

2017 Regular Session

HOUSE BILL NO. 152

BY REPRESENTATIVE BACALA

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

MEDICAID: Provides for implementation and funding of a Medicaid managed long-term services and supports system

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AN ACT

To amend and reenact R.S. 22:842(C) and R.S. 46:2623(B) and (C)(2) and to enact Part XIV of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 46:460.101 through 460.105, and R.S. 46:2623(C)(3), relative to the medical assistance program of this state known as Medicaid; to provide relative to Medicaid managed care; to provide for duties of the Louisiana Department of Health in Medicaid managed care administration; to require implementation within Medicaid of a managed long-term services and supports system; to require that phases of system implementation occur by certain dates; to provide for a request for proposals process; to provide for sources of funding for implementation and administration of the managed long-term services and supports system; to dedicate revenues collected through certain taxes paid by Medicaid managed care organizations; to provide for deposit of monies into certain accounts of the Louisiana Medical Assistance Trust Fund; to authorize uses of certain monies within the trust fund; to provide an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:842(C) is hereby amended and reenacted to read as follows:

§842. Life, accident, health, or service insurance; health maintenance organizations; Medicaid-enrolled managed care organizations

* * *

1 C. Taxes collected under the provision of this Section from healthcare
2 premium assessments paid by Medicaid-enrolled managed care organizations, after
3 first having been credited to the Bond Security and Redemption Fund as required by
4 Article VII, Section 9(B) of the Constitution of Louisiana, shall be deposited into the
5 managed long-term services and supports account of the Louisiana Medical
6 Assistance Trust Fund.

7 Section 2. R.S. 46:2623(B) and (C)(2) are hereby amended and reenacted and Part
8 XIV of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, comprised of R.S.
9 46:460.101 through 460.105, and R.S. 46:2623(C)(3) are hereby enacted to read as follows:

10 PART XIV. MANAGED LONG-TERM SERVICES AND SUPPORTS

11 §460.101. Definitions

12 As used in this Part, the following terms have the meaning ascribed in this

13 Section:

14 (1) "Department" means the Louisiana Department of Health.

15 (2) "Managed long-term services and supports" and "MLTSS" mean a
16 system for delivery of long-term services and supports through a capitated Medicaid
17 managed care program.

18 (3) "Medicaid" and "medical assistance program" mean the medical
19 assistance program provided for in Title XIX of the Social Security Act.

20 (4) "Secretary" means the secretary of the Louisiana Department of Health.

21 §460.102. Legislative findings; declaration

22 A. The Legislature of Louisiana hereby finds and affirms the following:

23 (1) Since the initial statewide implementation of Medicaid managed care in
24 2012 which encompassed only select groups of enrollees, the state has moved
25 incrementally to institute managed care for additional Medicaid populations and
26 services.

27 (2) At the close of the third quarter of State Fiscal Year 2017, the only
28 Medicaid recipients excluded from managed care were those receiving long-term

1 care services in institutional or home-based settings, a population which comprises
2 less than four percent of the state's total number of Medicaid enrollees.

3 (3) The primary benefits of a Medicaid managed long-term services and
4 supports system, referred to hereafter in this Part as an "MLTSS system", as
5 evidenced in states that have implemented such a system, include the following:

6 (a) Improved quality of care and expanded service options for Medicaid
7 enrollees who need long-term care due to conditions associated with age or
8 disability.

9 (b) Greater fiscal sustainability of a state's overall Medicaid program.

10 B. The legislature hereby declares that the establishment of an MLTSS
11 system within the Medicaid program is a fiscal and public health priority of this
12 state.

13 §460.103. Managed long-term services and supports implementation; contracts

14 A. The secretary of the department shall submit to the Centers for Medicare
15 and Medicaid Services any new waiver application, amendment to an existing
16 waiver, and Medicaid state plan amendment as may be necessary to establish an
17 MLTSS system within the Medicaid managed care program through a waiver
18 authorized pursuant to Section 1915(b) of the Social Security Act.

19 B. The secretary shall select one or more capitated managed care plans as the
20 MLTSS contractor or contractors through a competitive request for proposals
21 process.

22 §460.104. System funding

23 Sources of funding for implementation and administration of the MLTSS
24 system shall include monies dedicated in accordance with the provisions of R.S.
25 46:2623(C) and any other monies provided by law.

26 §460.105. Rules and regulations

27 The secretary shall promulgate all rules and regulations in accordance with

1 the Administrative Procedure Act as are necessary to institute the MLTSS system
2 provided for in this Part.

