

Section 1 Header

2015 SESSION

15-0123.0

01/09

HOUSE BILL

[bill number]

AN ACT establishing a single payer health care system and making an appropriation therefor.

SPONSORS: [sponsors]

COMMITTEE: [committee]

ANALYSIS

This bill establishes a single payer health care system to provide health care for the citizens of New Hampshire.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struck through.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

15-0123.0
01/09

In the Year of Our Lord Two Thousand Fifteen

Be it Enacted by the Senate and House of Representatives in General Court convened:

404-J:4 Eligibility. All individuals legally residing in New Hampshire shall be eligible to receive approved benefits and have payments made to health care providers under the program. To be eligible, individuals shall fill out an application form. An individual's social security number shall not be used for the purposes of this section. After filling out the form, individuals shall receive a program insurance card with a unique number in the mail. Individuals who present themselves for covered services from a participating provider shall be presumed to be eligible under this chapter but shall complete an application for benefits in order to receive a New Hampshire health services card and have payments made for such benefits.

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1 404-J:5 Benefits and Portability. The health coverage benefits under this chapter shall be
2 available through any licensed health care practitioner or facility anywhere in the state that is
3 legally qualified to provide such benefits and for emergency outpatient and inpatient care anywhere
4 in the United States. Out-of-state non-emergency services shall be covered if not available within
5 New Hampshire. No deductibles, co-payments, coinsurance, or other cost sharing shall be imposed
6 with respect to covered benefits except for those goods or services that exceed basic covered benefits
7 as defined by the board. Covered services include, but are not limited to:

8 I. Primary care and prevention.

9 II. Specialty care other than elective cosmetic.

10 III. Inpatient care.

11 IV. Outpatient care.

12 V. Emergency care.

13 VI. Prescription drugs.

14 VII. Durable medical equipment.

15 VIII. Long-term care.

16 IX. Mental health services.

17 X. The full scope of dental services, other than elective cosmetic dentistry.

18 XI. Substance abuse treatment services.

19 XII. Chiropractic services.

20 XIII. Basic vision care and vision correction.

21 XIV. Medical devices for appropriate clinical indication.

22 404-J:6 Qualification of Participating Practitioners or Facilities.

23 I. Health care delivery facilities shall meet regional and state quality and licensing
24 guidelines as a condition of participation under the program, including guidelines regarding safe
25 staffing and quality of care.

26 II. A participating health care practitioner shall be licensed by the state. No health care
27 practitioner or facility whose license is under suspension or has been revoked shall participate in the
28 program.

29 III. Patients shall have free choice of participating eligible practitioners or facilities
30 including, but not limited to, hospitals set up for acute inpatient and chronic care.

31 404-J:7 Practitioner, Facility, and Supplier Reimbursement.

32 I. The program shall pay all health care practitioners according to the following standards:

33 (a) Physicians and other practitioners can choose to be paid fee-for-service, salaried by
34 institutions receiving global budgets, or salaried by group practices.

35 (b) The program shall reimburse physicians choosing to be paid fee-for-service according
36 to a fee schedule negotiated between physician representatives and the program on an annual basis.

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1 II. The program shall pay each hospital and other licensed health care institutions,
2 including, but not limited to, nursing homes, community health rehabilitation centers, home health
3 care agencies, and such other qualifying institutional providers, according to the following
4 standards:

5 (a) A monthly lump sum payment to cover all operating expenses. The hospital and
6 program shall negotiate the amount of this payment annually based on past budgets, clinical
7 performance, and projected changes in demand for services and input costs and proposed new
8 programs. Hospitals shall not bill patients for services covered by the program and shall not use any
9 of their operating budgets for expansion, profit, excessive executive income, marketing, or major
10 capital purchases or leases.

11 (b) The program budget shall separately fund major capital expenditures including the
12 construction of new health facilities and the purchase of durable equipment.

13 III. The program shall pay for all covered prescription drugs, devices, and durable medical
14 supplies according to a fee schedule negotiated between the program and manufacturers, vendors
15 and suppliers on an annual basis. Where therapeutically equivalent drugs are available, the
16 formulary shall specify the use of the lowest-cost medication, with exceptions available in the case of
17 medical necessity.

18 404-J:8 Prohibition Against Duplicating Coverage. A private health insurer shall not sell health
19 insurance coverage that duplicates the benefits provided under this chapter. Nothing in this chapter
20 shall be construed as prohibiting the sale of health insurance coverage for any additional benefits not
21 covered by this chapter.

22 404-J:9 New Hampshire Health Services Trust.

23 I. There is hereby established the New Hampshire health services trust (NHHST) fund
24 which shall be accounted for distinctly and separately from all other funds and shall be non-interest
25 bearing. The trust fund shall be administered by the board and shall be used solely to provide
26 payment and reimbursement for the program under this chapter. All moneys in the trust fund shall
27 be nonlapsing and shall be continually appropriated to the board for the purposes of the trust fund.
28 The trust fund shall be authorized to pay and/or reimburse:

29 (a) The funds for the general operating budget of the program.

30 (b) Reimbursement for benefits outlined in RSA 404-J:5.

31 (c) Public health services.

32 (d) Capital expenditures for construction or renovation of health care facilities or major
33 equipment purchases deemed necessary throughout the state and approved by the board.

34 (e) Re-education and job placement of persons who have lost their jobs as a result of this
35 transition shall be limited to the first 5 years.

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1 II. The general court shall provide funds to the NHHST, but shall not remove or borrow
2 funds from the NHHST nor shall attempts be made under negotiations during the state budget
3 cycles to underfund the program.

4 III. Funding of the NHHST shall include, but is not limited to, all of the following:

5 (a) Funds appropriated for health care as outlined by the state on a yearly basis.

