
DIGEST

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HB 390 Reengrossed

2019 Regular Session

White

Abstract: Requires the La. Department of Health to monitor and report to the legislature on Medicaid reimbursement rates paid to providers of Medicaid-funded services for people with disabilities.

Proposed law requires the La. Department of Health (LDH) to maintain reliable data in a form that permits ongoing monitoring of trending factors that may affect the sufficiency of reimbursement rates paid to providers of Medicaid-funded services for people with disabilities.

Proposed law allows LDH to require reasonable, periodic financial reports from providers as needed to ensure the availability of reliable cost data. Requires the department to consult and collaborate with providers to develop reasonable financial reporting requirements.

Proposed law authorizes LDH to conduct annual reviews of all Medicaid reimbursement rates by disability service category and make a determination of sufficiency of each rate based on a review of all pertinent data.

Proposed law requires LDH to provide a written report concerning Medicaid reimbursement rates for disability service providers to the House Committee on Appropriations, the Senate Committee on Finance, and the legislative committees on health and welfare no later than 45 days prior to the convening of each regular session of the legislature. Specifies content that the department shall include in the report.

(Adds R.S. 40:1250.1-1250.21)

Summary of Amendments Adopted by House

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

1. Revise the short title of proposed law to provide that it shall be known as the "Disability Services Medicaid Reimbursement Rate Act".
2. Delete legislative finding from proposed law indicating that, historically, instabilities in provider networks and systems of services in various states resulted in decades of litigation in federal courts challenging reimbursement rates set by state Medicaid agencies for providers of disability services.

3. Delete proposed law providing that its intent is to supplement the requirements of Medicaid law applicable to reimbursement rates for services provided to persons with disabilities.
4. Delete provisions relative to construction of proposed law.
5. Replace all instances of "age-related disability" with "adult-onset disability".
6. Replace all instances of "direct support professional" with "direct service worker".
7. Replace all instances of "personal planning" with "person-centered planning".
8. Specify that certain services and reimbursement rates referred to in proposed law are Medicaid services and reimbursement rates.
9. Delete proposed law requiring the La. Department of Health (LDH) to consider innovative rate and payment structures designed to promote improvements in quality, adequacy, access, and sufficiency, and develop measures to assess the effectiveness of such rate and payment structures.
10. Revise proposed law relative to establishment of rate methodologies to require that LDH establish all new rates or changes to rates by a methodology that specifies and describes all factors, procedures, methods, and data used or considered in developing the respective rates.
11. Delete proposed law stipulating that no cost data that is more than two years old shall be deemed reliable.
12. Delete proposed law requiring LDH to ensure that its rates for disability services satisfy the following conditions:
 - (a) The rates allow services to be provided in the most integrated setting for recipients, consistent with the holdings of the Supreme Court in *Olmstead v. L.C.*, 527 U.S. 581 (1999), and the Americans with Disabilities Act.
 - (b) The rates are sufficient to enlist a range of willing providers who are able to retain a qualified and stable workforce and take into account all other applicable workforce measures provided in proposed law.
 - (c) The rates are subject to a review process that includes input from stakeholders and assesses the adequacy of access to services financed by the rates.
13. Stipulate that the LDH rates for disability services be developed such that they can be incorporated consistently in Medicaid 1915(c) waivers and Medicaid managed care programs.

14. Stipulate that implementation of any new Medicaid reimbursement methodology shall be contingent upon approval by the Centers for Medicare and Medicaid Services and the Joint Legislative Committee on the Budget.
15. Prohibit LDH from implementing any new Medicaid reimbursement rate pursuant to proposed law unless the legislature makes a specific appropriation for such purpose.
16. Delete requirement that LDH maintain reliable data in a form that permits ongoing monitoring of certain factors that may be indicators of the adequacy of access to and quality of services that are subject to reimbursement rates.
17. Delete a requirement that LDH conduct annual review of all rates by service category and instead authorize the department to conduct such reviews.
18. Delete requirements that LDH do the following:
 - (a) Rebase rates at least once every two years using the most recent audited cost report data available per the prescribed reimbursement methodology calculations for each covered service.
 - (b) Trend reimbursement rates forward annually for all years between rate rebasing using the appropriate health market basket inflation index.
19. Revise reporting requirements provided in proposed law to require that LDH provide a written report concerning disability service provider rates to the House Committee on Appropriations, the Senate Committee on Finance, and the legislative committees on health and welfare no later than 45 days prior to the convening of the 2020 R.S., and to specify the content of the report.
20. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Change the short title of proposed law from the "Disability Services Medicaid Reimbursement Rate Act" to the "Disability Services Sustainability Act".
2. Delete proposed law indicating that its purpose is to provide for a reliable legal framework to guide the La. Department of Health (LDH), or any successor state Medicaid agency, in setting reimbursement rates for providers of disability services for persons with developmental, intellectual, adult-onset, or physical disabilities.
3. Delete the defined terms "direct service worker", "person-centered planning process", "recipient", "restructure", "service plan", "staff-to-recipient ratio", and "stakeholder" and their corresponding definitions.

4. Delete all provisions of proposed law relative to the design and establishment of a reimbursement rate methodology.
5. Revise proposed law relative to reporting to require that LDH submit an annual report concerning disability service provider rates to the House Committee on Appropriations, the Senate Committee on Finance, and the legislative committees on health and welfare no later than 45 days prior to the convening of each regular session of the legislature.