

Regular Session, 2012

SENATE BILL NO. 629

BY SENATOR JOHNS

MEDICAID. Provides for certain "transparency" reporting to the legislature by the Department of Health and Hospitals concerning the Louisiana Medicaid Bayou Health program and the Louisiana Behavioral Health Partnership and Coordinated System of Care programs. (8/1/12)

1 AN ACT

2 To enact Part LXXII of Chapter 5 of Title 40 of the Louisiana Revised Statutes of 1950, to  
3 be comprised of R.S. 40:1300.351 through 1300.353, relative to Medicaid; to require  
4 the Department of Health and Hospitals to submit an annual report to the legislature  
5 on the Louisiana Medicaid Bayou Health and Louisiana Behavioral Health  
6 Partnership and Coordinated System of Care programs; to provide for the  
7 information to be included in the report; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Part LXXII of Chapter 5 of Title 40 of the Louisiana Revised Statutes of  
10 1950, comprised of R.S. 40:1300.351 through 1300.353, is hereby enacted to read as  
11 follows:

12 **PART LXXII. MEDICAID TRANSPARENCY**

13 **§1300.351. Legislative intent**

14 **A. It is in the best interest of the citizens of the state that the Legislature**  
15 **of Louisiana ensure that the Louisiana Medicaid program is operated in the**  
16 **most efficient and sustainable method possible. With the transition of over two-**  
17 **thirds of the Medicaid eligible population from a fee-for-service based program**

1 to a managed care organization based program, it is imperative that there is  
2 adequate reporting from the Department of Health and Hospitals in order to  
3 ensure the following outcomes are being achieved:

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

6 (2) Improved health outcomes and quality of care as measured by metric,  
7 such as the Healthcare Effectiveness Data and Information Set (HEDIS).

8 (3) Increased emphasis on disease prevention and the early diagnosis and  
9 management of chronic conditions.

10 (4) Improved access to Medicaid services.

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

13 (6) A more financially sustainable Medicaid program.

14 B. It is in the best interest of the citizens of the state that the Legislature  
15 of Louisiana ensures that the Louisiana Medicaid program as it relates to the  
16 severely mentally ill recipients is operated in the most efficient and sustainable  
17 method possible. The transition of the services of the office of behavioral health  
18 within the Department of Health and Hospitals to a managed care system in  
19 which a single statewide management organization operates as a single point of  
20 entry to behavioral health services requires adequate reporting from the  
21 Department of Health and Hospitals in order to ensure the following outcomes  
22 are being achieved:

23 (1) Implementation of a Coordinated System of Care for youth and their  
24 families or caregivers that utilizes a family and youth driven practice model,  
25 provision of wraparound facilitation by child and family teams, family and  
26 youth supports, and overall management of these services by the statewide  
27 management organization.

28 (2) Improved access, quality, and efficiency of behavioral health services  
29 for children not eligible for the Coordinated System of Care and for adults with

1 severe mental illness and addictive disorders, through management of these  
2 services by the statewide management organization.

3 (3) Smooth and efficient transition of behavioral health service delivery  
4 and operations from a regional based approach coordinated through the office  
5 of behavioral health within the Department of Health and Hospitals to the use  
6 of human service districts or local government entities.

7 (4) Seamless coordination of behavioral health services with the  
8 comprehensive healthcare system without losing attention to the special skills  
9 of the behavioral health professionals.

10 (5) Advancement of a resiliency, recovery, and consumer-focused system  
11 of person-centered care.

12 (6) Implementation of best practices and evidence-based practices that  
13 are effective and efficient and are supported by the data collected from  
14 measuring outcomes, quality, and accountability.

15 (7) The efficient and effective use of state general funds in order to  
16 maximize federal funding of behavioral services provided by the Medicaid  
17 program.

