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SECOND SUBSTITUTE HOUSE BILL 2114

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State of Washington

61st Legislature

2009 Regular Session

**By** House Health & Human Services Appropriations (originally sponsored by Representatives Seaquist and Cody; by request of Governor Gregoire)

READ FIRST TIME 03/02/09.

1       AN ACT Relating to establishing a forum for testing primary care  
2 medical home reimbursement pilot projects; adding new sections to  
3 chapter 70.54 RCW; creating a new section; and providing an expiration  
4 date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6       NEW SECTION. **Sec. 1.** The legislature declares that collaboration  
7 among public payors, private health carriers, third party purchasers,  
8 and providers to identify appropriate reimbursement methods to align  
9 incentives in support of primary care medical homes is in the best  
10 interest of the public. The legislature therefore intends to exempt  
11 from state antitrust laws, and to provide immunity from federal  
12 antitrust laws through the state action doctrine, for activities  
13 undertaken pursuant to pilots designed and implemented under section 2  
14 of this act that might otherwise be constrained by such laws. The  
15 legislature does not intend and does not authorize any person or entity  
16 to engage in activities or to conspire to engage in activities that  
17 would constitute per se violations of state and federal antitrust laws  
18 including, but not limited to, agreements among competing health care

1 providers or health carriers as to the price or specific level of  
2 reimbursement for health care services.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 70.54 RCW  
4 to read as follows:

5 The health care authority and the department of social and health  
6 services shall design, oversee implementation, and evaluate one or more  
7 primary care medical home reimbursement pilot projects in the state to  
8 include as participants public payors, private health carriers, third  
9 party purchasers, and health care providers. Based on input from  
10 participants, the agencies shall:

11 (1) Determine the number and location of primary care medical home  
12 reimbursement pilots;

13 (2) Determine criteria to select primary care clinics to serve as  
14 pilot sites to facilitate testing of medical home reimbursement methods  
15 in a variety of primary care settings;

16 (3) Select pilot sites from those primary care provider clinics  
17 that currently employ a number of activities and functions typically  
18 associated with medical homes, or from sites that have been selected by  
19 the department of health to participate in a medical home collaborative  
20 under section 2, chapter 295, Laws of 2008;

21 (4) Determine one or more reimbursement methods to be tested by the  
22 pilots;

23 (5) Identify pilot performance measures for clinical quality,  
24 chronic care management, cost, and patient experience through patient  
25 self-reporting; and

26 (6) Appropriately coordinate during planning and operation of the  
27 pilots with the department of health medical home collaboratives and  
28 with other private and public efforts to promote adoption of medical  
29 homes within the state.

30 NEW SECTION. **Sec. 3.** A new section is added to chapter 70.54 RCW  
31 to read as follows:

32 The health care authority and the department of social and health  
33 services may select a pilot site that currently employs the following  
34 activities and functions associated with medical homes: Provision of  
35 preventive care, wellness counseling, primary care, coordination of  
36 primary care with specialty and hospital care, and urgent care

1 services; availability of office appointments seven days per week and  
2 e-mail and telephone consultation; availability of telephone access for  
3 urgent care consultation on a seven day per week, twenty-four hours per  
4 day basis; and use of a primary care provider panel size that promotes  
5 the ability of participating providers to appropriately provide the  
6 scope of services described in this section. The reimbursement method  
7 chosen for this pilot site shall include a fixed monthly payment per  
8 person participating in the pilot site for the services described in  
9 this section. These services would be provided without the submission  
10 of claims for payment from any health carrier by the medical home  
11 provider. Agreements for payment made directly by a consumer or other  
12 entity paying on the consumer's behalf shall comply with the provisions  
13 applicable to direct patient-provider primary care practices under  
14 chapter 48.150 RCW. In addition, the agencies may determine that the  
15 pilot should include a high deductible health plan or other health  
16 benefit plan designed to wrap around the primary care services offered  
17 under this section.

18 NEW SECTION. **Sec. 4.** This act expires July 1, 2013.

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