

WEST VIRGINIA LEGISLATURE SELECT COMMITTEE D: Health Care Reform “Roadmap to Health Project”

The Legislature’s Select Committee D on Health has approved a series of proposed health care reform measures. The committee is recommending that these seven provisions be developed into legislation and passed during the 2009 session:

1. Establish pilot programs for patient-centered medical homes. Three (3) different types of pilots will be authorized: a chronic care model; an individual care model; and a community centered model.

- Chronic Care Model Pilots, for smaller physician practices to work with payers and providers to identify various disease states and develop programs to improve the management of agreed-upon conditions of the patient.
- Individual Medical Home Pilot, for larger physician practices to seek medical home certification from NCQA
- Community Centered Medical Home Pilot, to link primary care practices with community health teams that will grow out of the existing FQHC structure. The teams will focus on primary prevention, wellness intervention and chronic care management.

2. Creation of the Governor’s Office for Health Enhancement and Lifestyle Planning (“GO-HELP”). Create a new health coordination office and authorizes the hiring of a director who will report directly to the Governor. All state agencies involved in all aspects of health care are to “coordinate” their services and programs with the new GO-HELP office. GO-HELP is directed to develop a five-year strategic plan to facilitate and implement all aspects of the Roadmap to Health legislation.

3. Tax Credit for Small Businesses to Offer Group Health Coverage. Authorize a new tax credit for small businesses (less than 25 employees) that offer group health coverage to their employees. Tax credit is limited to a three-year period. Tax credit of up to 50 percent of the employer’s cost for such coverage for the first year; tax credit of up to 25 percent of the employer’s cost for coverage during the second year; and then no tax credit (zero) during the third year. If employer drops coverage during the third year, then the state Department of Tax & Revenue will go back and recoup the amount of the previous credits during years one and two. Total aggregate amount of tax credit allowed for this program for all employers is \$6 million per fiscal year. Tax credits will be available to employers on a first-come; first-served basis. *(Initially the this proposal was going to have a 12-month “look back” requirement that would have made this tax credit unavailable to most employers who provide an existing health insurance benefit. The Chamber was instrumental in getting this provision deleted in the final proposal.)* Maximum amount of tax credit allowed per employer is \$25,000 per year.

4. Health Information Technology Fee. Impose a fee (tax) of 0.199 percent on each health insurance claim paid by health care insurers for their West Virginia members. Proceeds will go to the newly created Health Information Network Fund, to be maintained by the GO-HELP office. Purpose is to modernize and improve the Health Information Network. Fee is to be paid on all health insurance claims processed by health insurers, third-party administrators, and PEIA. Fee may also apply to Medicaid claims and CHIP claims if federal approval can be obtained.

5. Healthy Lifestyles Restaurant Calorie Posting Program. Require that caloric information be posted on all restaurant menus at the point of sale. This will apply only to those “chain” restaurants that have more than 15 locations anywhere (locations either in W.Va. or out of state, or in any combination).

6. Tobacco Tax. Increase the tobacco tax on cigarettes and all other tobacco products. This would raise the state’s cigarette tax from current 0.55 cents up to \$1.20 per pack (national average). It also would raise the excise tax on all other tobacco products from the current 7 percent up to 14 percent of the wholesale price. Fifty percent of these new revenues will go to a special revenue account in the GO-HELP office, while the other 50 percent will be directed to the state’s General Revenue Fund.

7. Establish a Central Credentialing Verification Organization (CVO). Create a uniform, streamlined process for credentialing all health care practitioners and providers in the State. Establish either one statewide CVO (or, in the alternative, no more than three regional CVOs) for the purpose of handling all credentialing services in the State. All practitioners will be required to use the Uniform Credentialing Form, and all providers and insurers will be required to accept the use of such form as approved by the new CVOs.

More information about the “Roadmap to Health Project” report can be found at this web site: www.visionshared.com.