## SECOND REGULAR SESSION

## SENATE BILL NO. 855

## 94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR COLEMAN.

Pre-filed December 1, 2007, and ordered printed.

3527S.01I

TERRY L. SPIELER, Secretary.

## AN ACT

To repeal section 208.152, RSMo, and to enact in lieu thereof one new section relating to counseling services under the MO HealthNet program.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 208.152, RSMo, is repealed and one new section 2 enacted in lieu thereof, to be known as section 208.152, to read as follows:

enacted in lieu thereof, to be known as section 208.152, to read as follows:

208.152. 1. MO HealthNet payments shall be made on behalf of those

eligible needy persons as defined in section 208.151 who are unable to provide for

3 it in whole or in part, with any payments to be made on the basis of the

4 reasonable cost of the care or reasonable charge for the services as defined and

determined by the MO HealthNet division, unless otherwise hereinafter provided,

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(1) Inpatient hospital services, except to persons in an institution for mental diseases who are under the age of sixty-five years and over the age of twenty-one years; provided that the MO HealthNet division shall provide through rule and regulation an exception process for coverage of inpatient costs in those cases requiring treatment beyond the seventy-fifth percentile professional activities study (PAS) or the MO HealthNet children's diagnosis length-of-stay schedule; and provided further that the MO HealthNet division shall take into account through its payment system for hospital services the situation of

hospitals which serve a disproportionate number of low-income patients;

(2) All outpatient hospital services, payments therefor to be in amounts which represent no more than eighty percent of the lesser of reasonable costs or customary charges for such services, determined in accordance with the principles set forth in Title XVIII A and B, Public Law 89-97, 1965 amendments to the federal Social Security Act (42 U.S.C. 301, et seq.), but the MO HealthNet

division may evaluate outpatient hospital services rendered under this section and deny payment for services which are determined by the MO HealthNet division not to be medically necessary, in accordance with federal law and regulations;

- (3) Laboratory and X-ray services;
- (4) Nursing home services for participants, except to persons with more than five hundred thousand dollars equity in their home or except for persons in an institution for mental diseases who are under the age of sixty-five years, when residing in a hospital licensed by the department of health and senior services or a nursing home licensed by the department of health and senior services or appropriate licensing authority of other states or government-owned and operated institutions which are determined to conform to standards equivalent to licensing requirements in Title XIX of the federal Social Security Act (42 U.S.C. 301, et seq.), as amended, for nursing facilities. The MO HealthNet division may recognize through its payment methodology for nursing facilities those nursing facilities which serve a high volume of MO HealthNet patients. The MO HealthNet division when determining the amount of the benefit payments to be made on behalf of persons under the age of twenty-one in a nursing facility may consider nursing facilities furnishing care to persons under the age of twenty-one as a classification separate from other nursing facilities;
- (5) Nursing home costs for participants receiving benefit payments under subdivision (4) of this subsection for those days, which shall not exceed twelve per any period of six consecutive months, during which the participant is on a temporary leave of absence from the hospital or nursing home, provided that no such participant shall be allowed a temporary leave of absence unless it is specifically provided for in his plan of care. As used in this subdivision, the term "temporary leave of absence" shall include all periods of time during which a participant is away from the hospital or nursing home overnight because he is visiting a friend or relative;
- (6) Physicians' services, whether furnished in the office, home, hospital, nursing home, or elsewhere;
- (7) Drugs and medicines when prescribed by a licensed physician, dentist, or podiatrist; except that no payment for drugs and medicines prescribed on and after January 1, 2006, by a licensed physician, dentist, or podiatrist may be made on behalf of any person who qualifies for prescription drug coverage under the provisions of P.L. 108-173;

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57 (8) Emergency ambulance services and, effective January 1, 1990, 58 medically necessary transportation to scheduled, physician-prescribed nonelective 59 treatments:

