

Senator Todd D. Weiler proposes the following substitute bill:

MEDICAID REIMBURSEMENT RATE AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Todd D. Weiler

House Sponsor: Stephanie Gricius

LONG TITLE

General Description:

This bill addresses Medicaid reimbursement rates.

Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ establishes a budgeting mechanism under which Medicaid reimbursement rates paid to providers for diagnostic and treatment services for autism spectrum disorder are equalized with the reimbursement rates paid to providers for similar diagnostic or treatment services, unrelated to autism spectrum disorder, under an ACO or a behavioral health plan.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

26B-3-203, as renumbered and amended by Laws of Utah 2023, Chapter 306



26 *Be it enacted by the Legislature of the state of Utah:*

27 Section 1. Section **26B-3-203** is amended to read:

28 **26B-3-203. Base budget appropriations for Medicaid accountable care**
29 **organizations, behavioral health plans, and carve-out services -- Forecast of behavioral**
30 **health services cost.**

31 (1) As used in this section:

32 (a) "ACO" means an accountable care organization that contracts with the state's
33 Medicaid program for:

34 (i) physical health services; or

35 (ii) integrated physical and behavioral health services.

36 (b) "Base budget" means the same as that term is defined in legislative rule.

37 (c) "Behavioral health plan" means a managed care or fee for service delivery system,
38 including providers of behavioral health carve-out services, as defined in the Utah Medicaid
39 Provider Manual, that contracts with or is operated by the department to provide behavioral
40 health services to Medicaid eligible individuals.

41 (d) "Behavioral health services" means mental health or substance use treatment or
42 services.

43 (e) "Carve-out service" means the same as that term is defined in the Utah Medicaid
44 Provider Manual.

45 (f) "Diagnosis of autism spectrum disorder" means the same as that term is defined in
46 Section 31A-22-642.

47 ~~(g)~~ (g) "General Fund growth factor" means the amount determined by dividing the
48 next fiscal year ongoing General Fund revenue estimate by current fiscal year ongoing
49 appropriations from the General Fund.

50 ~~(h)~~ (h) "Next fiscal year ongoing General Fund revenue estimate" means the next
51 fiscal year ongoing General Fund revenue estimate identified by the Executive Appropriations
52 Committee, in accordance with legislative rule, for use by the Office of the Legislative Fiscal
53 Analyst in preparing budget recommendations.

54 ~~(i)~~ (i) "PMPM" means per-member-per-month funding.

55 (j) "Carve-out reimbursement rate" means the predetermined maximum allowable
56 Medicaid reimbursement rate developed by the division, in accordance with Part 1, Health Care

57 Assistance, and paid to a provider for providing a carve-out service related to the diagnosis of
58 autism spectrum disorder or treatment for autism spectrum disorder.

59 (k) "Treatment for autism spectrum disorder" means the same as that term is defined in
60 Section 31A-22-642.

61 (2) If the General Fund growth factor is less than 100%, the next fiscal year base
62 budget shall, subject to Subsection (5), include an appropriation to the department in an
63 amount necessary to ensure that the next fiscal year PMPM for ACOs and behavioral health
64 plans equals the current fiscal year PMPM for the ACOs and behavioral health plans multiplied
65 by 100%.

66 (3) If the General Fund growth factor is greater than or equal to 100%, but less than
67 102%, the next fiscal year base budget shall, subject to Subsection (5), include an appropriation
68 to the department in an amount necessary to ensure that the next fiscal year PMPM for ACOs
69 and behavioral health plans equals the current fiscal year PMPM for the ACOs and behavioral
70 health plans multiplied by the General Fund growth factor.

71 (4) If the General Fund growth factor is greater than or equal to 102%, the next fiscal
72 year base budget shall[-];

73 (a) subject to Subsection (5), include an appropriation to the department in an amount
74 necessary to ensure that the next fiscal year PMPM for ACOs and behavioral health plans is
75 greater than or equal to the current fiscal year PMPM for the ACOs and behavioral health plans
76 multiplied by 102% and less than or equal to the current fiscal year PMPM for the ACOs and
77 behavioral health plans multiplied by the General Fund growth factor[-]; and

78 (b) (i) subject to Subsection (4)(c), include an appropriation to the department in an
79 amount necessary to ensure that each carve-out reimbursement rate in the next fiscal year is:

80 (A) higher than the carve-out reimbursement rate multiplied by a factor of 102%; and

81 (B) equal to or lower than the carve-out reimbursement rate applicable in the current
82 fiscal year multiplied by the General Fund growth factor; and

83 (c) for the initial appropriation under Subsection (4)(b)(i), include a one-time
84 additional appropriation in an amount sufficient to substantively equalize each of the carve-out
85 reimbursement rates with a corresponding reimbursement rate paid to providers for providing a
86 substantively same or similar service under an ACO or a behavioral health plan.

87 (5) The appropriations provided to the department for behavioral health plans under

88 this section shall be reduced by the amount contributed by counties in the current fiscal year for
89 behavioral health plans in accordance with Subsections 17-43-201(5)(k) and
90 17-43-301(6)(a)(x).

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

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

99 Section 2. **Effective date.**

100 This bill takes effect on May 1, 2024.