2010 -- H 7544

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S T A T E O F R H O D E I S L A N D

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT

Introduced By: Representatives Naughton, Ferri, McNamara, and San Bento

Date Introduced: February 24, 2010

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 42 of the General Laws entitled "STATE AFFAIRS AND
2 GOVERNMENT" is hereby amended by adding thereto the following chapter:

3 CHAPTER 14.6

4 RHODE ISLAND ALL-PAYER PATIENT CENTERED MEDICAL HOME ACT OF 2010

5 **42-14.6-1. Short title. –** This chapter shall be known and may be cited as the "Rhode
6 Island All-Payer Patient Centered Medical Home Act of 2010."

7 **42-14.6-2. Creation – Purpose – Legislative findings. –** (a) The patient centered
8 medical home (PCMH) is an approach to providing comprehensive primary care for children,
9 youth and adults. The patient centered medical home is a health care setting that facilitates
10 partnerships between individual patients, and their personal physicians, physician assistants and
11 advanced practice nurses, and when appropriate, the patient's family. Care is facilitated by
12 registries, information technology, health information exchange and other means to assure that
13 patients get the indicated care when and where they need and want it in a culturally and
14 linguistically appropriate manner. The goals of the patient centered medical home are improved
15 delivery of comprehensive primary care and focus on better outcomes for patients, more efficient
16 payment to physicians and other clinicians and better value, accountability and transparency to
17 purchasers and consumers. The patient-centered medical home changes the interaction between
18 patients and physicians and other clinicians from a series of episodic office visits to an on going
19 two (2) way relationship. The patient-centered medical home helps medical care providers work

1 to keep patients healthy instead of just healing them when they are sick. In the patient centered
2 medical home patients are active participants in managing their health with a shared goal of
3 staying as healthy as possible.
4 **42-14.6-3. Definitions. –** As used in this chapter the following terms shall have the
5 following meanings:
6 (1) "Commissioner" means the health insurance commissioner
7 (2) "Health insurer" means all entities licensed, or required to be licensed, in this state
8 that offer health benefit plans in Rhode Island including, but not limited to, nonprofit hospital
9 service corporations and nonprofit medical service corporations established pursuant to chapter
10 27-19 and 27-20, and health maintenance organizations established pursuant to chapter 27-41 or
11 as defined in chapter 42-62, a fraternal benefit society or any other entity subject to state
12 insurance regulation that provides medical care on the basis of a periodic premium, paid directly
13 or through an association, trust or other intermediary, and issued, renewed, or delivered within or
14 without Rhode Island.
15 (3) "Health insurance plan" means any individual, general, blanket or group policy of
16 health, accident and sickness insurance issued by an insurer licensed to provide such insurance in
17 Rhode Island including, but not limited to, nonprofit hospital service corporations and nonprofit
18 medical service corporations established pursuant to chapters 27-19 and 27-20, and health
19 maintenance organizations established pursuant to chapter 27-41 or as defined in chapter 42-62.
20 The commissioner may by regulation define other health coverage as a health benefit plan for the
21 purposes of this chapter.
22 (4) "Personal clinician" means a physician, physician assistant, or an advanced practices
23 nurse licensed by the department of health.
24 (5) "State health care program" means the medical assistance, RIte Care, and any other
25 health insurance program provided through the office of health and human services (OHHS) and
26 its component state agencies.
27 **42-14.6-4. Development and implementation of standards. –** (a) By January 1, 2011,
28 the commissioner shall develop and implement standards of certification for patient centered
29 medical homes for all Rhode Islanders. In developing these standards, the commissioner shall
30 consider existing standards developed by national independent accrediting and medical home
31 organizations. The standards developed by the commissioner must meet the following criteria:
32 (1) Emphasize, enhance, and encourage the use of primary care, and include the use of
33 primary care physicians, advanced practice nurses, and physician assistants as personal clinicians;
34 (2) Focus on delivering high-quality, efficient, and effective health care services;

(3) Encourage patient-centered care, including active participation by the patient and family or designated agent for health care decision making, as appropriate in decision making and care plan development, and providing care that is appropriate to the patient's individual needs and circumstances;

(4) Provide patients with a consistent, ongoing contact with a personal clinician or team of clinical professionals to ensure continuous and appropriate care for the patient's condition;

(5) Ensure that patient-centered medical homes develop and maintain appropriate comprehensive care plans for their patients with complex or chronic conditons, including an assessment of health risks and chronic conditions;

(6) Enable and encourage utilization of a range of qualified health care professionals, including dedicated care coordinators, in a manner that enables providers to practice to the fullest extent of their license;

(7) Focus initially on patients who have or are at-risk of developing chronic health conditons;

(8) Incorporate measures of quality, resource use, cost of care, and patient experience;

(9) Ensure the use of health information technology and systematic follow-up, including the use of patient registries; and

(10) Encourage the use of scientifically based health care, patient decision-making aids that provide patients within information about treatment options and their associated benefits, risks, costs, and comparative outcomes, and other clinical decision support tools.

