

HOUSE No. 982

The Commonwealth of Massachusetts

PRESENTED BY:

Paul J. Donato

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act making greater use of managed care in Medicaid.

PETITION OF:

NAME:

Paul J. Donato

DISTRICT/ADDRESS:

35th Middlesex

HOUSE No. 982

By Mr. Donato of Medford, a petition (accompanied by bill, House, No. 982) of Paul J. Donato that the Office of Medicaid implement a goal-driven, performance-based program to improve the quality and coordination of managed care. Health Care Financing.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act making greater use of managed care in Medicaid.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 224 of the Acts of 2012 is hereby amended by striking Section 261
2 in its entirety, and inserting in its place thereof, the following new Section:-

3 SECTION 261. Notwithstanding and special or general law to the contrary and to the
4 greatest extent possible, the office of Medicaid shall implement a goal-driven, performance-
5 based program to improve the quality and coordination of care that utilizes, where appropriate,
6 value-based payment arrangements including but not limited to shared savings, bundled or
7 episodic payments, or global payments. In developing such a program, the office of Medicaid
8 shall consult with and the Medicaid managed care organizations, under contract with the
9 commonwealth to provide services to beneficiaries, and to the greatest extent possible utilize said
10 Medicaid managed care organizations, in implementing the requirements of this section.

11 In designing the program, MassHealth shall adhere to the following:

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13 (ii) provider incentives, any risk-based contracts, and appropriate performance measures
14 should be carefully designed to reflect the specific needs of the MassHealth population that will
15 be covered by any alternative contract;

16 (iii) encourage innovation and provide sufficient flexibility and to allow for a number of
17 different payment approaches that reflect providers' ability to take on risk, their resources to
18 perform care coordination, and their partnerships with specialty and community providers.
19 Provided that MassHealth require any provider that assumes risk obtain a risk certificate from the
20 division of insurance under chapter 176U;

21 (iv) work with the managed care organizations and participating providers to identify and
22 establish clear benchmarks for measuring quality improvement and enrollee access; and

23 (v) establish clear benchmarks for total medical expenses across the program.