### FIRST REGULAR SESSION

# **HOUSE BILL NO. 1222**

## 98TH GENERAL ASSEMBLY

#### INTRODUCED BY REPRESENTATIVE FREDERICK.

2117L.01I

D. ADAM CRUMBLISS, Chief Clerk

## **AN ACT**

To amend chapter 208, RSMo, by adding thereto one new section relating to direct primary care services under the MO HealthNet program.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 208, RSMo, is amended by adding thereto one new section, to be known as section 208.187, to read as follows:

208.187. 1. The general assembly finds that:

- 2 (1) Health care costs are growing rapidly, exceeding the consumer price index year after
- 3 year. Consequently, state health programs are requiring an increasing share of the state budget.
- 4 Sustaining these critical health programs requires actions to effectively contain health care cost
- 5 increases in the future; and
- 6 (2) The direct primary care services model has been demonstrated to successfully
- 7 constrain costs, while improving quality of care. Chronic care management has been shown to
- 8 be especially effective at reducing costs and improving quality. However, broad adoption of the
- 9 direct primary care services model has been impeded by a fee-for-service system that reimburses
- 10 volume of services and does not adequately support important direct primary care services, such
- 11 as case management and patient outreach. Successful implementation of the direct care services
- 12 model requires a broad adoption effort by payers of health care services in coordination with
- 13 health care providers.

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- 2. As used in this section, the following terms shall mean:
- 15 (1) "Direct primary care services", a range of comprehensive primary services, including
- but not limited to routine care, regular checkups, preventive care, and care coordination;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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17 (2) "Direct primary care services agreement", a contract between a physician and an 18 individual enrollee patient or such individual enrollee patient's legal representative in which the 19 physician agrees to provide the direct primary care services described in the agreement to the 20 individual enrollee patient for an agreed-upon fee and period of time. A direct primary care 21 services agreement is not insurance and entering into a direct primary care services agreement 22 is not the business of insurance;

- (3) "Fees", a set recurring charges billed directly to enrollee patients to cover the comprehensive and coordinated direct primary care services provided by the physician under the terms of a direct primary care services agreement;
- (4) "Physician", a physician licensed under chapter 334. Physician includes an individual physician or a group of physicians.
- 3. Based on the findings of the general assembly under subsection 1 of this section, direct primary care services provided to enrollee patients under a direct primary care services agreement shall be an authorized method for the delivery of services under the MO HealthNet program.
- 4. Physicians who provide direct primary care services to enrollees under a direct primary care services agreement shall not be required to enter into a participating provider agreement under the MO HealthNet program. The MO HealthNet division shall, by rule, determine the minimum direct primary care services that shall be included in a direct primary care services agreement to qualify for reimbursement under the MO HealthNet program, and the reimbursement of direct primary care services agreement fees which allows for a sliding scale of fees based on varying degrees of patient medical co-morbidities and other relevant demographic and geographic characteristics. The fees under such direct primary care services agreements shall be billed directly to the enrollee patient, with the MO HealthNet division either providing direct payment to the physician or reimbursing the enrollee directly for such fees.
- 5. Enrollees shall not be required to enter into a direct primary care services agreement under this section. If an enrollee enters into such an agreement, the enrollee shall be permitted to select the physician with whom the enrollee enters into such agreement. If the fees under the direct primary care services agreement exceed to the maximum fees eligible for reimbursement by rule under subsection 4 of this section, the enrollee may, at the enrollee's option, pay the difference between the fee charged under such agreement and the amount of such fee reimbursed under the MO HealthNet program.
- 6. The MO HealthNet division shall submit such state plan amendments and waivers to the Centers for Medicare and Medicaid Services of the federal Department of

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Health and Human Services as the department determines are necessary to implement the provisions of this section.

7. The MO HealthNet division may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2015, shall be invalid and void.

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