AMENDMENTS TO LB549

Introduced by Health and Human Services.

1. Strike the original sections and insert the following new sections:

Section 1. Sections 1 to 9 of this act shall be known and may be cited as the Health Care Transformation Act.

Sec. 2. It is the intent of the Legislature that the Legislature, the Governor with support of state agencies, and a wide array of public and private health care stakeholders collaborate to transform Nebraska's health care system, utilizing the Building Blocks of Health Care which set forth a fifteen-year vision for health care for Nebraskans with the goal of strengthening Nebraska's health care system to (1) improve the experience of care for health care consumers and patients, including, but not limited to, quality and satisfaction, (2) improve the health of Nebraskans, and (3) reduce the per capita cost of health care in Nebraska.

Sec. 3. The Legislature finds that (1) health care services delivery processes, such as patient-centered medical homes and similar initiatives, are transforming the delivery of primary medical care services to a team-based, patient-centered method of delivering health care services, (2) this team-based, patient-centered method of delivering health care services is used in primary health care settings and certain specialty care clinics and needs to be coordinated with other medical, dental, and behavioral health care providers, public health entities, and other community-based support services, (3) the triple aim of the use of patient-centered medical homes is to improve patient experience and individual health outcomes while improving population health and containing health care costs through appropriate use of services, and (4) this unprecedented systemwide transformation of health care services
delivery processes necessitates the cooperation and collaboration of federal and state governmental entities along with health care providers, insurers, and self-insured businesses as purchasers of health care services and health insurance, among others.

Sec. 4. For purposes of the Health Care Transformation Act:

(1) Advisory commission means the Health Care Transformation Advisory Commission created pursuant to section 6 of this act;

(2) Building Blocks of Health Care include:

(a) Ensuring that all Nebraskans have access to health care coverage, including parity for mental health care coverage, by optimizing public and private funding;

(b) Supporting effective models of health care delivery, financing, and payments, including patient-centered medical homes, accountable care organizations, or other models of health care delivery that improve patient care and health and reduce per-patient cost, including, but not limited to, developing innovative health insurance opportunities, transparent health care pricing, payment models that link reimbursement to patient outcomes, integrated care systems, and coordinated team-based care;

(c)(i) Ensuring public transparency of health care quality and patient safety relating to all providers and facilities, (ii) ensuring that consumers have a choice of health care provider based on cost, quality, access, and value, and (iii) transitioning the assessment of quality of care from claims-based measures to outcomes-based measures;

(d) Establishing and supporting a robust, de-identified statewide data base for the collection and analysis of health data and health care delivery data, including all payers, all patient outcomes, and an entity to oversee such data collection;

(e) Utilizing health-based interventions to address factors that influence health outcomes of populations, emphasize public health and disease prevention, and reduce the burden of chronic disease;
(f) Promoting personal responsibility for wellness that improves personal and public health literacy of Nebraskans, includes culturally competent patient education, and provides incentives for personal health improvement;

(g) Addressing health care workforce shortages by developing strategies to attract health care workers to medically underserved areas, evaluating new categories of health care team members, and developing statewide telehealth and Internet-capable care; and

(h) Coordinating statewide health planning to establish a center of health care data, create a profile of health care in the state, establish statewide goals for health care quality, monitor the effectiveness of population health outcomes, recommend changes to state health care laws, rules, and regulations, and reduce health care disparities;

(3) Insurer means any insurance company as defined in section 44-103 or health maintenance organization as defined in section 44-32,105 authorized to transact health insurance business in the state; and

(4) Patient-centered medical home means a health care services delivery model in which a patient establishes an ongoing relationship with a primary care provider-directed team to provide comprehensive, accessible, and continuous evidence-based primary and preventive health care and to coordinate the patient's health care needs across the health care system in order to improve quality, safety, access, and health outcomes in a cost-effective manner.

