

ONE HUNDRED SECOND LEGISLATURE - SECOND SESSION - 2012
COMMITTEE STATEMENT
LB1158

Hearing Date: Wednesday February 08, 2012
Committee On: Health and Human Services
Introducer: Krist
One Liner: Provide requirements for medical assistance behavioral health managed care contracts

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 7 Senators Bloomfield, Campbell, Cook, Gloor, Howard, Krist, Lambert
Nay:
Absent:
Present Not Voting:

Proponents:	Representing:
Senator Bob Krist	District #10
Carole Boye	Nebraska Association of Behavioral Health Organizations (NABHO)
Andrew Keller	Nebraska Association of Behavioral Health Organizations (NABHO)
C. J. Johnson	Nebraska Association of Regional Administrators
Bruce Rieker	Nebraska Hospital Association

Opponents:	Representing:
Neutral:	Representing:
Vivianne Chaumont	DHHS, Division of Medicaid and Long-term Care
Topher Hansen	Center Pointe

Summary of purpose and/or changes:

LB 1158 provides that all contracts and agreements relating to the medical assistance program as related to at-risk managed care for behavioral health services after July 1, 2012 shall:

- (1 Provide a definition and cap on administrative spending of seven percent;
 - (2 Provide a definition of annual contractor profits and restrict profits to a maximum of two and one-half percent per year;
 - (3 Provide for reinvestment of any profits in excess of the contracted amount and any fees imposed by the department to fund community-based services for children, families, and adults according to a plan developed with stakeholder and regional behavior health authority input and approved by the department. Such a plan shall address the behavioral health needs of adults and children, including filling service gaps and providing system improvements;
 - (4 Provide for a minimum medical loss ratio of eighty-five percent;
 - (5 Provide that contractor performance guarantees, and incentives, not be more than one percent higher or lower than contracted or agreed to; and
 - (6 Provide that a portion of contractor payment be contingent on performance metrics, with a minimum of one percent.
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Explanation of amendments:

LB 1158 outlines the requirements of managed care contracts in the Nebraska Behavioral Health Services Act.

The Committee Amendment cross references the requirements outlined in the act by placing them also in the Medicaid statutes therefore requiring the department, when contracting for managed care plans, to include the Nebraska Behavioral Health Services Act requirements for behavioral health managed care contracts.

Kathy Campbell, Chairperson