

HCS HB 247 -- MO HEALTHNET MANAGED CARE

SPONSOR: Neely

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Health and Mental Health Policy by a vote of 13 to 0 with 1 present.

This bill requires any contract between the state and a vendor of prepaid capitated health services issued, reauthorized, or renewed after August 28, 2019, must incorporate the standards specified in the bill.

The Department of Social Services must accept regional plan proposals from provider-sponsored care management organizations as an option for coverage of beneficiaries. Such regional proposals may be submitted by coordinated care organizations (CCOs), which are organizations that are accountable for the quality, cost, coordination, and overall care of a defined group of MO HealthNet participants. The regional or statewide CCOs must use a shared savings-shared risk model, and the department must reimburse the CCOs through a global payment methodology, which may utilize a population-based mechanism based on a per-member, per-month calculation with risk-adjustment, risk sharing, and aligned payment incentives. The department may develop performance incentive payments designed to reward increased quality and decreased cost of care.

The State Auditor must conduct an annual evaluation of the savings and costs attributable to state government, political subdivisions, health care providers, and MO HealthNet participants following the expansion of MO HealthNet managed care on or after May 1, 2019. The annual evaluations must include an assessment of the financial implications attributable to the use of subcontractors by prepaid capitated health services to administer the delivery of health services, including behavioral health services, to MO HealthNet participants.

This bill is the same as HB 2199 (2018) and HB 684 (2017).

PROPONENTS: Supporters say that this bill will help regulate managed care organizations because there are very little oversight over managed care organizations; they are regulated by contracts with the state, not statute. Managed care organizations should act on behalf of the state with common standards.

Testifying for the bill were Representative Neely; Missouri Hospital Association; Wayne Lee; Missouri State Medical Association; St. Luke's Health System; SSM Health; and Missouri

Psychological Association.

OPPONENTS: Those who oppose the bill say that this bill is one sided because it only affects the managed care organizations and does not address standardizing the processes hospitals have to use to work with managed care organizations. This is a very complicated issue and not something that will be effectively solved with this bill.

Testifying against the bill was the Missouri Health Plan Association.