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## LEGISLATIVE BILL 396

Approved by the Governor April 22, 2009

Introduced by Gloor, 35; Haar, 21; Howard, 9.

FOR AN ACT relating to health care; to amend section 68-901, Revised Statutes Cumulative Supplement, 2008; to adopt the Medical Home Pilot Program Act; to harmonize provisions; and to repeal the original section. Be it enacted by the people of the State of Nebraska,

Section 1. Section 68-901, Revised Statutes Cumulative Supplement, 2008, is amended to read:

68-901 Sections 68-901 to 68-956 and sections 2 to 6 of this act shall be known and may be cited as the Medical Assistance Act.

- Sec. 2. Sections 2 to 6 of this act shall be known and may be cited as the Medical Home Pilot Program Act. The Medical Home Pilot Program Act terminates on June 30, 2014. The purposes of the act are to improve health care access and health outcomes for patients and to contain costs of the medical assistance program.
  - Sec. 3. For purposes of the Medical Home Pilot Program Act:
- (1) Division means the Division of Medicaid and Long-Term Care of the Department of Health and Human Services;
- (2) Medical home means a provider of primary health care services to patients that meets the requirements for participation in the medical home pilot program established under section 5 of this act;
- (3) Patient means a recipient of medical assistance under the Medical Assistance Act; and
- (4) Primary care physician means a physician licensed under the Uniform Credentialing Act and practicing in the area of general medicine, family medicine, pediatrics, or internal medicine.
- Sec. 4. (1) No later than January 1, 2012, the division shall design and implement a medical home pilot program, in consultation with the Medical Home Advisory Council, in one or more geographic regions of the state to provide access to medical homes for patients. The division shall apply for any available federal or other funds for the program. The division shall establish necessary and appropriate reimbursement policies and incentives under such program to accomplish the purposes of the Medical Home Pilot Program Act. The reimbursement policies:
  - (a) Shall require the provision of a medical home for clients;
- (b) Shall be designed to increase the availability of primary health care services to clients;
- (c) May provide an increased reimbursement rate to providers who provide primary health care services to clients outside of regular business hours or on weekends; and
  - (d) May provide a postevaluation incentive payment.
- (2) No later than June 1, 2014, the division shall evaluate the medical home pilot program and report the results of such evaluation to the Governor and the Health and Human Services Committee of the Legislature. Such report shall include an evaluation of health outcomes and cost savings achieved, recommendations for improvement, recommendations regarding continuation and expansion of the program, and such other information as deemed necessary by the division or requested by the committee.
  - Sec. 5. A medical home shall:
- (1) Provide comprehensive, coordinated health care for patients and consistent, ongoing contact with patients throughout their interactions with the health care system, including, but not limited to, electronic contacts and ongoing care coordination and health maintenance tracking for patients;
- (2) Provide primary health care services for patients and appropriate referral to other health care professionals or behavioral health professionals as needed;
  - (3) Focus on the ongoing prevention of illness and disease;
- (4) Encourage active participation by a patient and the patient's family, guardian, or authorized representative, when appropriate, in health care decisionmaking and care plan development;
- (5) Encourage the appropriate use of specialty care services and emergency room services by patients; and
- (6) Provide other necessary and appropriate health care services and supports to accomplish the purposes of the Medical Home Pilot Program Act.
- Sec. 6. (1) The Medical Home Advisory Council is created. The council shall consist of seven voting members appointed by the Governor as follows:

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(a) Two licensed primary care physicians actively practicing in the area of general and family medicine;

- (b) Two licensed primary care physicians actively practicing in the area of pediatrics;
- (c) Two licensed primary care physicians actively practicing in the area of internal medicine; and
  - (d) One representative from a licensed hospital in Nebraska.
- (2) The chairperson of the Health and Human Services Committee of the Legislature or another member of the committee designated by the chairperson shall serve as an ex officio, nonvoting member of the council.
- (3) The council shall annually select one of its appointed members to serve as chairperson of the council for a one-year term. Appointed members of the council shall be reimbursed for their actual and necessary expenses as provided in sections 81-1174 to 81-1177. The division shall provide administrative support to the council.
- (4) The Governor may remove appointed members of the council for good cause upon written notice and an opportunity to be heard. Any appointed member of the council who ceases to meet the requirements for appointment to the council shall cease to be a member of the council. A vacancy on the council shall be filled in the same manner as provided for the original appointment.
- (5) The Governor shall make initial appointments to the council no later than October 1, 2009. The council shall conduct its initial organizational meeting no later than October 31, 2009.
- (6) The council shall (a) guide and assist the division in the design and implementation of the medical home pilot program and (b) promote the use of best practices to ensure access to medical homes for patients and accomplish the purposes of the Medical Home Pilot Program Act.
- Sec. 7. Original section 68-901, Revised Statutes Cumulative Supplement, 2008, is repealed.