

SB0193S03 compared with SB0193S02

{Omitted text} shows text that was in SB0193S02 but was omitted in SB0193S03

inserted text shows text that was not in SB0193S02 but was inserted into SB0193S03

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Medicaid Provider Reimbursement Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Derrin R. Owens

House Sponsor:

LONG TITLE

General Description:

This bill provides for an annual increase in Medicaid rates for certain providers.

Highlighted Provisions:

This bill:

- defines terms; {and}
- requires the annual base budget to include a Medicaid rate increase for certain providers {-} ; and
- coordinates S.B. 246, Medicaid Reimbursement Rate Modifications, and S.B. 193, Medicaid Provider Reimbursement Amendments, to specify which bill should become law if both pass.

Money Appropriated in this Bill:

None

This bill provides a coordination clause.

AMENDS:

26B-3-203 , as last amended by Laws of Utah 2024, Chapters 264, 284 , as last amended by Laws of Utah 2024, Chapters 264, 284

Utah Code Sections affected by Coordination Clause:

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- 23 *Be it enacted by the Legislature of the state of Utah:*
- 24 Section 1. Section **26B-3-203** is amended to read:
- 25 **26B-3-203. Base budget appropriations for Medicaid accountable care organizations and**
behavioral health plans -- Forecast of behavioral health services cost, behavioral health plans, and
ABA services -- Forecast of behavioral health services cost.
- 23 (1) As used in this section:
- 24 (a) "ABA service" means a service applying applied behavior analysis, as that term is defined in Section
31A-22-642.
- 26 (b) "ABA service reimbursement rate" means the Medicaid reimbursement rate developed by the
division, in accordance with Part 1, Health Care Assistance, and paid to a provider for providing an
ABA service.
- 29 (c) "ACO" means a Medicaid accountable care organization that contracts with the state's Medicaid
program for:
- 31 (i) physical health services; or
- 32 (ii) integrated physical and behavioral health services.
- 33 (d) "Air ambulance provider" means an entity licensed under Section 53-2d-512.
- 34 [~~(d)~~] (e) "Base budget" means the same as that term is defined in legislative rule.
- 35 [~~(e)~~] (f) "Behavioral health plan" means a managed care or fee-for-service delivery system that
contracts with or is operated by the department to provide behavioral health services to Medicaid
eligible individuals, including a medication assisted treatment plan.
- 39 [~~(f)~~] (g) "Behavioral health services" means mental health or substance use treatment or services.
- 41 (h) "DSPD services" means home and community based services operated by the Division of Services
for People with Disabilities created in Section 26B-6-402.
- 43 [~~(g)~~] (i) "General Fund growth factor" means the amount determined by dividing the next fiscal year
ongoing General Fund revenue estimate by current fiscal year ongoing appropriations from the
General Fund.
- 46 (j) "Intermediate care facilities for people with an intellectual disability" or "ICF" means a facility
licensed under Section 26B-2-212.
- 48 [~~(h)~~] (k) "Next fiscal year ongoing General Fund revenue estimate" means the next fiscal year
ongoing General Fund revenue estimate identified by the Executive Appropriations Committee, in

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accordance with legislative rule, for use by the Office of the Legislative Fiscal Analyst in preparing budget recommendations.

- 52 (l) "Medication assisted treatment plan" means the same as that term is defined in Section 64-13-25.1.
54 [(i)] (m) "Member" means an enrollee.
55 (n) "Nursing facility" means the same as that term is defined in Section 26B-2-201.
56 [(j)] (o) "PMPM" means per-member-per-month funding.
57 (p) "Private duty nursing" means continuous and individualized skilled nursing care provided to a
patient:
59 (i) with complex medical needs;
60 (ii) outside of a traditional hospital setting; and
61 (iii) by a licensed registered nurse or licensed practical nurse.
62 (q) "Professional rates" means rates for Current Procedural Terminology codes except for the following
codes:
64 (i) laboratory;
65 (ii) radiology;
66 (iii) ABA services;
67 (iv) COVID-19 counseling; and
68 (v) behavioral health.
69 (2) If the General Fund growth factor is less than 100%, the next fiscal year base budget shall, subject
to Subsection [(5)] (7), include an appropriation to the department in an amount necessary to ensure
that the next fiscal year PMPM for ACOs and behavioral health plans equals the current fiscal year
PMPM for the ACOs and behavioral health plans multiplied by 100%.
74 (3) If the General Fund growth factor is greater than or equal to 100%, but less than 102%, the
next fiscal year base budget shall, subject to Subsection [(5)] (7), include an appropriation to
the department in an amount necessary to ensure that the next fiscal year PMPM for ACOs and
behavioral health plans equals the current fiscal year PMPM for the ACOs and behavioral health
plans multiplied by the General Fund growth factor.
79 (4) If the General Fund growth factor is greater than or equal to 102%, the next fiscal year base budget
shall, subject to Subsection [(5)] (7):
81 (a) in fiscal years 2025 and 2026:

