

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 for applied behavior analysis may increase.

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

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

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

26B-3-203. Base budget appropriations for Medicaid accountable care



26 **organizations, behavioral health plans, and ABA services -- Forecast of behavioral health**
27 **services cost.**

28 (1) As used in this section:

29 (a) "ABA service" means a service applying applied behavior analysis, as that term is
30 defined in Section 31A-22-642.

31 (b) "ABA service reimbursement rate" means the Medicaid reimbursement rate
32 developed by the division, in accordance with Part 1, Health Care Assistance, and paid to a
33 provider for providing an ABA service.

34 [~~(a)~~] (c) "ACO" means an accountable care organization that contracts with the state's
35 Medicaid program for:

36 (i) physical health services; or

37 (ii) integrated physical and behavioral health services.

38 [~~(b)~~] (d) "Base budget" means the same as that term is defined in legislative rule.

39 [~~(c)~~] (e) "Behavioral health plan" means a managed care or fee for service delivery
40 system that contracts with or is operated by the department to provide behavioral health
41 services to Medicaid eligible individuals.

42 [~~(d)~~] (f) "Behavioral health services" means mental health or substance use treatment
43 or services.

44 [~~(e)~~] (g) "General Fund growth factor" means the amount determined by dividing the
45 next fiscal year ongoing General Fund revenue estimate by current fiscal year ongoing
46 appropriations from the General Fund.

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

51 [~~(g)~~] (i) "PMPM" means per-member-per-month funding.

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

57 (3) If the General Fund growth factor is greater than or equal to 100%, but less than
58 102%, the next fiscal year base budget shall, subject to Subsection (5), include an appropriation
59 to the department in an amount necessary to ensure that the next fiscal year PMPM for ACOs
60 and behavioral health plans equals the current fiscal year PMPM for the ACOs and behavioral
61 health plans multiplied by the General Fund growth factor.

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

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

69 (b) include an appropriation to the department in an amount necessary to ensure that
70 each ABA service reimbursement rate in the next fiscal year is:

71 (i) higher than the current fiscal year's ABA service reimbursement rate multiplied by a
72 factor of 102%;

73 (ii) equal to or lower than the current fiscal year's ABA service reimbursement rate
74 multiplied by the General Fund growth factor; and

75 (iii) for the initial appropriation under Subsection (4)(b), include a one-time additional
76 appropriation in an amount sufficient to substantively equalize each of the ABA service
77 reimbursement rates with a corresponding reimbursement rate paid to providers for providing
78 the same or substantively similar service under an ACO or a behavioral health plan.

79 (5) The appropriations provided to the department for behavioral health plans under
80 this section shall be reduced by the amount contributed by counties in the current fiscal year for
81 behavioral health plans in accordance with Subsections 17-43-201(5)(k) and
82 17-43-301(6)(a)(x).

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

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

91 Section 2. **Effective date.**

92 This bill takes effect on May 1, 2024.