

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 549**

Introduced by Campbell, 25; Gloor, 35.

Read first time January 21, 2015

Committee: Health and Human Services

- 1 A BILL FOR AN ACT relating to health care; to adopt the Health Care
- 2 Transformation Act.
- 3 Be it enacted by the people of the State of Nebraska,

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

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

13           Sec. 3. For purposes of the Health Care Transformation Act, the  
14 Building Blocks of Health Care include:

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

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

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

31           (4) Establishing and supporting a robust, de-identified statewide

1 data base for the collection and analysis of health data and health care  
2 delivery data, including all payers, all patient outcomes, and an entity  
3 to oversee such data collection;

4 (5) Utilizing health-based interventions to address factors that  
5 influence health outcomes of populations, emphasize public health and  
6 disease prevention, and reduce the burden of chronic disease;

7 (6) Promoting personal responsibility for wellness that improves  
8 personal and public health literacy of Nebraskans, includes culturally  
9 competent patient education, and provides incentives for personal health  
10 improvement;

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

15 (8) Coordinating statewide health planning to establish a center of  
16 health care data, create a profile of health care in the state, establish  
17 statewide goals for health care quality, monitor the effectiveness of  
18 population health outcomes, recommend changes to state health care laws,  
19 rules, and regulations, and reduce health care disparities.

20 Sec. 4. The Health Care Transformation Advisory Committee is  
21 created. The membership of the advisory committee shall be:

22 (1) The chairperson of the Appropriations Committee of the  
23 Legislature;

24 (2) The chairperson of the Health and Human Services Committee of  
25 the Legislature;

26 (3) The chairperson of the Legislature's Planning Committee;

27 (4) Two members of the Executive Board of the Legislative Council;

28 (5) The Governor or his or her designee;

29 (6) The Director of the Public Health of the Division of Public  
30 Health of the Department of Health and Human Services;

31 (7) The Director of Medicaid and Long-term Care of the Division of

1 Medicaid and Long-Term Care of the department;

2 (8) The Director of Insurance or his or her designee; and

3 (9) Seven persons appointed by the Governor, with expertise in

4 health care delivery, health insurance, health care workforce, health

5 education, health care consumer advocacy, and health care purchasing.

6 For administrative purposes, the advisory committee shall be located

7 within the Division of Public Health of the Department of Health and

8 Human Services. The division shall provide staffing and technical

9 assistance, office space, furniture, equipment, and stationery and other

10 necessary supplies for the advisory committee.

11 Members of the advisory committee appointed pursuant to subdivision

12 (10) of this section shall serve staggered terms of three years, may be

13 reappointed, and shall be reimbursed for their actual and necessary

14 expenses incurred in carrying out the work of the advisory committee

15 pursuant to sections 81-1174 to 81-1177.

16 Sec. 5. The Health Care Transformation Advisory Committee shall

17 develop the recommendations for implementing the Building Blocks of

18 Health Care, including the duties described in sections 6 to 8 of this

19 act, and shall provide reviews and recommendations addressing health care

20 policy issues, quality metrics, and technology. The advisory committee

21 shall hire a coordinator and may hire consultants, evaluators, and other

22 personnel it deems necessary to assist the advisory committee in carrying

23 out its responsibilities under the Health Care Transformation Act. The

24 advisory committee shall define the roles and responsibilities of the

25 coordinator.

26 Sec. 6. (1) The Legislature finds that:

27 (a) The State of Nebraska expends a significant amount of public

28 funds on health care for Nebraskans;

29 (b) It is imperative that such public funds purchase high-quality

30 health care in a cost-effective manner with strategic investment in

31 innovative, evidence-based, and promising health care practices; and

1       (c) Such strategic investment of public health care funds can be a  
2 change agent for health care policy in Nebraska and for the way health  
3 care services are purchased and provided in the Nebraska health care  
4 system.

