

AMENDMENTS TO LB 1158

Introduced by Krist

1           1. Strike the original sections and all amendments  
2 thereto and insert the following sections:

3           Section 1. Section 68-908, Revised Statutes Cumulative  
4 Supplement, 2010, is amended to read:

5           68-908 (1) The department shall administer the medical  
6 assistance program.

7           (2) The department may (a) enter into contracts  
8 and interagency agreements, (b) adopt and promulgate rules  
9 and regulations, (c) adopt fee schedules, (d) apply for and  
10 implement waivers and managed care plans for services for eligible  
11 recipients, including services under the Nebraska Behavioral  
12 Health Services Act, and (e) perform such other activities as  
13 necessary and appropriate to carry out its duties under the  
14 Medical Assistance Act. A covered item or service as described  
15 in section 68-911 that is furnished through a school-based health  
16 center, furnished by a provider, and furnished under a managed  
17 care plan pursuant to a waiver does not require prior consultation  
18 or referral by a patient's primary care physician to be covered.  
19 Any federally qualified health center providing services as a  
20 sponsoring facility of a school-based health center shall be  
21 reimbursed for such services provided at a school-based health  
22 center at the federally qualified health center reimbursement rate.

23           (3) The department shall maintain the confidentiality

1 of information regarding applicants for or recipients of medical  
2 assistance and such information shall only be used for purposes  
3 related to administration of the medical assistance program and the  
4 provision of such assistance or as otherwise permitted by federal  
5 law.

6 (4) (a) The department shall prepare an annual summary  
7 and analysis of the medical assistance program for legislative  
8 and public review, including, but not limited to, a description  
9 of eligible recipients, covered services, provider reimbursement,  
10 program trends and projections, program budget and expenditures,  
11 the status of implementation of the Medicaid Reform Plan, and  
12 recommendations for program changes.

13 (b) The department shall provide a draft report of such  
14 summary and analysis to the Medicaid Reform Council no later than  
15 September 15 of each year. The council shall conduct a public  
16 meeting no later than October 1 of each year to discuss and receive  
17 public comment regarding such report. The council shall provide  
18 any comments and recommendations regarding such report in writing  
19 to the department no later than November 1 of each year. The  
20 department shall submit a final report of such summary and analysis  
21 to the Governor, the Legislature, and the council no later than  
22 December 1 of each year. Such final report shall include a response  
23 to each written recommendation provided by the council.

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

1           (1) Provide a definition and cap on administrative  
2 spending that (a) shall not exceed seven percent unless the  
3 implementing department includes detailed requirements for  
4 tracking administrative spending to ensure (i) that administrative  
5 expenditures do not include additional profit and (ii) that any  
6 administrative spending is necessary to improve the health status  
7 of the population to be served and (b) shall not under any  
8 circumstances exceed ten percent;

9           (2) Provide a definition of annual contractor profits and  
10 losses and restrict such profits and losses under the contract so  
11 that (a) profit shall not exceed three percent per year and (b)  
12 losses shall not exceed three percent per year, as a percentage of  
13 the aggregate of all income and revenue earned by the contractor  
14 and related parties, including parent and subsidy companies and  
15 risk-bearing partners, under the contract;

16           (3) Provide for reinvestment of at least one and one-half  
17 percent of the aggregate of all income and revenue each year  
18 including (a) any profits in excess of the contracted amount,  
19 (b) performance contingencies imposed by the department, and (c)  
20 any unearned incentive funds, to fund additional behavioral health  
21 services for children, families, and adults according to a plan  
22 developed with stakeholder and regional behavioral health authority  
23 input and approved by the department. Such plan shall address the  
24 behavioral health needs of adults and children, including filling  
25 service gaps and providing system improvements;

26           (4) Provide for a minimum medical loss ratio of  
27 eighty-five percent of the aggregate of all income and revenue

1 earned by the contractor and related parties under the contract;

2 (5) Provide that contractor incentives, in addition to  
3 potential profit, be at least one and one-half percent of the  
4 aggregate of all income and revenue earned by the contractor and  
5 related parties under the contract;

6 (6) Provide that a minimum of one-quarter percent of the  
7 aggregate of all income and revenue earned by the contractor and  
8 related parties under the contract be at risk as a penalty if the  
9 contractor fails to meet the minimum performance metrics defined in  
10 the contract, and such penalties, if charged, shall be accounted  
11 for in a manner that shall not reduce or diminish service delivery  
12 in any way; and

13 (7) Be reviewed and awarded competitively and in full  
14 compliance with the procurement requirements of the State of  
15 Nebraska.

16 Sec. 3. Section 71-801, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18 71-801 Sections 71-801 to 71-830 and section 2 of this  
19 act shall be known and may be cited as the Nebraska Behavioral  
20 Health Services Act.

21 Sec. 4. Original sections 71-801, Reissue Revised  
22 Statutes of Nebraska, and section 68-908, Revised Statutes  
23 Cumulative Supplement, 2010, are repealed.

24 Sec. 5. Since an emergency exists, this act takes effect  
25 when passed and approved according to law.