HOUSE BILL REPORT
SSB 5147

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to establishing a medicaid baseline health assessment and monitoring the medicaid population's health.

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 History:
Committee Activity:
Health Care & Wellness: 3/17/15, 3/26/15 [DPA].

Brief Summary of Substitute Bill
(As Amended by Committee)

- Requires that contracts with service coordination organizations include the standard statewide measures of health performance developed by the Performance Measures Coordinating Committee, as well as a requirement for an initial health screen for new enrollees.
- Requires additional reports to the Legislature regarding the health of Medicaid enrollees.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass as amended. Signed by 12 members: Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier, Clibborn, Jinkins, Johnson, Moeller, Robinson, Tharinger and Van De Wege.

Minority Report: Do not pass. Signed by 1 member: Representative Short.

Minority Report: Without recommendation. Signed by 1 member: Representative Rodne.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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 2013 Operating Budget required that managed care contracts include an expectation that each patient receive a wellness examination that documents the baseline health status and allows for monitoring of health improvements and outcome measures.

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 types of entities that coordinate with providers to deliver services to clients. Those entities include regional support networks, area agencies on aging, 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 Amended 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.

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; and
- an initial health screen for new enrollees pursuant to the terms and conditions of the contract.

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.

Amended Bill Compared to Substitute Bill:

The amended bill removes the requirement that a baseline health status for initial enrollees in Medicaid managed care programs be determined through a mandatory assessment conducted by service contracting entities. Instead, it requires that the Health Care Authority and the Department of Social and Health Services require that contracts with service coordination organizations require that an initial health screen be conducted for new enrollees pursuant to the terms of the contract.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill meets the expectations of the bill's sponsor within the parameters of legislation that passed last year, which created the Performance Measures Coordinating Committee. Implementation of the bill will not require additional funding. The details of the baseline health assessment would be best addressed by contract, and an amendment is proposed to move that requirement to the section of the bill related to contracts between the state agencies and Medicaid plans.

(Opposed) None.

Persons Testifying: Dave Knutson, United Healthcare; and Dennis Martin, Health Care Authority.

Persons Signed In To Testify But Not Testifying: None.