IN THE GENERAL ASSEMBLY STATE OF      

An Act to establish Medicaid payment rates for primary care services in parity with Medicare payment rates for primary care services

Be it enacted by the People of the State of ____________, represented in the General Assembly:

Section 1. Title. This act shall be known as and may be cited as the “Medicaid Primary Care Payment Parity Act.”

Section 2. Purpose. The Legislature hereby finds and declares that:

1. Millions of low-income and working class families depend on Medicaid, without which many would be uninsured or lack coverage to access the health services they need.

2. Enrollment in Medicaid and demand for primary care services is increasing. In 201_, Medicaid covered _____ individuals in the state of ____.

3. Access to primary care has a positive impact on the overall health of Medicaid enrollees.

4. Medicaid pays on average ____ percent less than Medicare for the same primary care services in the state of ____.

5. Low Medicaid reimbursement rates can significantly affect a physician’s ability to accept new Medicaid patients into his or her practice or to participate in Medicaid.

6. Without an adequate supply of Medicaid-participating physicians, enrollees are likely to face barriers to care, which could result in increased emergency department visits and costly, delayed care for chronic conditions.
7. Establishing Medicaid payment rates in parity with Medicare payment rates would ensure physicians have the financial capacity to care for Medicaid patients.

8. Greater physician participation in Medicaid would ensure enrollees have access to the primary care services they need.

Section 3. Definitions. For purposes of the Act, the term:

1. Primary care services’ means services designated in the Healthcare Common Procedure Coding System as
   a. Evaluation and Management codes 99201 through 99499, or their successor codes, and
   b. Vaccine administration codes 90460, 90461, and 90471-90474, or their successor codes.

2. ‘Qualified physician’ means a physician who self-attests
   a. To a specialty designation of family medicine, general internal medicine, pediatric medicine, obstetrics and gynecology, or a subspecialty recognized by the American Board of Medical Specialties, the American Board of Physician Specialties, or the American Osteopathic Association; and
   b. That he/she
      i. Is Board certified with such a specialty or subspecialty or
      ii. Has furnished evaluation and management services and vaccine administration services under the codes described in this section that equal at least 60 percent of all services the physician billed for under the Medicaid State plan or waiver or provided through a Medicaid managed care organization during the most recently completed calendar year or, for newly eligible physicians, the prior month.
Section 4. Amount of required minimum payments.
Medicaid shall pay for primary care services provided by a qualified physician or under the personal supervision of a qualified physician at a rate not less than 100 percent of the Medicare Part B fee schedule rate that applies to such services and physician.

Section 5. Application to Medicaid managed care delivery systems.
Medicaid managed care plans shall direct the full amount of the enhanced payment under Section 4 to the qualified physician.

Section 5. Effective. This Act shall become effective immediately upon being enacted into law.

Section 6. Severability. If any provision of this Act is held by a court to be invalid, such invalidity shall not affect the remaining provisions of this Act, and to this end the provisions of this Act are hereby declared severable.