House File 2462 - Introduced

HOUSE FILE 2462
BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO HSB 632)

A BILL FOR

An Act relating to programs and activities under the purview of the department of human services.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

HEALTHY AND WELL KIDS IN IOWA —— DIRECTOR DUTIES

Section 1. Section 514I.4, subsection 5, Code 2018, is amended by adding the following new paragraphs:

NEW PARAGRAPH. *d.* Collect and track monthly family premiums to assure that payments are current.

NEW PARAGRAPH. *e.* Verify the number of program enrollees with each participating insurer for determination of the amount of premiums to be paid to each participating insurer.

Sec. 2. Section 514I.7, subsection 2, paragraphs g and i, Code 2018, are amended by striking the paragraphs.

DIVISION II

SHARING OF INCARCERATION DATA

Sec. 3. Section 249A.38, Code 2018, is amended to read as follows:

249A.38 Inmates of public institutions —— suspension or termination of medical assistance.

1. ~~The following conditions shall apply to~~ Following the first thirty days of commitment, the department shall suspend the eligibility of an individual who is an inmate of a public institution as defined in 42 C.F.R. §435.1010, who is enrolled in the medical assistance program at the time of commitment to the public institution, and who remains eligible for medical assistance as an individual except for the individual's institutional status~~:~~

~~*a.* The department shall suspend the individual's eligibility for up to the initial twelve months of the period of commitment. The department shall delay the suspension of eligibility for a period of up to the first thirty days of commitment if such delay is approved by the centers for Medicare and Medicaid services of the United States department of health and human services. If such delay is not approved, the department shall suspend eligibility during the entirety of the initial twelve months of the period of commitment. Claims submitted on behalf of the individual under the medical~~

~~assistance program for covered services provided during the delay period shall only be reimbursed if federal financial participation is applicable to such claims.~~

~~*b.* The department shall terminate an individual's eligibility following a twelve-month period of suspension of the individual's eligibility under paragraph "*a*"~~, during the period of the individual's commitment to the public institution.

2. *a.* A public institution shall provide the department and the social security administration with a monthly report of the individuals who are committed to the public institution and of the individuals who are discharged from the public institution. The monthly report to the department shall include the date of commitment or the date of discharge, as applicable, of each individual committed to or discharged from the public institution during the reporting period. The monthly report shall be made through the reporting system created by the department for public, nonmedical institutions to report inmate populations. Any medical assistance expenditures, including but not limited to monthly managed care capitation payments, provided on behalf of an individual who is an inmate of a public institution but is not reported to the department in accordance with this subsection, shall be the financial responsibility of the respective public institution.

b. The department shall provide a public institution with the forms necessary to be used by the individual in expediting restoration of the individual's medical assistance benefits upon discharge from the public institution.

~~3. This section applies to individuals as specified in subsection 1 on or after January 1, 2012.~~

~~4.~~ 3. The department may adopt rules pursuant to chapter 17A to implement this section.

DIVISION III

MEDICAID PROGRAM ADMINISTRATION

Sec. 4. MEDICAID PROGRAM. It is the intent of the general

assembly to promote the effective and efficient administration of the Medicaid program through data-driven policymaking and prudent oversight.

DIVISION IV

MEDICAID PROGRAM PHARMACY COPAYMENT

Sec. 5. 2005 Iowa Acts, chapter 167, section 42, is amended to read as follows:

SEC. 42. COPAYMENTS FOR PRESCRIPTION DRUGS UNDER THE MEDICAL ASSISTANCE PROGRAM. The department of human services shall require recipients of medical assistance to pay ~~the following copayments~~ a copayment of $1 on each prescription filled for a covered prescription drug, including each refill of such prescription~~, as follows:~~

~~1. A copayment of $1 on each prescription filled for each covered nonpreferred generic prescription drug.~~

~~2. A copayment of $1 for each covered preferred brand-name or generic prescription drug.~~

~~3. A copayment of $1 for each covered nonpreferred brand-name prescription drug for which the cost to the state is up to and including $25.~~

~~4. A copayment of $2 for each covered nonpreferred brand-name prescription drug for which the cost to the state is more than $25 and up to and including $50.~~

~~5. A copayment of $3 for each covered nonpreferred brand-name prescription drug for which the cost to the state is more than $50~~.

DIVISION V

MEDICAL ASSISTANCE ADVISORY COUNCIL

Sec. 6. Section 249A.4B, subsection 2, paragraph a, subparagraphs (27) and (28), Code 2018, are amended by striking the subparagraphs.

