

AMENDMENTS TO LB 1158

(Amendments to Standing Committee amendments, AM1936)

Introduced by Krist

1 1. Insert the following new section:

2 Sec. 2. All contracts and agreements relating to the
3 medical assistance program governing at-risk managed care service
4 delivery for behavioral health services entered into by the
5 department on or after July 1, 2012, shall:

6 (1) Provide a definition and cap on administrative
7 spending that may not exceed seven percent unless the
8 implementing department includes detailed requirements for
9 tracking administrative spending to ensure (a) that administrative
10 expenditures do not include additional profit and (b) that any
11 administrative spending in excess of seven percent is necessary to
12 improve the health status of the population to be served;

13 (2) Provide a definition of annual contractor profits and
14 restrict such profits to a maximum of two and one-half percent
15 per year of the aggregate of all income and revenue earned by the
16 contractor and related parties under the contract;

17 (3) Provide for reinvestment of any profits in excess of
18 the contracted amount and any fees imposed by the department
19 to fund community-based services for children, families, and
20 adults according to a plan developed with stakeholder and regional
21 behavioral health authority input and approved by the department.
22 Such plan shall address the behavioral health needs of adults

1 and children, including filling service gaps and providing system
2 improvements;

3 (4) Provide for a minimum medical loss ratio of
4 eighty-five percent of the aggregate of all income and revenue
5 earned by the contractor and related parties under the contract;

6 (5) Provide that contractor incentives be at least one
7 percent of the aggregate of all income and revenue earned by the
8 contractor and related parties under the contract; and

9 (6) Provide that a minimum of one-quarter of one percent
10 of the aggregate of all income and revenue earned by the contractor
11 and related parties under the contract be contingent on performance
12 metrics.

13 2. On page 1, strike line 1 and insert "1. Strike section
14 1 and insert the following sections:".