

HOUSE BILL NO. 390

BY REPRESENTATIVES WHITE, AMEDEE, BACALA, BILLIOT, TERRY BROWN, CARMODY, GARY CARTER, CHANEY, COX, HILL, HOFFMANN, JACKSON, JEFFERSON, JENKINS, ROBERT JOHNSON, LARVADAIN, LYONS, POPE, SIMON, STAGNI, AND THOMAS AND SENATOR WALSWORTH

1	AN ACT
2	To enact Part II-A of Chapter 5-E of Title 40 of the Louisiana Revised Statutes of 1950, to
3	be comprised of R.S. 40:1250.1 through 1250.21, relative to Medicaid-funded
4	disability services; to provide for an annual report concerning such services; to
5	provide for data to be included in the report; to provide for submission of the report
6	to certain legislative committees; to provide for definitions; and to provide for
7	related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. Part II-A of Chapter 5-E of Title 40 of the Louisiana Revised Statutes of
10	1950, comprised of R.S. 40:1250.1 through 1250.21, is hereby enacted to read as follows:
11	PART II-A. DISABILITY SERVICES: REPORTING
12	SUBPART A. GENERAL PROVISIONS
13	<u>§1250.1. Short title</u>
14	This Part shall be known and may be cited as the "Disability Services
15	Sustainability Act".
16	§1250.2. Legislative findings; declaration
17	A. The legislature hereby finds all of the following:
18	(1) Access to quality services for persons with developmental, intellectual,
19	adult-onset, or physical disabilities furnished by private providers is essential for the
20	health, safety, and well being of those persons.

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1	(2) Reliable and sufficient Medicaid reimbursement rates for private
2	providers are necessary to create and maintain a sustainable statewide system of
3	services for eligible individuals with disabilities.
4	(3) A statewide system of services is sustainable only if reimbursement rates
5	are sufficient to enlist providers in numbers great enough to allow eligible
6	individuals a choice among different providers who are capable of delivering quality
7	services that will meet the assessed needs of those individuals in a timely manner.
8	B. The legislature hereby declares that this state must take steps to foster and
9	maintain a robust network that attracts and retains quality providers which are
10	capable of maintaining a stable workforce and are sufficient in number to allow for
11	meaningful choices among providers by individuals eligible to receive disability
12	services.
13	<u>§1250.3. Definitions</u>
14	As used in this Part, the following terms have the meaning ascribed to them
15	in this Section:
16	(1) "Department" means the Louisiana Department of Health.
17	(2) "Methodology" means the aggregate of methods, principles, assumptions,
18	variables, factors, and procedures used to determine a reimbursement rate.
19	(3) "Provider" means a person, public agency, nonprofit corporation, or a
20	for-profit business entity that provides services under a contract or other agreement
21	with the department.
22	(4) "Rate" means the amount of money per unit of time for a Medicaid
23	service performed or the amount of money for a Medicaid service performed for a
24	flat fee, such as a per diem.
25	(5) "Rebasing" means using cost report information to adjust Medicaid
26	reimbursement rates to the level dictated by the Medicaid reimbursement
27	methodology for each covered service.
28	(6) "Reimbursement" means payment for a Medicaid service in accordance
29	with a specified rate.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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1	(7) "Service" means a home- or community-based service, intermediate care
2	facility service, or support coordination service provided to a recipient by a provider
3	under a contract or other agreement with the department.
4	SUBPART B. MONITORING
5	§1250.11. Monitoring for adequacy and quality of services
6	A. The department shall maintain reliable data in a form that permits
7	ongoing monitoring of trending factors that may affect the sufficiency of rates. Such
8	factors may include, without limitation, trends in cost of living and other economic
9	indexes, wage rates, and changes in regulatory and policy requirements affecting
10	provider costs.
11	B. The department may require reasonable, periodic financial reports from
12	providers as needed to ensure the availability of reliable cost data. The department
13	shall consult and collaborate with providers to develop reasonable financial reporting
14	requirements.
15	§1250.12. Annual review of rates
16	A. The department may conduct annual reviews of all rates by service
17	category and shall make a determination of the level of sufficiency of each rate based
18	on a review of all pertinent data.
19	B. Any reduction in disability rates to providers must be approved by the
20	Joint Legislative Committee on the Budget.
21	SUBPART C. REPORTING
22	<u>§1250.21. Annual report</u>
23	A. The department shall submit an annual report concerning disability
24	service provider rates to the House Committee on Appropriations, the Senate
25	Committee on Finance, and the legislative committees on health and welfare no later
26	than forty-five days prior to the convening of each regular session of the Legislature
27	of Louisiana. The report shall include, without limitation, all of the following
28	information:
29	(1) Any changes within the previous twelve months to the Medicaid rate
30	methodology for disability services and the current Medicaid rates for those services.

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1	(2) The date of the last rebasing of Medicaid rates for intermediate care
2	facilities for people with developmental disabilities and any future dates on which
3	those rates are due to be rebased.
4	(3) The amount of funding that would be required for an annual adjustment,
5	based on the inflation index, to Medicaid rates for disability services.
6	(4) The health market basket inflation index used in calculating the amount
7	of funding that would be needed for an annual adjustment of Medicaid rates for
8	disability services.
9	(5) Any proposed changes to the methodology for determining Medicaid
10	rates for disability services.
11	B. Upon request of any legislative committee identified in this Section, the
12	secretary of the department or his designee shall appear in person before the
13	committee to present the report required by this Section.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____