

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	10 - 0 - 0
Yeas:	Bruun, Cannon, Dembrow, Garrett, Harker, Kennemer, Kotek, Maurer, Thompson, Greenlick
Nays:	0
Exc.:	0
Prepared By:	Roxie Cuellar, Administrator
Meeting Dates:	4/15, 4/22, 4/27

WHAT THE MEASURE DOES: Defines elements of primary care home. Requires Department of Human Services (DHS) to report to interim committees of Legislative Assembly no later than June 30, 2010 on feasibility of implementing system for reimbursement for health care delivered through primary care homes in Medicaid program. Describes provisions of reimbursement system if found feasible. Requires DHS to apply to Centers for Medicare and Medicaid Services for any approval needed to obtain federal financial participation.

ISSUES DISCUSSED:

- Containment of medical costs
- Incentives to treat patients for wellness
- Accountability of patients for lifestyle choices

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: Under the current payment system, primary care providers are paid for each patient visit; more visits result in higher payments. Typically, medical providers address specific patient complaints when the patient has an appointment, but may not have the time or the incentive to address other medical issues to promote wellness. The goal House Bill 3418A is to develop a payment system that reimburses medical providers for keeping patients healthy, rather than paying them to address single ailments when patients make appointments. A proactive approach to medical treatment may be more effective and less costly than a reactive approach to patient complaints.