LEGISLATURE OF THE STATE OF IDAHO

Sixty-fourth Legislature First Regular Session - 2017

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 128

BY HEALTH AND WELFARE COMMITTEE

AN ACT

RELATING TO MEDICAID; AMENDING SECTION 56-265, IDAHO CODE, TO PROVIDE THAT THE DEPARTMENT MAY ENTER INTO CERTAIN AGREEMENTS REGARDING PAYMENT ARRANGEMENTS WITH PROVIDERS, TO PROVIDE THAT SUCH AGREEMENTS SHALL BE COST-NEUTRAL OR COST-SAVING COMPARED TO OTHER PAYMENT METHODOLOGIES, TO AUTHORIZE THE DEPARTMENT TO PURSUE CERTAIN WAIVER AGREEMENTS WITH THE FEDERAL GOVERNMENT AND TO MAKE A TECHNICAL CORRECTION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 56-265, Idaho Code, be, and the same is hereby amended to read as follows:

56-265. PROVIDER PAYMENT. (1) Where there is an equivalent, the payment to medicaid providers:

(a) May be up to but shall not exceed one hundred percent (100%) of the current medicare rate for primary care procedure codes as defined by the centers for medicare and medicaid services; and

(b) Shall be ninety percent (90%) of the current medicare rate for all other procedure codes.

(2) Where there is no medicare equivalent, the payment rate to medicaid providers shall be prescribed by rule.

(3) Notwithstanding any other provision of this chapter, if the services are provided to an adolescent by a private, freestanding mental health facility that is an institution for mental disease, the department shall reimburse for those services at ninety-one percent (91%) of the current medicare rate.

(4) The department shall, through the annual budget process, include a line-item request for adjustments to provider rates. All changes to provider payment rates shall be subject to approval of the legislature by appropriation.

(5) Notwithstanding any other provision of this chapter, the department may enter into agreements with providers to pay for services based on their value in terms of measurable health care quality and positive impacts to participant health.

(a) Any such agreement shall be designed to be cost-neutral or cost-saving compared to other payment methodologies.

(b) The department is authorized to pursue waiver agreements with the federal government as needed to support value-based payment arrangements, up to and including fully capitated provider-based managed care.