

SENATE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

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Date

February 23, 2022

Committee on Health & Human Services.

After consideration on the merits, the Committee recommends the following:

SB22-106 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation and with a recommendation that it be placed on the consent calendar:

1 Amend printed bill, page 2, strike lines 22 through 26 and substitute:

2           "(B) EACH MCE SHALL REPORT QUARTERLY THE NUMBER OF  
3 PROVIDERS WHO APPLIED TO JOIN THE NETWORK AND WERE DENIED AND  
4 A COMPARISON OF RATE RANGES FOR PROVIDERS WHO HAVE OWNERSHIP  
5 OR BOARD MEMBERSHIP VERSUS PROVIDERS WHO DO NOT."

6 Page 3, strike lines 1 and 2.

7 Page 3, line 4, strike "MCE." and substitute "MCE UNLESS THE EMPLOYEE  
8 IS THE CHIEF CLINICAL OFFICER OR UTILIZATION MANAGEMENT DIRECTOR  
9 OF THE MCE. IF THE INDIVIDUAL IS ALSO AN EMPLOYEE OF A PROVIDER  
10 THAT HAS BOARD MEMBERSHIP OR OWNERSHIP IN THE MCE, THE MCE  
11 SHALL DEVELOP POLICIES, APPROVED BY THE EXECUTIVE DIRECTOR OF THE  
12 STATE DEPARTMENT, TO MITIGATE ANY CONFLICT OF INTEREST THE  
13 EMPLOYEE MAY HAVE."

14 Page 3, strike line 16, and substitute:

15           "(III) AS USED IN THIS SUBSECTION (9)(b):

16           (A) "CHIEF CLINICAL OFFICER" MEANS A PHYSICIAN WHO PROVIDES  
17 THE CLINICAL VISION FOR THE MCE AND MAY PROVIDE CLINICAL  
18 DIRECTION TO NETWORK MANAGEMENT, QUALITY IMPROVEMENT,  
19 UTILIZATION MANAGEMENT, OR CREDENTIALING DIVISIONS.

20           (B) "MCE" MEANS A".

21 Page 3, strike line 19 and substitute "25.5-5-402 (3) AND IS NOT OWNED,

1 OPERATED BY, OR AFFILIATED WITH AN INSTRUMENTALITY, MUNICIPALITY,  
2 OR POLITICAL SUBDIVISION OF THE STATE."

3 Page 3, after line 19 insert:

4 "(C) "OWNERSHIP" MEANS AN INDIVIDUAL WHO IS A LEGAL  
5 PROPRIETOR OF AN ORGANIZATION, INCLUDING A PROVIDER OR INDIVIDUAL  
6 WHO OWNS ASSETS OF AN ORGANIZATION, OR HAS A FINANCIAL STAKE,  
7 INTEREST, OR GOVERNANCE ROLE IN THE MCE.

8 (D) "UTILIZATION MANAGEMENT DIRECTOR" MEANS A LICENSED  
9 HEALTH CARE PROFESSIONAL WITH BEHAVIORAL HEALTH CLINICAL  
10 EXPERIENCE THAT LEADS AND DEVELOPS THE UTILIZATION MANAGEMENT  
11 PROGRAM AND MANAGES THE MEDICAL REVIEW AND AUTHORIZATION  
12 PROCESS."

13 Page 4, line 17, strike "ORGANIZATION." and substitute "ORGANIZATION  
14 UNLESS THE EMPLOYEE IS A MEDICAL DIRECTOR FOR THE ADMINISTRATIVE  
15 SERVICE ORGANIZATION. IF THE MEDICAL DIRECTOR IS ALSO AN EMPLOYEE  
16 OF A PROVIDER THAT HAS BOARD MEMBERSHIP OR OWNERSHIP IN THE  
17 ADMINISTRATIVE SERVICE ORGANIZATION, THE ADMINISTRATIVE SERVICE  
18 ORGANIZATION SHALL DEVELOP POLICIES, APPROVED BY THE  
19 COMMISSIONER OF THE BEHAVIORAL HEALTH ADMINISTRATION, TO  
20 MITIGATE ANY CONFLICT OF INTEREST THE MEDICAL DIRECTOR MAY  
21 HAVE."

22 Page 4, strike lines 23 through 26 and substitute:

23 "(b) IF THE OFFICE IS UNABLE TO CONTRACT WITH AN  
24 ADMINISTRATIVE SERVICE ORGANIZATION THAT MEETS THE  
25 REQUIREMENTS OF THIS SUBSECTION (8), THE OFFICE MAY DESIGNATE  
26 ANOTHER EXISTING ADMINISTRATIVE SERVICE ORGANIZATION TO  
27 TEMPORARILY PROVIDE THE SERVICES FOR THAT REGION, FOR UP TO ONE  
28 YEAR, PENDING DESIGNATION OF A NEW ADMINISTRATIVE SERVICE  
29 ORGANIZATION. IF THE OFFICE IS UNABLE TO DESIGNATE A NEW  
30 ADMINISTRATIVE SERVICE ORGANIZATION, THE TEMPORARY  
31 ADMINISTRATIVE SERVICE ORGANIZATION MAY CONTINUE TO PROVIDE THE  
32 REGIONAL BEHAVIORAL HEALTH CRISIS RESPONSE SYSTEM SERVICES ON A  
33 YEAR BY YEAR BASIS.

