

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 737

Introduced by Bostar, 29.

Read first time January 05, 2022

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to public health; to adopt the Primary Care

2 Investment Act.

3 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 7 of this act shall be known and may be
2 cited as the Primary Care Investment Act.

3 Sec. 2. On December 27, 2020, the federal Consolidated
4 Appropriations Act, 2021, Public Law 116-260, became law. It requires
5 group health plans, health insurance issuers, and health insurance plans
6 to provide data to the federal government on the total amount of spending
7 on hospital costs; health care provider and clinical service costs, for
8 primary care and specialty care separately; costs for prescription drugs;
9 and other medical costs, including wellness services. Primary care is
10 important to the health of individuals and has been associated with
11 better health outcomes at lower costs. The purpose of the Primary Care
12 Investment Council is to analyze the data collected by the federal
13 government in accordance with the federal Consolidated Appropriations
14 Act, 2021, and other data sources, to assist the Legislature in
15 understanding:

16 (1) The current amount of health care spending on primary care in
17 Nebraska from public and private sources;

18 (2) Barriers to residents of Nebraska accessing primary care;

19 (3) Barriers to health payors and medical providers in investing in
20 primary care;

21 (4) Alternative payment models that deliver high-quality care and
22 spend health care dollars more wisely;

23 (5) The public health benefits for Nebraska residents if the level
24 of primary care investment in Nebraska increased;

25 (6) The estimated cost savings for health care consumers as well as
26 public and private payors if the level of primary care investment
27 increased in Nebraska;

28 (7) Nebraska's investment in primary care services relative to other
29 states; and

30 (8) Health outcomes in Nebraska relative to other states.

31 Sec. 3. For the purposes of the Primary Care Investment Council

1 Act:

2 (1) Department means the Department of Insurance; and

3 (2) Primary care physician means a physician licensed under the
4 Uniform Credentialing Act and practicing in the area of family medicine,
5 pediatrics, internal medicine, geriatrics, obstetrics and gynecology, or
6 general medicine.

7 Sec. 4. (1) The Primary Care Investment Council is created. The
8 council shall consist of fifteen voting members and two ex officio
9 nonvoting members.

10 (2) The Primary Care Investment Council shall consist of the
11 following voting members:

12 (a) Three representatives of primary care physicians, one
13 representing each congressional district;

14 (b) A representative of behavioral health providers;

15 (c) A representative of hospitals;

16 (d) A representative of academia with experience in health care
17 data;

18 (e) Two other representatives of health providers who are not
19 primary care physicians or hospitals;

20 (f) Three representatives of health insurers, one of which shall be
21 a representative of a managed care organization;

22 (g) One representative of large employers that purchase health
23 insurance for employees, which representative is not an insurer;

24 (h) One representative of small employers that purchase group health
25 insurance for employees, which representative is not an insurer;

26 (i) One health care consumer advocate who is knowledgeable about the
27 private health insurance market; and

28 (j) A representative of organizations that facilitate health
29 information exchange in Nebraska.

30 (3) The following officials or their designees shall serve as ex
31 officio nonvoting members:

1 (a) The Director of Insurance; and

2 (b) The Director of Medicaid and Long-Term Care of the Division of
3 Medicaid and Long-Term Care of the Department of Health and Human
4 Services.

5 (4) The Governor shall appoint the voting members of the council
6 from a slate of nominees nominated by their respective groups. The
7 Governor shall appoint the initial members by October 1, 2022. Any member
8 who ceases to meet the requirements for his or her appointment regarding
9 representation or practice shall cease to be a member of the council. The
10 Governor may remove a member for good cause shown upon written notice and
11 an opportunity to be heard. Any vacancy shall be filled in the same
12 manner as the original appointment.

13 (5) The council shall select one of its members to serve as
14 chairperson for a one-year term. The council shall conduct its
15 organizational meeting in October 2022.

16 (6) The voting members of the council shall be reimbursed for their
17 actual and necessary expenses as provided in sections 81-1174 to 81-1177.

18 (7) The department shall provide administrative support for the
19 council.

20 (8) The council shall terminate on July 1, 2029.

21 Sec. 5. The Primary Care Investment Council shall:

22 (1) Develop an appropriate definition for primary care investment;

23 (2) Measure the current level of primary care investment, measured
24 as a part of overall health care spending, by public and private payors
25 in Nebraska;

26 (3) Conduct a comparison of spending on primary care services and
27 health outcomes in Nebraska with surrounding states and nationally;

28 (4) Develop an appropriate target level of primary care investment
29 by public and private payors in Nebraska;

30 (5) Recommend strategies to achieve the target level of primary care
31 investment through alternative payment models;

1 (6) Identify the public health benefits and estimated cost savings
2 that would result from meeting the target level of primary care
3 investment through alternative payment models; and

4 (7) Identify solutions to barriers for Nebraska residents from
5 accessing primary care and for health payors and medical providers from
6 investing in primary care.

7 Sec. 6. The department shall convene the Primary Care Investment
8 Council at least once a year through 2028 to review the state's progress
9 in meeting the target level of primary care investment, update the data
10 regarding public health benefits and cost savings as a result of
11 investments in primary care, update the strategies to achieve the target
12 level of primary care investment, and consider other information as
13 necessary.

14 Sec. 7. On or before November 1, 2023, and on or before each
15 November 1 until November 1, 2028, the department shall prepare and
16 electronically submit a report to the Executive Board of the Legislative
17 Council and the Governor which contains, at a minimum, the Primary Care
18 Investment Council's findings under section 5 of this act and any
19 additional findings from the council regarding health care spending and
20 health outcomes.