

HB 462-FN – AS INTRODUCED

2013 SESSION

13-0757
01/05

HOUSE BILL

462-FN

AN ACT

relative to an independent review process under the medical assistance program.

SPONSORS:

Rep. Donovan, Sull 4; Rep. DiMartino, Belk 2

COMMITTEE:

Health, Human Services and Elderly Affairs

ANALYSIS

This bill restores the independent review process under the medical assistance program.

Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struckthrough.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT relative to an independent review process under the medical assistance program.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Paragraphs; Coverage of Services and Items Under the Medical Assistance Program.
2 Amend RSA 167:3-h by inserting after paragraph III the following new paragraphs:

3 III-a. It is the intent of the general court to support persons with special health care needs
4 and disabilities with coverage of medically necessary services and items under the medical
5 assistance program so that they may live in their homes and communities as independently as
6 possible and with the maximum ability to be mobile and exercise self care.

7 III-b. For the purpose of providing medical assistance, the department shall develop a
8 definition of “medical necessity” consistent with Title XIX of the Social Security Act and consistent
9 with paragraph III-a. The medical necessity standards shall apply to the determination of coverage
10 for all Title XIX services and items.

11 III-c. The commissioner of the department of health and human services shall establish by
12 rules adopted under RSA 541-A an independent coverage review process for any and all services and
13 items allowable under Title XIX of the Social Security Act and not otherwise identified as a covered
14 service or item under rules established by the department. The review process shall include
15 consideration of extenuating circumstances unique to the medical assistance recipient that warrant
16 coverage of the service or item. Criteria for coverage shall include all of the following:

17 (a) The service or item is medically necessary;

18 (b) The service or item does not meet the definition of medically necessary, but the
19 department’s clinical review finds that there are extenuating circumstances unique to the recipient
20 that would make a denial for coverage clinically contraindicated;

21 (c) The service or item does not meet the definition of medically necessary, but the
22 department’s clinical review finds that new scientific evidence exists in the medical literature or by
23 experts in the field about the efficacy or medical appropriateness of the requested item, and the
24 department determines that the original basis for non-coverage was based on the previous lack of
25 such evidence; or

26 (d) The service or item will prevent the need for a more costly covered service or item,
27 including prevention of hospitalization or institutionalization.

28 2 New Paragraph; Department of Health and Human Services; Rulemaking Relative to
29 Coverage for Services and Items Under Medical Assistance Program. Amend RSA 167:3-c by
30 inserting after paragraph XIV the following new paragraph:

31 XV. The independent coverage review process for medically necessary services and items

1 under RSA 167:3-h.

2 3 Effective Date. This act shall take effect 60 days after its passage.

HB 462 FISCAL NOTE

AN ACT relative to an independent review process under the medical assistance program.

FISCAL IMPACT:

The Department of Health and Human Services states this bill, **as introduced**, will have an indeterminable fiscal impact on state revenues and expenditures. There will be no fiscal impact on county or local revenue or expenditures.

METHODOLOGY:

The Department of Health and Human Services states this bill would reinstate the independent coverage review process repealed by Chapter 224:321, Laws of 2011 (HB2). The independent coverage review would provide a basis for Medicaid recipients to obtain coverage for services not included in the Medicaid State Plan. The Department states services not included in the State Plan would be paid with state funds. The Department indicates the independent coverage reviews were previously performed by a vendor that also performed initial service authorizations. During the period from 2007 through 2011, most of the independent coverage reviews were approved based on supplemental medical information not considered by the vendor in the initial determination. The Department indicates the prior experience was in a fee-for-service environment and with the Medicaid program moving to a managed care program the Department is not able to estimate the fiscal impact of reinstating the independent coverage review process. In addition, the Department cannot determine how often the independent review process would occur under managed care since the managed care companies are able to provide services that are not traditionally provided under a fee-for service program if the services are medically necessary and cost effective. Finally, the Department indicates, to the extent there would be additional costs, the ICR process may impact the capitated rates paid to the managed care companies.