Washington State
House of Representatives
Office of Program Research

BILL ANALYSIS

Health Care & Wellness Committee

SSB 5147

Brief Description: Establishing a medicaid baseline health assessment and monitoring the medicaid population's health.

Sponsors: Senate Committee on Health Care (originally sponsored by Senators Becker, Bailey, Brown and Rivers).

Brief Summary of Substitute Bill

- Requires determination of the baseline health status of enrollees in Medicaid managed care programs.
- Requires that contracts with service coordination organizations include the standard statewide measures of health performance developed by the Performance Measures Coordinating Committee.
- Requires additional reports to the Legislature regarding the health of Medicaid enrollees.

Hearing Date: 3/17/15

Staff: Alexa Silver (786-7190).

Background:

Service Coordination Organizations.

The Health Care Authority (Authority) administers the Medicaid program, which is a state-federal program that pays for health care for low-income residents who meet eligibility criteria. Managed care is a prepaid, comprehensive system of medical and health care delivery, including preventive, primary, specialty, and ancillary health services. Healthy Options is the Authority's Medicaid managed care program.

The Department of Social and Health Services (Department) purchases mental health services, long-term care case management services, and substance abuse program services from several

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types of entities that coordinate with providers to deliver services to clients. Those entities include regional support networks, which deliver mental health services, area agencies on aging, which carry out programs and services for senior citizens, and county chemical dependency programs, which provide outpatient chemical dependency services.

The terms "service coordination organization" and "service contracting entity" are defined as the Authority, the Department, or an entity that contracts with the state to provide a comprehensive delivery system of medical, behavioral, long-term care, or social support services. It includes regional support networks, managed care organizations, counties that provide chemical dependency services, and area agencies on aging.

Accountability Measures for Service Coordination Organizations.

By December 1, 2014, the Authority and the Department were required to adopt performance measures to determine whether service contracting entities are achieving the following outcomes for clients: improvements in health status; increases in participation in meaningful activities; reductions in involvement with the criminal justice system; reductions in avoidable costs in hospitals, emergency rooms, crisis services, and jails and prisons; increases in stable housing; improvements in satisfaction with quality of life; and reductions in population-level health disparities.

By July 1, 2015, the Authority and the Department must require that contracts with service coordination organizations require adoption of the outcomes and performance measures, as well as mechanisms to report data to support the outcomes and performance measures. By December 1, 2016, the agencies must report to the Legislature on incorporation of the performance measures into contracts and progress toward achieving the identified outcomes.

Statewide Measures of Health Performance.

Legislation enacted in 2014 established a Performance Measures Coordinating Committee (Committee) to identify and recommend standard statewide measures of health performance to inform health care purchasers and set benchmarks. In December 2014, the Committee approved an initial set of 52 measures divided into three categories: population measures, clinical measures, and health care cost measures. State agencies are required to use the measure set to inform and set benchmarks for purchasing decisions.

Summary of Bill:

The Health Care Authority (Authority) must adopt performance measures to determine whether service contracting entities are achieving the outcomes described in the law creating the Performance Measures Coordinating Committee (Committee) for clients in Medicaid managed care programs. Baseline health status for initial enrollees must be determined through a mandatory assessment conducted by service contracting entities.

By July 1, 2015, the Authority and the Department of Social and Health Services must require that contracts with service coordination organizations require adoption of outcomes and performance measures developed by the Committee, in addition to the existing identified outcomes and performance measures adopted by the agencies.

The report due to the Legislature on December 1, 2016, must be submitted annually and include:

- the number of Medicaid clients enrolled over the previous year;
- the number of enrollees who received a baseline health assessment over the previous year;
- an analysis of trends in health improvement for Medicaid enrollees in accordance with the measure set developed by the Committee; and
- recommendations for improving the health of Medicaid enrollees.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.