- (9) Early and periodic screening and diagnosis of individuals who are under the age of twenty-one to ascertain their physical or mental defects, and health care, treatment, and other measures to correct or ameliorate defects and chronic conditions discovered thereby. Such services shall be provided in accordance with the provisions of Section 6403 of P.L. 101-239 and federal regulations promulgated thereunder;
  - (10) Home health care services;
- (11) Family planning as defined by federal rules and regulations; provided, however, that such family planning services shall not include abortions unless such abortions are certified in writing by a physician to the MO HealthNet agency that, in his professional judgment, the life of the mother would be endangered if the fetus were carried to term;
- 72 (12) Inpatient psychiatric hospital services for individuals under age 73 twenty-one as defined in Title XIX of the federal Social Security Act (42 U.S.C. 74 1396d, et seq.);
  - (13) Outpatient surgical procedures, including presurgical diagnostic services performed in ambulatory surgical facilities which are licensed by the department of health and senior services of the state of Missouri; except, that such outpatient surgical services shall not include persons who are eligible for coverage under Part B of Title XVIII, Public Law 89-97, 1965 amendments to the federal Social Security Act, as amended, if exclusion of such persons is permitted under Title XIX, Public Law 89-97, 1965 amendments to the federal Social Security Act, as amended;
- 83 (14) Personal care services which are medically oriented tasks having to do with a person's physical requirements, as opposed to housekeeping 84 requirements, which enable a person to be treated by his physician on an 85 outpatient rather than on an inpatient or residential basis in a hospital, 86 intermediate care facility, or skilled nursing facility. Personal care services shall 87 88 be rendered by an individual not a member of the participant's family who is 89 qualified to provide such services where the services are prescribed by a physician 90 in accordance with a plan of treatment and are supervised by a licensed nurse. Persons eligible to receive personal care services shall be those persons 91 who would otherwise require placement in a hospital, intermediate care facility, 92

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or skilled nursing facility. Benefits payable for personal care services shall not exceed for any one participant one hundred percent of the average statewide charge for care and treatment in an intermediate care facility for a comparable 96 period of time. Such services, when delivered in a residential care facility or assisted living facility licensed under chapter 198, RSMo, shall be authorized on a tier level based on the services the resident requires and the frequency of the services. A resident of such facility who qualifies for assistance under section 208.030 shall, at a minimum, if prescribed by a physician, qualify for the tier level with the fewest services. The rate paid to providers for each tier of service shall be set subject to appropriations. Subject to appropriations, each resident 103 of such facility who qualifies for assistance under section 208.030 and meets the level of care required in this section shall, at a minimum, if prescribed by a 104 physician, be authorized up to one hour of personal care services per 106 day. Authorized units of personal care services shall not be reduced or tier level lowered unless an order approving such reduction or lowering is obtained from the resident's personal physician. Such authorized units of personal care services or tier level shall be transferred with such resident if her or she transfers to another such facility. Such provision shall terminate upon receipt of relevant waivers from the federal Department of Health and Human Services. If the Centers for Medicare and Medicaid Services determines that such provision does not comply with the state plan, this provision shall be null and void. The MO HealthNet division shall notify the revisor of statutes as to whether the relevant waivers are approved or a determination of noncompliance is made;

- (15) Mental health services. The state plan for providing medical assistance under Title XIX of the Social Security Act, 42 U.S.C. 301, as amended, shall include the following mental health services when such services are provided by community mental health facilities operated by the department of mental health or designated by the department of mental health as a community mental health facility or as an alcohol and drug abuse facility or as a child-serving agency within the comprehensive children's mental health service system established in section 630.097, RSMo. The department of mental health shall establish by administrative rule the definition and criteria for designation as a community mental health facility and for designation as an alcohol and drug abuse facility. Such mental health services shall include:
- 127 (a) Outpatient mental health services including preventive, diagnostic, therapeutic, rehabilitative, and palliative interventions rendered to individuals 128

in an individual or group setting by a mental health professional in accordance with a plan of treatment appropriately established, implemented, monitored, and revised under the auspices of a therapeutic team as a part of client services management;