Sec. 5. (1) The Program of Health Care Transformation is hereby created within the Department of Health and Human Services. The program shall be administered by the Division of Public Health of the department.

(2) The division, in consultation with the advisory commission, shall:

(a) Assist residents of Nebraska in obtaining high quality health care and assist health care providers in transforming their services to provide high quality, patient-centered care in an atmosphere of continual
safety and quality improvement, including, but not limited to, providing
or facilitating learning opportunities for health care providers, public
health entities, behavioral health service providers, and community
health care workers on:

(i) Patient-centered care;

(ii) Care coordination;

(iii) Chronic care initiatives;

(iv) Patient-centered medical homes; and

(v) Other similar initiatives;

(b) Identify statewide and regional opportunities to meet changing
health care needs due to changing demographics, changing technology, and
changing business models in the provision of health care services;

(c) Establish liaison with other state agencies to ensure that the
programs of the division and the Office of Rural Health are appropriately
coordinated with the Program of Health Care Transformation;

(d) Assist in the collaboration of various data-sharing systems or
programs to enable the analysis of public health data and to evaluate the
effectiveness of programs and demonstration projects;

(e) Develop and approve standards and measures for patient-centered
medical homes in Nebraska, taking into account the work begun by the
members of the Legislature and stakeholders in the Participation
Agreement to recognize and reform payment structures to support Patient-
Centered Medical Home, signed on December 18, 2013, and as revised;

(f) Provide a forum for discussion and collaboration among
stakeholders, health care providers, insurers, consumers, public health
systems, self-insured businesses, and others to take advantage of changes
in the health care landscape and federal health care programs in order to
improve the provision of health care for the residents of Nebraska and to
advance safety and quality improvement initiatives and the transformation
and integration of health care services. Since the transformation of
health care services and reform of the insurance mechanisms involved in
payment of services are intricately linked, this forum may be provided in cooperation with discussion forums of the Department of Insurance for insurers and self-insured businesses; and

(g) Provide support staff to the advisory commission.

(3) The department may seek outside funds and grants and may collaborate with other resources for education and transformation activities.

(4) The division shall submit an annual report to the Governor and electronically to the Legislature regarding the activities of the advisory commission.

Sec. 6. (1) The Health Care Transformation Advisory Commission is created. The advisory commission shall consist of the following members:

(a) The chairperson of the Health and Human Services Committee of the Legislature or his or her designee as a nonvoting member;

(b) The Director of Public Health of the Division of Public Health of the Department of Health and Human Services or his or her designee;

(c) The Director of Medicaid and Long-Term Care of the Division of Medicaid and Long-Term Care of the Department of Health and Human Services or his or her designee;

(d) One representative of the Office of Rural Health of the Department of Health and Human Services, designated by the Governor;

(e) One representative from the benefits section of the personnel division of the Department of Administrative Services, designated by the Governor;

(f) One representative from the Department of Insurance, designated by the Governor;

(g) One representative of each accredited medical school located in the state;

(h) One representative of a local public health department as defined in section 71-1626;

(i) One physician providing primary care in a patient-centered
medical home practicing in an urban area of the state;

(j) One physician providing primary care in a patient-centered medical home practicing in a rural area of the state;

(k) One pediatrician providing primary care in a patient-centered medical home practicing in the state;

(l) One representative of a profession licensed under the Uniform Credentialing Act, other than a physician, providing care in a patient-centered medical home in the state;

(m) One representative from a self-insured business with more than two hundred fifty employees;

(n) One representative from a self-insured business with two hundred fifty or fewer employees;

(o) One representative of each insurer that insures more than five percent of the residents of Nebraska;

(p) One member of the public who is a consumer of health care services in the state; and

(q) Three members with knowledge of or interest in health care workforce, health education, and health care consumer advocacy, as determined by the Governor.

(2) The members designated in subdivisions (1)(g) through (q) of this section shall be appointed by the Governor with the advice and consent of the Legislature, shall serve staggered terms of three years, may be reappointed, and shall be reimbursed from the Health Care Transformation Cash Fund for their actual and necessary expenses as provided in sections 81-1174 to 81-1177.

