

By: Raymond

H.B. No. 2731

A BILL TO BE ENTITLED

AN ACT

1
2 relating to decreasing administrative burdens of Medicaid managed
3 care for the state, the managed care organizations, and providers
4 under managed care networks.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 533.0071, Government Code, is amended to
7 read as follows:

8 Sec. 533.0071. ADMINISTRATION OF CONTRACTS. The
9 commission shall make every effort to improve the administration of
10 contracts with managed care organizations. To improve the
11 administration of these contracts, the commission shall:

12 (1) ensure that the commission has appropriate
13 expertise and qualified staff to effectively manage contracts with
14 managed care organizations under the Medicaid managed care program;

15 (2) evaluate options for Medicaid payment recovery
16 from managed care organizations if the enrollee dies or is
17 incarcerated or if an enrollee is enrolled in more than one state
18 program or is covered by another liable third party insurer;

19 (3) maximize Medicaid payment recovery options by
20 contracting with private vendors to assist in the recovery of
21 capitation payments, payments from other liable third parties, and
22 other payments made to managed care organizations with respect to
23 enrollees who leave the managed care program;

24 (4) decrease the administrative burdens of managed

1 care for the state, the managed care organizations, and the
2 providers under managed care networks to the extent that those
3 changes are compatible with state law and existing Medicaid managed
4 care contracts, including decreasing those burdens by:

5 (A) where possible, decreasing the duplication
6 of administrative reporting requirements for the managed care
7 organizations, such as requirements for the submission of encounter
8 data, quality reports, historically underutilized business
9 reports, and claims payment summary reports;

10 (B) allowing managed care organizations to
11 provide updated address information directly to the commission for
12 correction in the state system;

13 (C) promoting consistency and uniformity among
14 managed care organization policies, including policies relating to
15 the [~~preauthorization process,~~] lengths of hospital stays, filing
16 deadlines, levels of care, and case management services;

17 (D) developing efficiency standards and
18 requirements for managed care organizations for submitting and
19 tracking preauthorization requests for services provided under the
20 Medicaid program [~~reviewing the appropriateness of primary care~~
21 ~~case management requirements in the admission and clinical criteria~~
22 ~~process, such as requirements relating to including a separate~~
23 ~~cover sheet for all communications, submitting handwritten~~
24 ~~communications instead of electronic or typed review processes, and~~
25 ~~admitting patients listed on separate notifications]; [and]~~

26 (E) providing a single portal through which
27 providers in any managed care organization's provider network may

1 submit claims; [~~and~~]

2 (F) requiring the use of standardized
3 application processes and forms for credentialing providers in a
4 managed care organization's network; and

5 (G) promoting prompt adjudication of claims
6 through provider education on the proper submission of clean claims
7 and on appeals;

8 (5) reserve the right to amend the managed care
9 organization's process for resolving provider appeals of denials
10 based on medical necessity to include an independent review process
11 established by the commission for final determination of these
12 disputes; and

13 (6) monitor and evaluate a managed care organization's
14 compliance with contractual requirements regarding:

15 (A) the reduction of administrative burdens for
16 network providers; and

17 (B) complaints regarding claims adjudication or
18 payment.

19 SECTION 2. If before implementing any provision of this Act
20 a state agency determines that a waiver or authorization from a
21 federal agency is necessary for implementation of that provision,
22 the agency affected by the provision shall request the waiver or
23 authorization and may delay implementing that provision until the
24 waiver or authorization is granted.

25 SECTION 3. This Act takes effect September 1, 2013.