

E AND R AMENDMENTS TO LB 1158

Introduced by Slama, 1, Chairman Enrollment and Review

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

3 Section 1. Section 68-901, Revised Statutes Supplement, 2019, is
4 amended to read:

5 68-901 Sections 68-901 to 68-994 and sections 2 to 4 of this act
6 shall be known and may be cited as the Medical Assistance Act.

7 Sec. 2. Section 71-831, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 ~~71-831~~ All contracts and agreements relating to the medical
10 assistance program governing at-risk managed care service delivery for
11 ~~behavioral~~ health services entered into by the department and existing on
12 or after July 1, 2020 ~~21, 2016~~, shall:

13 (1) Provide a definition and cap on administrative spending such
14 that (a) administrative expenditures do not include profit greater than
15 the contracted amount, (b) any administrative spending is necessary to
16 improve the health status of the population to be served, and (c)
17 administrative expenditures do not include contractor incentives.
18 Administrative spending shall not under any circumstances exceed twelve
19 percent. Such spending shall be tracked by the contractor and reported ~~to~~
20 the department quarterly to the department and electronically to the
21 Clerk of the Legislature;

22 (2) Provide a definition of annual contractor profits and losses and
23 restrict such profits and losses under the contract so that profit shall
24 not exceed a percentage specified by the department but not more than
25 three percent per year as a percentage of the aggregate of all income and
26 revenue earned by the contractor and related parties, including parent
27 and subsidiary companies and risk-bearing partners, under the contract;

1 (3) Provide for return reinvestment of (a) any remittance if the
2 contractor does not meet the minimum medical loss ratio, (b) ~~performance~~
3 ~~contingencies imposed by the department, and (c) any unearned incentive~~
4 funds, and (c) any other funds in excess of the contractor limitations
5 identified in state or federal statute or contract to the State Treasurer
6 for credit to the Medicaid Managed Care Excess Profit Fund to fund
7 additional health services for children, families, and adults according
8 to a plan developed with input from stakeholders and approved by the
9 department. Such plan shall address the health needs of adults and
10 children, including filling service gaps and providing system
11 improvements;

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

15 (5) Provide that contractor incentives, in addition to potential
16 profit, be up to two percent of the aggregate of all income and revenue
17 earned by the contractor and related parties under the contract; and

18 (6) Be reviewed and awarded competitively and in full compliance
19 with the procurement requirements of the State of Nebraska.

20 Sec. 3. The Medicaid Managed Care Excess Profit Fund is created.
21 The fund shall contain money returned to the State Treasurer pursuant to
22 subdivision (3) of section 2 of this act. The fund shall first be used to
23 offset any losses under subdivision (2) of section 2 of this act and then
24 to provide for services addressing the health needs of adults and
25 children under the Medical Assistance Act, including filling service
26 gaps, providing system improvements, and sustaining access to care as
27 determined by the Legislature. The fund shall only be used for the
28 purposes described in this section. Any money in the fund available for
29 investment shall be invested by the state investment officer pursuant to
30 the Nebraska Capital Expansion Act and the Nebraska State Funds
31 Investment Act.

1 Sec. 4. (1) Beginning October 1, 2020, the Department of Health and
2 Human Services shall inform each adult applicant for medical assistance
3 about job-skills programs within the Department of Health and Human
4 Services, the Department of Labor, or other skill-based programs that
5 could assist the applicant for medical assistance in obtaining job skills
6 or training, employment, higher-paying jobs, or related skills. The
7 Department of Health and Human Services shall connect interested
8 applicants to such job-skills programs. The job-skills programs may be
9 utilized on a voluntary basis by applicants for medical assistance or
10 recipients of medical assistance. The job-skills programs do not affect
11 the receipt of services provided under the Medical Assistance Act.

12 (2) Beginning February 1, 2021, and within thirty days of the
13 expiration of each subsequent calendar quarter within the years 2021 and
14 2022, the Department of Health and Human Services shall report
15 electronically to the Clerk of the Legislature on the total number of
16 applicants for medical assistance who were referred to job-skills
17 programs under this section and any job-skills services received as a
18 result of this section by applicants for medical assistance.

19 (3) Beginning January 1, 2021, through December 31, 2022, the
20 Department of Labor shall report quarterly to the Department of Health
21 and Human Services the number of applicants for medical assistance who
22 were referred to job-skills programs under this section, the number of
23 applicants for medical assistance who received help obtaining job skills
24 or training, employment, higher-paying jobs, or related skills under this
25 section, and the types of job-skills services received as a result of
26 this section.

27 (4) The Department of Health and Human Services and the Department
28 of Labor shall administer this section.

29 Sec. 5. Section 71-801, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 71-801 Sections 71-801 to 71-830 ~~71-831~~ shall be known and may be

1 cited as the Nebraska Behavioral Health Services Act.

2 Sec. 6. Original sections 71-801 and 71-831, Reissue Revised
3 Statutes of Nebraska, and section 68-901, Revised Statutes Supplement,
4 2019, are repealed.

5 Sec. 7. Since an emergency exists, this act takes effect when
6 passed and approved according to law.

7 2. On page 1, strike beginning with "the" in line 1 through line 4
8 and insert "social services; to amend sections 71-801 and 71-831, Reissue
9 Revised Statutes of Nebraska, and section 68-901, Revised Statutes
10 Supplement, 2019; to change provisions regarding contracts and agreements
11 relating to the medical assistance program; to create a fund; to provide
12 duties regarding job-skills programs for applicants for medical
13 assistance; to transfer provisions; to harmonize provisions; to repeal
14 the original sections; and to declare an emergency."