

AMENDMENTS TO LB549

Introduced by Health and Human Services.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Sections 1 to 9 of this act shall be known and may be
4 cited as the Health Care Transformation Act.

5 Sec. 2. It is the intent of the Legislature that the Legislature,
6 the Governor with support of state agencies, and a wide array of public
7 and private health care stakeholders collaborate to transform Nebraska's
8 health care system, utilizing the Building Blocks of Health Care which
9 set forth a fifteen-year vision for health care for Nebraskans with the
10 goal of strengthening Nebraska's health care system to (1) improve the
11 experience of care for health care consumers and patients, including, but
12 not limited to, quality and satisfaction, (2) improve the health of
13 Nebraskans, and (3) reduce the per capita cost of health care in
14 Nebraska.

15 Sec. 3. The Legislature finds that (1) health care services delivery
16 processes, such as patient-centered medical homes and similar
17 initiatives, are transforming the delivery of primary medical care
18 services to a team-based, patient-centered method of delivering health
19 care services, (2) this team-based, patient-centered method of delivering
20 health care services is used in primary health care settings and certain
21 specialty care clinics and needs to be coordinated with other medical,
22 dental, and behavioral health care providers, public health entities, and
23 other community-based support services, (3) the triple aim of the use of
24 patient-centered medical homes is to improve patient experience and
25 individual health outcomes while improving population health and
26 containing health care costs through appropriate use of services, and (4)
27 this unprecedented systemwide transformation of health care services

1 delivery processes necessitates the cooperation and collaboration of
2 federal and state governmental entities along with health care providers,
3 insurers, and self-insured businesses as purchasers of health care
4 services and health insurance, among others.

5 Sec. 4. For purposes of the Health Care Transformation Act:

6 (1) Advisory commission means the Health Care Transformation
7 Advisory Commission created pursuant to section 6 of this act;

8 (2) Building Blocks of Health Care include:

9 (a) Ensuring that all Nebraskans have access to health care
10 coverage, including parity for mental health care coverage, by optimizing
11 public and private funding;

12 (b) Supporting effective models of health care delivery, financing,
13 and payments, including patient-centered medical homes, accountable care
14 organizations, or other models of health care delivery that improve
15 patient care and health and reduce per-patient cost, including, but not
16 limited to, developing innovative health insurance opportunities,
17 transparent health care pricing, payment models that link reimbursement
18 to patient outcomes, integrated care systems, and coordinated team-based
19 care;

20 (c)(i) Ensuring public transparency of health care quality and
21 patient safety relating to all providers and facilities, (ii) ensuring
22 that consumers have a choice of health care provider based on cost,
23 quality, access, and value, and (iii) transitioning the assessment of
24 quality of care from claims-based measures to outcomes-based measures;

25 (d) Establishing and supporting a robust, de-identified statewide
26 data base for the collection and analysis of health data and health care
27 delivery data, including all payers, all patient outcomes, and an entity
28 to oversee such data collection;

29 (e) Utilizing health-based interventions to address factors that
30 influence health outcomes of populations, emphasize public health and
31 disease prevention, and reduce the burden of chronic disease;

1 (f) Promoting personal responsibility for wellness that improves
2 personal and public health literacy of Nebraskans, includes culturally
3 competent patient education, and provides incentives for personal health
4 improvement;

5 (g) Addressing health care workforce shortages by developing
6 strategies to attract health care workers to medically underserved areas,
7 evaluating new categories of health care team members, and developing
8 statewide telehealth and Internet-capable care; and

9 (h) Coordinating statewide health planning to establish a center of
10 health care data, create a profile of health care in the state, establish
11 statewide goals for health care quality, monitor the effectiveness of
12 population health outcomes, recommend changes to state health care laws,
13 rules, and regulations, and reduce health care disparities;

14 (3) Insurer means any insurance company as defined in section 44-103
15 or health maintenance organization as defined in section 44-32,105
16 authorized to transact health insurance business in the state; and

17 (4) Patient-centered medical home means a health care services
18 delivery model in which a patient establishes an ongoing relationship
19 with a primary care provider-directed team to provide comprehensive,
20 accessible, and continuous evidence-based primary and preventive health
21 care and to coordinate the patient's health care needs across the health
22 care system in order to improve quality, safety, access, and health
23 outcomes in a cost-effective manner.

24 Sec. 5. (1) The Program of Health Care Transformation is hereby
25 created within the Department of Health and Human Services. The program
26 shall be administered by the Division of Public Health of the department.

