

HOUSE BILL No. 1572

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-7-2-0.8; IC 12-15-43.5.

Synopsis: Medicaid accountable care pilot program. Establishes the Medicaid accountable care pilot program (program) to be developed, implemented, and administered by the office of Medicaid policy and planning (office). Sets forth eligibility for participation in the program. Requires implementation of the program not later than April 1, 2018. Requires the office to: (1) include a savings sharing component as part of the program; (2) share certain relevant information with a participating accountable care organization; (3) develop metrics for determining whether the program is successful; and (4) prepare and publish a report concerning the results of providing care under the program. Expires the program December 31, 2021.

Effective: July 1, 2017.

Shackleford

January 23, 2017, read first time and referred to Committee on Public Health.



First Regular Session of the 120th General Assembly (2017)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1572

A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-7-2-0.8 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2017]: **Sec. 0.8. "Accountable care organization", for purposes**
4 **of IC 12-15-43.5, has the meaning set forth in IC 12-15-43.5-1.**
5 SECTION 2. IC 12-15-43.5 IS ADDED TO THE INDIANA CODE
6 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2017]:
8 **Chapter 43.5. Accountable Care Pilot Program**
9 **Sec. 1. As used in this chapter, "accountable care organization"**
10 **means a group consisting of each of the following providers that**
11 **provide a full range of person centered coordinated health care**
12 **and are accountable for the care provided to an individual:**
13 (1) A health facility licensed under IC 16-28.
14 (2) A provider that provides services for individuals with
15 developmental disabilities.
16 (3) A mental health care provider.
17 (4) A home health agency licensed under IC 16-27.



1 (5) A case management provider.

2 (6) A managed care organization.

3 **Sec. 2. (a) The office, in consultation with the division of aging**
 4 **and division of mental health and addiction, shall develop the**
 5 **accountable care pilot program for the purpose of providing**
 6 **coordinated care and provider collaboration for Medicaid**
 7 **recipients. A Medicaid recipient is eligible to participate in the pilot**
 8 **program if the individual:**

9 (1) is eligible for Medicaid because the individual is in the
 10 aged, blind, and disabled category of Medicaid; and

11 (2) participates in the Medicaid fee for service program.

12 **The office shall determine the number of Medicaid recipients**
 13 **described in this subsection who will participate in the pilot**
 14 **program.**

15 **(b) The following Medicaid recipients are not eligible to**
 16 **participate in the pilot program:**

17 (1) Recipients being serviced in an institution through a
 18 Medicaid waiver.

19 (2) Recipients who are dually eligible for the Medicare
 20 program and the Medicaid program.

21 (3) Recipients participating in a risk based managed care
 22 program.

23 **(c) The office shall implement the pilot program not later than**
 24 **April 1, 2018.**

25 **(d) Reimbursement under the pilot program must be on a fee**
 26 **for service basis.**

27 **Sec. 3. (a) The office shall contract with an accountable care**
 28 **organization to provide care to recipients described in section 2(a)**
 29 **of this chapter under the accountable care pilot program. As a**
 30 **required component of an accountable care organization's**
 31 **participation in the pilot program, an accountable care**
 32 **organization shall do the following:**

33 (1) Share health care information concerning a program
 34 participant with all of the providers of the accountable care
 35 organization that are providing care to the participant.

36 (2) Ensure rapid transition among services and levels of care
 37 for a participant.

38 (3) Leverage the existing infrastructure of a managed care
 39 organization participating as a provider of the accountable
 40 care organization.

41 **(b) The office shall provide a participating accountable care**
 42 **organization with access to historical information, statistics, and**



1 other financial data maintained by the office that are relevant to
2 the accountable care organization in providing care under this
3 chapter.

4 (c) The office shall include, as part of the pilot program,
5 development of a shared savings component that provides a
6 participating accountable care organization with a portion of the
7 savings generated by providing coordinated health care to
8 participants in the manner set forth under this chapter.

9 Sec. 4. (a) The office, in consultation with a participating
10 accountable care organization, shall develop metrics to measure
11 success of the care provided to a participant under the accountable
12 care pilot program. The metrics must include the following:

13 (1) Whether the overall health of the participant improved.

14 (2) Whether participants in the pilot program were pleased
15 with the care provided.

16 (3) Whether communication among providers of the
17 accountable care organization concerning the care of the
18 participant was improved.

19 (4) Whether cost savings in the provision of care was achieved
20 through efficiencies and a reduction in acute medical
21 intervention needs.

22 (b) Not later than December 31, 2020, the office shall prepare
23 and publish a written report concerning the results of providing
24 care under the pilot program and include the report on the office's
25 Internet web site. The report must include the metrics described in
26 subsection (a). The office shall submit the report to the interim
27 study committee on public health, behavioral health, and human
28 services and to the legislative council in an electronic format under
29 IC 5-14-6.

30 Sec. 5. The office shall apply to the United States Department of
31 Health and Human Services for any amendment to the state
32 Medicaid plan or demonstration waiver that is necessary to
33 implement this chapter.

34 Sec. 6. This chapter expires December 31, 2021.

