

Regular Session, 2014

SENATE BILL NO. 349

BY SENATOR MORRELL

MEDICAID. Provides relative to Medicaid managed long term care support and services.
(gov sig)

1 AN ACT

2 To enact Part XIV of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, to be
3 comprised of R.S. 46:460.91, relative to Medicaid; to provide for Medicaid managed
4 long term care supports and services; to provide definitions; to provide relative to
5 request for proposals; to provide for requirements of the Department of Health and
6 Hospitals; to provide for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Part XIV of Chapter 3 of Title 46 of the Louisiana Revised Statutes of
9 1950, comprised of R.S. 46:460.91, is hereby enacted to read as follows:

10 **PART XIV. MEDICAID MANAGED LONG TERM CARE SUPPORTS**

11 **AND SERVICES**

12 **§460.91. Medicaid managed care long term care supports and services;**
13 **definition; request for proposal**

14 **A. For the purposes of this Part, the following terms shall have the**
15 **following meanings:**

16 **(1) "Louisiana HMO" shall mean a health maintenance organization**
17 **that meets the following criteria:**

1 (a) Offers fully insured commercial and/or Medicare Advantage
2 products.

3 (b) Is domiciled, licensed, and has been operating within the state for not
4 less than ten years.

5 (c) Maintains its primary corporate office and at least seventy percent
6 of its employees within the state.

7 (d) Maintains within the state its core business functions that shall
8 include but not be limited to utilization review services, claims payment
9 processes, customer service call centers, enrollment services, information
10 technology services, and provider relations.

11 (2) "Medicare Advantage plan" means a type of Medicare health plan
12 offered by a private company that contracts under the Medicare program to
13 provide an individual with Part A and Part B benefits.

14 B. The secretary of the Department of Health and Hospitals may issue
15 a request for proposals or any type of competitive process authorized by law to
16 identify and contract with health maintenance organizations to provide for a
17 comprehensive managed care program for Louisiana residents eligible for
18 Medicaid and receiving long term care supports and services provided for in the
19 Medicaid state plan.

20 C. A Louisiana HMO submitting a competitive proposal to a
21 Department of Health and Hospitals' request for proposal pursuant to
22 Subsection B shall participate in such a program for Medicaid managed long
23 term care supports and services. However, if three or more Louisiana HMOs
24 submit competitive proposals to a Department of Health and Hospitals' request
25 for proposal pursuant to Subsection B, the department shall select at least three
26 Louisiana HMOs to participate in such a program for Medicaid managed long
27 term care supports and services.

28 D.(1) The department shall prohibit any Medicaid recipient
29 participating in a Medicare Advantage plan, on or after January 1, 2014, from

1 **being forced to leave his plan if the recipient needs long term care supports and**
 2 **services, and if such a plan is not selected to participate in the Medicaid**
 3 **managed long term care supports and services program.**

4 **(2) For the provisions of this Subsection, the Department of Health and**
 5 **Hospitals shall provide payment to a recipient's Medicare Advantage plan for**
 6 **a recipient's long term care supports and services.**

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

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Christopher D. Adams.

DIGEST

Morrell (SB 349)

Proposed law defines "Louisiana HMO" to mean a health maintenance organization that meets the following criteria:

- (1) Offers fully insured commercial and/or Medicare Advantage products.
- (2) Is domiciled, licensed, and has been operating within the state for not less than ten years.
- (3) Maintains its primary corporate office and at least seventy percent of its employees within the state.
- (4) Maintains within the state its core business functions that shall include but not be limited to utilization review services, claims payment processes, customer service call centers, enrollment services, information technology services, and provider relations.

Proposed law defines Medicare Advantage plan to mean a type of Medicare health plan offered by a private company that contracts under the Medicare program to provide an individual with Part A and Part B benefits.

Proposed law provides the secretary of the Department of Health and Hospitals (DHH) may issue a request for proposals or any type of competitive process authorized by law to identify and contract with health maintenance organizations to provide for a comprehensive managed care program for Louisiana residents eligible for Medicaid and receiving long term care supports and services provided for in the Medicaid state plan.

Proposed law provides a Louisiana HMO submitting a competitive proposal to a DHH's request for proposal pursuant to proposed law shall participate in such a program for Medicaid managed care long term care supports and services. However, if three or more

Louisiana HMOs submit competitive proposals to DHH's request for proposal pursuant to proposed law, DHH shall select at least three Louisiana HMOs to participate in such a program for Medicaid managed long term care supports and services.

Proposed law provides DHH shall prohibit any Medicaid recipient participating in a Medicare Advantage plan, on or after January 1, 2014, from being forced to leave his plan if the recipient needs long term care supports and services, and if such a plan is not selected to participate in the Medicaid managed long term care supports and services program.

Proposed law provides for DHH shall provide payment to a recipient's Medicare Advantage plan for a recipient's long term care supports and services.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 46:460.91)