

SECOND REGULAR SESSION

HOUSE BILL NO. 1876

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HAEFNER.

5258H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 208.166, RSMo, and to enact in lieu thereof one new section relating to MO HealthNet benefits for medically complex children.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 208.166, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 208.166, to read as follows:

208.166. 1. As used in this section, the following terms mean:

- 2 (1) "Department", the Missouri department of social services;
- 3 (2) "Prepaid capitated", a mode of payment by which the department periodically
4 reimburse a contracted health provider plan or primary care physician sponsor for delivering
5 health care services for the duration of a contract to a maximum specified number of members
6 based on a fixed rate per member, notwithstanding:
 - 7 (a) The actual number of members who receive care from the provider; or
 - 8 (b) The amount of health care services provided to any members;
- 9 (3) "Primary care case-management", a mode of payment by which the department
10 reimburses a contracted primary care physician sponsor on a fee-for-service schedule plus a
11 monthly fee to manage each recipient's case;
- 12 (4) "Primary care physician sponsor", a physician licensed pursuant to chapter 334 who
13 is a family practitioner, general practitioner, pediatrician, general internist or an obstetrician or
14 gynecologist;
- 15 (5) "Specialty physician services arrangement", an arrangement where the department
16 may restrict recipients of specialty services to designated providers of such services, even in the
17 absence of a primary care case-management system.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 2. The department or its designated division shall maximize the use of prepaid health
19 plans, where appropriate, and other alternative service delivery and reimbursement
20 methodologies, including, but not limited to, individual primary care physician sponsors or
21 specialty physician services arrangements, designed to facilitate the cost-effective purchase of
22 comprehensive health care.

23 3. In order to provide comprehensive health care, the department or its designated
24 division shall have authority to:

25 (1) Purchase medical services for recipients of public assistance from prepaid health
26 plans, health maintenance organizations, health insuring organizations, preferred provider
27 organizations, individual practice associations, local health units, community health centers,
28 **pediatric care networks as described in this section**, or primary care physician sponsors;

29 (2) Reimburse those health care plans or primary care physicians' sponsors who enter
30 into direct contract with the department on a prepaid capitated or primary care case-management
31 basis on the following conditions:

32 (a) That the department or its designated division shall ensure, whenever possible and
33 consistent with quality of care and cost factors, that publicly supported neighborhood and
34 community-supported health clinics shall be utilized as providers;

35 (b) That the department or its designated division shall ensure reasonable access to
36 medical services in geographic areas where managed or coordinated care programs are initiated;
37 and

38 (c) That the department shall ensure full freedom of choice for prescription drugs at any
39 Medicaid participating pharmacy;

40 (3) Limit providers of medical assistance benefits to those who demonstrate efficient and
41 economic service delivery for the level of service they deliver, and provided that such limitation
42 shall not limit recipients from reasonable access to such levels of service;

43 (4) Provide recipients of public assistance with alternative services as provided for in
44 state law, subject to appropriation by the general assembly;

45 (5) Designate providers of medical assistance benefits to assure specifically defined
46 medical assistance benefits at a reduced cost to the state, to assure reasonable access to all levels
47 of health services and to assure maximization of federal financial participation in the delivery
48 of health related services to Missouri citizens; provided, all qualified providers that deliver such
49 specifically defined services shall be afforded an opportunity to compete to meet reasonable state
50 criteria and to be so designated;

51 (6) Upon mutual agreement with any entity of local government, to elect to use local
52 government funds as the matching share for Title XIX payments, as allowed by federal law or
53 regulation;

54 (7) To elect not to offset local government contributions from the allowable costs under
55 the Title XIX program, unless prohibited by federal law and regulation;

56 **(8) To advance the development of systems of care for medically complex children**
57 **who are recipients of MO HealthNet benefits by accepting cost-effective regional proposals**
58 **from and contracting with appropriate pediatric care networks, pediatric centers for**
59 **excellence, and medical homes for children to provide MO HealthNet benefits when the**
60 **department determines it is cost effective to do so.**

61 4. Nothing in this section shall be construed to authorize the department or its designated
62 division to limit the recipient's freedom of selection among health care plans or primary care
63 physician sponsors, as authorized in this section, who have entered into contract with the
64 department or its designated division to provide a comprehensive range of health care services
65 on a prepaid capitated or primary care case-management basis, except in those instances of
66 overutilization of Medicaid services by the recipient.

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