintenance organizations, health insuring organizations, preferred provider organizations, individual practice associations, local health units, community health centers, community mental health centers, or primary care physician sponsors. The department or its

designated division must, when possible, ensure that publicly supported community mental health centers are utilized as providers, as long as it is consistent with quality of care and cost factors. The department must ensure reasonable access to medical services in all geographic areas of Missouri.

The substitute requires the Department of Mental Health to, consistent with the department's constitutional role as the state's mental health authority, collaborate with MO HealthNet to determine by mutual consent:

(1) A sub-capitation rate for behavioral health within the overall capitation rate at a level that will sufficiently support reasonable access to service, good quality of care, and is consistent with the rate for similar populations nationally;

(2) All requests for proposal language for managed care procurement related to behavioral health benefits;

(3) The definition of medical necessity for behavioral health benefits; and

(4) Mutually developed protocols to assure the quality of behavioral health services delivered through capitated managed care plans.

PROPOSERS: Supporters of the bill say that the goal is to blanket the entire state in managed care. There are currently 54 counties in a managed care model and the other 60 counties are a fee-for-service model. Managed care has the ability to focus on better outcomes and also helps to save taxpayer money. Managed care allows for proactive care management for high risk recipients, including high risk pregnancy, diabetes, and juvenile asthma.

Testifying for the bill were Representative Allen; Shannon Bagley, Home State Health Plan; Joy Krieger, RN, Asthma and Allergy Foundation; and Lowynta Chambers.

OPPOSERS: Those who oppose the bill say that health care homes are also good at managing care. Hospitals want to manage care better but there are other models that can manage patient care effectively and efficiently. The bill is an ongoing project and can be improved.

Testifying against the bill were Missouri Hospital Association; Missouri Pharmacy Association; and Missouri Retailers Association

OTHERS: Others testifying on the bill say it could be improved by carving out pharmacy services, carving out care management and

coordination by the Department of Mental Health, and providing ways to operationalize the department in conjunction with the MO HealthNet program. In addition, it is harder to provide mental health services with the managed care model because the department has significantly less access to patient information. The bill should include the PACE program, which is managed care for the elderly population and provides them with health care, as well as dental care and meals.

Testifying on the bill were Joe Parks, M.D., Department of Mental Health and Leading Age Missouri.