6 (b) All federal funds that are designated for health care, including, but not limited to, all
7 funds designated for Medicaid. The trust shall be authorized to negotiate with the federal
8 government for funding of Medicare recipients.

9 (c) Public and private grants and contributions.

10 (d) Any other funds specifically ear-marked for health care or health care education such
11 as settlements from litigation.

12 IV. The total overhead and administrative portion of the program budget shall not exceed 12
13 percent of the total operating budget of the program for the first 2 years that the program is in
14 operation; 8 percent for the following 2 years; and 5 percent for each year thereafter.

15 V. The program shall establish and maintain regional districts for the purposes of local
16 administration and oversight of programs that are specific to each region's needs.

17 404-J:10 Long-Term Care Services. The board shall establish funding for long-term care
18 services, including in-home, nursing home, and community-based care. The program shall establish
19 in each community a mechanism to determine eligibility and coordinate home and nursing home
20 care and may contract with long-term care practitioners or facilities for the full range of needed long-
21 term care services.

22 404-J:11 Mental Health Services. The program shall provide coverage for all medically
23 necessary mental health care on the same basis as the coverage for other conditions. The program
24 shall cover supportive residences, occupational therapy, and ongoing mental health and counseling
25 services outside the hospital for patients with serious mental illness. In all cases the highest quality
26 and most effective care shall be delivered, including institutional care.

27 404-J:12 New Hampshire Health Services Governing Board.

28 I. There is hereby established the New Hampshire health services governing board
29 composed of the following 15 members:

30 (a) One third of whom shall be appointed by the speaker of the house of representatives.

31 (b) One third of whom shall be appointed by the president of the senate.

32 (c) One third of whom shall be appointed by the governor.

33 II. At least 1/3 of the members of the board shall consist of non-provider representatives
34 drawn from the public at large.

35 III. The members of the board shall serve 3-year terms, provided that the initial appointees
36 shall serve staggered terms. Members of the board shall not serve more than 2 full consecutive
37 terms.

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1 IV. The governor shall appoint a chairman of the board, who shall serve at the pleasure of
2 the governor, from among its members.

3 V. Members of the board shall be reimbursed for reasonable expenses incurred in carrying
4 out their duties under this chapter. If there are legislative members of the board, they shall receive
5 mileage at the legislative rate when attending to the duties of the board.

6 VI. The board shall administer the program including:

7 (a) Implementing eligibility standards and program enrollment.

8 (b) Adopting the benefits package.

9 (c) Establishing formulas for setting health expenditure budgets.

10 (d) Administrating global budgets, capital expenditure budgets, and prompt
11 reimbursement to licensed facilities.

12 (e) Creating a committee to negotiate the cost of pharmaceuticals, supplies, and durable
13 medical goods and devices.

14 (f) Implementing changes to benefits, per evidence-based medicine.

15 (g) Establishing quality and planning functions including criteria for capital expansion
16 and infrastructure development, measurement and evaluation of health quality indicators, and the
17 mechanisms for long-term care integration.

18 404-J:13 Payment for Prescription Medications, Medical Supplies, and Durable Medical
19 Equipment; Committee.

20 I. The program shall establish a uniform prescription drug formulary and list of approved
21 durable medical goods and supplies.

22 II. The board shall establish a pharmaceuticals, devices, and durable medical goods
23 committee. The members of the board shall appoint the members of the committee which shall
24 include health professionals and related individuals. The committee shall to meet on a quarterly
25 basis, to discuss, reverse, add to, or remove items from the formulary according to sound medical
26 practice. The committee shall negotiate the prices of pharmaceuticals, devices, and durable medical
27 goods with suppliers, vendors, or manufacturers on an open bid, statewide competitive basis. Prices
28 shall be reviewed, negotiated, or re-negotiated on no less than an annual basis. The committee shall
29 establish a process of open forum to the public for the purposes of grievance and petition from
30 suppliers, provider groups, and the public regarding the formulary no less than 2 times a year.

31 III. All pharmacy, devices, and durable medical goods vendors shall be licensed to distribute
32 medical goods through the regulations outlined by the board.

33 IV. All decisions and determinations of the committee shall be presented to and approved by
34 the board on an annual basis.

35 V. The board, in conjunction with the committee, shall provide a mechanism for making
36 available to patients prescription drugs and durable medical supplies not on the formulary or list if
37 medically deemed necessary on a case-by-case basis.

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1 404-J:14 Patients' Rights and Medical Liability.

2 I. The program shall protect the rights and privacy of the patients that it serves in
3 accordance with all current state and federal statutes. Patients shall have the right to access their
4 medical records upon demand.

5 II. The board shall initiate steps for transition to a no fault system for medical liability
6 matters and away from the current tort-based approach.

7 404-J:15 Innovation Waiver. The insurance commissioner shall apply to the federal government
8 for state innovation waivers as appropriate and as provided for by the Patient Protection and
9 Affordable Care Act of 2009, Public Law 111-148, as amended.

10 3 New Subparagraph; New Hampshire Health Services Trust Fund. Amend RSA 6:12, I(b) by
11 inserting after subparagraph (326) the following new subparagraph:

12 (327) Moneys deposited in the New Hampshire health services trust fund
13 established under RSA 404-J:9.

14 4 Appropriation; New Hampshire Health Services Program. There is hereby appropriated to the
15 New Hampshire health services governing board, established in RSA 404-J:12 as inserted by section
16 2 of this act, the sum of \$ 1 for the biennium ending June 30, 2017. Such funds shall be in addition to
17 any other funds appropriated to the board. The governor is authorized to draw a warrant for said
18 sum out of any money in the treasury not otherwise appropriated.

19 5 Effective Date. This act shall take effect 60 days after its passage.