

2017 Regular Session

HOUSE BILL NO. 405

BY REPRESENTATIVE HOFFMANN

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

MEDICAID: Provides relative to the Medicaid disability services system

1 AN ACT

2 To enact Subpart E of Part I of Chapter 5-E of Title 40 of the Louisiana Revised Statutes of
3 1950, to be comprised of R.S. 40:1248.1 through 1248.6, relative to services for
4 persons with disabilities; to provide relative to financing of such services through the
5 Medicaid program; to establish reimbursement methodologies for providers of such
6 services; to provide for duties of the Louisiana Department of Health relative to the
7 Medicaid disability services system; to provide for plans of care for persons with
8 developmental disabilities; to require administrative rulemaking; and to provide for
9 related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Subpart E of Part I of Chapter 5-E of Title 40 of the Louisiana Revised
12 Statutes of 1950, comprised of R.S. 40:1248.1 through 1248.6, is hereby enacted to read as
13 follows:

14 SUBPART E. DELIVERY AND FINANCING OF DISABILITY SERVICES

15 §1248.1. Purpose

16 The purpose of this Subpart is to reform the methodologies and processes
17 governing Medicaid reimbursement for disability services in order to ensure that
18 these services are provided in the most efficient and effective manner possible.

1 §1248.2. Definitions

2 As used in this Subpart, the following terms have the meaning ascribed in this

3 Section:

4 (1) "Department" means the Louisiana Department of Health.

5 (2) "Home- and community-based service provider" has the meaning
6 ascribed in R.S. 40:2120.2.

7 (3) "Intermediate care facility for people with developmental disabilities"
8 means a facility licensed as such in accordance with the provisions of Part VI-E of
9 Chapter 11 of this Title.

10 (4) "Secretary" means the secretary of the Louisiana Department of Health.

11 (5) "Support coordination agency" means a private agency which provides
12 assistance to individuals in gaining access to the full range of needed services
13 including medical, social, educational, and other support services.

14 §1248.3. Disability services; provider reimbursement methodology

15 A. Unless the conditions for the exception provided in Subsection B of this
16 Section are satisfied, the department shall reimburse providers of disability services
17 in accordance with the following requirements:

18 (1) The department shall reimburse home- and community-based service
19 providers based on an individual per diem rate.

20 (2) The department shall reimburse support coordination agencies on a
21 monthly basis for services delivered through the residential options waiver program
22 and for early and periodic screening, diagnostic, and treatment services.

23 B. The department may apply a reimbursement methodology other than one
24 provided in Subsection A of this Section only if all of the following conditions are
25 satisfied:

26 (1) The secretary determines that applying the reimbursement methodology
27 would be in the best interest of recipients of developmental disabilities services.

1 (2) All providers which would receive reimbursement through the
2 methodology indicate their approval of the use of the methodology to the
3 department.

4 C. The department shall not implement any change in a methodology or
5 process for reimbursing providers of developmental disabilities services which
6 would result in a reimbursement rate for those providers which is lower than the rate
7 in effect at the time.

8 §1248.4. Plans of care

9 The department shall require utilization of electronic plans of care within
10 each Medicaid waiver program providing developmental disabilities services, and
11 shall provide by rule for a streamlined approval process for plans of care.

12 §1248.5. System of services; sustainability

13 A. The department shall adopt regulations to identify cost savings resulting
14 from streamlining efforts within the disabilities services system and shall utilize
15 those cost savings to increase reimbursement rates for home- and community-based
16 service providers, intermediate care facilities for people with developmental
17 disabilities, case management agencies, and support coordination agencies.

18 B. The department shall not adopt any regulation that would result in
19 increased costs for intermediate care facilities for people with developmental
20 disabilities, home- and community-based service providers, case management
21 agencies, or support coordination agencies unless one or more of the following
22 conditions are satisfied:

23 (1) The regulation is required by an agency of the federal government.

24 (2) The department implements a corresponding rate increase to cover the
25 cost of the requirement.

