

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 39

BY HEALTH AND WELFARE COMMITTEE

AN ACT

1 RELATING TO MEDICAID; AMENDING SECTION 56-265, IDAHO CODE, TO PROVIDE THAT  
2 THE DEPARTMENT MAY ENTER INTO CERTAIN AGREEMENTS REGARDING PAYMENT  
3 ARRANGEMENTS WITH PROVIDERS, TO PROVIDE THAT SUCH AGREEMENTS SHALL BE  
4 COST-NEUTRAL OR COST-SAVING COMPARED TO OTHER PAYMENT METHODOLOGIES,  
5 TO AUTHORIZE THE DEPARTMENT TO PURSUE CERTAIN WAIVER AGREEMENTS WITH  
6 THE FEDERAL GOVERNMENT AND TO MAKE A TECHNICAL CORRECTION.  
7

8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. That Section 56-265, Idaho Code, be, and the same is hereby  
10 amended to read as follows:

11 56-265. PROVIDER PAYMENT. (1) Where there is an equivalent, the pay-  
12 ment to medicaid providers:

13 (a) May be up to but shall not exceed one hundred percent (100%) of the  
14 current medicare rate for primary care procedure codes as defined by the  
15 centers for medicare and medicaid services; and

16 (b) Shall be ninety percent (90%) of the current medicare rate for all  
17 other procedure codes.

18 (2) Where there is no medicare equivalent, the payment rate to medicaid  
19 providers shall be prescribed by rule.

20 (3) Notwithstanding any other provision of this chapter, if the ser-  
21 vices are provided to an adolescent by a private, freestanding mental health  
22 facility that is an institution for mental disease, the department shall re-  
23 imburse for those services at ninety-one percent (91%) of the current medi-  
24 care rate.

25 (4) The department shall, through the annual budget process, include  
26 a line-item request for adjustments to provider rates. All changes to  
27 provider payment rates shall be subject to approval of the legislature by  
28 appropriation.

29 (5) Notwithstanding any other provision of this chapter, the depart-  
30 ment may enter into voluntary agreements with providers to pay for services  
31 based on their value in terms of measurable health care quality and positive  
32 impacts to participant health.

33 (a) Any such agreement shall be designed to be cost-neutral or cost-  
34 saving compared to other payment methodologies.

35 (b) The department is authorized to pursue waiver agreements with the  
36 federal government as needed to support value-based payment arrange-  
37 ments, up to and including fully capitated provider-based managed care.