S. Bishop HB No. 392

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

MEDICAID. Provides relative to continuity of care for newborns enrolled in Medicaid managed care

DIGEST

<u>Proposed law</u> requires each Medicaid managed care organization which contracts with DHH to compensate, at a minimum, the Medicaid fee-for-service rate in effect for the dates of service for all primary care services rendered to a newborn Medicaid beneficiary within 30 days of the beneficiary's birth regardless of whether the Medicaid provider rendering the services is contracted with the managed care organization.

<u>Proposed law</u> requires that on or before Jan. 1, 2014, and annually thereafter, DHH report to the legislative committees on health and welfare the incidence and causes of all re-hospitalizations of infants born premature at less than 37 weeks gestational age and who are within the first six months of life.

<u>Proposed law</u> prohibits DHH from amending or otherwise altering any existing per member per month contractual rate of a managed care organization in effect on the effective date of <u>proposed law</u> for any purpose which is related to the implementation of <u>proposed law</u> provided, however, monthly capitation rates offered to managed care organizations continue to be actuarially sound and consistent with requirements set forth in 42 CFR 438.6(c).

(Adds R.S. 46:460.41-460.42)

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Health and Welfare</u> to the <u>original</u> bill.

- 1. Added exemption from provisions of <u>proposed law</u> for any entity that contracts with DHH to provide fiscal intermediary services in processing claims of health care providers.
- 2. Deleted language providing that nothing in <u>proposed law</u> relative to provider credentialing shall be construed to require a managed care organization credentialing or approval in determining inclusion or participation in the organization's contracted network.
- 3. Deleted a requirement that each CPT code listed on the approved Medicaid fee-for-service fee schedule be considered payable by each Medicaid managed care organization or a fiscal agent or intermediary of the organization. Added in lieu thereof a requirement that all managed care organizations recognize in their fee schedules all CPT codes which are included in the Medicaid fee-for-service fee schedule.
- 4. Deleted a requirement that each managed care organization compensate, at a minimum, the Medicaid fee-for-service rate in effect on the dates of service for all care rendered to a newborn Medicaid beneficiary by a nonparticipating Medicaid provider within 30 days of the beneficiary's birth. Added in lieu thereof a requirement that each managed care organization compensate, at a minimum, the Medicaid fee-for-service rate in effect for the dates of service for all primary care services rendered to a newborn Medicaid beneficiary within 30 days of the beneficiary's birth regardless of whether the Medicaid provider rendering the services is contracted with the managed care organization.

- 5. Added a requirement that on or before Jan. 1, 2014, and annually thereafter, DHH report to the legislative committees on health and welfare the incidence and causes of all re-hospitalizations of infants born premature at less than 37 weeks gestational age and who are within the first six months of life.
- 6. Changed effective date of proposed law <u>from</u> date of signature by governor or lapse of time for gubernatorial action <u>to</u> August 1, 2013.
- 7. Made technical changes.

House Floor Amendments to the engrossed bill.

- 1. Changed heading of new Part created by <u>proposed law from</u> "Medicaid Managed Care Administrative Simplification" <u>to</u> "Continuity of Care for Newborns Enrolled in Medicaid Managed Care".
- 2. Deleted the following defined terms and their respective definitions from proposed law: "applicant", "credentialing", "enrollee", "health care services", "primary care case management", "secretary", "standardized information", and "verification".
- 3. Deleted all provisions of <u>proposed law</u> relative to provider credentialing.
- 4. Deleted all provisions of <u>proposed law</u> relative to claim payment except for those relative to payment for care rendered to newborns.
- 5. Added provision prohibiting DHH from amending or otherwise altering any existing per member per month contractual rate of a managed care organization in effect on the effective date of <u>proposed law</u> for any purpose which is related to the implementation of <u>proposed law</u>.

Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Health and Welfare to the</u> <u>reengrossed bill</u>

1. Adds to the provision prohibiting DHH from amending or otherwise altering any existing per member per month contractual rate of a managed care organization in effect on the effective date of <u>proposed law</u> for any purpose which is related to the implementation of <u>proposed law</u> to add that the monthly capitation rates offered to managed care organizations continue to be actuarially sound and consistent with requirements set forth in federal regulations.