34 (c) AS USED IN THIS SUBSECTION (8), UNLESS THE CONTEXT  
35 OTHERWISE REQUIRES:

36 (I) "MEDICAL DIRECTOR" MEANS A PHYSICIAN WHO OVERSEES THE  
37 MEDICAL CARE AND OTHER DESIGNATED CARE AND SERVICES IN AN  
38 ADMINISTRATIVE SERVICES ORGANIZATION. THE MEDICAL DIRECTOR MAY

1 BE RESPONSIBLE FOR HELPING TO DEVELOP CLINICAL QUALITY  
2 MANAGEMENT AND UTILIZATION MANAGEMENT.

3 (II) "OWNERSHIP" MEANS AN INDIVIDUAL WHO IS A LEGAL  
4 PROPRIETOR OF AN ORGANIZATION, INCLUDING A PROVIDER OR INDIVIDUAL  
5 WHO OWNS ASSETS OF AN ORGANIZATION, OR HAS A FINANCIAL STAKE,  
6 INTEREST, OR GOVERNANCE ROLE IN THE ADMINISTRATIVE SERVICES  
7 ORGANIZATION."

8 Page 5, line 24, strike "ORGANIZATION." and substitute "ORGANIZATION  
9 UNLESS THE EMPLOYEE IS A MEDICAL DIRECTOR FOR THE MANAGED  
10 SERVICE ORGANIZATION. IF THE MEDICAL DIRECTOR IS ALSO AN EMPLOYEE  
11 OF A PROVIDER THAT HAS BOARD MEMBERSHIP OR OWNERSHIP IN THE  
12 MANAGED SERVICE ORGANIZATION, THE MANAGED SERVICE  
13 ORGANIZATION SHALL DEVELOP POLICIES, APPROVED BY THE  
14 COMMISSIONER OF THE BEHAVIORAL HEALTH ADMINISTRATION, TO  
15 MITIGATE ANY CONFLICT OF INTEREST THE MEDICAL DIRECTOR MAY  
16 HAVE."

17 Page 6, strike lines 3 through 6 and substitute:

18 "(b) IF THE OFFICE IS UNABLE TO CONTRACT WITH A MANAGED  
19 SERVICE ORGANIZATION THAT MEETS THE REQUIREMENTS OF THIS  
20 SUBSECTION (2.5), THE OFFICE MAY DESIGNATE ANOTHER EXISTING  
21 MANAGED SERVICE ORGANIZATION TO TEMPORARILY PROVIDE THE  
22 SERVICES FOR THAT REGION, FOR UP TO ONE YEAR, PENDING DESIGNATION  
23 OF A NEW MANAGED SERVICE ORGANIZATION. IF THE OFFICE IS UNABLE TO  
24 DESIGNATE A NEW MANAGED SERVICE ORGANIZATION, THE TEMPORARY  
25 MANAGED SERVICE ORGANIZATION MAY CONTINUE TO PROVIDE THE  
26 REGIONAL SUBSTANCE USE DISORDER SERVICES ON A YEAR BY YEAR BASIS.

27 (c) AS USED IN THIS SUBSECTION (2.5), UNLESS THE CONTEXT  
28 OTHERWISE REQUIRES:

29 (I) "MEDICAL DIRECTOR" MEANS A PHYSICIAN WHO OVERSEES THE  
30 MEDICAL CARE AND OTHER DESIGNATED CARE AND SERVICES IN A  
31 MANAGED SERVICE ORGANIZATION. THE MEDICAL DIRECTOR MAY BE  
32 RESPONSIBLE FOR HELPING TO DEVELOP CLINICAL QUALITY MANAGEMENT  
33 AND UTILIZATION MANAGEMENT.

34 (II) "OWNERSHIP" MEANS AN INDIVIDUAL WHO IS A LEGAL  
35 PROPRIETOR OF AN ORGANIZATION, INCLUDING A PROVIDER OR INDIVIDUAL  
36 WHO OWNS ASSETS OF AN ORGANIZATION, OR HAS A FINANCIAL STAKE,  
37 INTEREST, OR GOVERNANCE ROLE IN THE MANAGED SERVICE  
38 ORGANIZATION."

39 Strike "OCTOBER 1, 2022," and substitute "JANUARY 1, 2023," on: **Page**

1   **2**, line 14; **Page 3**, line 24; and **Page 5**, line 4.

2   Strike "PROVIDER OWNERSHIP" and substitute "OWNERSHIP BY PROVIDERS  
3   OF BEHAVIORAL HEALTH SERVICES" on: **Page 2**, lines 16 and 17; **Page 3**,  
4   line 27; and **Page 5**, line 7.

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