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

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

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

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

11 56-265. PROVIDER PAYMENT. (1) Where there is an equivalent, the pay-
12 ment to medicaid providers:
13 (a) May be up to but shall not exceed one hundred percent (100%) of the
14 current medicare rate for primary care procedure codes as defined by the
15 centers for medicare and medicaid services; and
16 (b) Shall be ninety percent (90%) of the current medicare rate for all
17 other procedure codes.
18 (2) Where there is no medicare equivalent, the payment rate to medicaid
19 providers shall be prescribed by rule.
20 (3) Notwithstanding any other provision of this chapter, if the ser-
21 vices are provided to an adolescent by a private, freestanding mental health
22 facility that is an institution for mental disease, the department shall re-
23 imburse for those services at ninety-one percent (91%) of the current medi-
24 care rate.
25 (4) The department shall, through the annual budget process, include
26 a line-item request for adjustments to provider rates. All changes to
27 provider payment rates shall be subject to approval of the legislature by
28 appropriation.
29 (5) Notwithstanding any other provision of this chapter, the depart-
30 ment may enter into agreements with providers to pay for services based on
31 their value in terms of measurable health care quality and positive impacts
32 to participant health.
33 (a) Any such agreement shall be designed to be cost-neutral or cost-
34 saving compared to other payment methodologies.
35 (b) The department is authorized to pursue waiver agreements with the
36 federal government as needed to support value-based payment arrange-
37 ments, up to and including fully capitated provider-based managed care.