

Regular Session, 2013

HOUSE BILL NO. 392

BY REPRESENTATIVES STUART BISHOP AND ANDERS

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

MEDICAID: Provides relative to continuity of care for newborns enrolled in Medicaid managed care

1 AN ACT

2 To enact Part XI of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 46:460.41 through 460.42, relative to the medical assistance  
4 program; to provide for managed care organizations which provide health care  
5 services to medical assistance program enrollees; to provide for payment for services  
6 rendered to newborns; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Part XI of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950,  
9 comprised of R.S. 46:460.41 through 460.42, is hereby enacted to read as follows:

10 PART XI. CONTINUITY OF CARE FOR NEWBORNS ENROLLED IN

11 MEDICAID MANAGED CARE

12 §460.41. Definitions

13 As used in this Part, the following terms shall have the meaning ascribed to  
14 them in this Section unless the context clearly indicates otherwise:

15 (1) "Department" means the Department of Health and Hospitals.

16 (2) "Health care provider" or "provider" means a physician licensed to  
17 practice medicine by the Louisiana State Board of Medical Examiners or other  
18 individual health care practitioner licensed, certified, or registered to perform  
19 specified health care services consistent with state law.

1           (3) "Managed care organization" shall have the same meaning as provided  
2           for that term in 42 CFR 438.2 and shall also mean any entity providing primary care  
3           case management services to Medicaid recipients pursuant to a contract with the  
4           department.

5           (4) "Medicaid" and "medical assistance program" mean the medical  
6           assistance program provided for in Title XIX of the Social Security Act.

7           §460.42. Claims payment for care rendered to newborns; reporting

8           A. Each managed care organization shall compensate, at a minimum, the  
9           Medicaid fee-for-service rate in effect for the dates of service for all primary care  
10           services rendered to a newborn Medicaid beneficiary within thirty days of the  
11           beneficiary's birth regardless of whether the Medicaid provider rendering the  
12           services is contracted with the managed care organization.

13           B. On or before January 1, 2014, and annually thereafter, the department  
14           shall report to the House and Senate committees on health and welfare the incidence  
15           and causes of all re-hospitalizations of infants born premature at less than  
16           thirty-seven weeks gestational age and who are within the first six months of life.

17           Section 2. The Department of Health and Hospitals shall be prohibited from  
18 amending or otherwise altering any existing per member per month contractual rate of a  
19 managed care organization, as defined by this Act, that is in effect on the effective date of  
20 this Act for any purpose which is related to the implementation of the provisions of this Act.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Stuart Bishop

HB No. 392

**Abstract:** Provides relative to continuity of care for newborns enrolled in Medicaid managed care.

Proposed law requires each Medicaid managed care organization which contracts with DHH to compensate, at a minimum, the Medicaid fee-for-service rate in effect for the dates of service for all primary care services rendered to a newborn Medicaid beneficiary within 30 days of the beneficiary's birth regardless of whether the Medicaid provider rendering the services is contracted with the managed care organization.

Proposed law requires that on or before Jan. 1, 2014, and annually thereafter, DHH report to the legislative committees on health and welfare the incidence and causes of all re-hospitalizations of infants born premature at less than 37 weeks gestational age and who are within the first six months of life.

Proposed law prohibits DHH from amending or otherwise altering any existing per member per month contractual rate of a managed care organization in effect on the effective date of proposed law for any purpose which is related to the implementation of proposed law.

(Adds R.S. 46:460.41-460.42)

#### Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Health and Welfare to the original bill.

1. Added exemption from provisions of proposed law for any entity that contracts with DHH to provide fiscal intermediary services in processing claims of health care providers.
2. Deleted language providing that nothing in proposed law relative to provider credentialing shall be construed to require a managed care organization credentialing or approval in determining inclusion or participation in the organization's contracted network.
3. Deleted a requirement that each CPT code listed on the approved Medicaid fee-for-service fee schedule be considered payable by each Medicaid managed care organization or a fiscal agent or intermediary of the organization. Added in lieu thereof a requirement that all managed care organizations recognize in their fee schedules all CPT codes which are included in the Medicaid fee-for-service fee schedule.
4. Deleted a requirement that each managed care organization compensate, at a minimum, the Medicaid fee-for-service rate in effect on the dates of service for all care rendered to a newborn Medicaid beneficiary by a nonparticipating Medicaid provider within 30 days of the beneficiary's birth. Added in lieu thereof a requirement that each managed care organization compensate, at a minimum, the Medicaid fee-for-service rate in effect for the dates of service for all primary care services rendered to a newborn Medicaid beneficiary within 30 days of the beneficiary's birth regardless of whether the Medicaid provider rendering the services is contracted with the managed care organization.
5. Added a requirement that on or before Jan. 1, 2014, and annually thereafter, DHH report to the legislative committees on health and welfare the incidence and causes of all re-hospitalizations of infants born premature at less than 37 weeks gestational age and who are within the first six months of life.
6. Changed effective date of proposed law from date of signature by governor or lapse of time for gubernatorial action to August 1, 2013.
7. Made technical changes.

#### House Floor Amendments to the engrossed bill.

1. Changed heading of new Part created by proposed law from "Medicaid Managed Care Administrative Simplification" to "Continuity of Care for Newborns Enrolled in Medicaid Managed Care".

2. Deleted the following defined terms and their respective definitions from proposed law: "applicant", "credentialing", "enrollee", "health care services", "primary care case management", "secretary", "standardized information", and "verification".
3. Deleted all provisions of proposed law relative to provider credentialing.
4. Deleted all provisions of proposed law relative to claim payment except for those relative to payment for care rendered to newborns.
5. Added provision prohibiting DHH from amending or otherwise altering any existing per member per month contractual rate of a managed care organization in effect on the effective date of proposed law for any purpose which is related to the implementation of proposed law.