

DECLARATION OF EMERGENCY

Department of Health Bureau of Health Services Financing

Dental Benefit Plan Manager and Healthy Louisiana
Managed Care Organization Medical Loss Ratio
(LAC 50:I.2111 and 3509)

The Department of Health, Bureau of Health Services Financing amends LAC 50:I.2111 and §3509 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:962 and shall be in effect for the maximum period allowed under the Act or until adoption of the final Rule, whichever occurs first.

Title 42, Part 438.74 of the Code of Federal Regulations requires the Department of Health to report medical loss ratio (MLR) information for the dental benefits prepaid ambulatory health plan and the Healthy Louisiana managed care organizations annually. In compliance with 42 CFR 438.74, the Department of Health, Bureau of Health Services Financing amends the provisions governing managed care for physical and behavioral health in order to align the MLR period for the dental benefit plan manager (DBPM) and the Healthy Louisiana managed care organizations (MCOs) with the capitation rating period for the purposes of required reporting.

This action is being taken to avoid sanctions or penalties for noncompliance with federal reporting requirements. It is anticipated that this Emergency Rule will not result in a fiscal impact to the Medicaid Program for state fiscal year 2023-2024.

Effective July 1, 2023, the Department of Health, Bureau of Health Services Financing amends the provisions governing managed care for physical and behavioral health in order to align the MLR period for the DBPM and the Healthy Louisiana MCOs with the capitation rating period for reporting purposes.

Title 50

PUBLIC HEALTH—MEDICAL ASSISTANCE

Part I. Administration

Subpart 3. Managed Care for Physical and Behavioral Health

Chapter 21. Dental Benefits Prepaid Ambulatory Health Plan

§2111. Payment Methodology

A. - I. ...

J. A DBPM shall have a medical loss ratio (MLR) for each MLR reporting year, which shall align with the capitation rating period, except in circumstances in which the MLR reporting period must be revised to align to a CMS-approved capitation rating period.

1. - 4. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 40:788 (April 2014), amended by the Department of Health, Bureau of Health Services Financing, LR 46:953 (July 2020), LR 47:369 (March 2021), LR 49:

Chapter 35. Managed Care Organization Participation Criteria

§3509. Reimbursement Methodology

A. - E. ...

F. An MCO shall have a medical loss ratio (MLR) for each MLR reporting year, which shall align with the capitation rating period, except in circumstances in which the MLR reporting period must be revised to align to a CMS-approved capitation rating period.

1. - 2. ...

3. An MLR shall be reported in the aggregate, including all services provided under the contract, unless the department requires separate reporting and a separate MLR calculation for specific populations.

F.3.a. - N.2.a. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 37:1587 (June 2011), amended LR 39:92 (January 2013), LR 41:937 (May 2015), LR 41:2367 (November 2015), LR 42:755 (May 2016), amended by the Department of Health, Bureau of Health Services Financing, LR 45:1771 (December 2019), LR 49:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

Tara A. LeBlanc, Bureau of Health Services Financing, is responsible for responding to inquiries regarding this Emergency Rule. A copy of this Emergency Rule is available for review by interested parties at parish Medicaid offices.

Stephen R. Russo, JD
Secretary

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