

H. B. 2131

(By Delegates Perdue, Lawrence, Moye, Barill, Fleischauer, Perry, Moore, Poore, Ellington and Lane)

[Introduced February 13, 2013; referred to the Committee on Health and Human Resources then Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §9-2-9 of the Code of West Virginia, 1931, as amended, relating to the state's Medicaid program; requiring public notice of state plan amendments, reimbursement changes, demonstration projects and waiver applications; providing for a public comment period and response to all public comments; and requiring approval by the Legislative Oversight Commission on Health and Human Resource Accountability prior to submission to the federal government for approval.

Be it enacted by the Legislature of West Virginia:

That §9-2-9 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 2. COMMISSIONER OF HUMAN SERVICES; POWERS, DUTIES AND RESPONSIBILITIES GENERALLY.

§9-2-9. Secretary to develop Medicaid monitoring and case management.

(a) The Secretary of the Department of Health and Human

1 Resources shall:

2 (1) Develop a managed care system to monitor the services
3 provided by the Medicaid program to individual clients;

4 (2) Develop an independent referral service including the
5 review of individual cases for abuses of the program; and

6 (3) Develop a schedule for implementation of the managed care
7 and independent referral system. The managed care system shall
8 focus on, but not be limited to, ~~the~~ behavioral health and mental
9 health services.

10 (b) ~~In addition thereto, and~~ In accordance with applicable
11 federal Medicaid laws, the secretary shall prepare recommendations,
12 to be submitted to the Joint Committee on Government and Finance.
13 In developing recommendations the secretary shall consider ~~as~~
14 ~~options~~ the following:

15 (1) Review of Medicaid services which are optional under
16 federal Medicaid law and identification of services to be retained,
17 reduced or eliminated;

18 (2) The elimination, reduction or phase-out of: ~~(i)~~

19 (A) Services which are not generally available to West
20 Virginia citizens not covered under the state's Medicaid program;
21 or ~~(ii)~~

22 (B) Services which are not generally covered under group
23 policies of insurance made available to employees of employers
24 within the state;

1 (3) The elimination or reduction of services or reduction of
2 provider reimbursement rates for identified services of marginal
3 utility;

4 (4) Higher reimbursement rates for primary and preventive
5 care;

6 (5) Changes in fee structure which may include a system of
7 prospective payments and ~~may include~~ establishment of global fees
8 for identified services or diagnoses including maternity care;

9 (6) Utilization caps for certain health care procedures;

10 (7) Restriction of coverage for cosmetic procedures;

11 (8) Identification of excessive use of ~~certain~~ health care
12 procedures by individuals and a policy to restrict excessive use;

13 (9) Identification of services which reduce the need for more
14 costly options for necessary care and retention or expansion of
15 those programs;

16 (10) Identification of services for which preauthorization is
17 a requirement for Medicaid reimbursement;

18 (11) Recommendations relating to the development of a
19 demonstration project on long-term care which ~~demonstration project~~
20 may be limited to patients with alzheimer's disease;

21 (12) A policy concerning the department's procedures for
22 compliance, monitoring and inspection; and

23 (13) ~~Such~~ Other options as may be developed.

24 (c) The secretary shall utilize in-state health care

1 facilities for inpatient treatment when ~~such facilities~~ these are
2 available. Prior authorization, consistent with applicable federal
3 law, shall be required for out-of-state inpatient treatment.

4 (d) The secretary shall report to the Joint Committee on
5 Government and Finance on the development and implementation of
6 Medicaid programs that provide incentives to working persons. The
7 secretary shall consider:

8 (1) Subsidies for low income working persons;

9 (2) Individual or small employer buy-ins to the State Medicaid
10 Fund;

11 (3) Prospective payment systems for primary care physicians in
12 underserved areas; and

13 (4) A system to improve monitoring of collections,
14 expenditures, service delivery and utilization.

15 (e) The secretary shall report quarterly to the Joint
16 Committee on Government and Finance regarding provider and facility
17 compliance with federal and state Medicaid laws including, but not
18 limited to, the following:

19 (1) ~~The~~ Number of inspections conducted during the previous
20 quarter;

21 (2) A description of programs, services and facilities
22 reviewed;

23 (3) Findings; and

24 (4) Recommendations for corrections.

1 (f) The secretary shall, upon federal certification of the
2 claims management system, ensure that the claims management system
3 processing Medicaid claims provides:

4 (1) Detailed quarterly financial reports to the Legislative
5 Oversight Commission on Health and Human Resources Accountability;

6 (2) A management reporting system no later than July 1, 2006;
7 and

8 (3) Specific utilization data by provider, member eligibility
9 groups and service no later than October 1, 2006.

10 (g) The secretary shall provide public notice of proposed
11 amendments to the state plan for Medicaid, proposed changes to the
12 reimbursement schedule for Medicaid, demonstration projects
13 permitted by federal law and any waiver applications. The notice
14 shall be filed with the Secretary of State for publication in the
15 State Register. The notice shall include:

16 (1) The text of the proposed amendment;

17 (2) The proposed demonstration project, reimbursement changes
18 or waiver applications;

19 (3) A fiscal note; and

20 (4) A date, time and place for the receipt of public comment
21 in the form of written statements and relevant documents.

22 (h) The secretary shall consider and publicly respond to all
23 comments received pursuant to subsection (g) of this section.

24 (i) All proposed amendments, demonstration projects,

1 reimbursement schedule changes or waiver applications, along with
2 public comments and responses to the public comments, shall be
3 reviewed and, where applicable, approved by the Legislative
4 Oversight Commission on Health and Human Resource Accountability.

5 (j) If circumstances require expedited approval, the secretary
6 may file the information required in subsection (g) of this section
7 with the co-chairs and the senior minority member of each house on
8 the Legislative Oversight Commission on Health and Human Resource
9 Accountability for an expedited process.

10 (k) Upon approval by the Legislative Oversight Commission on
11 Health and Human Resource Accountability, the secretary may file
12 the proposed plans and changes with the federal government for
13 final approval.

NOTE: The purpose of this bill is to require public notice of amendments to the state's Medicaid program, waiver applications, changes to reimbursement and demonstration projects; to provide for a public comment period and response; and, to require approval by the Legislative Oversight Commission on Health and Human Resource Accountability prior to submission for federal approval.

Strike-throughs indicate language that would be stricken from the present law and underscoring indicates new language that would be added.