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## DIGEST

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HB 356 Original

2021 Regular Session

Bacala

**Abstract:** Requires the La. Department of Health to evaluate certain aspects of the state Medicaid program regularly and to report the results of such evaluations to the legislature.

Proposed law provides for legislative intent with respect to the administration of the state Medicaid program.

Proposed law requires that, on an annual basis, the secretary of the La. Department of Health (LDH) shall cause the department to evaluate all of the following:

- (1) All classes of services of the state Medicaid program delivered, respectively, through the fee-for-service model administered directly by the department and the managed care model administered by contracted managed care organizations.
- (2) The cost-effectiveness, quality, and value of services provided by each Medicaid management information system contractor of the department.
- (3) The integrity of data used in Medicaid managed care rate development.
- (4) The set of covered services offered through the state Medicaid program in comparison with the sets of covered services offered through the following health plans:
  - (a) The health plans of the Office of Group Benefits.
  - (b) The health plans of the two largest commercial health insurance issuers, in terms of enrolled La. residents, operating in this state.
- (5) The set of covered services offered through the state Medicaid program in comparison with the sets of covered services offered through the Medicaid programs of the following states:
  - (a) Each state within Centers for Medicare and Medicaid Services Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee).
  - (b) Each state other than La. within Centers for Medicare and Medicaid Services Region 6 (Arkansas, New Mexico, Oklahoma, and Texas).

- (6) The types of cost sharing functions authorized pursuant to federal Medicaid regulations that the state Medicaid program implements in comparison with the types of such cost sharing functions that the Medicaid programs of the following states implement:
- (a) Each state within Centers for Medicare and Medicaid Services Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee).
  - (b) Each state other than La. within Centers for Medicare and Medicaid Services Region 6 (Arkansas, New Mexico, Oklahoma, and Texas).

Proposed law requires LDH to determine which classes of Medicaid services should continue to be delivered through the fee-for-service model, which classes of services should continue to be delivered through the managed care model, and which classes of services should be delivered through a different model than the one through which they are presently delivered. Provides that, with respect to any class of services which the department determines should continue to be delivered through a managed care model or be newly added into a managed care model, LDH shall determine whether or not those services should be delivered through one or more managed care organizations which manage such services exclusively.

Proposed law requires the secretary of LDH to submit to the legislature an annual report comprising findings of each evaluation conducted in accordance with proposed law. Authorizes the secretary to submit such reports in conjunction with the annual Medicaid transparency report required by present law.

(Adds R.S. 40:1254.1-1254.3)