

H. B. 2825

(By Delegates Walters, H. White, Stansbury, Williams, Canterbury,
Bates, Boggs, A. Evans, R. Phillips, Reynolds and Rowe)

[Introduced February 19, 2015; referred to the

Committee on Health and Human Resources then Finance.]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §9-5-24, relating to requiring the Department of Health and Human Resources to review rates it pays to care providers and to increase direct care rates to compensate for an increase in the state's minimum wage.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §9-5-24, to read as follows:

ARTICLE 5. MISCELLANEOUS PROVISIONS.

§9-5-24. Review and adjustment of rates paid to care providers.

(a) The Department of Health and Human Resources shall perform a review of rates it pays to health care providers and the rates its managed care contractors pay to health care providers. The reviews shall be undertaken every two years. In doing the reviews the department shall determine the cost to the provider type for providing health care services on behalf of the department or the managed care contractor in comparison to the amounts paid.

1 (b) The results of the rate review in subsection (a) of this section may not compel an increase
2 in the health care rates paid but shall be used by the department to determine if the current rates are
3 adequate to assure access to health care services provided under the Medicaid program.

4 (c) The department shall provide copies of the rate review findings and work papers to the
5 Joint Committee of Government and Finance within thirty days of completing the review and at the
6 same time publically post the reports and work papers on its website.

7 (d) The department shall provide the Joint Committee of Government and Finance a schedule
8 of when various rate reviews by provider and service type will be performed within thirty days of
9 the effective date of this section. The schedule shall be updated and resubmitted every year after
10 that.

11 (e) The department shall by July 1, 2015, adjust rates paid to medical providers for direct
12 care services, in order to compensate for the enactment of Chapter 124, Acts of the Legislature,
13 2014, which increased the state's minimum wage by 75¢ per hour January 1, 2015, and an additional
14 75¢ per hour effective January 1, 2016.

15 (f) If the department does not comply with this section the Joint Committee on Government
16 and Finance may conduct an independent rate review on its own and the Department of Health and
17 Human Resources and its managed care contractors shall fully cooperate. The department shall
18 reimburse the Joint Committee on Government and Finance for all expenses and costs incurred in
19 conducting the review. The findings and work papers shall be posted on the legislative website, if
20 the review is conducted by the Joint Committee on Government and Finance.

NOTE: The purpose of this bill is to require the Department of Health and Human Resources to review rates it pays to care providers and to increase direct care rates to compensate for an

increase in the state's minimum wage.

This section is new; therefore, it has been completely underscored.