3 * * *

4 §2623. Louisiana Medical Assistance Trust Fund

5 * * *

6 B.(1) The state treasurer shall establish ~~a separate account~~ the following
7 separate accounts within the fund:

8 (a) An account for each healthcare provider group in which provider fees are
9 collected and deposited into the fund in accordance with law-, hereafter referred to
10 as "provider group accounts".

11 (b) An account for the Medicaid managed long-term services and supports
12 system, hereafter referred to as the "MLTSS account", into which monies, and the
13 interest earned on those monies, shall be deposited in accordance with the provisions
14 of R.S. 22:842(C).

15 (c) An account for any ~~Any~~ monies deposited into the fund from other
16 sources, and the interest earned on those monies, ~~shall be deposited into a separate~~
17 ~~account within the fund,~~ hereafter referred to as the "general account".

18 (2) The state treasurer shall deposit monies collected from each provider
19 group's provider fees into the appropriate provider group account created ~~for that~~
20 ~~provider group~~ pursuant to Subparagraph (1)(a) of this Subsection based upon actual
21 collections of the provider fees.

22 (3) The monies, including interest earnings, in each separate account created
23 pursuant to Paragraph (1) of this Subsection shall be appropriated by the legislature
24 to the Medicaid program solely as provided in Subsection C of this Section.

25 C.

26 * * *

27 (2) ~~The Department of Health and Hospitals, or its successor,~~ department
28 shall expend monies deposited into each provider group account only for the
29 reimbursement of services to the provider group that paid the fee into the account in

1 any fiscal year, except the general account may be expended for any Medicaid
2 program expenditure. Any expenditure from the separate provider group accounts
3 for any purpose other than medical assistance payments for the providers paying the
4 fee shall be void.

5 (3)(a) The department shall expend monies in the MLTSS account only for
6 the purpose of funding the costs of initial implementation and ongoing
7 administration of the Medicaid managed long-term services and supports system
8 created by the provisions of Part XIV of Chapter 3 of this Title.

9 (b) If monies in the MLTSS account exceed the level of funding necessary
10 to implement or administer the Medicaid managed long-term services and supports
11 system as certified by the secretary to the state treasurer, then the state treasurer shall
12 deposit the excess amount certified by the secretary into the general account.

13 * * *

14 Section 3. The secretary of the Louisiana Department of Health shall take all such
15 actions as are necessary to ensure that the initial phase of implementation of the Medicaid
16 managed long-term services and supports system provided for in Section 2 of this Act begins
17 on or before October 1, 2017; and that full implementation of the system is completed on or
18 before October 1, 2018.

19 Section 4. This Act shall become effective on July 1, 2017.

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 152 Original 2017 Regular Session Bacala

Abstract: Provides for implementation and funding of a Medicaid managed long-term services and supports system and requires implementation to occur by a certain date.

Proposed law defines "managed long term services and supports" and "MLTSS" as a system for delivery of long-term services and supports through a capitated Medicaid managed care program.

Proposed law provides findings and declares that establishment of an MLTSS system is a fiscal and public health priority of this state.

Proposed law requires that the La. Dept. of Health (LDH) submit to the federal Medicaid agency any new waiver application, amendment to an existing waiver, and Medicaid state plan amendment as may be necessary to establish an MLTSS system within the Medicaid managed care program. Additionally, requires LDH to take all of the following actions with respect to establishing an MLTSS system:

- (1) Select one or more capitated managed care plans as the MLTSS contractor or contractors through a competitive request for proposals process.
- (2) Promulgate all rules and regulations in accordance with the Administrative Procedure Act as are necessary to institute the MLTSS system.

Proposed law requires the LDH secretary to take all such actions as are necessary to ensure that the initial phase of implementation of the MLTSS system begins on or before Oct. 1, 2017; and that full implementation of the system is completed on or before Oct. 1, 2018.

Proposed law provides that sources of funding for the implementation and administration of the MLTSS system shall include, without limitation, monies dedicated in accordance with the provisions of proposed law.

Proposed law amends present law relative to tax revenue from healthcare premium assessments paid by Medicaid managed care organizations to require that such revenues be deposited into an account created by proposed law within the La. Medical Assistance Trust Fund known as the "MLTSS account".

Proposed law amends present law to require that LDH expend monies in the MLTSS account created by proposed law for the purpose of funding the costs of initial implementation and ongoing administration of the MLTSS system. Provides further that if monies in the MLTSS account exceed the level of funding necessary to implement or administer the MLTSS system then the state treasurer shall deposit the excess amount certified by the LDH secretary into the general account of the La. Medical Assistance Trust Fund.

Effective July 1, 2017.

(Amends R.S. 22:842(C) and R.S. 46:2623(B) and (C)(2); Adds R.S. 46:460.101-460.105 and 2623(C)(3))