

**CONFERENCE COMMITTEE REPORT
DIGEST FOR EHB 1130**

Citations Affected: IC 12-15; IC 12-26; noncode.

Synopsis: Medicaid and other health payments. Limits payments that a court may order to be made from a county general fund to facilities that care for certain mentally ill individuals. Requires the office of Medicaid policy and planning (OMPP) to adjust payments to providers based on Medicare rates using certain conversion factors. Requires OMPP to make additional payments to providers during fiscal year 2001 that increase state expenditures by \$2,000,000. Requires that payment for emergency services provided in a hospital's emergency department to certain individuals must be equal to the current Medicaid fee for service reimbursement rates for those services. Reestablishes the select joint committee on Medicaid oversight. (As affected by this conference committee report, the bill would differ from the form in which it passed the House in the following ways: (1) Adds a provision limiting payments that a court may order to be made from a county general fund to facilities that provide care to certain mentally ill individuals. (2) Removes a provision adjusting payments to providers under certain Medicaid programs. (3) Requires OMPP to adjust payments for services provided in emergency departments to certain individuals in order to conform with federal law. (4) Requires the select joint committee on Medicaid oversight to review proposals regarding certain Medicaid waivers.)

Effective: January 1, 2000 (retroactive); Upon passage; July 1, 2000; July 1, 2001.

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT:

Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill No. 1130 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 human services.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 12-15-12-13 IS ADDED TO THE INDIANA
- 7 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 8 [EFFECTIVE JULY 1, 2000]: **Sec. 13. (a) Except as provided in**
- 9 **subsection (b), this section applies to emergency services provided**
- 10 **to an individual enrolled in the Medicaid Risk-Based Managed**
- 11 **Care program.**
- 12 **(b) This section does not apply to the following:**
- 13 **(1) Services provided to an individual enrolled in the**
- 14 **Medicaid Risk-Based Managed Care program by a provider**
- 15 **who has contracted with a Medicaid Risk-Based Managed**
- 16 **Care organization to provide emergency services to the**
- 17 **individual.**
- 18 **(2) Services provided to an individual after the individual is**
- 19 **stabilized.**
- 20 **(c) Payment for emergency services (as defined in 42 U.S.C.**
- 21 **1396u-2(b)(2)(B)) provided for the evaluation or stabilization of an**
- 22 **emergency medical condition (as defined in 42 U.S.C.**
- 23 **1396u-2(b)(2)(C)) in the emergency department of a hospital**
- 24 **licensed under IC 16-21 must be in an amount equal to one**
- 25 **hundred percent (100%) of the current Medicaid fee for service**
- 26 **reimbursement rates for emergency services.**
- 27 **(d) Payment under subsection (c) is the responsibility of the**

1 applicable Medicaid Risk-Based Managed Care organization under
 2 42 U.S.C. 1396u-2(b)(2)(A)(i). This subsection does not prohibit the
 3 organization described in this subsection from entering into a
 4 subcontract with another Medicaid Risk-Based Managed Care
 5 organization providing for the latter organization to assume
 6 financial responsibility for making the payments due under
 7 subsection (c).

8 (e) This section does not prohibit a managed care organization's
 9 ability to:

10 (1) review; and

11 (2) make a determination of;

12 the medical appropriateness of the services provided in a hospital's
 13 emergency department.

14 SECTION 2. IC 12-15-13-2 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. (a) Except as
 16 provided in IC 12-15-14 and IC 12-15-15, payments to Medicaid
 17 providers must be:

18 (1) consistent with efficiency, economy, and quality of care; and

19 (2) sufficient to enlist enough providers so that care and services
 20 are available under Medicaid, at least to the extent that such care
 21 and services are available to the general population in the
 22 geographic area.

23 (b) If federal law or regulations specify reimbursement criteria,
 24 payment shall be made in compliance with those criteria.

