

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 434** HLS 19RS 725

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|---------------------------------------|----------|---------------------------------|
| Date: May 28, 2019 | 10:19 AM | Author: MAGEE |
| Dept./Agy.: LDH/Medicaid | | Analyst: Shawn Hotstream |
| Subject: Medicaid managed care | | |

MEDICAID RE NO IMPACT See Note Page 1 of 1
Provides relative to definitions, policies, and procedures of Medicaid managed care organizations

Proposed law requires the Louisiana Department of Health (LDH) to publish on a publicly accessible page of the department's website a copy of certain proposed contract amendments prior to executing such amendment and provide a public comment period of no less than 30 days. Contract amendments that are subject to the publishing requirement include any amendment to a professional, personal, consulting, or social services contract that provides for managed care under Louisiana Medicaid through the use of a managed care organization, primary care case management, prepaid inpatient health plan, or prepaid ambulatory health plan. Proposed law provides for publishing exceptions.

Proposed law requires the department, prior to adopting, approving, amending, or implementing certain policy or procedures to publish the proposed policy or procedure on a publicly accessible page of the department's website for a period at least 45 days. Proposed law provides for minimum requirements on the format of information published. Proposed law provides that a policy or procedure proposed by a managed care organization shall not be implemented unless approved by the department in accordance with law, regulation, or a contract after the expiration of the public notice period.

| EXPENDITURES | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

| REVENUES | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed measure requires LDH to review and approve certain policy and procedure changes proposed by managed care organizations (MCO's). Items subject to review include billing or claims submission and payment, medical management or utilization review, case management, claims processing guidelines and edits, grievance and appeals procedures and process, and other guidelines or manuals containing pertinent information related to operations and pre-processing claims, and core benefits and services. LDH reports any workload associated with this measure can be absorbed with existing staff.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director