5       (2) The Health Care Transformation Advisory Committee shall review  
6 health care policy issues, including: (a) Health care delivery capacity  
7 of health plans and network providers with the goal of providing  
8 integrated care and comprehensive, high-quality health care networks that  
9 are sufficient to provide adequate access to and meet the needs of all  
10 Nebraskans; (b) health care workforce issues in Nebraska; and (c)  
11 opportunities in payment reform to shift from volume-based payments to  
12 other payments systems that reward high-quality health care and positive  
13 patient outcomes. Such reviews shall include, but not be limited to,  
14 accountable care organizations, bundled payments, complex care  
15 management, enhanced primary care case management, patient-centered  
16 medical homes, primary care case management, risk-based managed care, and  
17 value-based purchasing.

18       Sec. 7. (1) The Legislature also finds that:

19       (a) The alignment and integration of health care quality measurement  
20 across health care programs and initiatives will provide a more accurate  
21 and valid picture of health care quality to support and drive  
22 transformation of the Nebraska health care system;

23       (b) Quality improvement and measurement are the foundation for  
24 health care payment models that can improve care and reduce costs;

25       (c) Quality improvement strategies should align with health care  
26 policies and facilitate health care priorities;

27       (d) From consumers to providers to patients, multiple-stakeholder  
28 approaches to health care quality are not only necessary for viability  
29 but have historically been a key to the success of health care quality  
30 improvement initiatives; and

31       (e) Health care stakeholder engagement in designing and implementing

1 the components for quality improvement is critical.

2 (2) The Health Care Transformation Advisory Committee shall develop  
3 a strategy and plan for health care quality improvement in Nebraska  
4 health care. The advisory committee shall review health care quality  
5 improvement activities of the federal government and of other states to  
6 assist with the coordination of health care quality improvement  
7 strategies in Nebraska and minimize redundancy, duplication, and  
8 activities which are not coordinated across the health care system. The  
9 advisory committee, with the involvement of public and private  
10 stakeholders, shall select measures, prioritize measures for public  
11 reporting, identify needed and available data for reports, determine how  
12 to develop and sustain routine reporting, and provide processes for  
13 health care quality measurement, including measures of outcome, patient  
14 safety, process and effectiveness, and patient experience.

15 Sec. 8. (1) The Legislature finds that:

16 (a) It is imperative to appropriately utilize health care  
17 technology, information technology, and data coordination, ensuring that  
18 medical treatments and services paid for with public funds are safe and  
19 proven to work;

20 (b) The state must develop a process that includes the utilization  
21 of scientific evidence and clinical expertise that guides coverage  
22 decisions about new and emerging technologies;

23 (c) To effectively coordinate care, a wide array of providers and  
24 plans must be able to effectively communicate;

25 (d) Universal provider-to-provider communication is only possible if  
26 the state can develop a statewide, interoperable electronic health  
27 records system through which providers can share vital information about  
28 patients in ways that protect patient confidentiality and do not add  
29 extra burdens to providers; and

30 (e) Strategic investments, coordinated with existing state and  
31 federal initiatives targeted at health information technology adoption

1 and use, will help lead to a statewide health information technology  
2 infrastructure that will reduce redundant tests and help contain costs by  
3 enabling providers to better track the care given to patients.

4 (2) The Health Care Transformation Advisory Committee shall review  
5 health information technology and data coordination in Nebraska to: (a)  
6 Ensure appropriate use of medical treatments and services; (b) ensure  
7 that scientific evidence and clinical expertise guide coverage decisions  
8 about new and emerging technologies; (c) enhance health information  
9 technology systems statewide; (d) develop consumer-facing, cost-  
10 transparent opportunities; (e) examine options for a data base of all  
11 claims; (f) review progress in the use of electronic health records and  
12 invest in the expansion of a statewide, interoperable electronic health  
13 record system for all providers; (g) examine the opportunity to develop a  
14 data and analytics hub; and (h) examine and analyze trends in the  
15 commercial health care coverage market, including changes in premiums and  
16 benefit levels, market concentration, spending, and retention.

17 Sec. 9. The Health Care Transformation Advisory Committee shall  
18 report to the Governor and electronically to the Legislature (1) on its  
19 progress and initial recommendations on or before December 15, 2015, and  
20 (2) on its final recommendations for implementing the strategies and  
21 framework utilizing the Building Blocks of Health Care by December 15,  
22 2016.