

SENATE BILL NO. 108

BY SENATOR JOHNS

1 AN ACT

2 To amend and reenact R.S. 40:1253.2(A)(1)(g) and (h) and (B) and to enact R.S.
3 40:1253.2(A)(3)(g)(v) through (vii), (C), and (D), relative to the Medicaid managed
4 care annual report; to provide for report data; to provide for quarterly submission of
5 certain data regarding Medicaid expansion population and services; to provide for
6 quarterly submission of certain data regarding pharmacy benefit managers; to
7 provide for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 40:1253.2(A)(1)(g) and (h) and (B) are hereby amended and
10 reenacted and R.S. 40:1253.2(A)(3)(g)(v) through (vii), (C), and (D) are hereby enacted to
11 read as follows:

12 §1253.2. Medicaid managed care program; reporting

13 A. The Louisiana Department of Health shall submit an annual report
14 concerning the Louisiana Medicaid managed care program and, if not included
15 within that program, any managed care program providing dental benefits to
16 Medicaid enrollees to the ~~Senate~~ senate and ~~House~~ house committees on health and
17 welfare. The department shall submit the report by June thirtieth every year, and the
18 applicable reporting period shall be for the previous state fiscal year except for those
19 measures that require reporting of health outcomes which shall be reported for the
20 calendar year prior to the current state fiscal year. The report shall include:

21 (1) Except when inapplicable due to the types of healthcare benefits
22 administered by the particular managed care organization, the following information
23 related to the managed care organizations contracted with the state to provide
24 Medicaid-covered healthcare services to Medicaid enrollees:

25 * * *

26 (g)(i) The medical loss ratio of each managed care organization and the
27 amount of any refund to the state for failure to maintain the required medical loss

1 ratio.

2 (ii) With respect to the monies comprising the managed care
3 organization's medical loss ratio, the report shall include the following
4 information:

5 (aa) Total expenditures on patient care.

6 (bb) Total expenditures on healthcare quality improvements.

7 (cc) Total expenditures on healthcare information technology.

8 (dd) Total expenditures on goods and services other than patient care,
9 healthcare quality improvements, and healthcare information technology.

10 ~~(h) A comparison of health outcomes, which includes but is not limited to the~~
11 ~~following, among each managed care organization:~~

12 ~~(i) Adult asthma admission rate.~~

13 ~~(ii) Congestive heart failure admission rate.~~

14 ~~(iii) Uncontrolled diabetes admission rate.~~

15 ~~(iv) Adult access to preventative/ambulatory health services.~~

16 ~~(v) Breast cancer screening rate.~~

17 ~~(vi) Well child visits.~~

18 ~~(vii) Childhood immunization rates~~ **A copy of the annual external quality**
19 **review technical report produced pursuant to 42 CFR 438.364.**

20 * * *

21 (3) The following information related to healthcare services provided by
22 healthcare providers to Medicaid enrollees enrolled in each of the managed care
23 organizations:

24 * * *

25 (g) The following information concerning pharmacy benefits delineated by
26 each managed care organization and by month:

27 * * *

28 **(v) The average and range of times for responding to prior authorization**
29 **requests.**

30 **(vi) The number of prior authorization requests denied, delineated by**

1 the reasons for denial.

2 (vii) The number of claims denied after prior authorization was
3 approved, delineated by the reasons for denial.

4 B.(1) The Louisiana Department of Health shall submit quarterly reports
5 to the senate and house committees on health and welfare concerning the
6 Medicaid expansion population and service utilization. The reports shall include
7 all of the following:

8 (a) Medicaid expansion population data which shall include the
9 following:

10 (i) Number of individuals enrolled in Medicaid for the reporting period
11 who are eligible as part of the expansion population.

12 (ii) Number of individuals in the expansion population age nineteen to
13 forty-nine and number of individuals age fifty to sixty-four.

14 (iii) Number of individuals in the expansion population in each age
15 category with earned income.

16 (iv) Number of individuals in the expansion population in each age
17 category assigned to a Medicaid managed care organization, identified by each
18 individual managed care organization.

19 (v) The per-member per-month cost paid to each managed care
20 organization to manage the care of the individuals in the expansion population
21 assigned to their plan, identified by each individual managed care organization.

22 (b) Medicaid expansion population utilization data shall include the
23 following:

24 (i) Comparison of individuals age nineteen to forty-nine, age fifty to
25 sixty-four, and those who are covered by Medicaid who are not part of the
26 expansion population utilizing the following services during the reporting
27 period:

28 (aa) Emergency department.

29 (bb) Prescription drugs.

30 (cc) Physician services.

1 (dd) Hospital services.

2 (ee) Nonemergency medical transportation.

3 (ii) Expenditures associated with each service for individuals in the
4 expansion population age nineteen to forty-nine, age fifty to sixty-four, and
5 those who are covered by Medicaid who are not part of the expansion
6 population during the reporting period.

7 (2) The quarterly reports required in this Subsection shall be submitted
8 on the twentieth day of July, October, January, and April of each year, to
9 include the data required in this Subsection, identified by month for the prior
10 three months, with a collective chart of all data submitted to be included in the
11 annual report provided for in Subsection A of this Section.

12 C.(1) The Louisiana Department of Health shall submit quarterly
13 reports to the senate and house committees on health and welfare encompassing
14 the following data regarding the Medicaid managed care organizations'
15 pharmacy benefit managers:

16 (a) The name of each pharmacy benefit manager, identified as contracted
17 or owned by the Medicaid managed care organization.

18 (b) Whether the pharmacy benefit manager is a subsidiary of the parent
19 company of the Medicaid managed care organization.

20 (c) The total dollar amount paid to the pharmacy benefit manager by the
21 Medicaid managed care organization as a transaction fee for each processed
22 claim.

23 (d) The total dollar amount of the Medicaid drug rebates and
24 manufacturer discounts collected and retained by the Medicaid managed care
25 organization and pharmacy benefit manager.

26 (e) The total dollar amount of the Medicaid drug rebates and
27 manufacturer discounts collected by the Medicaid managed care organization
28 and pharmacy benefit manager and remitted to the Louisiana Department of
29 Health.

30 (f) The total dollar amount retained by the pharmacy benefit manager

1 through spread pricing. For purposes of this Subparagraph, "spread pricing"
 2 means the actual amount paid as reimbursement to a pharmacist as compared
 3 to the amount the pharmacy benefit manager charged to and was reimbursed
 4 by the Medicaid managed care organization to identify the excess amount paid
 5 to the pharmacy benefit manager above what was paid to the pharmacist.

6 (g) Identification of any other monies retained by the pharmacy benefit
 7 manager not otherwise provided for in this Subsection that are not reimbursed
 8 to pharmacists.

9 (2) The quarterly reports required in this Subsection shall be submitted
 10 on the twentieth day of July, October, January, and April of each year, to
 11 include the data required in this Subsection, identified by month for the prior
 12 three months, with a collective chart of all data submitted to be included in the
 13 annual report provided for in Subsection A of this Section.

14 D. To the greatest extent possible, the Louisiana Department of Health shall
 15 include in the report at least three years of historical data for each of the measures
 16 set forth in Subsection A of this Section.

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

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____