



SENATE BILL 537: Establish New Payment Methodology/ACHs.

2019-2020 General Assembly

Committee:	Senate Health Care. If favorable, re-refer to Rules and Operations of the Senate	Date:	April 16, 2019
Introduced by:	Sens. Hise, Krawiec, Bishop	Prepared by:	Theresa Matula Committee Staff
Analysis of:	First Edition		

OVERVIEW: Senate Bill 537 would direct the Department of Health and Human Services to convene a workgroup to evaluate reimbursement options under managed care for adult care homes and to develop a service definition that i) supports alternative payment models, ii) incorporates best practices for long-term services and supports, and iii) includes efficient payment methodologies. By October 1, 2020, the Department must submit a report containing the new service definition to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Fiscal Research Division, and then the Department must submit Medicaid State Plan amendments necessary to implement the new service definition to the Centers for Medicare and Medicaid Services.

[As introduced, this bill was identical to H729, as introduced by Reps. Dobson, Lambeth, Murphy, Adcock, which is currently in House Health.]

BILL ANALYSIS: SB 537 would direct the Department of Health and Human Services (DHHS) to convene a workgroup that includes adult care home industry representatives and relevant stakeholders, to evaluate reimbursement options under managed care for adult care homes. The workgroup must include all funding streams in the evaluation and must develop a service definition. In developing the service definition, the workgroup must include the following components:

1. Support for alternative payment models, including pay-for-performance initiatives, available under the State's 1115 Medicaid waiver and Medicaid transformation.
2. Best practices for long-term services and supports.
3. Efficient payment methodologies.

By October 1, 2020, the Department is required to submit a report containing the new service definition to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Fiscal Research Division. Following submission of the report, DHHS is directed to submit any Medicaid State Plan amendments necessary to implement the new service definition to the Centers for Medicare and Medicaid Services.

EFFECTIVE DATE: SB 537 would become effective when it becomes law.

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