ESHB 2127 - H AMD TO H AMD (H-4741.2/12) **1412**
By Representative Cody

ADOPTED 04/05/2012

On page 103, beginning on line 27, after "(43)" strike all material through "coverage." on page 105, line 16, and insert the following:

"In order to achieve the reductions in appropriations provided in this section, the authority, in consultation with the Washington state hospital association, the Washington state medical association, and the Washington chapter of the American college of emergency physicians shall designate best practices and performance measures to reduce medically unnecessary emergency room visits of medicaid clients. The Washington state hospital association, the Washington state medical association, and the Washington chapter of the American college of emergency physicians will work with the authority to promote these best practices. The best practices and performance measures shall consist of the following items:

(a) Adoption of a system to exchange patient information among emergency room departments on a regional or statewide basis;

(b) Active dissemination of patient educational materials produced by the Washington state hospital association, Washington state medical association, and the Washington chapter of the American college of emergency physicians that instruct patients on appropriate facilities for non-emergent health care needs;

(c) Designation of hospital personnel and emergency room physician personnel to receive and appropriately disseminate information on clients participating in the medicaid patient review and coordination program and to review monthly utilization reports on those clients provided by the authority;

(d) A process to assist the authority's patient review and coordination program clients with their care plans. The process must include substantial efforts by hospitals to schedule an appointment with the client's assigned primary care provider within seventy-two hours of the client's medically unnecessary emergency room visit when appropriate under the client's care plan;

(e) Implementation of narcotic guidelines that incorporate the Washington chapter of the American college of emergency physician guidelines;

(f) Physician enrollment in the state's prescription monitoring program, as long as the program is funded; and

(g) Designation of a hospital emergency department physician responsible for reviewing the state's medicaid utilization management feedback reports, which will include defined performance measures. The emergency department physician and hospital will have a process to take appropriate action in response to the information in the feedback reports if performance measures are not met. The authority must develop feedback reports that include timely emergency room utilization data such as visit rates, medically unnecessary visit rates (by hospital and by client), emergency department imaging utilization rates, and other measures as needed. The authority may utilize the Robert Bree collaborative for assistance related to this best practice.

The requirements for best practices for a critical access hospital should not include adoption of a system to exchange patient information if doing so would pose a financial burden, and should not include requirements related to the authority's patient review and coordination program if the volume of those patients seen at the critical access hospital are small.

Hospitals participating in this medicaid best practices program shall submit to the authority a declaration from executive level leadership indicating hospital adoption of and compliance with the best practices enumerated above. In the declaration, hospitals will affirm that they have in place written policies, procedures, or

guidelines to implement these best practices and are willing to share them upon request. The declaration must also give consent for the authority to disclose feedback reports and performance measures on its website. The authority shall submit a list of declaring hospitals to the relevant policy and fiscal committees of the legislature by July 15, 2012.

If the authority does not receive by July 1, 2012, declarations from hospitals representing at least seventy-five percent of emergency room visits by medicaid clients in fiscal year 2010, the authority may implement a policy of nonpayment of medically unnecessary emergency room visits, with appropriate client and clinical safeguards such as exemptions and expedited prior authorization. The authority shall by January 15, 2013, perform a preliminary fiscal analysis of trends in implementing the best practices in this subsection, focusing on outlier hospitals with high rates of unnecessary visits by Medicaid clients, high emergency room visit rates for patient review and coordination clients, low rates of completion of treatment plans for patient review and coordination clients assigned to the hospital, and high rates of prescribed long-acting opiates. In cooperation with the leadership of the hospital, medical, and emergency physician associations, additional efforts shall be focused on assisting those outlier hospitals and providers to achieve more substantial savings. The authority by January 15, 2013, will report to the legislature about whether assumed savings based on preliminary trend and forecasted data are on target and if additional best practices or other actions need to be implemented.

If necessary, pursuant to RCW 34.05.350(1)(c), the authority may employ emergency rulemaking to achieve the reductions assumed in the appropriations under this section.

Nothing in this subsection shall in any way impact the authority's ability to adopt and implement policies pertaining to the patient review and coordination program."

EFFECT:

- Specifies that the direction to the Health Care Authority's (HCA) Medical Assistance program to create emergency room best practices is in order to achieve reductions in appropriations.
- Specifies that the systems that hospitals adopt to exchange patient information among emergency room departments will work on a regional or statewide basis.
- Specifies that the best practices will include physician enrollment in the Prescription Monitoring Program as long as the program is funded.
- Requires the HCA to develop feedback reports on emergency room utilization, and specifies that the HCA may utilize the Robert Bree collaborative for assistance on this task. Requires the feedback reports to include performance measures and that hospitals have processes to take appropriate action if those measures are not met.
- Requires declarations from executive leadership indicating hospital adoption of and compliance with the best practices. Specifies that the declarations will state that the hospitals have developed written policies, procedures, or guidelines to implement the best practices, will share them upon request, and give their consent for the HCA to disclose feedback reports and performance measures on the HCA's website.
- Requires the HCA to submit a list of declaring hospitals to the Legislature by July 15, 2012, instead of May 1, 2012.
- Requires the HCA to perform a preliminary fiscal analysis of trends in implementing the best practices by January 15, 2013, and report to the Legislature about whether appropriated savings are on target and if additional actions need to be implemented.
- Specifies that additional efforts shall be focused on assisting outlier hospitals and providers to achieve more substantial savings.
- Provides the HCA with authority to employ emergency rulemaking to achieve the reductions assumed in the appropriations.
- Specifies that HCA's ability to adopt and implement policies pertaining to the Patient Review and Coordination program are unchanged.
- Removes the restriction on implementing a policy that does not comport with national prudent layperson standards or uses a discharge diagnosis list for determination of coverage if hospitals representing more than 75 percent of 2010 fee-for-service Medicaid emergency room visits declare that they will implement the best practices. Removes criteria for expedited prior authorizations or exemptions from the non-payment policy for medically unnecessary emergency room visits.
- Makes various technical, grammatical, and stylistic changes.

FISCAL IMPACT: No net change to appropriated levels.

--- END ---