ENROLLED

2018 Regular Session

ACT No. 710

HOUSE BILL NO. 734 (Substitute for House Bill No. 238 by Representative McFarland)

BY REPRESENTATIVE MCFARLAND

AN ACT

To enact Subpart E of Part XIII of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 46:460.91, relative to the state medical assistance program known commonly as Medicaid; to require the Louisiana Department of Health to submit reports to certain legislative committees concerning the Medicaid managed care program; to provide for the content of the reports; to establish a reporting schedule; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Subpart E of Part XIII of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, comprised of R.S. 46:460.91, is hereby enacted to read as follows:

SUBPART E. CLAIMS PROCESSING DATA - REPORTING

§460.91. Claims processing data; reports to legislative committees

A. The department shall produce and submit to the Joint Legislative Committee on the Budget and the House and Senate committees on health and welfare a report entitled the "Healthy Louisiana Claims Report" which conforms with the requirements of this Subpart.

B. The department shall conduct an independent review of claims submitted by healthcare providers to Medicaid managed care organizations. The review shall examine, in the aggregate and by claim type, the volume and value of claims submitted, including those adjudicated, adjusted, voided, duplicated, rejected, pended or denied in whole or in part for purposes of ensuring a Medicaid managed care organization's compliance with the terms of its contract with the department. The

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department shall actively engage provider representatives in the review, from design through completion. The initial report shall include detailed findings and defining measures to be reported on a quarterly basis, as well as the following data on healthcare provider claims delineated by an individual Medicaid managed care organization including any dental Medicaid managed care organization contracted by the department and separated by claim type:

(1) The following data on claims submitted by all healthcare providers except behavioral health providers based on data of payment during calendar year 2017:

(a) The total number and dollar amount of claims for which there was at least one claim denied at the service line level.

(b) The total number and dollar amount of claims denied at the service line level.

(c) The total number and dollar amount of claims adjudicated in the reporting period at the service line level.

(d) The total number and dollar amount of denied claims divided by the total number and dollar amount of claims adjudicated.

(e) The total number and dollar amount of adjusted claims.

(f) The total number and dollar amount of voided claims.

(g) The total number and dollar amount of claims denied as a duplicate claim.

(h) The total number and dollar amount of rejected claims.

(i) The total number and dollar amount of pended claims.

(j) For each of the five network billing providers with the highest number of total denied claims, the number of total denied claims expressed as a ratio to all claims adjudicated and the total dollar value of the claims. Provider information shall be de-identified.

(2) The following data on claims submitted by behavioral health providers based on date of payment during calendar year 2017:

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(a) The total number and dollar amount of claims for which there was at least one claim denied at the service line level.

(b) The total number and dollar amount of claims denied at the service line level.

(c) The total number and dollar amount of claims adjudicated in the reporting period at the service line level.

(d) The total number and dollar amount of denied claims divided by the total number and dollar amount of claims adjudicated.

(e) The total number and dollar amount of adjusted claims.

(f) The total number and dollar amount of voided claims.

(g) The total number and dollar amount of duplicate claims.

(h) The total number and dollar amount of rejected claims.

(i) The total number and dollar amount of pended claims.

(j) For each of the five network billing providers with the highest number of total denied claims, the number of total denied claims expressed as a ratio to all claims adjudicated and the total dollar value of the claims. Provider information shall be de-identified.

C. The report shall feature a narrative which includes, at minimum, the action steps which the department plans to take in order to address all of the following:

(1) The five most common reasons for denial of claims submitted by healthcare providers other than behavioral health providers, including provider education to the five network billing providers with the highest number of total denied claims.

(2) The five most common reasons for denial of claims submitted by behavioral health providers, including provider education to the five network billing providers with the highest number of total denied claims.

(3) Means to ensure that provider education addresses root causes of denied claims and actions to address those causes.

(4) Claims denied in error by managed care organizations.

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D. The report shall include all of the following data relating to encounters:

(1) The total number of encounters submitted by each Medicaid managed care organization to the state or its designee.

(2) The total number of encounters submitted by each Medicaid managed care organization that are not accepted by the department or its designee.

E. The initial report and subsequent quarterly reports shall include the following information relating to case management delineated by a Medicaid managed care organization:

(1) The total number of Medicaid enrollees receiving case management services.

(2) The total number of Medicaid enrollees eligible for case management services.

Section 2. The secretary of the Louisiana Department of Health shall take such actions as are necessary to ensure that the department produce and submit the initial report required by R.S. 46:460.91, as enacted by Section 1 of this Act, to the Joint Legislative Committee on the Budget and the House and Senate committees on health and welfare on or before September 30, 2018. The department shall submit the quarterly report on January 1, 2019 reflecting the April - June 2018 quarter, and thereafter on or before the first day of each state fiscal year quarter following the date of the first report.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

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