27 (2) The division, in consultation with the advisory commission,
28 shall:

29 (a) Assist residents of Nebraska in obtaining high quality health
30 care and assist health care providers in transforming their services to
31 provide high quality, patient-centered care in an atmosphere of continual

1 safety and quality improvement, including, but not limited to, providing
2 or facilitating learning opportunities for health care providers, public
3 health entities, behavioral health service providers, and community
4 health care workers on:

5 (i) Patient-centered care;
6 (ii) Care coordination;
7 (iii) Chronic care initiatives;
8 (iv) Patient-centered medical homes; and
9 (v) Other similar initiatives;

10 (b) Identify statewide and regional opportunities to meet changing
11 health care needs due to changing demographics, changing technology, and
12 changing business models in the provision of health care services;

13 (c) Establish liaison with other state agencies to ensure that the
14 programs of the division and the Office of Rural Health are appropriately
15 coordinated with the Program of Health Care Transformation;

16 (d) Assist in the collaboration of various data-sharing systems or
17 programs to enable the analysis of public health data and to evaluate the
18 effectiveness of programs and demonstration projects;

19 (e) Develop and approve standards and measures for patient-centered
20 medical homes in Nebraska, taking into account the work begun by the
21 members of the Legislature and stakeholders in the Participation
22 Agreement to recognize and reform payment structures to support Patient-
23 Centered Medical Home, signed on December 18, 2013, and as revised;

24 (f) Provide a forum for discussion and collaboration among
25 stakeholders, health care providers, insurers, consumers, public health
26 systems, self-insured businesses, and others to take advantage of changes
27 in the health care landscape and federal health care programs in order to
28 improve the provision of health care for the residents of Nebraska and to
29 advance safety and quality improvement initiatives and the transformation
30 and integration of health care services. Since the transformation of
31 health care services and reform of the insurance mechanisms involved in

1 payment of services are intricately linked, this forum may be provided in
2 cooperation with discussion forums of the Department of Insurance for
3 insurers and self-insured businesses; and

4 (g) Provide support staff to the advisory commission.

5 (3) The department may seek outside funds and grants and may
6 collaborate with other resources for education and transformation
7 activities.

8 (4) The division shall submit an annual report to the Governor and
9 electronically to the Legislature regarding the activities of the
10 advisory commission.

11 Sec. 6. (1) The Health Care Transformation Advisory Commission is
12 created. The advisory commission shall consist of the following members:

13 (a) The chairperson of the Health and Human Services Committee of
14 the Legislature or his or her designee as a nonvoting member;

15 (b) The Director of Public Health of the Division of Public Health
16 of the Department of Health and Human Services or his or her designee;

17 (c) The Director of Medicaid and Long-Term Care of the Division of
18 Medicaid and Long-Term Care of the Department of Health and Human
19 Services or his or her designee;

20 (d) One representative of the Office of Rural Health of the
21 Department of Health and Human Services, designated by the Governor;

22 (e) One representative from the benefits section of the personnel
23 division of the Department of Administrative Services, designated by the
24 Governor;

25 (f) One representative from the Department of Insurance, designated
26 by the Governor;

27 (g) One representative of each accredited medical school located in
28 the state;

29 (h) One representative of a local public health department as
30 defined in section 71-1626;

31 (i) One physician providing primary care in a patient-centered

1 medical home practicing in an urban area of the state;

2 (j) One physician providing primary care in a patient-centered

3 medical home practicing in a rural area of the state;

4 (k) One pediatrician providing primary care in a patient-centered

5 medical home practicing in the state;

6 (l) One representative of a profession licensed under the Uniform

7 Credentialing Act, other than a physician, providing care in a patient-

8 centered medical home in the state;

9 (m) One representative from a self-insured business with more than

10 two hundred fifty employees;

11 (n) One representative from a self-insured business with two hundred

12 fifty or fewer employees;

13 (o) One representative of each insurer that insures more than five

14 percent of the residents of Nebraska;

15 (p) One member of the public who is a consumer of health care

16 services in the state; and

17 (q) Three members with knowledge of or interest in health care

18 workforce, health education, and health care consumer advocacy, as

19 determined by the Governor.

20 (2) The members designated in subdivisions (1)(g) through (q) of

21 this section shall be appointed by the Governor with the advice and

22 consent of the Legislature, shall serve staggered terms of three years,

23 may be reappointed, and shall be reimbursed from the Health Care

24 Transformation Cash Fund for their actual and necessary expenses as

25 provided in sections 81-1174 to 81-1177.

