

**HOUSE . . . . . No. 1019**

---

The Commonwealth of Massachusetts

PRESENTED BY:

*Paul J. Donato*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act making greater use of managed care in Medicaid.

PETITION OF:

NAME:

DISTRICT/ADDRESS:

*Paul J. Donato*

*35th Middlesex*

*Thomas M. Stanley*

*9th Middlesex*

**HOUSE . . . . . No. 1019**

By Mr. Donato of Medford, a petition (accompanied by bill, House, No. 1019) of Paul J. Donato and Thomas M. Stanley that the office of Medicaid be authorized to transition certain providers away from fee-for-service models of payment and towards greater use of alternative payment methods. Health Care Financing.

**The Commonwealth of Massachusetts**

**In the Year Two Thousand Thirteen**

An Act making greater use of managed care in Medicaid.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 Chapter 224 of the Acts of 2012 is hereby amended by striking Section 261 in its entirety,  
2 and inserting in its place thereof, the following new Section:-

3 SECTION 261. Notwithstanding and special or general law to the contrary and to the  
4 greatest extent possible, the office of Medicaid shall transition providers who are capable of such  
5 a transition, away from fee-for-service models of payment, and towards greater use of alternative  
6 payment methods including but not limited to shared savings, bundled or episodic payments, or  
7 global payments. In developing such a program, the office of Medicaid shall consult with and  
8 the Medicaid managed care organizations, Senior Care Options plans, PACE plans, and  
9 Medicaid Medicare Integrated Plans under contract with the commonwealth to provide services  
10 to beneficiaries, and to the greatest extent possible utilize said Medicaid managed care  
11 organizations, Senior Care Options plans, PACE plans, and Medicaid Medicare Integrated Plans  
12 in implementing the requirements of this section.

13 In making the transition to alternative payment methodologies, the office of Medicaid,  
14 along with the Medicaid managed care organizations, shall achieve the following benchmarks, to  
15 the maximum extent feasible:

16 (i) Not later than July 1, 2013, reimbursement for at least 25 per cent of MassHealth  
17 enrollees that are not also covered by other health insurance coverage, including Medicare and  
18 employer-sponsored or privately purchased insurance shall be based on an alternative payment  
19 arrangement for members.

20           (ii) Not later than July 1, 2014, reimbursement for at least 50 per cent of MassHealth  
21 enrollees that are not also covered by other health insurance coverage, including Medicare and  
22 employer-sponsored or privately purchased insurance shall be based on an alternative payment  
23 arrangement for members.

24           (iii) Not later than July 1, 2015, reimbursement for at least 80 per cent of MassHealth  
25 enrollees that are not also covered by other health insurance coverage, including Medicare and  
26 employer-sponsored or privately purchased insurance shall be based on an alternative payment  
27 arrangement for members