

SB 308-FN – AS AMENDED BY THE HOUSE

03/13/14 0856s  
03/27/14 1122s  
14May2014... 1715h

2014 SESSION

14-2682  
01/04

SENATE BILL **308-FN**

AN ACT establishing a committee to study innovation in the delivery of health care and relative to an assessment for purposes of the state health plan.

SPONSORS: Sen. Odell, Dist 8; Sen. Woodburn, Dist 1; Sen. Forrester, Dist 2; Sen. Hosmer, Dist 7; Sen. Pierce, Dist 5; Rep. Harding, Graf 13

COMMITTEE: Health, Education and Human Services

AMENDED ANALYSIS

This bill establishes a committee to study innovation in the delivery of health care.

This bill also requires hospitals to pay a one-time special assessment to the health services and planning review board for the purposes of developing the state health plan.

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Explanation: Matter added to current law appears in **bold italics**.  
Matter removed from current law appears [~~in brackets and struck through~~].  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Fourteen*

AN ACT establishing a committee to study innovation in the delivery of health care and relative to an assessment for purposes of the state health plan.

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

1 1 Committee Established. There is established a committee to study innovation in the delivery  
2 of health care.

3 2 Membership and Compensation.

4 I. The members of the committee shall be as follows:

5 (a) Five members of the house of representatives, appointed by the speaker of the house  
6 of representatives.

7 (b) Two members of the senate, appointed by the president of the senate.

8 II. Members of the committee shall receive mileage at the legislative rate when attending to  
9 the duties of the committee.

10 3 Duties.

11 I. The committee shall study innovation in the delivery of health care. The committee shall  
12 determine the appropriate process for review of the potential costs and benefits of cooperative  
13 agreements between health care providers through a certificate of public advantage. The  
14 committee's study may include, but not be limited to:

15 (a) Reviewing New Hampshire rules and regulations currently applicable to health care  
16 provider innovations, including current review by the attorney general's office, the consumer  
17 protection and antitrust bureau and the charitable trust unit, and certificate of need review.

18 (b) Investigating the type of health care cooperative agreements in the state, including  
19 integrated arrangements, mergers, consolidations and payment reform consolidations, which are  
20 being reviewed, planned, or discussed.

21 (c) Seeking input from health providers across the state to determine what type of  
22 arrangements are being proposed or considered given the changing health care landscape.

23 (d) Reviewing what other states are doing with regard to review of health care payment  
24 reform and innovation models and why.

25 (e) Reviewing research and analysis performed and commissioned by the insurance  
26 department with respect to the factors affecting health insurance premiums, the operation of health  
27 care and health insurance markets, and possible models for innovation that could help lower health

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- Page 2 -

1 care costs.

2 (f) Seeking input from state agencies with expertise in the area of health care and health  
3 insurance markets to determine how existing state resources could be incorporated into a regulatory  
4 review process for cooperative agreements.

5 (g) Making recommendations regarding whether further review of health care  
6 transactions in New Hampshire is necessary to ensure New Hampshire's health plan needs are met,  
7 health care can be more affordable in New Hampshire, and providers are able to engage in  
8 innovation without over-burdensome regulatory barriers and in a way which promotes quality,  
9 access, and price transparency.

10 II. The committee may solicit input from any person or entity the committee deems relevant  
11 to its study.

12 4 Chairperson; Quorum. The members of the study committee shall elect a chairperson from  
13 among the members. The first meeting of the committee shall be called by the first-named house  
14 member. The first meeting of the committee shall be held within 30 days of the effective date of this  
15 section. Four members of the committee shall constitute a quorum.

16 5 Staffing. The department of insurance shall provide staff services to the committee.

17 6 Report. The committee shall report its findings and any recommendations for proposed  
18 legislation to the speaker of the house of representatives, the president of the senate, the house  
19 clerk, the senate clerk, the governor, and the state library on or before November 1, 2014.

20 7 New Paragraph; Certificate of Need; Assessment on Hospitals for Development of the State  
21 Health Plan. Amend RSA 151-C:4-a by inserting after paragraph II the following new paragraph:

22 III. Notwithstanding any provision of law to the contrary, hospitals, as defined in  
23 RSA 151-C:2, XX, shall pay a one-time special assessment the aggregate of which shall total  
24 \$300,000 to the health services planning and review board, established in RSA 151-C:3, which shall  
25 be used for the purposes of developing the state health plan as required under this section. Moneys  
26 collected from the assessment under this paragraph shall not lapse until June 30, 2015. Contracts  
27 for administrative support or consulting services for the purposes of this paragraph shall not require  
28 governor and council approval. The state health plan shall be delivered to the speaker of the house  
29 of representatives, the president of the senate, and the governor on or before June 30, 2015.

30 8 Effective Date. This act shall take effect upon its passage.

**SB 308-FN FISCAL NOTE**

AN ACT                    relative to innovation in the delivery of health care.

**FISCAL IMPACT:**

The Department of Justice states this bill, as amended by the Senate (Amendment #2014-1122s), will increase state revenue and expenditures by an indeterminable amount in FY 2015 and each year thereafter. There will be no fiscal impact on county and local revenue and expenditures.

**METHODOLOGY:**

The Department of Justice states this bill would create a new law allowing parties to a health care cooperative agreement to apply to the Attorney General for a certificate of public advantage governing the agreement. The Department states after an application is filed with a fee of \$5,000, there would be a 60 day public comment period, an option to hold public hearings, and a final decision issued within 90 days of receipt of the filing. In addition, parties to the cooperative agreement would be required to file annual reports with the Attorney General. The Department assumes each request would be unique, some would be relatively simple while others would be complex. The Department anticipates review of the applications would require various experts to provide technical assistance such as: health care providers with knowledge of health services within the relevant service areas; health insurance experts with knowledge of health care costs; and economists and business analysts with knowledge of utilization, health care cost controls and efficiency. The Department expects each application review and subsequent annual review would require the services of an assistant attorney general and a paralegal. The Department is not able to predict the number or the complexity of cooperative agreement reviews or project the associated fiscal impact. In addition, the Department states the bill authorizes the Attorney General to promulgate rules necessary to implement the law. The Department assumes the rules would require 200-500 hours of an assistant attorney general's time to draft the rules, hold one or more public hearings, prepare the rules for review by the Joint Legislative Committee on Administrative Rules, and take other necessary measures to implement the rules.