

SB 418 Health Plan

Section 4. Conditions for state employee group benefit plans. As a condition for the expenditure of the funding for the biennium beginning July 1, 2015, for the state employee group benefit plans, the department of administration shall consider cost containment measures. Options for cost containment measures include but are not limited to:

- (1) reviewing and consulting with appropriate experts on the following:
 - (a) improving primary care case management and coordinated care to improve medical outcomes and reduce costs;
 - (b) sharing data with providers to identify and reduce inappropriate use or overuse of services;
 - (c) implementing pilot programs to improve health outcomes, such as programs for addressing pain management, emergency department use, and drug or alcohol addiction or abuse;
 - (d) increasing the cost-efficiency of the state health clinics, including recommendations for services and controls on or review of referrals;
 - (e) implementing a network-based or reference-based pricing arrangement, or both, with health care facilities, health care providers, and medical transport providers, considering a multiple of medicare rates to establish a contract of network providers or as a reference-based pricing model for the arrangement; and
 - (f) amending contracts, to the extent possible, for the state health clinics to require copayments equal to the copayments required by the state employee group benefit plans for similar services; and
- (2) requiring a contractor or third-party administrator to provide data analytics, professional expertise, and recommendations for improvement of the state employee group benefit plans to the department, the state employee group benefits advisory council, and the legislative finance committee.