26 §1248.6. Rules and regulations

27 The department shall promulgate all rules in accordance with the
28 Administrative Procedure Act as are necessary to implement the provisions of this
29 Subpart.

1 Section 2.(A) The secretary of the Louisiana Department of Health shall initiate the
2 promulgation of all rules required by the provisions of Section 1 of this Act through the
3 notice process provided for in R.S. 49:953(A) prior to December 1, 2017.

4 (B) The secretary of the Louisiana Department of Health shall submit to the United
5 States Department of Health and Human Services prior to December 1, 2017, any revisions
6 to Medicaid waiver program agreements, amendments to the Medicaid state plan, and other
7 documents as are necessary to implement the provisions of Section 1 of this Act.

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)]

HB 405 Original

2017 Regular Session

Hoffmann

Abstract: Provides relative to the system of Medicaid-funded services for persons with disabilities administered by the La. Dept. of Health (LDH).

Proposed law provides that its purpose is to reform the methodologies and processes governing Medicaid reimbursement for disability services in order to ensure that these services are provided in the most efficient and effective manner possible.

Proposed law provides the following definitions:

- (1) "Home- and community-based service provider" means an agency, institution, society, corporation, person or persons, or any other individual or group that provides one or more home- and community-based services as defined in present law (R.S. 40:2120.1 et seq.); but shall not include any of the following:
 - (a) Any person, agency, institution, society, corporation, group, or entity that solely prepares and delivers meals, that solely provides sitter services, or that solely provides housekeeping services.
 - (b) Any person, agency, institution, society, corporation, group, or entity who provides gratuitous services.
 - (c) Any licensed practical nurse or registered nurse who has a current state license in good standing and who provides personal nursing services in the home to an individual, provided that the nurse has contracted with the individual or family for such services and payment therefor.
 - (d) Staffing agencies which supply contract workers to a healthcare provider licensed by LDH.
 - (e) Any person who is employed as part of a self-direction program authorized by LDH.
- (2) "Support coordination agency" means a private agency which provides assistance to individuals in gaining access to the full range of needed services including medical, social, educational, and other support services.

Proposed law provides that LDH, with limited exceptions as specified in proposed law, shall reimburse providers of disability services in accordance with the following requirements:

- (1) LDH shall reimburse home- and community-based service providers licensed pursuant to present law based on an individual per diem rate.
- (2) LDH shall reimburse support coordination agencies on a monthly basis for services delivered through the residential options waiver program and for early and periodic screening, diagnostic, and treatment services.

Proposed law provides that LDH may apply a reimbursement methodology other than one listed above only if all of the following conditions are satisfied:

- (1) The secretary of LDH determines that applying the reimbursement methodology would be in the best interest of recipients of developmental disabilities services.
- (2) All providers which would receive reimbursement through the methodology indicate their approval of the use of the methodology to LDH.

Proposed law prohibits LDH from implementing any change in a methodology or process for reimbursing providers of developmental disabilities services which would result in a reimbursement rate which is lower than the rate in effect at the time.

Proposed law provides that LDH shall require utilization of electronic plans of care within each Medicaid waiver program providing developmental disabilities services, and shall provide by rule for a streamlined approval process for plans of care.

Proposed law requires LDH to adopt regulations to identify cost savings resulting from streamlining efforts within the disability services system and to utilize those cost savings to increase reimbursement rates for providers of those services.

Proposed law prohibits LDH from adopting any regulation that would result in increased costs for providers of disability services unless one or more of the following conditions are satisfied:

- (1) The regulation is required by an agency of the federal government.
- (2) LDH implements a corresponding rate increase to cover the cost of the requirement.

Proposed law requires LDH to initiate promulgation of all rules required by proposed law through the notice process provided for in the Administrative Procedure Act (R.S. 49:953(A)) prior to Dec. 1, 2017.

Proposed law requires LDH to submit to the U.S. Department of Health and Human Services prior to Dec. 1, 2017, any revisions to Medicaid waiver program agreements, amendments to the Medicaid state plan, and other documents as are necessary to implement the provisions of proposed law.

(Adds R.S. 40:1248.1-1248.6)