

SENATE BILL REPORT

SB 5246

As of January 27, 2021

Title: An act relating to reimbursement for primary care services for medicaid beneficiaries.

Brief Description: Concerning reimbursement for primary care services for medicaid beneficiaries.

Sponsors: Senators Randall, Frockt, Conway, Das, Nguyen, Nobles, Saldaña and Wilson, C..

Brief History:

Committee Activity: Health & Long Term Care: 1/29/21.

Brief Summary of Bill

- Requires the Medicaid payment for primary care providers be at least 15 percent above the medical assistance rates in effect January 1, 2019.
- Requires the Medicaid payment for pediatric critical care, neonatal critical care, and neonatal intensive care providers to be at least 21 percent above the medical assistance rates in effect January 1, 2019.
- Requires the Health Care Authority to direct Medicaid managed care plans to increase primary care rates through adoption of a uniform rate increase for network providers.

SENATE COMMITTEE ON HEALTH & LONG TERM CARE

Staff: LeighBeth Merrick (786-7445)

Background: The federal Affordable Care Act (ACA) provided federal funding for payment increases for Medicaid primary care services at the Medicare rates for calendar years 2013 and 2014. The provision applied to fee-for-service and managed care providers for evaluation and management and vaccine administration services when delivered by a physician with a specialty designation of family medicine, general internal medicine, or

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pediatric medicine. Funding was also provided in the state budget to increase the reimbursement for nurse practitioners. The enhanced funding ended December 31, 2014.

Federal Medicaid rules allow states to enter into specific contracting arrangements with managed care organizations. These rules include provisions allowing states to enter into contracts requiring managed care organizations to adopt minimum fee schedules for network providers that provide a particular service under the contract.

Summary of Bill: Medicaid payments for primary care services furnished by a nurse practitioner, naturopath, physician assistant, osteopathic physician assistant, physician, or osteopathic physician, must be at least 15 percent above the medical assistance rates that were in effect on January 1, 2019. Medicaid payments for pediatric critical care, neonatal critical care, and neonatal intensive care services furnished by a nurse practitioner, naturopath, physician assistant, osteopathic physician assistant, physician, or osteopathic physician must be at least 21 percent above medical assistance rates that were in effect on January 1, 2019. The rate increases begin January 1, 2022 and apply to both fee-for-service and managed health care systems.

The Health Care Authority (HCA) must apply the reimbursement rates to payment codes in a manner consistent with the temporary rate increase provided under the ACA. HCA must pursue a state plan amendment directing Medicaid managed care plans to increase payments using a minimum fee schedule.

Appropriation: None.

Fiscal Note: Requested on January 18, 2021.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.