(b) In developing these standards, the commissioner shall consult with national and local organizations working on patient-centered medical home models, physicians, relevant state agencies, health insurers, hospitals, other providers, patients, and patient advocates. The commissioner may satisfy this requirement by establishing an advisory committee incorporating participants in the existing Rhode Island patient-centered medical home pilot project.

42-14.6-5. Requirements for clinicians certified as patient centered medical homes. –

(a) A personal clinician or a primary care practice may be certified as a patient-centered medical home. If a primary care practice is certified, all of the primary care practice's clinicians must meet the criteria of a patient-centered medical home. In order to be certified as a patient-centered medial home, a clinician or practice must meet the standards set by the commissioner in accordance with this section. Certification as a patient-centered medical home is voluntary. In order to maintain their status as patient-centered medical homes, clinicians or practices must renew their certification annually.

(b) Clinicians or practices certified as patient-centered medical homes must offer their

1 patient-centered medical home services to all their patients with complex or chronic health
2 conditons who are interested in participation.
3 **42-14.6-6. Alternative models. –** Nothing in this section shall preclude the continued
4 development of existing medical or health care home projects currently operating or under
5 development by the commissioner or other state agencies or preclude the commissioner or other
6 state agencies from establishing alternative models and payment mechanisms for persons who are
7 enrolled in integrated Medicare and Medicaid programs, are enrolled in managed care long-term
8 care programs, are dually eligible for Medicare and medical assistance, are in the waiting period
9 for Medicare, or who have other primary coverage.
10 **42-14.6-7. Patient centered medical home collaborative. –** By January 1, 2011, the
11 commissioner shall establish a patient-centered medical home collaborative to provide an
12 opportunity for patient-centered medical homes, health insurers and state agencies to exchange
13 information related to quality improvement and best practices.
14 **42-14.6-8. Evaluation and continued development. –** (a) For continued certification
15 under this section, patient-centered medical homes must meet process, outcome, and quality
16 standards as developed and specified by the commissioner. The commissioner shall collect data
17 from patent-centered medical homes, necessary for monitoring compliance with certification
18 standards and for evaluating the impact of patient-centered medical homes on health care quality,
19 cost, and outcomes.
20 (b) The commissioner may contract with a private entity to perform an evaluation of the
21 effectiveness of patient-centered medical homes.
22 **42-14.6-9. Annual reports on implementation and administration. –** The
23 commissioner shall report annually to the legislature on the implementation and administration of
24 the patient-centered medical home model for all Rhode Islanders.
25 **42-14.6-10. Evaluation reports. –** The commissioner shall provide to the legislature
26 comprehensive evaluations of the health care home model three (3) years and five (5) years after
27 implementation. The report must include:
28 (1) The number of enrollees in patient-centered medical homes and the number and
29 characteristics of enrollees with complex or chronic conditions, identified by income, race,
30 ethnicity, and language;
31 (2) The number and geographic distribution of patient-centered medical home providers;
32 (3) The performance and quality of care of patient-centered medical homes;
33 (4) Measures of preventative care;
34 (5) Patient-centered medical home payment arrangements, and costs related to

1 implementation and payment of care coordination fees;

2 (6) The estimated impact of patient-centered medical homes on health disparities; and

3 (7) Estimated savings from implementation of the patient-centered medical home model.

4 **42-14.6-11. Payment restructuring. –** (a) Care coordination payments. The health

5 insurance commissioner shall develop a payment system that requires all health insurers and the

6 state health care program to make per-person care coordination payments to patient-centered

7 medical homes certified under this chapter for providing care coordination services and directly

8 managing on-site or employing care coordinators as part of all health insurance plans offered in

9 Rhode Island. The care coordination payments under this section are in addition to any other

10 incentive payments such as quality incentive payments. In developing the criteria for care

11 coordination payments, the commissioner shall consider the feasibility of including the additional

12 time and resources needed by patients with limited English-language skills, cultural differences,

13 or other barriers to health care. The commissioner may determine a schedule for phasing in care

14 coordination fees such that the fees will be applied first to individuals who have, or are at-risk of

15 developing, complex or chronic health conditions.

16 (b) Examination of other payment reforms. By January 1, 2012, the commissioner shall

17 consider additional payment reforms to be implemented for patient-centered medical homes

18 including, but not limited to, payment structures that:

19 (1) Rewards high-quality, low-cost providers;

20 (2) Creates enrollee incentives to receive care from high-quality, low-cost providers; and

21 (3) Fosters collaboration among providers to reduce cost shifting from one part of the

22 health continuum to another.

23 **42-14.6-12. Regulations. –** The health insurance commissioner shall develop regulations

24 to implement this chapter.

25 SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT

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1 This act would require that the health insurance commissioner develop and implement
2 standards of certification for patient-centered medical home facilities.
3 This act would take effect upon passage.

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