

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 577

BY HEALTH AND WELFARE COMMITTEE

AN ACT

RELATING TO MEDICAID; AMENDING SECTION 56-263, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING DIRECTED PAYMENTS TO QUALIFYING HOSPITALS PARTICIPATING IN MEDICAID MANAGED CARE AND TO MAKE TECHNICAL CORRECTIONS; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 56-263, Idaho Code, be, and the same is hereby amended to read as follows:

56-263. MEDICAID MANAGED CARE PLAN. (1) The department shall present to the legislature on the first day of the second session of the sixty-first Idaho legislature a plan for medicaid managed care with focus on high-cost populations, including, but not limited to:

- (a) Dual eligibles; and
  - (b) High-risk pregnancies.
- (2) The medicaid managed care plan shall include, but not be limited to, the following elements:
- (a) Improved coordination of care through primary care medical homes.
  - (b) Approaches that improve coordination and provide case management for high-risk, high-cost disabled adults and children that reduce costs and improve health outcomes, including mandatory enrollment in special needs plans, and that consider other managed care approaches.
  - (c) Managed care contracts to pay for behavioral health benefits as described in executive order ~~number~~ no. 2011-01 and in any implementing legislation. At a minimum, the system should include independent, standardized, statewide assessment and evidence-based benefits provided by businesses that meet national accreditation standards.
  - (d) The elimination of duplicative practices that result in unnecessary utilization and costs.
  - (e) Contracts based on gain-sharing, risk-sharing or a capitated basis.
  - (f) Medical home development with focus on populations with chronic disease using a tiered case management fee.

(3) The department shall seek federal approval or a waiver to require that a medicaid participant who has a medical home as required in section 56-255(5) (b), Idaho Code, and who seeks family planning services or supplies from a provider outside the participant's medical home, must have a referral to such outside provider. The provisions of this subsection shall apply to medicaid participants upon such approval or the granting of such a waiver.

(4) The department shall seek approval as soon as practicable but no later than July 1, 2027, from the centers for medicare and medicaid services for directed payments to qualifying hospitals participating in the Idaho behavioral health plan in accordance with 42 CFR 438.

1       (5) Subject to written approval by the centers for medicare and medic-  
2 aid services, the department shall make directed payments to qualifying hos-  
3 pitals participating in medicaid managed care programs in an amount not to  
4 exceed the maximum allowable payment authorized by federal regulations.

5       (6) Qualifying hospitals assessed pursuant to this section are exempt  
6 from assessment pursuant to section 56-1404, Idaho Code.

7       SECTION 2. An emergency existing therefor, which emergency is hereby  
8 declared to exist, this act shall be in full force and effect on and after  
9 July 1, 2024.