Sec. 7. MEDICAL ASSISTANCE ADVISORY COUNCIL —— REVIEW OF MEDICAID MANAGED CARE REPORT DATA. The executive committee of the medical assistance advisory council shall review the data collected and analyzed for inclusion in periodic

reports to the general assembly, including but not limited to the information and data specified in 2016 Iowa Acts, chapter 1139, section 93, to determine which data points and information should be included and analyzed to more accurately identify trends and issues with, and promote the effective and efficient administration of, Medicaid managed care for all stakeholders. At a minimum, the areas of focus shall include consumer protection, provider network access and safeguards, outcome achievement, and program integrity. The executive committee shall report its findings and recommendations to the medical assistance advisory council for review and comment by October 1, 2018, and shall submit a final report of findings and recommendations to the governor and the general assembly by December 31, 2018.

DIVISION VI

TARGETED CASE MANAGEMENT AND INPATIENT PSYCHIATRIC SERVICES REIMBURSEMENT

Sec. 8. Section 249A.31, Code 2018, is amended to read as follows:

249A.31 Cost-based reimbursement.

1. ~~Providers of individual case management services for persons with an intellectual disability, a developmental disability, or chronic mental illness shall receive cost-based reimbursement for one hundred percent of the reasonable costs for the provision of the services in accordance with standards adopted by the mental health and disability services commission pursuant to section 225C.6.~~ Effective July 1, 2018, targeted case management services shall be reimbursed based on a statewide fee schedule amount developed by rule of the department pursuant to chapter 17A.

2. Effective July 1, ~~2010~~ 2014, ~~the department shall apply a cost-based reimbursement methodology for reimbursement of psychiatric medical institution for children~~ providers of inpatient psychiatric services for individuals under twenty-one years of age shall be reimbursed as follows:

a. For non-state-owned providers, services shall be reimbursed according to a fee schedule without reconciliation.

b. For state-owned providers, services shall be reimbursed at one hundred percent of the actual and allowable cost of providing the service.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to programs and activities under the purview of the department of human services (DHS). The bill is organized into divisions.

Division I of the bill relates to the healthy and well kids in Iowa (hawk-i) program by transferring two duties of the administrative contractor, the capitation process and member premium collection, to DHS through the Iowa Medicaid enterprise.

Division II of the bill relates to suspension of Medicaid relating to inmates of public institutions. The bill requires DHS to suspend eligibility of an individual following the first 30 days of the individual's commitment to the institution. The bill also requires public institutions to provide a monthly report of the individuals who are committed to the public institution and of the individuals who are discharged from the public institution to DHS and to the social security administration. The report to DHS is required to include the date of commitment or discharge, as applicable, of each individual committed to or discharged from the public institution during the reporting period, and the report is to be made through the reporting system created by DHS for public, nonmedical institutions to report inmate populations. Any medical assistance expenditures, including but not limited to monthly managed care capitation payments, provided on behalf of an individual who is an inmate of a public institution but is not reported as required, shall be the financial responsibility of the respective public institution.

Division III of the bill relates to Medicaid provision administration and provides that it is the intent of the general assembly to promote the effective and efficient administration of the Medicaid program through data-driven policymaking and provider oversight.

Division IV of the bill eliminates the various copayments for a covered prescription drug under the Medicaid program based upon the prescription drug's status, and instead provides that a recipient of Medicaid is required to pay a copayment of $1 on each prescription filled for a covered prescription drug, including each refill of such prescription.

Division V of the bill relates to the medical assistance advisory council (MAAC). The bill directs the executive committee of MAAC to review data collected and analyzed in periodic reports to the general assembly to determine which data points should be included and analyzed to more accurately identify trends and issues with, and promote the effective and efficient administration of, Medicaid managed care for all stakeholders. The executive committee is required to report its findings and recommendations to the MAAC for review and comment by October 1, 2018, and to submit a final report to the governor and the general assembly by December 31, 2018.

Division VI of the bill amends the reimbursement provision for targeted case management services under the Medicaid program which is currently established as cost-based reimbursement for 100 percent of the reasonable costs for provision of the services. Under the bill, effective July 1, 2018, targeted case management services will instead be reimbursed based on a statewide fee schedule amount developed by rule of the department in accordance with Code chapter 17A.

This division of the bill also amends the reimbursement provision for psychiatric medical institutions for children to provide that inpatient psychiatric services for individuals under 21 years of age that are provided by non-state-owned providers shall be reimbursed according to a fee schedule

without reconciliation and for state-owned providers shall be reimbursed at 100 percent of the actual and allowable cost of providing the service.