18 **§1300.352. Bayou Health; reporting**

19 Beginning January 1, 2013, and annually thereafter, the Department of  
20 Health and Hospitals shall submit an annual report concerning the Louisiana  
21 Medicaid Bayou Health program to the Senate and House committees on health  
22 and welfare which shall include but not be limited to the following information:

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

25 (2) The total number of healthcare providers in each coordinated care  
26 network broken down by provider type and specialty and by each geographic  
27 service area. The initial report shall also include the total number of providers  
28 enrolled in the fee-for-service Medicaid program broken down by provider type  
29 and specialty for each geographic service area for the period, either calendar

1 or state fiscal year, prior to the date of services initially being provided under  
2 Bayou Health.

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

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

9 (5) The percentage of regular and expedited service authorization  
10 requests processed within the time frames specified by the contract for each  
11 coordinated care network. The initial report shall also include comparable  
12 metrics or regular and expedited service authorizations and time frames when  
13 processed by the Medicaid fiscal intermediary for the period, either calendar  
14 or state fiscal year, prior to the date of services initially being provided under  
15 Bayou Health.

16 (6) The percentage of clean claims paid for each provider type within  
17 thirty calendar days and the average number of days to pay all claims for each  
18 coordinated care network. The initial report shall also include the percentage  
19 of clean claims paid within thirty days by the Medicaid fiscal intermediary  
20 broken down by provider type for the period, either calendar or state fiscal  
21 year, prior to the date of services initially being provided under Bayou Health.

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

24 (a) Lack of documentation to support medical necessity.

25 (b) Prior authorization was not on file.

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

27 (d) Claim was submitted after the filing deadline.

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

29 (f) Due to process, procedure, notification, referrals, or any other

1 required administrative function of a coordinated care network.

2 (g) The initial report shall also include the number of claims denied or  
3 reduced for each of the reasons set forth in this Paragraph by the Medicaid  
4 fiscal intermediary for the period, either calendar or state fiscal year, prior to  
5 the date of services initially being provided under Bayou Health.

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

9 (9) The number of members who chose the coordinated care network  
10 and the number of members who were auto-enrolled into each coordinated care  
11 network, broken down by coordinated care network.

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

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

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

19 (a) Adult asthma admission rate.

20 (b) Congestive heart failure admission rate.

21 (c) Uncontrolled diabetes admission rate.

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

23 (e) Breast cancer screening rate.

24 (f) Well child visits.

25 (g) Childhood immunization rates.

26 (h) The initial report shall also include a comparison of health outcomes  
27 for each of the aforementioned metrics in this Paragraph for the Medicaid  
28 fee-for-service program for the period, either calendar or state fiscal year, prior  
29 to the date of services initially being provided under Bayou Health.

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

3                   **(14) A copy of the annual audited financial statements for each**  
4                   **coordinated care network.**

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

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

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

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

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

20                         **(a) State.**

21                         **(b) Non-state non-rural.**

22                         **(c) Rural.**

23                         **(d) Private.**

24                  **(20) The number of total inpatient Medicaid days broken down by**  
25                  **coordinated care network and aggregated by the following hospital**  
26                  **classifications:**

27                         **(a) State.**

28                         **(b) Public non-state non-rural.**

29                         **(c) Rural.**

1           **(d) Private.**

2           **(21) The number of claims for emergency services, broken out by**  
3           **coordinated care network, whether the claim was paid or denied and by**  
4           **provider type. The initial report shall also include comparable metrics for**  
5           **claims for emergency services which were processed by the Medicaid fiscal**  
6           **intermediary for the period, either calendar or state fiscal year, prior to the**  
7           **date of services initially being provided under Bayou Health.**

8           **(22) Any other metric or measure which the Department of Health and**  
9           **Hospitals deems appropriate for inclusion in the report.**

10          **§1300.353. Louisiana Behavioral Health Partnership; reporting**

11           **Beginning January 1, 2013, and annually thereafter, the Department of**  
12           **Health and Hospitals shall submit an annual report for the Coordinated System**  
13           **of Care and an annual report for the Louisiana Behavioral Health Partnership**  
14           **to the Senate and House committees on health and welfare which shall include**  
15           **but not be limited to the following information:**

16           **(1) The name and geographic service area of each human service district**  
17           **or local government entity through which behavioral health services are being**  
18           **provided.**

19           **(2) The total number of healthcare providers in each human service**  
20           **district or local government entity, if applicable or by parish, broken down by**  
21           **provider type, applicable credentialing status, and specialty.**

22           **(3) The total number of Medicaid and non-Medicaid members enrolled**  
23           **in each human service district or local government entity, if applicable, or by**  
24           **parish.**

25           **(4) The total and monthly average number of adult Medicaid enrollees**  
26           **receiving services in each human service district or local government entity, if**  
27           **applicable, or by parish.**

28           **(5) The total and monthly average number of adult non-Medicaid**  
29           **patients receiving services in each human service district or local government**

1 entity, if applicable, or by parish.