- (b) Clinic mental health services including preventive, diagnostic, therapeutic, rehabilitative, and palliative interventions rendered to individuals in an individual or group setting by a mental health professional in accordance with a plan of treatment appropriately established, implemented, monitored, and revised under the auspices of a therapeutic team as a part of client services management;
- (c) Rehabilitative mental health and alcohol and drug abuse services including home and community-based preventive, diagnostic, therapeutic, rehabilitative, and palliative interventions rendered to individuals in an individual or group setting by a mental health or alcohol and drug abuse professional in accordance with a plan of treatment appropriately established, implemented, monitored, and revised under the auspices of a therapeutic team as a part of client services management. As used in this section, mental health professional and alcohol and drug abuse professional shall be defined by the department of mental health pursuant to duly promulgated rules.
  - With respect to services established by this subdivision, the department of social services, MO HealthNet division, shall enter into an agreement with the department of mental health. Matching funds for outpatient mental health services, clinic mental health services, and rehabilitation services for mental health and alcohol and drug abuse shall be certified by the department of mental health to the MO HealthNet division. The agreement shall establish a mechanism for the joint implementation of the provisions of this subdivision. In addition, the agreement shall establish a mechanism by which rates for services may be jointly developed;
  - (16) Such additional services as defined by the MO HealthNet division to be furnished under waivers of federal statutory requirements as provided for and authorized by the federal Social Security Act (42 U.S.C. 301, et seq.) subject to appropriation by the general assembly;
  - (17) Beginning July 1, 1990, the services of a certified pediatric or family nursing practitioner with a collaborative practice agreement to the extent that such services are provided in accordance with chapters 334 and 335, RSMo, and regulations promulgated thereunder;

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165 (18) Nursing home costs for participants receiving benefit payments under 166 subdivision (4) of this subsection to reserve a bed for the participant in the nursing home during the time that the participant is absent due to admission to 167 168 a hospital for services which cannot be performed on an outpatient basis, subject to the provisions of this subdivision: 169

- (a) The provisions of this subdivision shall apply only if:
- 171 a. The occupancy rate of the nursing home is at or above ninety-seven percent of MO HealthNet certified licensed beds, according to the most recent 172173 quarterly census provided to the department of health and senior services which was taken prior to when the participant is admitted to the hospital; and 174
- 175 b. The patient is admitted to a hospital for a medical condition with an anticipated stay of three days or less; 176
  - (b) The payment to be made under this subdivision shall be provided for a maximum of three days per hospital stay;
  - (c) For each day that nursing home costs are paid on behalf of a participant under this subdivision during any period of six consecutive months such participant shall, during the same period of six consecutive months, be ineligible for payment of nursing home costs of two otherwise available temporary leave of absence days provided under subdivision (5) of this subsection; and
  - (d) The provisions of this subdivision shall not apply unless the nursing home receives notice from the participant or the participant's responsible party that the participant intends to return to the nursing home following the hospital stay. If the nursing home receives such notification and all other provisions of this subsection have been satisfied, the nursing home shall provide notice to the participant or the participant's responsible party prior to release of the reserved bed;
  - (19) Prescribed medically necessary durable medical equipment. An electronic web-based prior authorization system using best medical evidence and care and treatment guidelines consistent with national standards shall be used to verify medical need;
- (20) Hospice care. As used in this subsection, the term "hospice care" means a coordinated program of active professional medical attention within a home, outpatient and inpatient care which treats the terminally ill patient and 198 family as a unit, employing a medically directed interdisciplinary team. The program provides relief of severe pain or other physical symptoms and supportive care to meet the special needs arising out of physical, psychological, spiritual,

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201 social, and economic stresses which are experienced during the final stages of 202 illness, and during dying and bereavement and meets the Medicare requirements 203 for participation as a hospice as are provided in 42 CFR Part 418. The rate of 204 reimbursement paid by the MO HealthNet division to the hospice provider for 205 room and board furnished by a nursing home to an eligible hospice patient shall 206 not be less than ninety-five percent of the rate of reimbursement which would 207 have been paid for facility services in that nursing home facility for that patient, in accordance with subsection (c) of Section 6408 of P.L. 101-239 (Omnibus 208 209 Budget Reconciliation Act of 1989);

