

# SENATE BILL REPORT

## SB 5642

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As of February 18, 2025

**Title:** An act relating to improving performance on maternal health and preventative cancer screening metrics for medicaid clients.

**Brief Description:** Improving performance on maternal health and preventative cancer screening metrics for medicaid clients.

**Sponsors:** Senators Torres, Dozier and Hasegawa.

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 2/18/25.

**Brief Summary of Bill**

- Directs the Health Care Authority (HCA) to develop education and outreach materials for Medicaid clients to encourage better health outcomes and an implementation plan to incentivize Medicaid managed care organizations (MCOs) to improve their performance measures for breast and cervical cancer screenings, the timeliness of prenatal care, and postpartum care by December 31, 2025.
- Directs HCA to develop billing guide instructions for fee-for-service providers and amend MCO contracts to encourage using the code 0500f for earlier identification of pregnant women by December 31, 2025.

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### SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

**Staff:** Julie Tran (786-7283)

**Background:** Medicaid. The Health Care Authority (HCA) administers the Medicaid Program for low-income state residents who meet certain eligibility criteria. Washington's Medicaid Program, known as Apple Health, offers a complete medical benefits package,

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including prescription drug coverage, to eligible families, children under age 19, low-income adults, certain disabled individuals, and pregnant women. While some clients receive services through HCA on a fee-for-service (FFS) basis, the large majority receive coverage for medical services through managed care systems. Managed care is a prepaid, comprehensive system for delivering a complete medical benefits package that is available for eligible families, children under age 19, low-income adults, certain disabled individuals, and pregnant women. HCA contracts with managed care organizations under a comprehensive risk contract to provide prepaid health care services to persons enrolled in a managed care Apple Health plan.

In 2022, almost 2.3 million Washingtonians were enrolled in Apple Health, with more than 85 percent enrolled in managed care. This managed care population is served by five managed care organizations (MCOs): Amerigroup Washington, Community Health Plan of Washington, Coordinated Care of Washington, Molina Healthcare of Washington, and UnitedHealthcare Community Plan.

Quality of Care External Quality Review. An External Quality Review (EQR) is the analysis and evaluation by an external quality review organization (EQRO) of aggregated information on quality, timeliness, and access to the health care services that an MCO, prepaid inpatient health plan, prepaid ambulatory health plan, or their contractors, furnish to Medicaid or Children's Health Insurance Program (CHIP) recipients.

Federal requirements require each state that contracts with a managed care plan must ensure that a qualified EQRO performs an annual EQR for each such contracted managed care plan. States that deliver Medicaid and CHIP services through managed care plans must contract with at least one EQRO. The EQRO conducts the annual EQR and produces the annual EQR technical report.

MCOs are required to annually report the results of their performance on measures reflecting the levels of quality, timeliness and accessibility of health care services furnished to the state's Medicaid enrollees.

In the 2023 Comparative and Regional Analysis Report, the measurement year 2022 statewide weighted average for the following measures:

- breast cancer screening (BCS-E): 46 percent;
- cervical cancer screening (CCS): 57 percent;
- timeliness of prenatal care: 86 percent; and
- postpartum care: 77 percent.

Code 0500F. Providers are required to use the current procedural terminology (CPT) code 0500F when the provider initiates prenatal care at the first prenatal visit. In 2022, HCA pulled recent data on the 0500F code and less than 10 percent of all pregnant Medicaid/Apple Health clients have this reporting code in claims.

**Summary of Bill:** HCA, in collaboration with Department of Health, the Robert Bree Collaborative, and Medicaid MCOs, must develop education and outreach materials by December 31, 2025 to encourage better health outcomes for Medicaid clients receiving services in a FFS setting or managed care setting for the following performance measures:

- BCS-E;
- CCS;
- timeliness of prenatal care; and
- postpartum care.

HCA and MCOs must also seek collaboration from representatives of the American Cancer Society and the American College of Obstetricians and Gynecologists as the education and outreach materials are being developed.

HCA must develop an implementation plan by December 31, 2025, to incentivize Medicaid MCOs to improve the performance measures as measured by the External Quality Improvement Organization and to improve FFS performance metrics related to providing the following services to clients:

- BCS-E;
- CCS;
- timeliness of prenatal care; and
- postpartum care.

HCA must submit a report to the Governor and the relevant committees of the Legislature by November 30, 2028, and annually thereafter, detailing any savings from improvements made based on the identified performance measures for each prior plan year, up to the previous three plan years and additional data including, at a minimum:

- the implementation plan HCA is directed to develop under this bill delineated between FFS and managed care;
- HCA's work to incentivize MCOs to improve each specific performance measurements;
- HCA's work to improve FFS service delivery;
- what offsets were outlined by HCA;
- the number of clients enrolled with MCOs;
- the number of clients enrolled with MCOs eligible for each of the identified performance measure;
- the number of clients in FFS;
- the number of clients in FFS eligible for each of the identified performance measure;
- the number and percentage of clients who received a BCS-E;
- the number and percentage of clients who received a CCS;
- the number and percentage of clients who received prenatal care and the timeliness of the prenatal care;
- the number and percentage of clients who received postpartum care; and
- the annual comparison of each performance measure for the previous three plan years.

HCA must develop billing guide instructions for FFS providers and amend contracts with MCOs to encourage the use of CPT code 0500F for earlier identification of pregnant women.

HCA may incentivize the use of CPT code 0500F as part of the implementation plan with MCOs.

**Appropriation:** None.

**Fiscal Note:** Requested on February 3, 2025.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The state is underperforming in two areas that include women getting important health screenings and new and expecting mothers receiving timely care. If we can get women more access to breast and cervical cancer screenings sooner and get moms and babies the support and services they deserve, then we can improve outcomes in critical areas. This bill does several things with this need in mind. There is also a reporting requirement to see how the state is performing on these measures as it is important to track the dollars spent on state-sponsored healthcare.

OTHER: The reporting code has been a long-standing barrier to systematically identifying pregnant people in early pregnancy. This bill contemplates and supports investments for the managed care population and the fee-for-service population. There is concern about the bill's direction for the implementation plan and about whether broad public awareness is the best use of resources to achieve the goal. The development of educational materials is typically better led by Department of Health. The bill requires considerable funding to ensure the agency can support these initiatives.

**Persons Testifying:** PRO: Senator Nikki Torres, Prime Sponsor.

OTHER: Beth Tinker, Health Care Authority (HCA).

**Persons Signed In To Testify But Not Testifying:** No one.