Regular Session, 2011 **ENROLLED**

SENATE BILL NO. 207

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BY SENATOR MOUNT AND REPRESENTATIVES AUBERT, AUSTIN BADON, BALDONE, BARROW, BROSSETT, BURRELL, CARMODY, DANAHAY, DIXON, GISCLAIR, GUINN, HARDY, HARRISON, HAZEL, HENSGENS, HINES, HUTTER, ROSALIND JONES, LABRUZZO, LEBAS, LIGI, LORUSSO, NORTON, RICHARD, SMILEY, ST. GERMAIN, STIAES AND WILLIAMS

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

AN ACT

To enact Part XLII of Chapter 5 of Title 40 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 40:1300.21 through 1300.23, relative to Medicaid; to require the Department of Health and Hospitals to submit an annual report to the legislature on the Coordinated Care Network Medicaid initiative; to provide for termination of legislative authority; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Part XLII of Chapter 5 of Title 40 of the Louisiana Revised Statutes of 1950, comprised of R.S. 40:1300.21 through 1300.23, is hereby enacted to read as follows:

PART XLII. LOUISIANA MEDICAID COORDINATED CARE PROGRAM TRANSPARENCY

§1300.21. Legislative intent

It is in the best interest of the citizens of the state that the Legislature of Louisiana ensure that the Louisiana Medicaid program is operated in the most efficient and sustainable method possible. With the transition of over two-thirds of the Medicaid eligible population from a fee-for-service based program to a managed care organization based program, it is imperative that there is adequate reporting from the Department of Health and Hospitals in order to ensure the following outcomes are being achieved:

(1) Improved care coordination with patient-centered medical homes for Medicaid recipients.

(2) Improved health outcomes and quality of care as measured by metric, such as HEDIS.

(3) Increased emphasis on disease prevention and the early diagnosis and

management of chronic conditions.

(4) Improved access to Medicaid services.

(5) Improved accountability with a decrease in fraud, abuse, and wasteful spending.

(6) A more financially sustainable Medicaid program.

§1300.22. Coordinated care program; reporting

A. Beginning January 1, 2013, and annually thereafter, the Department of Health and Hospitals shall submit an annual report concerning the Louisiana Medicaid Coordinated Care Program to the Senate and House committees on health and welfare which shall include but not be limited to the following information:

(1) The name and geographic service area of each coordinated care network which has contracted with the Department of Health and Hospitals.

(2) The total number of health care providers in each coordinated care network broken down by provider type and specialty and by each geographic service area.

(3) The total and monthly average of the number of members enrolled in each network broken down by eligibility group.

(4) The percentage of primary care practices that provide verified continuous phone access with the ability to speak with a primary care provider clinician within thirty minutes of member contact for each coordinated care network.

(5) The percentage of regular and expedited service authorization requests processed within the timeframes specified by the contract for each coordinated care network.

(6) The percentage of clean claims paid for each provider type within thirty calendar days and the average number of days to pay all claims for each coordinated care network.

(7) The number of claims denied or reduced by each coordinated care network for each of the following reasons:

(a) Lack of documentation to support medical necessity.

(b) Prior authorization was not on file.

(c) Member has other insurance that must be billed first.

(d) Claim was submitted after the filing deadline.

(e) Service was not covered by the coordinated care network.

(f) Due to process, procedure, notification, referrals, or any other required administrative function of a coordinated care network.

(8) The number and dollar value of all claims paid to non-network providers by claim type categorized by emergency services and non-emergency services for each coordinated care network by geographic service area.

(9) The number of members who chose the coordinated care network and the number of members who were autoenrolled into each coordinated care network, broken down by coordinated care network.

(10) The amount of the total payments and average per member per month payment paid to each coordinated care network.

(11) The Medical Loss Ratio of each coordinated care network and the amount of any refund to the state for failure to maintain the required Medical Loss Ratio.

(12) A comparison of health outcomes, which includes but is not limited to the following outcomes among each coordinated care network:

(a) Adult asthma admission rate.

(b) Congestive heart failure admission rate.

(c) Uncontrolled diabetes admission rate.

(d) Adult access to preventative/ambulatory health services.

(e) Breast cancer screening rate.

(f) Well child visits.

(g) Childhood immunization rates.

(13) A copy of the member and provider satisfaction survey report for each coordinated care network.

(14) A copy of the annual audited financial statements for each

coordinated care network.

(15) The total amount of savings to the state for each shared savings coordinated care network.

(16) A brief factual narrative of any sanctions levied by the Department of Health and Hospitals against a coordinated care network.

(17) The number of members, broken down by each coordinated care network, who file a grievance or appeal and the number of members who accessed the state fair hearing process and the total number and percentage of grievances or appeals which reversed or otherwise resolved in favor of the member.

(18) The number of members who receive unduplicated medicaid services from each coordinated care network broken down by provider type, specialty, and place of service.

(19) The number of members who received unduplicated outpatient emergency services broken down by coordinated care network and aggregated by the following hospital classifications:

(a) State.

(b) Non-state non-rural.

(c) Rural.

(d) Private.

(20) The number of total inpatient medicaid days broken down by Coordinated Care Network and aggregated by the following hospital classifications:

(a) State.

(b) Public non-state non-rural.

(c) Rural.

(d) Private.

(21) Any other metric or measure in which the Department of Health and Hospitals Coordinated Care Network Quality Committee deems appropriate for inclusion into the report.

B. The Department of Health and Hospitals shall submit all quarterly reports required to be submitted by coordinated care networks to the Senate Committee on Health and Welfare, the House Committee on Health and Welfare, and the Senate Committee on Finance and House Committee on Appropriations.

§1300.23. Sunset

All authority for that portion of the Louisiana Medical Assistance Program which is administered by a coordinated care program, or meets the definition of managed care pursuant to federal law or regulation, excluding those portions which provide for behavioral health services, shall hereby terminate on December 31, 2014. After that date, the department shall administer the services encompassed by the portion terminated herein according to rules and regulations promulgated prior to the establishment of the coordinated care program within the Louisiana Medical Assistance Program.

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

_____
PRESIDENT OF THE SENATE

_____
SPEAKER OF THE HOUSE OF REPRESENTATIVES

_____
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

Senate Bill No. 207 by Senator Mount terminates Louisiana's Medicaid reform initiative, Coordinated Care Networks, as well as the Community Care Program on December 31, 2014. Coordinated Care Networks will provide a medical home for 800,000 Louisiana Medicaid recipients, providing better access to primary and preventative care, improved health outcomes, with an anticipated savings of $24 million in the upcoming fiscal year and $135.9 million in state fiscal year 2013.

Inserting a termination date for this important reform and preventing Louisiana from improving the performance and outcomes in our current Medicaid system sends the wrong message, that we are incapable of providing better care to our people, and we can do no better than our ranking of 49th in the nation for health outcomes. I am not content with the outcomes of our current Medicaid program and am committed to reforming our Louisiana health care system.

For this reason, I have vetoed Senate Bill No. 207 and hereby return it to the Senate.