

FIRST REGULAR SESSION

# HOUSE BILL NO. 925

## 97TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES ALLEN (Sponsor), FLANIGAN, DIEHL, TORPEY, ZERR,  
KELLY (45), GOSEN, HAEFNER, CONWAY (104), LICHTENEGGER,  
RICHARDSON AND JONES (50) (Co-sponsors).

2188L.01I

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 208.166, RSMo, and to enact in lieu thereof one new section relating to medical assistance.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 208.166, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 208.166, to read as follows:

208.166. 1. As used in this section, the following terms mean:

(1) "Department", the Missouri department of social services;

(2) "Prepaid capitated", a mode of payment by which the department periodically [reimburse] **reimburses** a contracted health provider plan [or primary care physician sponsor] for delivering health care services for the duration of a contract to a maximum specified number of members based on a fixed rate per member, notwithstanding:

(a) The actual number of members who receive care from the provider; or

(b) The amount of health care services provided to any members[;]

(3) "Primary care case-management", a mode of payment by which the department reimburses a contracted primary care physician sponsor on a fee-for-service schedule plus a monthly fee to manage each recipient's case;

(4) "Primary care physician sponsor", a physician licensed pursuant to chapter 334 who is a family practitioner, general practitioner, pediatrician, general internist or an obstetrician or gynecologist;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 (5) "Specialty physician services arrangement", an arrangement where the department  
16 may restrict recipients of specialty services to designated providers of such services, even in the  
17 absence of a primary care case-management system].

18 2. The department or its designated division shall maximize the use of **existing**  
19 **contracted** prepaid health plans, where appropriate, and other alternative service delivery and  
20 reimbursement methodologies[, including, but not limited to, individual primary care physician  
21 sponsors or specialty physician services arrangements,] designed to facilitate the cost-effective  
22 purchase of comprehensive health care, **which shall include pharmacy benefit and services.**  
23 **The department shall provide for each prepaid health plan to have full control over its**  
24 **formulary and preferred drug list (PDL) in order to develop the necessary pharmacy**  
25 **benefit and services to plan members.**

26 3. In order to provide comprehensive health care, the department or its designated  
27 division shall [have authority to]:

28 (1) Purchase medical services for recipients of public assistance from prepaid health  
29 plans, health maintenance organizations, health insuring organizations, **or** preferred provider  
30 organizations[, individual practice associations, local health units, community health centers, or  
31 primary care physician sponsors];

32 (2) Reimburse those health care plans [or primary care physicians' sponsors who enter  
33 into direct] **that have an existing** contract with the department on a prepaid capitated [or  
34 primary care case-management] basis on the following conditions:

35 (a) That the department or its designated division shall ensure, whenever possible and  
36 consistent with quality of care and cost factors, that publicly supported neighborhood and  
37 community-supported health clinics shall be utilized as providers;

38 (b) That the department or its designated division shall **initiate statewide managed or**  
39 **coordinated care programs and** ensure reasonable access to medical services in **all** geographic  
40 [areas where managed or coordinated care programs are initiated] **regions currently identified**  
41 **and designated as Eastern, Central, and Western, with each current geographical region**  
42 **being expanded to include designated counties that are not currently a part of MO**  
43 **HealthNet managed care so that each county in the state of Missouri shall be within a**  
44 **region currently participating in managed care and the Medicaid-eligible residents residing**  
45 **therein shall participate in the Medicaid managed care program and receive public**  
46 **assistance from the prepaid health plans, health maintenance organizations, health**  
47 **insuring organizations, or preferred provider organizations as defined herein, and who are**  
48 **currently under contract with the state of Missouri for such services according to the terms**  
49 **of the existing contract; and**

50 (c) That [the department shall ensure full freedom of choice for prescription drugs at any  
51 Medicaid participating pharmacy] **any existing waiver or the state plan amendment be**  
52 **amended, and the department shall seek all necessary federal review and approval to**  
53 **qualify for and authorize the modifications to the current managed care waiver and to**  
54 **expand the existing contract, geographic regions, benefits and services to the eligible**  
55 **populations created under this section;**

56 (3) Limit providers of medical assistance benefits to those who demonstrate efficient and  
57 economic service delivery for the level of service they deliver, and provided that such limitation  
58 shall not limit recipients from reasonable access to such levels of service;

59 (4) Provide recipients of public assistance with alternative services as provided for in  
60 state law, subject to appropriation by the general assembly;

61 (5) Designate providers of medical assistance benefits to assure specifically defined  
62 medical assistance benefits at a reduced cost to the state, to assure reasonable access to all levels  
63 of health services and to assure maximization of federal financial participation in the delivery  
64 of health related services to Missouri citizens; provided, all qualified providers that deliver such  
65 specifically defined services shall be afforded an opportunity to compete to meet reasonable state  
66 criteria and to be so designated;

67 (6) Upon mutual agreement with any entity of local government, to elect to use local  
68 government funds as the matching share for Title XIX payments, as allowed by federal law or  
69 regulation;

70 (7) To elect not to offset local government contributions from the allowable costs under  
71 the Title XIX program, unless prohibited by federal law and regulation.

72 4. Nothing in this section shall be construed to authorize the department or its designated  
73 division to limit the recipient's freedom of selection among health care plans [or primary care  
74 physician sponsors], as authorized in this section, who have entered into contract with the  
75 department or its designated division to provide a comprehensive range of health care services  
76 on a prepaid capitated [or primary care case-management] basis, except in those instances of  
77 overutilization of Medicaid services by the recipient.

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