25 (c) In addition to the requirements under subsection (a), the
 26 office shall establish payments to providers listed under 405
 27 IAC 1-11.5-1 (except for oral surgeons and dentists) that are
 28 reimbursed through the resource based relative value scale as
 29 provided in 405 IAC 1-11.5 under a fee for service program or the
 30 Medicaid primary care case management program as follows:

31 (1) Not less than the most current relative value unit, as
 32 established by the federal Health Care Financing
 33 Administration, factoring in:

34 (A) the existing geographic practice cost indices; and

35 (B) the conversion factor established by 405 IAC 1-11.5-2.

36 (2) If relative value units are not applicable, the office shall
 37 review and adjust the payments as appropriate.

38 (3) For anesthesia services, the office shall use:

39 (A) the most current American Society of Anesthesiologists
 40 relative value guide's base and modifier units; and

41 (B) the time unit and the conversion factor established by
 42 405 IAC 1-11.5-2.

43 (d) The office shall update payment rates at least one (1) time
 44 every two (2) years in compliance with this section."

45 Page 1, line 2, after "If" insert "upon a showing by the facility
 46 that".

47 Page 1, line 8, delete ", if the facility demonstrates that diligent
 48 efforts to".

49 Page 1, delete line 9.

50 Page 1, line 10, delete "(3) have been unsuccessful,".

51 Page 1, between lines 16 and 17, begin a new paragraph and insert:

1 "(c) Subsection (b) is subject to the terms of any written
2 agreement between a county and a facility regarding the comfort
3 and care of an individual.

4 SECTION 4. [EFFECTIVE JULY 1, 2000] (a) Notwithstanding
5 IC 12-15-13-2, as amended by this act, the office of Medicaid policy
6 and planning shall adjust payments to providers listed under 405
7 IAC 1-11.5-1 (except for oral surgeons and dentists) that are
8 reimbursed through the resource based relative value scale as
9 provided in 405 IAC 1-11.5 under a fee for service program or the
10 Medicaid primary care case management program. The
11 adjustment described in this SECTION shall increase state general
12 fund expenditures by not less than two million dollars (\$2,000,000)
13 annually.

14 (b) This SECTION expires June 30, 2001."

15 Page 2, line 25, delete "study, investigate, and oversee" and insert
16 "do".

17 Page 2, line 27, delete "Whether" and insert "Determine whether".

18 Page 2, line 27, delete "of" and insert "for".

19 Page 2, line 32, delete "Legislative" and insert "Study and propose
20 legislative".

21 Page 2, line 32, delete "are needed" and insert "could help".

22 Page 2, line 33, delete "eliminate" and insert "reduce the amount
23 of time needed to process".

24 Page 2, line 33, after "claims" delete "," and insert "and eliminate".

25 Page 2, line 35, delete "The" and insert "Oversee the".

26 Page 2, line 38, delete "Any" and insert "Study and investigate
27 any".

28 Page 3, delete lines 2 through 9.

29 Page 3, line 10, delete "(l)" and insert "(j)".

30 Page 3, line 10, after "contractor" delete "of" and insert "for".

31 Page 3, line 10, delete "of Medicaid policy and planning".

32 Page 3, line 20, delete "(m)" and insert "(k)".

33 Page 3, line 24, delete "(n)" and insert "(l)".

34 Page 3, between lines 24 and 25, begin a new paragraph and insert:
35 "SECTION 6. [EFFECTIVE UPON PASSAGE] (a) The office of
36 the secretary of family and social services shall submit proposals
37 developed by the office:

38 (1) to fund adult foster care and assisted living services
39 through the Medicaid waiver program; and

40 (2) to expand adult day care services available through the
41 aged and disabled Medicaid waiver;

42 to the select joint committee on Medicaid oversight established by
43 this act for review by the committee before the submitting the
44 proposals to the federal Health Care Financing Administration.

45 (b) This SECTION expires December 31, 2001."

46 Renumber all SECTIONS consecutively.

(Reference is to EHB 1130 as printed February 16, 2000.)

Conference Committee Report
on
Engrossed House Bill 1130

Signed by:

Representative Crawford
Chairperson

Senator Miller

Representative Becker

Senator Server

House Conferees

Senate Conferees