

HOUSE BILL REPORT

SSB 5891

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to establishing a forum for testing primary care medical home reimbursement pilot projects.

Brief Description: Establishing a forum for testing primary care medical home reimbursement pilot projects.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senator Keiser; by request of Governor Gregoire).

Brief History:

Committee Activity:

Health Care & Wellness: 3/24/09, 3/26/09 [DPA].

Brief Summary of Substitute Bill
(As Amended by House)

- Directs the Health Care Authority and the Department of Social and Health Services to design, oversee implementation, and evaluate one or more primary care medical home reimbursement pilot projects.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass as amended. Signed by 13 members: Representatives Cody, Chair; Driscoll, Vice Chair; Ericksen, Ranking Minority Member; Bailey, Campbell, Clibborn, Green, Herrera, Hinkle, Kelley, Moeller, Morrell and Pedersen.

Staff: Dave Knutson (786-7146)

Background:

In 2008 the Department of Social and Health Services (DSHS) and the Health Care Authority (HCA) were directed to assess opportunities for changing payment practices in ways that would better support development and maintenance of primary care medical homes. The same year, the Department of Health (DOH) was directed to develop a medical home

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learning collaborative to promote adoption of medical homes in a variety of primary care practice settings. The agencies submitted a progress report titled, *"Payment Options and Learning Collaborative Work in support of Primary Care Medical Homes"* to the Legislature on December 31, 2008.

Summary of Amended Bill:

Public payors, private health carriers, third-party purchasers, and providers are encouraged to collaborate and identify appropriate reimbursement methods to align incentives to support primary care medical homes. The discussions and the determination of reimbursement methods are facilitated by state agencies and as such are exempt from antitrust laws through the state action doctrine.

The HCA and the DSHS must design, oversee implementation, and evaluate one or more primary care medical home reimbursement pilot projects. The agencies must: determine the number and location of the pilots; determine criteria to select primary care clinics to serve as pilot sites; select pilot sites from those clinics that currently include activities typically associated with medical homes or from sites that have been selected by the DOH to participate in the medical home collaboratives; determine reimbursement methods to be tested; and identify performance measures for clinical quality, chronic care management, cost, and patient experience. The agencies must coordinate planning and operation of the pilots with the DOH medical home collaboratives. The act expires July 1, 2013.

Amended Bill Compared to Original Bill:

A portion of the intent section related to incentives for quality primary care services was deleted. The DSHS is authorized, but not required, to choose a direct patient-provider organization as a primary care medical home reimbursement pilot project.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The state needs to find ways to support and encourage the development of primary care medical homes. This is a strategy to improve the health of patients and hold down the cost of health care. By improving the reimbursement for primary care and medical homes, we should be able to increase the number of doctors choosing to provide primary care rather than specialty care.

(Opposed) None.

Persons Testifying: Senator Keiser, prime sponsor; Steve Albrecht, Washington Academy of Family Physicians; Scott Plack, Group Health Cooperative; Richard Onizuka, Health Care Authority; and David Lynch, Family Care Network.

Persons Signed In To Testify But Not Testifying: None.