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This bill requires any contract between the state and a vendor of prepaid capitated health services issued, reauthorized, or renewed after August 28, 2019, to incorporate the standards as follows:

- (1) Each vendor must use a set of uniform utilization review protocols established by the department;
- (2) The vendor must make timely decisions regarding appeals of utilization review or payment authorization;
- (3) The vendor must establish network adequacy standards to ensure that access to care is comparable to services provided to enrollees of private health benefit plans;
- (4) Administrative requirements from the state must be standardized and uniformly applied to each vendor;
- 5) The General Assembly may authorize payments to hospitals when federal requirements prevent the payment of Medicaid upper-limit payments;
- (6) Capitation payments to a vendor cannot exceed an actuarially sound capitation rate;
- (7) If the vendor fails to meet targets, the vendor will be subject to financial penalty;
- (8) The vendor must maintain a medical loss ration of at least 90% or greater
- (9) The vendor must provide data to the department at least monthly
- (10) The vendor must permit shared savings arrangements between the vendor and health care providers;
- (11) The vendor cannot require health care providers to participate in a health care system; and
- (12) The vendor must make timely payments to provider (Section 208.1100, RSMo).

The department must accept regional plan proposals from provider-sponsored care management organizations as an option for coverage of beneficiaries. Such regional proposals may be submitted by

coordinated care organizations (CCOs), which are organizations that are accountable for the quality, cost, coordination, and overall care of a defined group of MO HealthNet participants. The regional CCOs must use a shared savings-shared risk model, and the department must reimburse the CCOs through a global payment methodology, which may utilize a population-based mechanism based on a per-member, per-month calculation with risk-adjustment, risk sharing, and aligned payment incentives. The department may develop performance incentive payments designed to reward increased quality and decreased cost of care (Section 208.1105).

The State Auditor must conduct an annual evaluation of the savings and costs following the expanded implementation of prepaid capitated health services occurring after April 30, 2021 (Section 208.1110).

This bill is similar to HCS HB 247 (2019) and HB 2199 (2018).