- (21) Prescribed medically necessary dental services. Such services shall be subject to appropriations. An electronic web-based prior authorization system using best medical evidence and care and treatment guidelines consistent with national standards shall be used to verify medical need;
- (22) Prescribed medically necessary optometric services. Such services shall be subject to appropriations. An electronic web-based prior authorization system using best medical evidence and care and treatment guidelines consistent with national standards shall be used to verify medical need;
- (23) Counseling services for emotional disorders or conditions 218 219 provided by licensed psychologists under sections 337.010 to 337.090, 220 RSMo, licensed professional counselors under sections 337.500 to 221 337.540, RSMo, licensed clinical social workers under sections 337.600 to 337.689, RSMo, and licensed marital and family therapists under 222223 sections 337.700 to 337.739, RSMo, to the extent such services are provided in accordance with chapter 337, RSMo. The services of a 224 225 licensed marital and family therapist shall be a covered service 226 regardless of whether such therapist is also licensed as a professional 227counselor. The Mo HealthNet division shall establish by rule the 228 definition and criteria for benefit limitations and payment 229 mechanism. Any rule or portion of a rule, as that term is defined in 230 section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is 231subject to all of the provisions of chapter 536, RSMo, and, if applicable, 232233 section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly 234 235 pursuant to chapter 536, RSMo, to review, to delay the effective date, disapprove and annul a rule are subsequently held 236 to

unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2008, shall be invalid and void;

- 239 (24) The MO HealthNet division shall, by January 1, 2008, and annually thereafter, report the status of MO HealthNet provider reimbursement rates as 240compared to one hundred percent of the Medicare reimbursement rates and 241 242compared to the average dental reimbursement rates paid by third-party payors 243 licensed by the state. The MO HealthNet division shall, by July 1, 2008, provide to the general assembly a four-year plan to achieve parity with Medicare 244reimbursement rates and for third-party payor average dental reimbursement 245rates. Such plan shall be subject to appropriation and the division shall include 246 247 in its annual budget request to the governor the necessary funding needed to complete the four-year plan developed under this subdivision. 248
  - 2. Additional benefit payments for medical assistance shall be made on behalf of those eligible needy children, pregnant women and blind persons with any payments to be made on the basis of the reasonable cost of the care or reasonable charge for the services as defined and determined by the division of medical services, unless otherwise hereinafter provided, for the following:
  - (1) Dental services;

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- (2) Services of podiatrists as defined in section 330.010, RSMo;
- 256 (3) Optometric services as defined in section 336.010, RSMo;
- 257 (4) Orthopedic devices or other prosthetics, including eye glasses, 258 dentures, hearing aids, and wheelchairs;
  - (5) Hospice care. As used in this subsection, the term "hospice care" means a coordinated program of active professional medical attention within a home, outpatient and inpatient care which treats the terminally ill patient and family as a unit, employing a medically directed interdisciplinary team. The program provides relief of severe pain or other physical symptoms and supportive care to meet the special needs arising out of physical, psychological, spiritual, social, and economic stresses which are experienced during the final stages of illness, and during dying and bereavement and meets the Medicare requirements for participation as a hospice as are provided in 42 CFR Part 418. The rate of reimbursement paid by the MO HealthNet division to the hospice provider for room and board furnished by a nursing home to an eligible hospice patient shall not be less than ninety-five percent of the rate of reimbursement which would have been paid for facility services in that nursing home facility for that patient, in accordance with subsection (c) of Section 6408 of P.L. 101-239 (Omnibus

- 273 Budget Reconciliation Act of 1989);
- 274 (6) Comprehensive day rehabilitation services beginning early posttrauma as part of a coordinated system of care for individuals with disabling 275 276 impairments. Rehabilitation services must be based on an individualized, 277 goal-oriented, comprehensive and coordinated treatment plan developed, 278 implemented, and monitored through an interdisciplinary assessment designed 279 to restore an individual to optimal level of physical, cognitive, and behavioral 280 function. The MO HealthNet division shall establish by administrative rule the 281 definition and criteria for designation of a comprehensive day rehabilitation 282 service facility, benefit limitations and payment mechanism. Any rule or portion 283 of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this subdivision shall become effective only if it 284 285 complies with and is subject to all of the provisions of chapter 536, RSMo, and, 286 if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant 287 288 to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and 289 annul a rule are subsequently held unconstitutional, then the grant of 290 rulemaking authority and any rule proposed or adopted after August 28, 2005, 291 shall be invalid and void.
- 3. The MO HealthNet division may require any participant receiving MO 292 293 HealthNet benefits to pay part of the charge or cost until July 1, 2008, and an 294 additional payment after July 1, 2008, as defined by rule duly promulgated by the 295 MO HealthNet division, for all covered services except for those services covered under subdivisions (14) and (15) of subsection 1 of this section and sections 296 297 208.631 to 208.657 to the extent and in the manner authorized by Title XIX of the 298 federal Social Security Act (42 U.S.C. 1396, et seq.) and regulations 299 thereunder. When substitution of a generic drug is permitted by the prescriber according to section 338.056, RSMo, and a generic drug is substituted for a 300 301 name-brand drug, the MO HealthNet division may not lower or delete the 302 requirement to make a co-payment pursuant to regulations of Title XIX of the federal Social Security Act. A provider of goods or services described under this 303 304 section must collect from all participants the additional payment that may be 305 required by the MO HealthNet division under authority granted herein, if the 306 division exercises that authority, to remain eligible as a provider. Any payments made by participants under this section shall be in addition to and not in lieu of 307 308 payments made by the state for goods or services described herein except the

