

2021 Regular Session

SENATE BILL NO. 108

BY SENATOR LUNEAU

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

HEALTH SERVICES. Provides relative to mental health rehabilitation services contracts with Medicaid managed care organizations. (8/1/21)

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AN ACT

To enact R.S. 39:1648.1, relative to contracts with Medicaid managed care organizations; to provide for minimum requirements; to provide for staff requirements; to provide for certain health care provider audits; to provide for penalties; to provide for definitions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:1648.1 is hereby enacted to read as follows:

§1648.1. Medicaid contracts or subcontracts for mental health rehabilitation services; minimum requirements

A. To aid in the deterrence and prevention of fraud and abuse within the Medicaid program, any contract or subcontract entered into by the Louisiana Department of Health with any Medicaid managed care organization for the provision of mental health rehabilitation services shall include all of the following minimum requirements:

(1) Employees, contractors, and subcontractors of managed care organizations performing work or services related to the performance or supervision of audits, prior authorization determinations, and clinical reviews

1 of mental health rehabilitation services providers shall be domiciled in
2 Louisiana and be knowledgeable of the relevant state laws, policies, and
3 regulations related to the state's mental health rehabilitation program.

4 (2) Employees, contractors, and subcontractors of managed care
5 organizations shall take all necessary steps to ensure mental health
6 rehabilitation services providers are rostered, credentialed, or otherwise eligible
7 to provide and be reimbursed for mental health rehabilitation services under
8 Medicaid no later than seven days following the submission of completed
9 materials by the provider.

10 (3)(a) Employees, contractors, and subcontractors of managed care
11 organizations shall conduct a single audit of the same level, scope, and nature
12 each fiscal year for each mental health rehabilitation services provider to ensure
13 compliance with Medicaid program standards. Any provider receiving a
14 compliance rating less than eighty percent may be subject to additional audits
15 during the fiscal year and shall be required to develop and implement a
16 corrective action plan. A provider failing to implement a previous year's
17 corrective action plan shall be subject to additional auditing.

18 (b) Except in cases where an audit identifies fraud or abuse, employees,
19 contractors, and subcontractors of managed care organizations shall initiate
20 claim recoupment only when a provider fails to comply with a corrective action
21 plan that results from a previous year's audit in which the provider's
22 compliance rating was less than eighty percent.

23 B. No Medicaid managed care organization contract incorporating
24 mental health rehabilitation services shall be executed by the Louisiana
25 Department of Health without the inclusion of the minimum requirements
26 provided for in this Section, the terms of which shall supersede any other
27 conflicting contract provisions. Any existing contract executed prior to
28 August 1, 2021, shall be amended to include the minimum requirements
29 provided for in this Section.

1 **C. The Louisiana Department of Health shall enforce monetary penalties**
 2 **against any Medicaid managed care organization that violates the contractual**
 3 **requirements provided for in this Section.**

4 **D. For the purposes of this Section, the following definitions apply:**

5 **(1) "Mental health rehabilitation" means an outpatient health care**
 6 **program provider of any psychosocial rehabilitation, crisis intervention, or**
 7 **community psychiatric support and treatment services that promotes the**
 8 **restoration of community functioning and well-being of an individual diagnosed**
 9 **with a mental health or mental or emotional disorder. The mental health**
 10 **rehabilitation provider uses evidence-based supports and interventions designed**
 11 **to improve individual and community outcomes.**

12 **(2) "Mental health rehabilitation services" means outpatient services for**
 13 **adults with serious mental illness and children with emotional or behavioral**
 14 **disorders which are medically necessary to reduce the disability resulting from**
 15 **mental illness and assist in the recovery and resiliency of the recipient. These**
 16 **services are home- and community-based and are provided on an as-needed**
 17 **basis to assist recipients in coping with the symptoms of their illness. The intent**
 18 **of mental health rehabilitation services is to minimize the disabling effects on**
 19 **the individual's capacity for independent living and to prevent or limit the**
 20 **periods of inpatient treatment.**

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Brandi Cannon.

SB 108 Original

DIGEST
2021 Regular Session

Luneau

Proposed law provides for minimum requirements for contracts entered into by the La. Dept. of Health (LDH) with any Medicaid managed care organization incorporating mental health rehabilitation services, including staff domicile and knowledge requirements, for employees that perform certain functions, minimum audit standards, and the credentialing of providers within seven days of receipt of completed application materials.

Proposed law provides that no Medicaid managed care organization contract incorporating mental health rehabilitation services shall be executed without inclusion of the minimum requirements and that any existing contract entered into prior to August 1, 2021, shall be amended to include the minimum requirements.

Proposed law provides that LDH shall enforce monetary penalties against any Medicaid managed care organization that violates the minimum contractual requirements.

Effective August 1, 2021.

(Adds R.S. 39:1648.1)