2 (6) The total and monthly average number of children receiving services  
3 through the Coordinated System of Care by human service region or local  
4 government entity, if applicable, or by parish.

5 (7) The total and monthly average number of children not enrolled in the  
6 Coordinated System of Care receiving services as Medicaid enrollees in each  
7 human service district or local government entity, if applicable, or by parish.

8 (8) The total and monthly average number of children not enrolled in the  
9 Coordinated System of Care receiving services as non-Medicaid enrollees in  
10 each human service district or local government entity, if applicable, or by  
11 parish.

12 (9) The percentage of calls received by the statewide management  
13 organization that were referred for services in each human service district or  
14 local government entity, if applicable, or by parish.

15 (10) The average length of time for a member to receive confirmation  
16 and referral for services, using the initial call to the statewide management  
17 organization as the start date.

18 (11) The percentage of all referrals that were considered immediate,  
19 urgent and routine needs in each human service district or local government  
20 entity, if applicable, or by parish.

21 (12) The percentage of clean claims paid for each provider type within  
22 thirty calendar days and average number of days to pay all claims for each  
23 human service district or local government entity.

24 (13) The total number of claims denied or reduced for each of the  
25 following reasons:

26 (a) Lack of documentation.

27 (b) Lack of prior authorization.

28 (c) Service was not covered.

29 (14) The percentage of members who provide consent for release of



1 information to coordinate care with the member's primary care physician and  
2 other healthcare providers.

3 (15) The number of outpatient members who received services in  
4 hospital-based emergency rooms due to a behavioral health diagnosis.

5 (16) A copy of the statewide management organization's report to the  
6 Department of Health and Hospital on quality management which shall  
7 include:

8 (a) The number of qualified quality management personnel employed by  
9 the statewide management organization to review performance standards,  
10 measure treatment outcomes and assure timely access to care.

11 (b) The mechanism utilized by the statewide management organization  
12 for generating input and participation of members, families/caretakers, and  
13 other stakeholders in the monitoring of service quality and determining  
14 strategies to improve outcomes.

15 (c) Documented demonstration of meeting all the federal requirements  
16 for 42 CFR 438.240 and with the utilization management required by the  
17 Medicaid program as described in 42 CFR 456.

18 (d) Documentation that the statewide management organization has  
19 implemented and maintained a formal outcomes assessment process that is  
20 standardized, reliable and valid in accordance with industry standards.

21 (17) Any other metric or measure which the Department of Health and  
22 Hospitals deems appropriate for inclusion in the report.

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The original instrument was prepared by Christopher D. Adams. The following digest, which does not constitute a part of the legislative instrument, was prepared by Michelle Broussard-Johnson.

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#### DIGEST

Johns (SB 629)

Proposed law requires that beginning January 1, 2013, and annually thereafter, the Department of Health and Hospitals shall submit an annual report concerning the Louisiana Medicaid Bayou Health program and the Louisiana Behavioral Health Partnership and Coordinated System of Care programs to the Senate and House committees on health and welfare which shall include certain information as provided for in proposed law.

Effective August 1, 2012.

(Adds R.S. 40:1300.351-1300.353)

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Health and Welfare to the original bill

1. Sets forth the information and data required in the annual report from the Louisiana Behavioral Health Partnership and Coordinated System of Care programs.
2. Provides all the data and information for the initial required report include data and information for the calendar years 2009, 2010, and 2011.

##### Senate Floor Amendments to engrossed bill

1. Changes "human resource district" to "human service district".
2. Removes initial report requirement for calendar years 2009, 2010, and 2011.