

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 1158**

Introduced by Krist, 10.

Read first time January 19, 2012

Committee: Health and Human Services

A BILL

1 FOR AN ACT relating to medical assistance; to amend section 71-801,  
2 Reissue Revised Statutes of Nebraska; to provide  
3 requirements for behavioral health managed care  
4 contracts; to provide duties for the Department of Health  
5 and Human Services; to repeal the original section; and  
6 to declare an emergency.

7 Be it enacted by the people of the State of Nebraska,

1           Section 1. All contracts and agreements relating to the  
2 medical assistance program as related to at-risk managed care for  
3 behavioral health services entered into by the department on or after  
4 July 1, 2012, shall:

5                   (1) Provide a definition and cap on administrative  
6 spending of seven percent;

7                   (2) Provide a definition of annual contractor profits and  
8 restrict such profits to a maximum of two and one-half percent per  
9 year;

10                  (3) Provide for reinvestment of any profits in excess of  
11 the contracted amount and any fees imposed by the department to fund  
12 community-based services for children, families, and adults according  
13 to a plan developed with stakeholder and regional behavioral health  
14 authority input and approved by the department. Such plan shall  
15 address the behavioral health needs of adults and children, including  
16 filling service gaps and providing system improvements;

17                  (4) Provide for a minimum medical loss ratio of eighty-  
18 five percent;

19                  (5) Provide that contractor performance guarantees and  
20 incentives not be more than one percent higher or lower than  
21 contracted or agreed to; and

22                  (6) Provide that a portion of contractor payments be  
23 contingent on performance metrics, with a minimum of one percent.

24           Sec. 2. Section 71-801, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

1                   71-801 Sections 71-801 to 71-830 and section 1 of this  
2 act shall be known and may be cited as the Nebraska Behavioral Health  
3 Services Act.

4                   Sec. 3. Original section 71-801, Reissue Revised Statutes  
5 of Nebraska, is repealed.

6                   Sec. 4. Since an emergency exists, this act takes effect  
7 when passed and approved according to law.