

House Bill 227 Amendments

Page 2, line 7, add “local physicians,” in front of “tribal”

Delete p. 7, lines 3 to 9 and replace with the following:

(d) On or before December 1, 2016, the Department of Health and Social Services shall enter into a contract or contracts with one or more organization(s) led by persons, which must include Alaska-based physicians, with experience in managing high risk Alaskan patient populations and bundled payment programs, that includes Alaska based physician ownership to:

- (1) operate a care management program that includes identification and active management of care by medical professionals for the highest utilizer of Medicaid services to improve the quality and efficiency of care delivery to this patient population.
- (2) establish a community based project to reduce the cost of care associated with hospitalizations for specific episodes which includes the period of 90 days post discharge. This project will be similar to the CMS Innovation Model for Bundled Payments for Care Improvement (BPCI) Initiative. The provider-led entity shall operate the project, with the support from the department, which will include shared savings for participating physicians. The project must include:
 - (A) A process for defining and identifying patients that meet criteria for inclusion into the program
 - (B) A process for assisting patients with plans of care post discharge and for assisting patients in making appointments with primary care providers within 96 hours after a hospitalization.
 - (C) A physician-led, clinical case management and care coordination program
 - (D) A procedure to allow for patient choice.
 - (E) An option to elect bundles in either Model 2 or Model 3, which both involve a retrospective bundled payment arrangement where actual expenditures are reconciled against a target prices for an episode of care.
 - a. In Model 2, the episode includes the inpatient stay at an acute care hospital plus the post-acute care and all related services up to 90 days after hospital discharge.
 - b. In Model 3, the episode of care is triggered by an acute care hospital stay but begins at initiation of post-acute care services with a skilled nursing facility, inpatient rehabilitation facility, long-term care hospital or home health agency.
 - (F) And may also include bundles not involving hospital stays, including, but not limited to pediatric, maternity, chronic kidney disease and orthopedic episodes of care.
 - (G) The department shall share historical cost data associated with episodes of care with the provider-led entity so that a cost baseline can be agreed upon.
 - (H) The department shall share cost data with the provider-led entity in a timely manner.
- (3) operate one or more primary care clinics to provide and manage primary care and related services for beneficiary who have experienced an episode of care in connection with the program set forth in subsection (d)(2) above after such beneficiary has completed such episode of care. The goal of the primary care clinic shall be to improve long term outcomes for beneficiary while reducing utilization of services among high risk populations.

(e) The department shall adopt regulations necessary to implement the provision set forth in subsection (d) above, request technical assistance from the United States Department of Health and Human Services and apply to the United States Department of Health and Human Services for waivers or amendments to the state plan as necessary to implement the project under this section.

(f) In connection with subsection (d) above, the department shall create a performance and quality reporting system. Any entity being awarded a contract in connection with subsection (d) must include at least twenty percent ownership by residents of the state of Alaska, including health care providers actively providing care to high risk patients in the state of Alaska.

Page 7, line 21 add “bundled or episodic payment programs, including programs similar to the Bundled Payment for Care Improvement Program operated by CMS,” in front of “changes in provider payments”.

Delete Page 8, line 21 and replace with:

- (1) Bundled or episodic payment programs, including programs similar to the Bundled Payment for Care Improvement Program operated by CMS.

Page 8, line 29 delete “a global payment fee structure and replace with “a bundled or episodic payment programs, including programs similar to the Bundled Payment for Care Improvement Program operated by CMS,” in front of “changes in provider payments”.

Delete p. 8, line 29 starting with “The demonstration project must...” through line 31.

Page 9, delete lines 1 to 5 and “outcomes.” on line 6.

Page 9, line 7 change 2019 to 2020

Page 9, line 9 add at the end of the paragraph:

Any entity being awarded a contract in connection with 47.07.036(d) must include at least twenty percent ownership by residents of the state of Alaska, including health care providers actively providing care to high risk patients in the state of Alaska.

Page 10 delete lines 18 to 25 and replace with:

On or before December 1, 2016, the Department of Health and Social Services shall enter into a contract or contracts with one or more organization(s) led by persons, which must include Alaska-based physicians, with experience in managing high risk Alaskan patient populations and bundled payment programs, that includes Alaska based physician ownership to:

- (1) operate a care management program that includes identification and active management of care by medical professionals for the highest utilizer of Medicaid services to improve the quality and efficiency of care delivery to this patient population.
- (2) establish a community based project to reduce the cost of care associated with hospitalizations for specific episodes which includes the period of 90 days post discharge. This project will be similar to the CMS Innovation Model for Bundled Payments for Care Improvement (BPCI) Initiative. The provider-led entity shall operate the project, with the

support from the department, which will include shared savings for participating physicians.
The project must include:

- (A) A process for defining and identifying patients that meet criteria for inclusion into the program
 - (B) A process for assisting patients with plans of care post discharge and for assisting patients in making appointments with primary care providers within 96 hours after a hospitalization.
 - (C) A physician-led, clinical case management and care coordination program
 - (D) A procedure to allow for patient choice.
 - (E) An option to elect bundles in either Model 2 or Model 3, which both involve a retrospective bundled payment arrangement where actual expenditures are reconciled against a target prices for an episode of care.
 - a. In Model 2, the episode includes the inpatient stay at an acute care hospital plus the post-acute care and all related services up to 90 days after hospital discharge.
 - b. In Model 3, the episode of care is triggered by an acute care hospital stay but begins at initiation of post-acute care services with a skilled nursing facility, inpatient rehabilitation facility, long-term care hospital or home health agency.
 - (F) And may also include bundles not involving hospital stays, including, but not limited to pediatric, maternity, chronic kidney disease and orthopedic episodes of care.
 - (G) The department shall share historical cost data associated with episodes of care with the provider-led entity so that a cost baseline can be agreed upon.
 - (H) The department shall share cost data with the provider-led entity in a timely manner.
- (3) operate one or more primary care clinics to provide and manage primary care and related services for beneficiary who have experienced an episode of care in connection with the program set forth in this Section above after such beneficiary has completed such episode of care. The goal of the primary care clinic shall be to improve long term outcomes for beneficiary while reducing utilization of services among high risk populations.

The department shall adopt regulations necessary to implement the provision set forth in this Section, request technical assistance from the United States Department of Health and Human Services and apply to the United States Department of Health and Human Services for waivers or amendments to the state plan as necessary to implement the project under this section.. Any entity being awarded a contract in connection with subsection (d) must include at least twenty percent ownership by residents of the state of Alaska, including health care providers actively providing care to high risk patients in the state of Alaska.