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HOUSE BILL 2114

State of Washington 61st Legislature 2009 Regular Session

By Representatives Seaquist and Cody; by request of Governor Gregoire

AN ACT Relating to establishing a forum for testing primary care medical home reimbursement pilot projects; adding a new section to chapter 70.54 RCW; creating a new section; and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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NEW SECTION. Sec. 1. (1) The legislature declares that the growth of patient and family-centered primary care medical homes throughout the state is desirable and an important strategy to improve quality of care, particularly for those with chronic conditions, and to achieve long-term cost reductions. The current largely fee-for-service payment system for primary care undervalues that care, is ineffective in supporting medical homes, and serves as a barrier in their development. Creation of pilot projects to test the most promising alternative reimbursement approaches is an appropriate strategy in search of a payment system that supports primary care medical homes.

(2) The legislature declares that collaboration among public payors, private health carriers, and providers to identify appropriate reimbursement methods to align incentives in support of primary care medical homes is in the best interest of the public. The legislature

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therefore intends to exempt from state antitrust laws, and to provide 1 2 immunity from federal antitrust laws through the state action doctrine, 3 for activities undertaken pursuant to pilots designed and implemented 4 under section 2 of this act that might otherwise be constrained by such 5 laws. The legislature does not intend and does not authorize any person or entity to engage in activities or to conspire to engage in 6 7 activities that would constitute per se violations of state and federal 8 including, but not limited to, agreements among laws competing health care providers or health carriers as to the price or 9 10 specific level of reimbursement for health care services.

NEW SECTION. Sec. 2. A new section is added to chapter 70.54 RCW to read as follows:

The health care authority and the department of social and health services shall design, oversee implementation, and evaluate one or more primary care medical home reimbursement pilot projects in the state to include as participants public payors, private health carriers, and health care providers. Based on input from participants, the agencies shall:

- 19 (1) Determine the number and location of primary care medical home 20 reimbursement pilots;
 - (2) Determine criteria to select primary care clinics to serve as pilot sites to facilitate testing of medical home reimbursement methods in a variety of primary care settings;
 - (3) Select pilot sites from those primary care provider clinics that currently employ a number of activities and functions typically associated with medical homes, or from sites that have been selected by the department of health to participate in a medical home collaborative under section 2, chapter 295, Laws of 2008;
- 29 (4) Determine one or more reimbursement methods to be tested by the 30 pilots;
- 31 (5) Identify pilot performance measures for clinical quality, 32 chronic care management, cost, and patient experience through patient 33 self-reporting; and
- 34 (6) Appropriately coordinate during planning and operation of the 35 pilots with the department of health medical home collaboratives and 36 with other private and public efforts to promote adoption of medical

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- 1 homes within the state.
- 2 <u>NEW SECTION.</u> **Sec. 3.** This act expires July 1, 2013.

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