(3) For administrative purposes, the advisory committee shall be located within the Division of Public Health of the Department of Health and Human Services. The division shall provide staffing and technical assistance for the advisory committee.

Sec. 7. The advisory commission shall:

(1) Develop the recommendations for implementing the Building Blocks
of Health Care:

(2) Review health information technology and data coordination in Nebraska to: (a) Ensure continuous quality improvement in clinical settings; (b) ensure that scientific evidence and clinical expertise guide coverage decisions about new and emerging technologies; (c) enhance health information technology systems statewide; (d) develop consumer-facing, cost-transparent opportunities; (e) examine opportunities to develop an all-payer claims database and health care analytic hub; (f) review progress in the use of electronic health records and invest in the expansion of a statewide, interoperable electronic health record system for all providers; and (g) examine and analyze trends in the commercial health care coverage market, including changes in premiums and benefit levels, market concentration, spending, and retention;

(3) Advise the Department of Health and Human Services, the Legislature, and the Governor regarding aspects of transformation of the health care system;

(4) Advise the department regarding policies and programs in the development and implementation of a statewide transformation in primary health care services and the integration of related health care services in Nebraska, including behavioral health services and dental health services, in the education and training of health care providers in Nebraska with regard to team-based, patient-centered primary care, in the regulation of health care providers and health care facilities in Nebraska to assure they are consistent with new delivery transformation, and in any other matters relating to health care transformation;

(5) Serve as an advocate for transformation in health care issues and related payment mechanisms;

(6) Advise the Program of Health Care Transformation on the development of a set of common health outcome measures, standards for evaluation of patient-centered medical homes in Nebraska, and common payment structures taking into consideration the work begun by members of
the Legislature and stakeholders in the Participation Agreement to recognize and reform payment structures to support Patient-Centered Medical Home, signed on December 18, 2013, and as revised;

(7) Advise the Program of Health Care Transformation on identifying statewide and regional opportunities to meet changing health care needs due to changing demographics, changing technology, and changing business models in the provision of health care services;

(8) Advise the Program of Health Care Transformation on developing collaborations with stakeholders, health care providers, insurers, consumers, public health systems, self-insured businesses, and others to take advantage of changes in the health care landscape and federal health care programs in order to improve the provision of health care services for the residents of Nebraska and to assist in the transformation of primary health care services and integration of related services;

(9) Maintain liaison with all agencies, groups, and organizations concerned with transforming health care in order to facilitate integration of efforts and commonality of goals;

(10) Advise the department regarding the intent, goals, and implementation of the Health Care Transformation Act; and

(11) Report annually by December 15 to the Governor and electronically to the Legislature on its progress and recommendations for implementing the strategies and framework utilizing the Building Blocks of Health Care.

Sec. 8. The advisory commission shall hire a coordinator and may hire consultants, evaluators, and other personnel it deems necessary to assist the advisory commission in carrying out its powers and duties under the Health Care Transformation Act. The advisory commission may organize committees as it deems necessary. Members of the committees may be members of the advisory commission or may be appointed, with the approval of the majority of the advisory commission, from individuals with knowledge of the committee's subject matter, professional expertise
to assist the committee in completing its assigned responsibilities, and the ability to collaborate within the committee and with the advisory commission to carry out the powers and duties of the advisory commission.

Sec. 9. The Health Care Transformation Cash Fund is created. The fund shall include money appropriated by the Legislature and any grant funds and donations. The fund shall be used for the implementation and administration of the Health Care Transformation Act. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

It is the intent of the Legislature to appropriate one hundred fifty thousand dollars from the General Fund for each of the initial two fiscal years to the Department of Health and Human Services to enable the Division of Public Health of the department to carry out the duties and purposes of the Health Care Transformation Act which may include expenditures for personnel.