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SENATE BILL NO. 5004

Offered June 12, 2014

A *BILL to amend and reenact § 30-347 of the Code of Virginia, relating to the Medicaid Innovation and Reform Commission.*

Patron—Hanger

Unanimous consent to introduce

Referred to Committee on Rules

Be it enacted by the General Assembly of Virginia:**1. That § 30-347 of the Code of Virginia is amended and reenacted as follows:****§ 30-347. Medicaid Innovation and Reform Commission; membership; terms; compensation and expenses; definition.**

A. The Medicaid Innovation and Reform Commission (the Commission) is established as a commission in the legislative branch of state government. The purpose of the Commission shall be to review, recommend and approve innovation and reform proposals affecting the implementation of Title XIX and Title XXI of the Social Security Act, including eligibility and financing for proposals set out in Item 307 of this act. Specifically, the Commission shall review (i) the development of reform proposals; (ii) progress in obtaining federal approval for reforms such as benefit design, service delivery, payment reform, and quality and cost containment outcomes; and (iii) implementation of reform measures.

B. The Commission shall consist of 12 members as follows: the chair of the House Committee on Appropriations, or his designee, and four members of the House Committee on Appropriations appointed by the chair and the chair of the Senate Finance Committee, or his designee, and four members of the Senate Finance Committee appointed by the chair. In addition, the Secretaries of Finance and Health and Human Resources shall serve as ex officio, nonvoting members of the Commission.

C. Members shall serve terms coincident with their terms of office. Vacancies for unexpired terms shall be filled in the same manner as the original appointments. Members may be reappointed for successive terms.

D. 1. The members of the Commission shall elect a chairman and vice chairman annually. A majority of the voting members of the Commission shall constitute a quorum. The meetings of the Commission shall be held at the call of the chairman or whenever the majority of the members so request. The Commission shall meet bimonthly beginning in June 2013, or as soon as possible thereafter.

2. ~~An affirmative vote by three of the five members of the Commission from the House of Delegates and three of the five members of the Commission from the Senate shall be required to endorse any reform proposal to amend Thirty days after the date on which the Secretary of Health and Human Resources advises the Commission that all reforms set forth in subsection F have been confirmed in accordance with the agreed-upon objective metrics, the State Plan for Medical Assistance under Title XIX of the Social Security Act, and any waivers thereof, shall be amended to implement coverage for newly eligible individuals pursuant to 42 U.S.C. § 1396d(y)(1)[2010] of the Patient Protection and Affordable Care Act unless the Commission decides, following consideration of the reforms implemented in accordance with this section and any other relevant circumstances, and by simple majority vote with all voting members from both the House of Delegates and the Senate present, to delay or suspend implementation of coverage for such newly eligible individuals.~~

E. Legislative members of the Commission shall receive such compensation as provided in § 2.2-2813, and nonlegislative members shall receive such compensation as provided in § 2.2-2813.

F. ~~Reforms to the State Plan for Medical Assistance pursuant to Title XIX of the Social Security Act, and any waivers thereof, required to be implemented in accordance with subdivision D 2 shall include (i) all items included in paragraphs 2, 3, and 4 of Item 307. RRRR. of the Appropriation Act of 2013, to be achieved by completion of a specified task, establishment of necessary ongoing processes, or development of a detailed plan for future implementation of changes to achieve the specific task or implement the necessary process, as appropriate, and approved by the Commission in accordance with agreed-upon objective metrics for verification of progress related to implementation of such reforms; and (ii) additional reforms developed by the Commission in cooperation with stakeholders, related to (a) screening and processing applicant information, (b) developing and implementing a plan to remove disincentives for enrollees to increase income levels, (c) increasing oversight of nursing home eligibility determinations and developing crosschecks to prevent inappropriate use of nursing home services, (d)~~

INTRODUCED

SB5004

59 *developing innovative continuous audits using new technologies, and (e) developing targeted initiatives*
60 *for health innovation, data improvement, transparency, health workforce development, and establishment*
61 *of a Health Information Exchange.*

62 **2. That any change to the State Plan for Medical Assistance under Title XIX of the Social Security**
63 **Act authorized in accordance with this act shall be a private option plan and shall include in the**
64 **waiver design the following elements: (i) increased personal responsibility by establishing a**
65 **schedule of co-payments that is equal to the maximum currently allowed by the Centers for**
66 **Medicare and Medicaid Services for individuals under 100% of the federal poverty level and**
67 **higher than the current maximum for individuals with income between 100% and 138% of the**
68 **federal poverty level, and which shall reflect incentives for primary care and appropriate**
69 **treatment of chronic conditions and discourage nonemergency use of emergency rooms, (ii)**
70 **services that are more closely aligned to commercial insurance, including the restriction of**
71 **nonemergency transportation service for individuals with income between 100% and 138% of the**
72 **federal poverty level; (iii) incentives for preventive services, an initial primary care visit, wellness**
73 **activities, and healthy behaviors; (iv) incentives to encourage employment for individuals who are**
74 **unemployed, not attending school as full-time students, not receiving unemployment compensation**
75 **benefits, and not caring for dependent family members under 12 months of age or disabled family**
76 **members of any age; (v) provisions for protection of the Commonwealth in the event federal**
77 **funding is reduced below levels set forth in the Patient Protection and Affordable Care Act (42**
78 **USC 1396d(y)(1)); (vi) payments to health plans and health care providers that are conditioned on**
79 **quality care measures and support patient-centered medical homes; (vii) strengthened efforts to**
80 **prevent, detect and punish fraud and abuse; and (viii) provisions ensuring that coverage is**
81 **contingent upon approval and duration of the waiver.**

82 **3. That the provisions of this act shall become effective in due course pursuant to the provisions of**
83 **Article IV, Section 13 of the Constitution of Virginia.**