

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 440 Session of 2025

INTRODUCED BY SCIALABBA, GROVE AND ROWE, JANUARY 31, 2025

REFERRED TO COMMITTEE ON HUMAN SERVICES, JANUARY 31, 2025

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
 2 act to consolidate, editorially revise, and codify the public
 3 welfare laws of the Commonwealth," in public assistance,
 4 providing for prohibition on medical assistance managed care
 5 payment for provider-preventable conditions.

6 The General Assembly of the Commonwealth of Pennsylvania
 7 hereby enacts as follows:

8 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
 9 as the Human Services Code, is amended by adding a section to
 10 read:

11 Section 449.3. Prohibition on Medical Assistance Managed
 12 Care Payment for Provider-Preventable Conditions.--(a) A
 13 medical assistance managed care organization may not pay for
 14 provider-preventable conditions.

15 (b) As used in this section, the following words and phrases
 16 shall have the meanings given to them in this subsection:

17 "Medical assistance managed care organization" means a
 18 Medicaid managed care organization as defined under 42 U.S.C. §
 19 1396b(m)(1)(A) (relating to payment to states) that is a party
 20 to a Medicaid managed care agreement with the department to

1 provide physical or behavioral health services on a capitated
2 basis.

3 "Provider-preventable conditions" shall:

4 (1) Include the term as defined in 42 CFR 447.26 (relating
5 to prohibition on payment for provider-preventable conditions).

6 (2) Mean any conditions occurring in a health care setting
7 that meet the following criteria:

8 (i) is identified in the State plan in line with the fee-
9 for-service program;

10 (ii) has been found by the Commonwealth, based upon a review
11 of medical literature by qualified professionals, to be
12 reasonably preventable through the application of procedures
13 supported by evidence-based guidelines;

14 (iii) has a negative consequence for the patient;

15 (iv) is auditable; and

16 (v) includes, at a minimum, any of the following:

17 (A) a wrong surgical or other invasive procedure performed
18 on a patient;

19 (B) a surgical or other invasive procedure performed on the
20 wrong body part; or

21 (C) a surgical or other invasive procedure performed on the
22 wrong patient.

23 Section 2. This act shall take effect in 60 days.