

1 **H. B. 2510**

2
3 (By Mr. Speaker, (Mr. Thompson) and Delegate Armstead)

4 [By Request of the Executive]

5 [Introduced February 15, 2013; referred to the

6 Committee on Health and Human Resources then Finance.]

**FISCAL
NOTE**

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10 A BILL to amend and reenact §9-2-9 of the Code of West Virginia,
11 1931, as amended, and to amend and reenact §24A-1-3 of said
12 code, all relating to creating a vendor transportation program
13 within the Department of Health and Human Resources to
14 transport Medicaid patients for nonemergency transportation
15 services; requiring that the Secretary of the Department of
16 Health and Human Resources report on the effectiveness of the
17 program to the Legislative Oversight Commission on Health and
18 Human Resources Accountability; exempting motor vehicles used
19 by, or on behalf of, the Department of Health and Human
20 Resources in connection with the vendor transportation program
21 from the jurisdiction of the Public Service Commission;
22 providing a safety and insurance exception to this exemption;
23 and making technical changes.

24 *Be it enacted by the Legislature of West Virginia:*

1 That §9-2-9 of the Code of West Virginia, 1931, as amended, be
2 amended and reenacted, and that §24A-1-3 of said code be amended
3 and reenacted, all to read as follows:

4 **CHAPTER 9. HUMAN SERVICES.**

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

7 **§9-2-9. Secretary to develop medicaid monitoring and case**
8 **management.**

9 (a) The Secretary of the Department of Health and Human
10 Resources shall:

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

13 (2) Develop an independent referral service, including the
14 review of individual cases for abuses of the program; and

15 (3) Develop a schedule for implementation of the managed care
16 and independent referral system. The managed care system shall
17 focus on, but not be limited to, the behavioral health and mental
18 health services.

19 (b) In addition thereto, and in accordance with applicable
20 federal Medicaid laws, the secretary shall prepare recommendations,
21 to be submitted to the Joint Committee on Government and Finance.
22 In developing recommendations the secretary shall consider as
23 options the following:

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

4 (2) The elimination, reduction or phase-out of: (i) Services
5 which are not generally available to West Virginia citizens not
6 covered under the state's Medicaid program; or (ii) services which
7 are not generally covered under group policies of insurance made
8 available to employees of employers within the state;

9 (3) The elimination or reduction of services, or reduction of
10 provider reimbursement rates, for identified services of marginal
11 utility;

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

14 (5) Changes in fee structure, which may include a system of
15 prospective payments, and may include establishment of global fees
16 for identified services or diagnoses including maternity care;

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

18 (7) Restriction of coverage for cosmetic procedures;

19 (8) Identification of excessive use of certain health care
20 procedures by individuals and a policy to restrict excessive use;

21 (9) Identification of services which reduce the need for more
22 costly options for necessary care and retention or expansion of
23 those programs;

24 (10) Identification of services for which preauthorization is

1 a requirement for medicaid reimbursement;

2 (11) Recommendations relating to the development of a
3 demonstration project on long-term care, which demonstration
4 project may be limited to patients with Alzheimer's disease;

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

7 (13) Such other options as may be developed.

8 (c) The secretary shall utilize in-state health care
9 facilities for inpatient treatment when such facilities are
10 available. Prior authorization, consistent with applicable federal
11 law, shall be required for out-of-state inpatient treatment.

12 (d) The secretary shall report to the Joint Committee on
13 Government and Finance on the development and implementation of
14 Medicaid programs that provide incentives to working persons. The
15 secretary shall consider: Subsidies for low income working
16 persons; individual or small employer buy-ins to the State Medicaid
17 Fund; prospective payment systems for primary care physicians in
18 underserved areas; and a system to improve monitoring of
19 collections, expenditures, service delivery and utilization.

20 (e) The secretary shall report quarterly to the Joint
21 Committee on Government and Finance regarding provider and facility
22 compliance with federal and state Medicaid laws, including, but not
23 limited to, the following: The number of inspections conducted
24 during the previous quarter; description of programs, services and

1 facilities reviewed; findings; and recommendations for corrections.

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

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

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

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

11 (g) The secretary shall develop a vendor transportation
12 program for the transportation of Medicaid clients to covered
13 services pursuant to written agreements with contracted
14 transportation vendors. The secretary shall report to the
15 Legislative Oversight Commission on Health and Human Resources
16 Accountability one year after the implementation of the vendor
17 transportation program on the effectiveness of the use of
18 contracted transportation vendors, the impact on the state Medicaid
19 budget and the impact on public transit and emergency medical
20 transportation squads.

