

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 107 Session of 2021

INTRODUCED BY SANKEY, GAYDOS, OWLETT, THOMAS, IRVIN, GROVE,
RYAN, KAUFFMAN, SAYLOR, BERNSTINE AND WEBSTER,
JANUARY 11, 2021

REFERRED TO COMMITTEE ON HUMAN SERVICES, JANUARY 11, 2021

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
2 act to consolidate, editorially revise, and codify the public
3 welfare laws of the Commonwealth," in public assistance,
4 providing for medical assistance managed care organization
5 rate setting.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
9 as the Human Services Code, is amended by adding a section to
10 read:

11 Section 449.2. Medical Assistance Managed Care Organization
12 Rate Setting.--(a) The department shall annually adjust the
13 medical assistance managed care organization financial reporting
14 that is used as the basis of rate setting by the value of
15 provider-preventable conditions in no less than facility place
16 of service paid by the medical assistance managed care
17 organization to ensure that Federal and State funds are not used
18 to pay for improper payments.

19 (b) The department shall annually report the value of

1 adjustments by the medical assistance managed care organization
2 under subsection (a) as part of the reports required under
3 Article V-A.

4 (c) As used in this section, the following words and phrases
5 shall have the meanings given to them in this subsection:

6 "Medical assistance managed care organization" means a
7 Medicaid managed care organization as defined in section 1903(m)
8 (1)(A) of the Social Security Act (49 Stat. 620, 42 U.S.C. §
9 1903(m)(1)(A)) that is a party to a Medicaid managed care
10 contract with the department to provide physical or behavioral
11 health services.

12 "Provider-preventable conditions" means any conditions
13 occurring in a health care setting that meet the following
14 criteria:

15 (1) Is identified in the State plan in line with the fee-
16 for-service model.

17 (2) Has been found by the Commonwealth, based upon a review
18 of medical literature by qualified professionals, to be
19 reasonably preventable through the application of procedures
20 supported by evidence-based guidelines.

21 (3) Has a negative consequence for the patient.

22 (4) Is auditable.

23 (5) Includes, at a minimum, any of the following:

24 (i) A wrong surgical or other invasive procedure performed
25 on a patient.

26 (ii) A surgical or other invasive procedure performed on the
27 wrong body part.

28 (iii) A surgical or other invasive procedure performed on
29 the wrong patient.

30 Section 2. This act shall take effect in 60 days.