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- (i) include an appropriation to the department in an amount that would, prior to the application of Subsection (4)(a)(ii), allow the department to ensure that the next fiscal year PMPMs for ACOs and behavioral health plans is greater than or equal to the current fiscal year PMPMs for the ACOs and behavioral health plans multiplied by 102%;
- 87 (ii) subject to Subsection (4)(a)(iii), allocate the amount appropriated under Subsection (4)(a)(i) to provide substantially the same year-over-year percentage point increase to:
- 90 (A) the PMPMs for ACOs and behavioral health plans; and
- 91 (B) each ABA service reimbursement rate; and
- 92 (iii) for the initial appropriation under Subsection (4)(a)(i), prior to providing the percentage point increases under Subsection (4)(a)(ii), allocate from the total amount appropriated under Subsection (4)(a)(i) an amount necessary to increase and substantially equalize each of the ABA service reimbursement rates with a corresponding reimbursement rate paid for providing the same or substantially similar service under an ACO or a behavioral health plan; and
- 98 (b) beginning in fiscal year 2027, include an appropriation to the department in an amount necessary to ensure that the next fiscal year PMPMs for ACOs and behavioral health plans is greater than or equal to the current fiscal year PMPMs for the ACOs and the behavioral health plans multiplied by 102%, and less than or equal to the current fiscal year PMPMs for the ACOs and the behavioral health plans multiplied by the General Fund growth factor.
- 104 (5)
- . (a) Subject to Subsection (5)(c), beginning in fiscal year 2026, each fiscal year base budget shall:
- 106 (i) include an appropriation to the department that:
- 107 (A) is proportional to the amount provided under Subsections (2) through (4) contained in the base budget; and
- 109 (B) is used to ensure that the fiscal year fee-for-service rates increase for professional rates, air ambulance provider rates, DSPD rates, private duty nursing rates, ICF rates, and nursing facility rates; and
- 112 (ii) include an additional appropriation for an ACO to match the fee-for-service rate increase for services described in Subsection (5)(a)(i)(B) paid for by an ACO.
- 114 (b) In accordance with Subsection (5)(a)(ii), an ACO shall match the fee-for-service rate increase for applicable services paid by the ACO.

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(c) For nursing facility and ICF rates, any annual appropriation may not cause the rates to exceed the upper payment limit established by CMS.

118 (6) Beginning in fiscal year 2028, each fiscal year base budget shall include an appropriation to the department that:

120 (a) is proportional to the amount provided under Subsections (2) through (4) that is contained in the base budget; and

122 (b) is used to ensure that the fiscal year fee-for-service rates increase for ABA services.

123 [~~5~~] (7) The appropriations provided to the department for behavioral health plans under this section shall be reduced by the amount contributed by counties in the current fiscal year for behavioral health plans in accordance with Subsections 17-43-201(5)(k) and 17-43-301(6)(a)(x).

127 [~~6~~] (8) In order for the department to estimate the impact of Subsections (2) through [~~4~~] (6) before identification of the next fiscal year ongoing General Fund revenue estimate, the Governor's Office of Planning and Budget shall, in cooperation with the Office of the Legislative Fiscal Analyst, develop an estimate of ongoing General Fund revenue for the next fiscal year and provide the estimate to the department no later than November 1 of each year.

133 [~~7~~] (9) The Office of the Legislative Fiscal Analyst shall include an estimate of the cost of behavioral health services in any state Medicaid funding or savings forecast that is completed in coordination with the department and the Governor's Office of Planning and Budget.

142 Section 2. **Effective date.**

This bill takes effect on May 7, 2025.

144 Section 3. **Coordinating S.B. 193 with S.B. 246.**

If S.B. 193, Medicaid Provider Reimbursement Amendments, and S.B. 246, Medicaid Reimbursement Rate Modifications, both pass and become law, the Legislature intends that, on May 7, 2025, the amendments to Section 26B-3-230 contained in S.B. 193 supersede amendments to Section 26B-3-230 in S.B. 246.

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