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309 participant portion of the pharmacy professional dispensing fee shall be in 310 addition to and not in lieu of payments to pharmacists. A provider may collect the co-payment at the time a service is provided or at a later date. A provider 311 312shall not refuse to provide a service if a participant is unable to pay a required payment. If it is the routine business practice of a provider to terminate future 313 314 services to an individual with an unclaimed debt, the provider may include uncollected co-payments under this practice. Providers who elect not to 315 316 undertake the provision of services based on a history of bad debt shall give 317participants advance notice and a reasonable opportunity for payment. A provider, representative, employee, independent contractor, or agent of a 318 319 pharmaceutical manufacturer shall not make co-payment for a participant. This subsection shall not apply to other qualified children, pregnant women, or blind 320 persons. If the Centers for Medicare and Medicaid Services does not approve the 321 322 Missouri MO HealthNet state plan amendment submitted by the department of social services that would allow a provider to deny future services to an 323 324 individual with uncollected co-payments, the denial of services shall not be 325 allowed. The department of social services shall inform providers regarding the acceptability of denying services as the result of unpaid co-payments. 326

- 4. The MO HealthNet division shall have the right to collect medication samples from participants in order to maintain program integrity.
- 5. Reimbursement for obstetrical and pediatric services under subdivision (6) of subsection 1 of this section shall be timely and sufficient to enlist enough health care providers so that care and services are available under the state plan for MO HealthNet benefits at least to the extent that such care and services are available to the general population in the geographic area, as required under subparagraph (a)(30)(A) of 42 U.S.C. 1396a and federal regulations promulgated thereunder.
- 6. Beginning July 1, 1990, reimbursement for services rendered in federally funded health centers shall be in accordance with the provisions of subsection 6402(c) and Section 6404 of P.L. 101-239 (Omnibus Budget Reconciliation Act of 1989) and federal regulations promulgated thereunder.
- 7. Beginning July 1, 1990, the department of social services shall provide notification and referral of children below age five, and pregnant, breast-feeding, or postpartum women who are determined to be eligible for MO HealthNet benefits under section 208.151 to the special supplemental food programs for women, infants and children administered by the department of health and senior

services. Such notification and referral shall conform to the requirements of Section 6406 of P.L. 101-239 and regulations promulgated thereunder.

- 8. Providers of long-term care services shall be reimbursed for their costs in accordance with the provisions of Section 1902 (a)(13)(A) of the Social Security Act, 42 U.S.C. 1396a, as amended, and regulations promulgated thereunder.
- 9. Reimbursement rates to long-term care providers with respect to a total change in ownership, at arm's length, for any facility previously licensed and certified for participation in the MO HealthNet program shall not increase payments in excess of the increase that would result from the application of Section 1902 (a)(13)(C) of the Social Security Act, 42 U.S.C. 1396a (a)(13)(C).
- 10. The MO HealthNet division, may enroll qualified residential care facilities and assisted living facilities, as defined in chapter 198, RSMo, as MO HealthNet personal care providers.
- 11. Any income earned by individuals eligible for certified extended employment at a sheltered workshop under chapter 178, RSMo, shall not be considered as income for purposes of determining eligibility under this section.

Bill

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