

Bill No. CS for SB 2280

Amendment No. ____

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Campbell moved the following amendment:

Senate Amendment

On page 17, line 20 through
page 19, line 11, delete those lines

and insert:

2. The department ~~division~~ shall contract with health maintenance organizations seeking to participate in the state group insurance program through a request for proposal or other procurement process, as developed by the Department of Management Services and determined to be appropriate. ~~based upon a premium and a minimum benefit package as follows:~~

a. The department shall establish a schedule of minimum benefits for health maintenance organization coverage, and that schedule ~~A minimum benefit package to be provided by a participating HMO~~ shall include: physician services; inpatient and outpatient hospital services; emergency medical services, including out-of-area emergency coverage; diagnostic laboratory and diagnostic and therapeutic radiologic services; mental health, alcohol, and chemical dependency treatment

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1 services meeting the minimum requirements of state and federal
2 law; skilled nursing facilities and services; prescription
3 drugs; and other benefits as may be required by the department
4 ~~division~~. Additional services may be provided subject to the
5 contract between the department ~~division~~ and the HMO.

6 b. The department may establish a uniform schedule for
7 deductibles, and copayments, or coinsurance schedules may be
8 established for all participating HMO plans HMOs.

9 c. The department may require detailed information
10 from each health maintenance organization participating in the
11 procurement process, including information pertaining to
12 organizational status, experience in providing pre-paid health
13 benefits, accessibility of services, financial stability of
14 the plan, quality of management services, accreditation
15 status, quality of medical services, network access and
16 adequacy, performance measurement, ability to meet the
17 department's reporting requirements, and the actuarial basis
18 of the proposed rates and other data determined by the
19 director to be necessary for the evaluation and selection of
20 health maintenance organization plans and negotiation of
21 appropriate rates for these plans. Upon receipt of proposals
22 by health maintenance organization plans and the evaluation of
23 those proposals, the department may enter into negotiations
24 with all of the plans or a subset of the plans, as the
25 department determines appropriate.~~Based upon the minimum~~
26 ~~benefit package and copayments and deductibles contained in~~
27 ~~sub-subparagraphs a. and b., the division shall issue a~~
28 ~~request for proposal for all HMOs which are interested in~~
29 ~~participating in the state group insurance program. Upon~~
30 ~~receipt of all proposals, the division may, as it deems~~
31 ~~appropriate, enter into contract negotiations with HMOs~~

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1 ~~submitting bids. As part of the request for proposal process,~~
2 ~~the division may require detailed financial data from each HMO~~
3 ~~which participates in the bidding process for the purpose of~~
4 ~~determining the financial stability of the HMO.~~

5 d. ~~In determining which HMOs to contract with, the~~
6 ~~division shall, at a minimum, consider: each proposed~~
7 ~~contractor's previous experience and expertise in providing~~
8 ~~prepaid health benefits; each proposed contractor's historical~~
9 ~~experience in enrolling and providing health care services to~~
10 ~~participants in the state group insurance program; the cost of~~
11 ~~the premiums; the plan's ability to adequately provide service~~
12 ~~coverage and administrative support services as determined by~~
13 ~~the division; plan benefits in addition to the minimum benefit~~
14 ~~package; accessibility to providers; and the financial~~
15 ~~solvency of the plan. Nothing shall preclude the department~~
16 ~~division from negotiating regional or statewide contracts with~~
17 ~~health maintenance organization plans when this is~~
18 ~~cost-effective and when the department division determines~~
19 ~~that the plan offers high value to enrollees has the best~~
20 ~~overall benefit package for the service areas involved.~~

21 ~~However, no HMO shall be eligible for a contract if the HMO's~~
22 ~~retiree Medicare premium exceeds the retiree rate as set by~~
23 ~~the division for the state group health insurance plan.~~

24 e. The department division may limit the number of
25 HMOs that it contracts with in each service area based on the
26 nature of the bids the department division receives, the
27 number of state employees in the service area, or ~~and~~ any
28 unique geographical characteristics of the service area. The
29 department division shall establish by rule service areas
30 throughout the state.

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