26 (3) For administrative purposes, the advisory committee shall be

27 located within the Division of Public Health of the Department of Health

28 and Human Services. The division shall provide staffing and technical

29 assistance for the advisory committee.

30 Sec. 7. The advisory commission shall:

31 (1) Develop the recommendations for implementing the Building Blocks

1 of Health Care;

2 (2) Review health information technology and data coordination in
3 Nebraska to: (a) Ensure continuous quality improvement in clinical
4 settings; (b) ensure that scientific evidence and clinical expertise
5 guide coverage decisions about new and emerging technologies; (c) enhance
6 health information technology systems statewide; (d) develop consumer-
7 facing, cost-transparent opportunities; (e) examine opportunities to
8 develop an all-payer claims database and health care analytic hub; (f)
9 review progress in the use of electronic health records and invest in the
10 expansion of a statewide, interoperable electronic health record system
11 for all providers; and (g) examine and analyze trends in the commercial
12 health care coverage market, including changes in premiums and benefit
13 levels, market concentration, spending, and retention;

14 (3) Advise the Department of Health and Human Services, the
15 Legislature, and the Governor regarding aspects of transformation of the
16 health care system;

17 (4) Advise the department regarding policies and programs in the
18 development and implementation of a statewide transformation in primary
19 health care services and the integration of related health care services
20 in Nebraska, including behavioral health services and dental health
21 services, in the education and training of health care providers in
22 Nebraska with regard to team-based, patient-centered primary care, in the
23 regulation of health care providers and health care facilities in
24 Nebraska to assure they are consistent with new delivery transformation,
25 and in any other matters relating to health care transformation;

26 (5) Serve as an advocate for transformation in health care issues
27 and related payment mechanisms;

28 (6) Advise the Program of Health Care Transformation on the
29 development of a set of common health outcome measures, standards for
30 evaluation of patient-centered medical homes in Nebraska, and common
31 payment structures taking into consideration the work begun by members of

1 the Legislature and stakeholders in the Participation Agreement to
2 recognize and reform payment structures to support Patient-Centered
3 Medical Home, signed on December 18, 2013, and as revised;

4 (7) Advise the Program of Health Care Transformation on identifying
5 statewide and regional opportunities to meet changing health care needs
6 due to changing demographics, changing technology, and changing business
7 models in the provision of health care services;

8 (8) Advise the Program of Health Care Transformation on developing
9 collaborations with stakeholders, health care providers, insurers,
10 consumers, public health systems, self-insured businesses, and others to
11 take advantage of changes in the health care landscape and federal health
12 care programs in order to improve the provision of health care services
13 for the residents of Nebraska and to assist in the transformation of
14 primary health care services and integration of related services;

15 (9) Maintain liaison with all agencies, groups, and organizations
16 concerned with transforming health care in order to facilitate
17 integration of efforts and commonality of goals;

18 (10) Advise the department regarding the intent, goals, and
19 implementation of the Health Care Transformation Act; and

20 (11) Report annually by December 15 to the Governor and
21 electronically to the Legislature on its progress and recommendations for
22 implementing the strategies and framework utilizing the Building Blocks
23 of Health Care.

24 Sec. 8. The advisory commission shall hire a coordinator and may
25 hire consultants, evaluators, and other personnel it deems necessary to
26 assist the advisory commission in carrying out its powers and duties
27 under the Health Care Transformation Act. The advisory commission may
28 organize committees as it deems necessary. Members of the committees may
29 be members of the advisory commission or may be appointed, with the
30 approval of the majority of the advisory commission, from individuals
31 with knowledge of the committee's subject matter, professional expertise

1 to assist the committee in completing its assigned responsibilities, and
2 the ability to collaborate within the committee and with the advisory
3 commission to carry out the powers and duties of the advisory commission.

4 Sec. 9. The Health Care Transformation Cash Fund is created. The
5 fund shall include money appropriated by the Legislature and any grant
6 funds and donations. The fund shall be used for the implementation and
7 administration of the Health Care Transformation Act. Any money in the
8 fund available for investment shall be invested by the state investment
9 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
10 State Funds Investment Act.

11 It is the intent of the Legislature to appropriate one hundred fifty
12 thousand dollars from the General Fund for each of the initial two fiscal
13 years to the Department of Health and Human Services to enable the
14 Division of Public Health of the department to carry out the duties and
15 purposes of the Health Care Transformation Act which may include
16 expenditures for personnel.