
Appropriations Committee

SSB 6397

Brief Description: Concerning nonparticipating providers.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Frockt, Rolfes and Keiser; by request of Health Care Authority).

Brief Summary of Substitute Bill

- Extends the expiration of provisions requiring Medicaid managed health care systems to maintain adequate provider networks and to pay nonparticipating providers no more than the lowest amount paid for the same services under contracts with similar providers in the state to July 1, 2031.

Hearing Date: 2/29/20

Staff: Meghan Morris (786-7119).

Background:

Medicaid is a federal-state partnership with programs established in the federal Social Security Act and implemented at the state level with federal matching funds. Federal law provides a framework for medical coverage of children, pregnant women, parents, elderly and disabled adults, and other adults with varying income requirements.

Managed care is a prepaid, comprehensive system of medical and health care delivery, including preventive, primary, specialty, and ancillary health services through a network of providers. Managed care systems serving Medicaid clients must pay nonparticipating providers the lowest amounts the systems pay for the same services under the systems' contracts with similar providers in the state. Nonparticipating providers must accept those rates as payment in full, in addition to any deductibles, coinsurance, or copayments due from the patients. Enrollees are not liable to nonparticipating providers for covered services, except for amounts due for any deductibles, coinsurances, or copayments.

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Managed care systems must maintain networks of appropriate providers sufficient to provide adequate access to all services covered under their contracts with the state, including hospital-based services. The Health Care Authority must monitor and periodically report to the Legislature on the proportion of services provided by contracted providers and nonparticipating providers for each of their managed care systems.

Requirements for Medicaid managed health care providers to maintain adequate provider networks and to pay nonparticipating providers the lowest amounts the systems pay for the same services with similar providers expire on July 1, 2021.

Summary of Bill:

The expiration for the requirements for Medicaid managed health care providers to maintain adequate provider networks and to pay nonparticipating providers the lowest amounts the systems pay for the same services with similar providers is extended to July 1, 2031.

Appropriation: None.

Fiscal Note: Available.

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