

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 176

BY HEALTH AND WELFARE COMMITTEE

AN ACT

1 RELATING TO MEDICAID; AMENDING SECTION 56-263, IDAHO CODE, TO ESTABLISH PRO-  
2 VISIONS REGARDING A PROPOSAL TO PROVIDE THE DELIVERY OF MEDICAID SER-  
3 VICES THROUGH PREPAID HEALTH PLANS AND TO MAKE A TECHNICAL CORRECTION;  
4 AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.  
5

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

7 SECTION 1. That Section 56-263, Idaho Code, be, and the same is hereby  
8 amended to read as follows:

9 56-263. MEDICAID MANAGED CARE PLAN. (1) The department shall present  
10 to the legislature on the first day of the second session of the sixty-first  
11 Idaho legislature a plan for medicaid managed care with focus on high-cost  
12 populations including, but not limited to:

13 (a) Dual eligibles; and

14 (b) High-risk pregnancies.

15 (2) The medicaid managed care plan shall include, but not be limited to,  
16 the following elements:

17 (a) Improved coordination of care through primary care medical homes.

18 (b) Approaches that improve coordination and provide case management  
19 for high-risk, high-cost disabled adults and children that reduce costs  
20 and improve health outcomes, including mandatory enrollment in special  
21 needs plans, and that consider other managed care approaches.

22 (c) Managed care contracts to pay for behavioral health benefits as de-  
23 scribed in executive order number 2011-01 and in any implementing leg-  
24 islation. At a minimum, the system should include independent, stan-  
25 dardized, statewide assessment and evidence-based benefits provided by  
26 businesses that meet national accreditation standards.

27 (d) The elimination of duplicative practices that result in unneces-  
28 sary utilization and costs.

29 (e) Contracts based on gain-sharing, risk-sharing or a capitated ba-  
30 sis.

31 (f) Medical home development with focus on populations with chronic  
32 disease using a tiered case management fee.

33 (3) The department shall seek federal approval or a waiver to require  
34 that a medicaid participant who has a medical home as required in section  
35 56-255(5) (b), Idaho Code, and who seeks family planning services or supplies  
36 from a provider outside the participant's medical home, must have a referral  
37 to such outside provider. The provisions of this subsection shall apply to  
38 medicaid participants upon such approval or the granting of such a waiver.

39 (4) No later than January 31, 2024, the department shall present to the  
40 senate and house of representatives health and welfare committees a plan to  
41 provide for the delivery of medicaid services through prepaid health plans.

1 (a) For purposes of this subsection, "prepaid health plan" means an  
2 entity that operates a capitated contract for the delivery of medicaid  
3 services.

4 (b) The department's plan pursuant to this subsection shall identify:

5 (i) Medicaid services that may be provided pursuant to a prepaid  
6 health plan;

7 (ii) Federal authorities, including demonstration waivers and  
8 state plan amendments, and approval necessary to transition med-  
9 icaid services to prepaid health plans and a proposed timeline to  
10 obtain such authorities and approval;

11 (iii) The proposed number of prepaid health plans that may suc-  
12 cessfully procure and operate in a defined service area, as well as  
13 how many service areas a prepaid health plan may request to admin-  
14 ister in a competitive solicitation process;

15 (iv) Proposed mechanisms for state oversight of prepaid health  
16 plans;

17 (v) A proposed timeline for transitioning to prepaid health  
18 plans, including the time necessary for a competitive sollicita-  
19 tion process to select prepaid health plans; and

20 (vi) Other issues considered pertinent by the department.

21 (c) In developing a plan pursuant to this subsection, the department  
22 shall consider other states' transitions and reorganization to medic-  
23 aid managed care.

24 (d) The development of a plan pursuant to this subsection shall not pre-  
25 clude the department from making initial efforts to transition to the  
26 delivery of medicaid services through prepaid health plans, including  
27 preparations for a competitive solicitation process.

28 SECTION 2. An emergency existing therefor, which emergency is hereby  
29 declared to exist, this act shall be in full force and effect on and after  
30 July 1, 2023.