

Amendment No. 2 to HB1121

McManus
Signature of Sponsor

AMEND Senate Bill No. 1292

House Bill No. 1121*

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following new section thereto:

71-5-126.

(a) For purposes of this section, "durable medical equipment" or "DME" means equipment that can stand repeated use, is primarily and customarily used to serve a medical purpose, generally is not useful to a person in the absence of an illness or injury, is appropriate for and used in a recipient's home, and is related to a recipient's physical disorder; provided, however, that the definition of "DME" shall be consistent with the definition of "DME" as used in rules and regulations promulgated by the bureau of TennCare.

(b) To assure that TennCare recipients receive quality care in an efficient and timely manner:

(1) Any managed care organization that contracts with the bureau of TennCare to provide medical assistance under this part shall subcontract with at least twenty five (25) DME companies in each of the grand divisions of this state to which the contract applies; and

(2) The bureau of TennCare shall assign a prior performance value relative to DME when conducting the solicitation process, to include any response to a request for proposal submitted by a managed care organization for purposes of contracting with the bureau to provide

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medical assistance. The primary criteria used to determine the prior performance value shall be the extent to which a managed care organization, in its past performance:

(A) Included at least one (1) DME company for every four thousand (4,000) TennCare recipients receiving medical assistance through the managed care organization;

(B) Increased the number of DME companies in the managed care organization's network to attain the number of companies required by subsection (b) in a timely manner, if the managed care organization did not meet the requirements of subsection (b); and

(C) Made sufficient use of the managed care organization's network so that quality care was promoted through the use of a variety of DME companies.

(c) The ratio required by subdivision (b)(2)(A) shall be calculated using the total number of companies in a managed care organization's network and the total number of recipients receiving medical assistance through the managed care organization for all contracts the managed care organization has with the bureau combined statewide.

(d) Subdivision (b)(2) shall not apply to any managed care organization that has not contracted with the bureau of TennCare to provide medical assistance prior to July 1, 2013.

(e) This section shall not apply to any contracts with the bureau of TennCare to provide medical assistance to recipients of TennCare Select.

SECTION 2. This act shall take effect July 1, 2013, the public welfare requiring it, and shall apply to contracts entered into or renewed pursuant to a request for proposal issued by the bureau of TennCare on or after such date.