

2019 Regular Session

HOUSE BILL NO. 434

BY REPRESENTATIVE MAGEE

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MEDICAID: Provides relative to definitions, policies, and procedures of Medicaid managed care organizations

1 AN ACT

2 To enact R.S. 46:460.51(15), 460.53, and 460.54, relative to the Louisiana Medical
3 Assistance Program; to provide for a defined term; to provide a public notice
4 requirement; to provide for the implementation of a policy for the adoption of
5 policies and procedures; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 46:460.51(15), 460.53, and 460.54 are hereby enacted to read as
8 follows:

9 §460.51. Definitions

10 As used in this Part, the following terms have the meaning ascribed in this
11 Section unless the context clearly indicates otherwise:

12 * * *

13 (15) "Policy or procedure" shall mean a requirement governing the
14 administration of managed care organizations specific to billing guidelines, medical
15 management and utilization review guidelines, case management guidelines, claims
16 processing guidelines and edits, grievance and appeals procedures and process, other
17 guidelines or manuals containing pertinent information related to operations and pre-
18 processing claims, and core benefits and services.

19 * * *

1 §460.53. Contract amendments; public notice

2 A. The department, prior to executing any amendment to a professional,
3 personal, consulting, or social services contract that provides for managed care under
4 the Louisiana Medical Assistance Program through the use of a managed care
5 organization, primary care case management, prepaid inpatient health plan, or
6 prepaid ambulatory health plan, all as defined in 42 CFR 438.2, shall publish on a
7 publicly accessible page of the department's website a copy of the entire proposed
8 contract amendment and provide a public comment period of no less than thirty days.

9 B. If the department finds that an imminent peril to the public health, safety,
10 or welfare requires immediate execution of a proposed contract amendment without
11 otherwise publishing the proposed contract amendment as required in Subsection A
12 of this Section, the department may execute the proposed contract amendment upon
13 publishing a copy of the contract amendment and a written statement that details the
14 reason for finding that an imminent peril to the public health, safety, or welfare
15 requires adoption of the executed amendment.

16 §460.54. Medicaid policies and procedures; procedure for adoption

17 A. The department, prior to adopting, approving, amending or implementing
18 any policy or procedure, shall publish the proposed policy or procedure on a publicly
19 accessible page of the department's website for a period of no less than forty-five
20 days for the purpose of soliciting public comments. The proposed policy or
21 procedure shall be published in a format to be determined by the department but shall
22 include both the existing policy or procedure and the proposed policy and procedure,
23 with the proposed language in the text printed in boldface type and underscored. All
24 present policy or procedure language and punctuation which are to be deleted shall
25 be struck through.

26 B. A policy or procedure proposed by a managed care organization shall not
27 be implemented unless the department has provided its express written approval to
28 the managed care organization after the expiration of the public notice period
29 required by this Section.

1 C. If the department finds that an imminent peril to the public health, safety,
2 or welfare requires immediate approval of a proposed policy or procedure without
3 otherwise publishing the proposed policy or procedure as required in Subsection A
4 of this Section, the department may implement the proposed policy or procedure
5 upon publishing a written statement that details its reason for finding that an
6 imminent peril to the public health, safety, or welfare requires adoption of the
7 proposed policy or procedure and a copy of the policy or procedure.

8 D. The provisions of this Section shall not apply to any policy or procedure
9 that is otherwise duly promulgated in accordance with the Administrative Procedure
10 Act or included in a duly executed contract amendment.

11 E. The department or a managed care organization shall be prohibited from
12 enforcing any policy or procedure that is not adopted in compliance with this Section
13 and any such policy or procedure shall be null and void and considered a violation
14 of the public policy of this state.

15 F. If the managed care organization makes any policy or procedure change,
16 the managed care organization shall submit the changes to the department for
17 approval within the time specified by the department.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 434 Reengrossed

2019 Regular Session

Magee

Abstract: Defines "policy and procedure", adds a public notice requirement, and implements a policy for adopting policies and procedures as it relates to Medicaid managed care organizations.

Proposed law defines the term "policy or procedure" to mean a requirement governing the administration of managed care organizations specific to billing guidelines, medical management and utilization review guidelines, case management guidelines, claims processing guidelines and edits, grievance and appeals procedures and process, other guidelines or manuals containing pertinent information related to operations and pre-processing claims, and core benefits and services.

Proposed law establishes a public notice requirement for any contract amendment proposed by requiring the Louisiana Dept. of Health (LDH) to publish, on a publicly accessible page of LDH's website, a copy of the entire proposed contract amendment and to provide a public comment period of no less than 30 days; except where LDH finds imminent peril to public

health, safety, or welfare in which case they may immediately execute the proposed contract amendment upon publishing a copy of the contract amendment and a written statement that details the reason for finding that an imminent peril requires adoption of the executed amendment.

Proposed law establishes policies and procedure for adoption of policies which require LDH to publish the proposed policy or procedure on a publicly accessible page of LDH's website for a period of no less than 45 days for the purpose of soliciting public comment. LDH shall determine the format; however, LDH shall include existing policy or procedure along with proposed policy or procedure.

Proposed law provides that any policy or procedure proposed by a managed care organization shall not be implemented unless LDH has provided its express written approval to the managed care organization after the expiration of the public notice period. However, if LDH finds that imminent peril requires immediate approval, LDH may implement the proposal upon publishing a written statement that details its reasons for finding that imminent peril requires adoption of the proposed policy or procedure and a copy of the proposed policy or procedure.

Proposed law provides that proposed law shall not apply to any policy or procedure that is promulgated in accordance with the Administrative Procedure Act or included in a duly executed contract.

Proposed law prohibits LDH or a managed care organization from enforcing any policy or procedure that is not adopted in compliance with this section.

Proposed law requires that any policy or procedure change made by a managed care organization be submitted to LDH for approval within a given time frame of making the change.

(Adds R.S. 46:460.51(15), 460.53, and 460.54)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the original bill:

1. Requires the Louisiana Department of Health to approve policies or procedures proposed by a managed care organization in accordance with law, regulation, or a contract after the expiration of the required public notice period.
2. Add the requirement that any policy or procedure change made by a managed care organization be submitted to the Louisiana Department of Health for approval within a given time frame for approval.
3. Make technical changes.

The Committee Amendments Proposed by House Committee on Appropriations to the engrossed bill:

1. Redefine the definition of "policy or procedure" to mean a requirement governing the administration of managed care organizations specific to billing guidelines, medical management and utilization review guidelines, case management guidelines, claims processing guidelines and edits, grievance and appeals procedures and process, other guidelines or manuals containing pertinent information related to operations and pre-processing claims, and core benefits and services.

2. Delete provisions of proposed law that requires LDH to approve policies or procedures proposed by a managed care organization in accordance with law, regulation, or a contract after the expiration of the required public notice period and instead requires LDH to provide express written approval to the managed care organization of any policy or procedure change made by a managed care organization after the expiration of the public notice period.