

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 867**

Introduced by Crawford, 45.

Read first time January 05, 2018

Committee: Health and Human Services

- 1 A BILL FOR AN ACT relating to managed care; to amend section 81-3137,
- 2 Reissue Revised Statutes of Nebraska; to require reports regarding
- 3 contract violations; to require contracts to contain requirements
- 4 regarding clean claims; to define a term; to eliminate obsolete
- 5 provisions; and to repeal the original section.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-3137, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 81-3137 (1) The Legislature finds that sufficient planning and  
4 meaningful input from stakeholders, including, but not limited to,  
5 service providers and consumers, is critical for establishing an  
6 effective managed care system for medicaid recipients. To ensure the  
7 safety and well-being of the state's most vulnerable population, the  
8 Department of Health and Human Services shall, for each contract with a  
9 managed care organization providing managed care plans for services for  
10 eligible recipients, including services under the Medical Assistance Act  
11 and the Nebraska Behavioral Health Services Act, report the number and  
12 type of contract violations which are subject to sanction pursuant to the  
13 contract committed every fiscal year by a managed care organization. If  
14 no sanction was imposed, the department shall include in the report an  
15 explanation of the reasons for not imposing any sanction and an  
16 explanation of the actions taken to remedy the issues resulting in the  
17 violation. The report shall be delivered electronically to the Health and  
18 Human Services Committee of the Legislature on or before November 1 of  
19 each year for the immediately preceding fiscal year not release a request  
20 for proposals relating to procurement of managed care for long term care  
21 services and support prior to September 1, 2015.

22 (2)(a) The department shall negotiate an amendment to each contract  
23 with a managed care organization referred to in subsection (1) of this  
24 section which requires at least a ninety-five percent clean-claims rate,  
25 excluding claims described in subdivision (b)(ii) of this subsection,  
26 with appropriate sanctions for violations. The department shall include  
27 this requirement in each future contract and each renewal of a contract  
28 with a managed care organization referred to in subsection (1) of this  
29 section.

30 (b) For purposes of this subsection:

31 (i) Clean claim means a claim, received by a managed care

1 organization for adjudication, that requires no further information,  
2 adjustment, or alteration by the provider of the services, or by a third  
3 party, in order to be processed and paid by the managed care  
4 organization; and

5 (ii) Clean claim does not include a claim from a provider who is  
6 under investigation for fraud or abuse or a claim under review for  
7 medical necessity.

8 Sec. 2. Original section 81-3137, Reissue Revised Statutes of  
9 Nebraska, is repealed.