

Joint Committee on Ways and Means

Carrier – House: Rep. Kotek
Carrier – Senate: Sen. Bates

Revenue: No revenue impact

Fiscal: No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 21 – 0 – 1

House

Yeas: Buckley, Edwards, C., Edwards, D. Galizio, Garrard, Gilman, Jenson, Kotek, Nathason, Richardson, Shields, Smith, G

Nays:

Exc:

Senate

Yeas: Bates, Carter, Girod, Johnson, Monroe, Nelson, Verger, Walker, Whitsett

Nays:

Exc: Winters

Prepared By: John Britton, Legislative Fiscal Office

Meeting Date: 6/19

WHAT THE MEASURE DOES: Establishes the “non-participating” or “non-par” reimbursement rate for hospitals and Medicaid managed care plans that do not have contracts with each other, for the provision of hospital services to Medicaid managed care enrollees.

ISSUES DISCUSSED:

- The committee amendment.

EFFECT OF COMMITTEE AMENDMENT: Sets the “non-par” reimbursement rate for hospitals and Medicaid managed care plans at 2 percentage points less than the percentage of Medicare cost used by the Department of Human Services in calculating the base hospital reimbursement component included in capitation payments to Medicaid managed care plans. The base hospital reimbursement component excludes any supplemental payments such as those paid to reimburse hospitals for provider assessment payments made under HB 2116. This “non-par” rate sunsets on January 2, 2014.

BACKGROUND: Some hospitals and Medicaid managed care plans do not agree on contract prices for the provision of hospital services to Medicaid managed care enrollees. To help ensure access to hospital services, the Legislature has often established a default, or “non-par” reimbursement rate for these hospitals and plans to use.