HLS 13RS-1018 REENGROSSED

Regular Session, 2013

HOUSE BILL NO. 392

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BY REPRESENTATIVES STUART BISHOP AND ANDERS

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

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

AN ACT

| 2 | To enact Part XI of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, to be |
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| 3 | comprised of R.S. 46:460.41 through 460.42, relative to the medical assistance |
| 4 | program; to provide for managed care organizations which provide health care |
| 5 | services to medical assistance program enrollees; to provide for payment for services |
| 6 | rendered to newborns; and to provide for related matters. |
| 7 | Be it enacted by the Legislature of Louisiana: |
| 8 | Section 1. Part XI of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, |
| 9 | comprised of R.S. 46:460.41 through 460.42, is hereby enacted to read as follows: |
| 0 | PART XI. CONTINUITY OF CARE FOR NEWBORNS ENROLLED IN |
| 1 | MEDICAID MANAGED CARE |
| 12 | §460.41. Definitions |
| 13 | As used in this Part, the following terms shall have the meaning ascribed to |
| 14 | them in this Section unless the context clearly indicates otherwise: |
| 15 | (1) "Department" means the Department of Health and Hospitals. |
| 16 | (2) "Health care provider" or "provider" means a physician licensed to |
| 17 | practice medicine by the Louisiana State Board of Medical Examiners or other |
| 18 | individual health care practitioner licensed, certified, or registered to perform |
| 19 | specified health care services consistent with state law. |

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

| 1 | (3) "Managed care organization" shall have the same meaning as provided |
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| 2 | for that term in 42 CFR 438.2 and shall also mean any entity providing primary care |
| 3 | case management services to Medicaid recipients pursuant to a contract with the |
| 4 | department. |
| 5 | (4) "Medicaid" and "medical assistance program" mean the medical |
| 6 | assistance program provided for in Title XIX of the Social Security Act. |
| 7 | §460.42. Claims payment for care rendered to newborns; reporting |
| 8 | A. Each managed care organization shall compensate, at a minimum, the |
| 9 | Medicaid fee-for-service rate in effect for the dates of service for all primary care |
| 10 | services rendered to a newborn Medicaid beneficiary within thirty days of the |
| 11 | beneficiary's birth regardless of whether the Medicaid provider rendering the |
| 12 | services is contracted with the managed care organization. |
| 13 | B. On or before January 1, 2014, and annually thereafter, the department |
| 14 | shall report to the House and Senate committees on health and welfare the incidence |
| 15 | and causes of all re-hospitalizations of infants born premature at less than |
| 16 | thirty-seven weeks gestational age and who are within the first six months of life. |
| 17 | Section 2. The Department of Health and Hospitals shall be prohibited from |
| 18 | amending or otherwise altering any existing per member per month contractual rate of a |
| 19 | managed care organization, as defined by this Act, that is in effect on the effective date of |
| 20 | this Act for any purpose which is related to the implementation of the provisions of this Act. |
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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)]

Stuart Bishop HB No. 392

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

<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.

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<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>.

(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.

 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".

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- 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>.