21 **CHAPTER 24A. COMMERCIAL MOTOR CARRIERS.**

22 **ARTICLE 1. PURPOSES, DEFINITIONS AND EXEMPTIONS.**

23 **§24A-1-3. Exemptions from chapter.**

24 The provisions of this chapter, except where specifically

1 otherwise provided, do not apply to:

2 (1) Motor vehicles operated exclusively in the transportation
3 of United States mail or in the transportation of newspapers:
4 *Provided*, That the vehicles and their operators are subject to the
5 safety rules promulgated by the commission;

6 (2) Motor vehicles owned and operated by the United States of
7 America, the State of West Virginia or any county, municipality or
8 county board of education, urban mass transportation authority
9 established and maintained pursuant to article twenty-seven,
10 chapter eight of this code, or by any of their departments, and ~~any~~
11 motor vehicles operated under a contract with a county board of
12 education exclusively for the transportation of children to and
13 from school or other legitimate transportation for the schools as
14 the commission may specifically authorize;

15 (3) Motor vehicles used exclusively in the transportation of
16 agricultural or horticultural products, livestock, poultry and
17 dairy products from the farm or orchard on which they are raised or
18 produced to markets, processing plants, packing houses, canneries,
19 railway shipping points and cold storage plants, and in the
20 transportation of agricultural or horticultural supplies to farms
21 or orchards where they are to be used: *Provided*, That the vehicles
22 that are exempted by this subdivision and are also operated by
23 common carriers by motor vehicle or contract carriers by motor
24 vehicle and their operators are subject to the safety and insurance

1 rules promulgated by the commission;

2 (4) Motor vehicles used exclusively in the transportation of
3 human or animal excreta;

4 (5) Motor vehicles used exclusively in ambulance service or
5 duly chartered rescue squad service;

6 (6) Motor vehicles used exclusively for volunteer fire
7 department service;

8 (7) Motor vehicles used exclusively in the transportation of
9 coal from mining operations to loading facilities for further
10 shipment by rail or water carriers: *Provided*, That the vehicles
11 and their operators are subject to the safety rules promulgated by
12 the commission and the vehicles that are exempted by this
13 subdivision and are also operated by common carriers by motor
14 vehicle or contract carriers by motor vehicle and their operators
15 are subject to the insurance rules promulgated by the commission;

16 (8) Motor vehicles used by petroleum commission agents and oil
17 distributors solely for the transportation of petroleum products
18 and related automotive products when the transportation is
19 incidental to the business of selling the products: *Provided*, That
20 the vehicles and their operators are subject to the safety rules
21 promulgated by the commission and the vehicles that are exempted by
22 this subdivision and are also operated by common carriers by motor
23 vehicle or contract carriers by motor vehicle and their operators
24 are subject to the insurance rules promulgated by the commission;

1 (9) Motor vehicles owned, leased by or leased to any person
2 and used exclusively for the transportation of processed
3 source-separated recycled materials, generated by commercial,
4 institutional and industrial customers, transported free of charge
5 from the customers to a facility for further processing: *Provided,*
6 That the vehicles and their operators ~~shall be~~ are subject to the
7 safety rules promulgated by the commission and the vehicles that
8 are exempted by this subdivision and are also operated by common
9 carriers by motor vehicle or contract carriers by motor vehicle and
10 their operators are subject to the insurance rules promulgated by
11 the commission;

12 (10) Motor vehicles specifically preempted from state economic
13 regulation of intrastate motor carrier operations by the provisions
14 of 49 U.S.C. § 14501 as amended by Title I, Section 103 of the
15 federal "Interstate Commerce Commission Termination Act of 1995:"
16 *Provided,* That the vehicles and their operators are subject to the
17 safety regulations promulgated by the commission and the vehicles
18 that are exempted by this subdivision and are also operated by
19 common carriers by motor vehicle or contract carriers by motor
20 vehicle and their operators are subject to the insurance rules
21 promulgated by the commission;

22 (11) Motor vehicles designated by the West Virginia Bureau of
23 Senior Services for use and operation by local county aging
24 programs: *Provided,* That the vehicles and their operators are

1 subject to the safety rules promulgated by the commission;

2 (12) Motor vehicles designated by the West Virginia Division
3 of Public Transit operated by organizations that receive federal
4 grants from the federal transit administration: *Provided*, That the
5 vehicles and their operators are subject to the safety and
6 insurance rules promulgated by the commission; and

7 (13) Motor vehicles designated by the West Virginia Department
8 of Health and Human Resources, one or more of its bureaus, or its
9 contracted transportation vendors for use and operation solely to
10 transport Medicaid clients to covered services pursuant to the
11 vendor transportation program set forth in subsection (g), section
12 nine, article two, chapter nine of this code: *Provided*, That the
13 vehicles and their operators are subject to the safety and
14 insurance rules promulgated by the commission.

NOTE: The purpose of this bill is to create a Medicaid vendor transportation program that exempts Department of Health and Human Resources motor vehicles used solely to transport Medicaid clients from the jurisdiction of the Public Service Commission. The bill provides that those vehicles are subject to the commission's safety and insurance rules. The program requires written agreements with contracted transportation vendors. The bill also requires the Secretary of the Department of Health and Human Resources to report the effectiveness of the program to the Legislative Oversight Commission on Health and Human Resources Accountability after one year.

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