



State of Louisiana

Department of Health and Hospitals

Bureau of Health Services Financing

MEMORANDUM

TO: Louisiana Medicaid Providers

FROM: Don C. Gregory
Medicaid Director

Rodney Wise, M.D.
Medicaid Medical Director

SUBJECT: Provider Participation in Anticipated Medicaid Coordinated Care Networks

DATE: February 18, 2011

The Department of Health & Hospitals (DHH) is in the process of implementing an improved delivery system for the Louisiana Medicaid Program through the Coordinated Care Network (CCN) model, and anticipates the release of a Request for Proposals (RFP) for CCNs in April 2011. Beginning March 1, 2011, potential proposers have been authorized by DHH to reach out to Louisiana health care providers to solicit them for potential participation in their provider networks. This is necessary because proposers will have to show they can provide an adequate network of providers to their enrollees should they receive approval to be a CCN.

When talking to CCNs, providers need to know:

- DHH is requiring that CCNs reimburse contract providers **not less** than the published Medicaid fee schedule in effect on the date of service. However, there is no rate ceiling, and CCNs will be permitted to reimburse greater than the published Medicaid fee schedule.
- CCNs are not allowed to require exclusivity from a provider.
- Providers may remain a fee-for-service Medicaid provider **and** also be a Medicaid provider through one or more CCNs. This is important because not all Medicaid recipients will be in a CCN. Some populations and services will remain fee-for-service only.
- Providers may participate in multiple CCNs, just as providers participate in multiple commercial insurance plans.

During this important recruitment process, CCNs are not allowed to:

- Assert that they are endorsed by the federal or state government or a similar entity.
- Portray competitors or potential competitors (other potential CCNs) in a negative manner.
- Imply that a specific CCN is the only option for maintaining current Medicaid patients or the only provider of Medicaid covered services.
- Use DHH program logos or state or federal seals or logos.

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DHH is requiring that CCNs obtain either a **Letter of Intent (LOI)** or an executed subcontract from providers as a condition of including that provider in their proposed network should they be awarded a contract. **By signing the LOI, you will not be obligated to sign a contract with that CCN should the entity be successful in securing a contract with DHH. This is NOT a contract.** The LOI will be used by DHH as part of its evaluation for the CCN contract award process, in particular the determination of network adequacy for a potential CCN.

DHH has created a standard LOI that must be used by all CCNs when recruiting providers. For your reference only, the standard LOI is attached to this letter. Do not complete this form or return it to DHH.

Providers who choose to enter into a subcontract at this time can refer to DHH's checklist of mandatory contract terms and conditions that must be in CCN subcontracts with providers that is available online at www.MakingMedicaidBetter.com.

DHH is grateful for your continuing service to Medicaid enrollees. We look forward to working with you as we move toward implementation of CCNs.

Questions regarding the information contained in this notice should be directed to Dawn Love with the DHH Coordinated Care Section at (225) 229-7152 or via e-mail at coordinatedcarenetworks@la.gov.

Additional details about CCNs are available at www.MakingMedicaidBetter.com, including a proposed timeline for implementation, a map of regional phase-in of CCNs and anticipated enrollment numbers by region.

DG/JRK/dl