

Louisiana

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1. MANAGED CARE OPPORTUNITY ASSESSMENT [UPDATED 8-7-24]

Louisiana implemented contracts for its Healthy Louisiana Medicaid managed care program on January 1, 2023. The current contractors are CVS/Aetna Better Health, AmeriHealth Caritas, Anthem/Healthy Blue, Humana, Centene/Louisiana Healthcare Connections, and UnitedHealthcare. The contracts will run for three years with an option to extend up to two more years. Humana was the only non-incumbent awarded a contract.

Since at least 2018, Louisiana officials have been considering a transition to a Medicaid Managed Long Term Services and Supports delivery system. On December 15, 2021, the state issued an RFP to procure services to enhance and manage LTSS for Medicaid beneficiaries. However, the RFP was delayed, affecting the timeline for awarding contracts and implementing the program. Among the factors affecting the outlook for a MLTSS program are concerns raised by the state’s nursing home industry.

Louisiana awarded Magellan Medicaid Administration a statewide pharmacy benefit management (PBM) contract in August 2022 that will run for three years with two one-year renewal options.

Louisiana expanded Medicaid effective July 2016 through an executive order. Behavioral health is carved into the managed care program.

HMA Managed Medicaid Opportunity Assessment for Louisiana	
Positive Metrics	Strong Indicators
<ul style="list-style-type: none"> Louisiana renewed Medicaid coverage for nearly 1.2 million Medicaid enrollees during redeterminations as of May 2024. 	<ul style="list-style-type: none"> Louisiana is increasing its focus on integration of services through the Healthy Louisiana program, including enhancing care quality and coordination.
Negative Metrics	Weak Indicators
<ul style="list-style-type: none"> Louisiana disenrolled approximately 275, 000 Medicaid beneficiaries, nearly a quarter of which were children, in calendar year 2023. Medicaid managed care enrollment was down 1% in June 2023 	<ul style="list-style-type: none"> In December 2023, Louisiana Governor Jeff Landry indicated he would consider work requirements and copayments for Medicaid beneficiaries, but no specific proposals have been released. The state has faced challenges in finalizing details and awarding contracts for the MLTSS program.
Source: HMA	

Hot Topics:

In August 2024, Louisiana released a draft application for its Medicaid Section 1115 Re-entry demonstration. This initiative aims to provide certain services for Medicaid-eligible individuals during the 90-day period before their release from incarceration. Demonstration program services will include case management, medication-assisted treatment and counseling for substance use disorders, and a 30-day supply of all prescription medications. The demonstration will cover all state prison facilities and up to 13 parish jails. Louisiana has one of the highest imprisonment rates in the United States, with 28,387 incarcerated individuals in March 2024, more than half of whom were incarcerated in local jails. If approved, the Re-entry demonstration could present significant opportunities for the state, through its managed care entities, to address serious mental illness and substance use disorder symptoms among this population.

Effective August 1, 2024, Louisiana will require both state Medicaid and private health insurance plans to cover treatments for menopause and perimenopause. Under the new state statute, Medicaid plans will no longer require prior authorization for hormone replacement therapy.

Louisiana Medicaid Managed Care Programs				
Program	Population	Carved In (Y/N)		
		Behavioral	LTSS	Pharmacy
Healthy Louisiana	Traditional Medicaid, Expansion, and CHIP	Y	N	Y

2. MANAGED MEDICAID PLAN FINANCIALS

Medical loss ratio for five Louisiana Medicaid managed care plans averaged 88.8% in 2022. Per member per month premiums averaged \$532.

(Note: Financial metrics and comparisons presented in this overview are based on health plan NAIC filings in the state. Measures like per member per month premiums and medical loss ratios may vary greatly by plan and by state depending on the mix of business (e.g., TANF, ABD, etc.), scope of the state's Medicaid benefit package, geographic variations in the cost of care, and other factors.)

Louisiana Medicaid Managed Care Financials by Plan, 2022							
Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR ⁽¹⁾
Anthem/Community Care	Y	318,646	3,736,800	500.15	\$1,868,966	\$1,649,072	88.2%
Centene/ LA Healthcare Connections	Y	564,563	6,660,031	548.94	\$3,655,985	\$3,348,581	91.7%
CVS Health/Aetna Better Health	Y	161,392	1,872,484	591.34	\$1,107,276	\$977,031	88.2%
IBX/AmeriHealth Caritas LA Inc.	N	242,565	2,747,965	581.13	\$1,596,919	\$1,404,193	87.9%
UnitedHealthcare of LA	Y	530,466	6,302,505	495.04	\$3,120,017	\$2,695,020	86.5%
Total		1,817,632	21,319,785	532.33	\$11,349,163	\$10,073,897	88.8%

(1) After reinsurance recoveries

Source: S&P Global Market Intelligence, NAIC, HMA

3. RFP DEVELOPMENTS AND ANALYSIS

Louisiana awarded contracts for its Healthy Louisiana Medicaid managed care program in February 2022 to CVS/Aetna Better Health, AmeriHealth Caritas, Anthem/Healthy Blue, Humana, Centene/Louisiana Healthcare Connections, and UnitedHealthcare. These new contracts were implemented on January 1, 2023. The contracts will run for three years with an option to extend for up to two more years. Humana was the only new entrant among the awardees.

In January 2023, Louisiana released an RFP for Permanent Supportive Housing Services. Responses were due February 2023. The state plans to award seven to ten contracts covering nine regions, with contracts lasting three years and with an option for a two-year renewal. The award date for these contracts is still pending.

Louisiana awarded Magellan Medicaid Administration the single statewide Pharmacy Benefit Manager (PBM) contract in August 2022. This PBM will serve all five managed care organizations.

Louisiana issued an RFP for its Medicaid Managed Long Term Supports and Services (MLTSS) program on December 15, 2021. The RFP aimed to procure services to enhance and manage LTSS for Medicaid beneficiaries in the state. However, the RFP was delayed affecting the timeline for awarding contracts and implementing the program.

The Louisiana Department of Health and Hospitals selected Magellan to manage specialized behavioral health services and Medicaid 1915(b)(3) and 1915(c) HCBS waivers for Louisiana Medicaid's coordinated system of care program. The program fully transitioned to the Medicaid Managed Care Organizations participating in the Bayou Health Program on December 1, 2017.

In February 2020, Louisiana awarded dental Medicaid managed care contracts to DentaQuest and MCNA for three years, with extensions of up to two years. These contracts were implemented on July 1, 2020.

Louisiana Medicaid RFP Calendar		
<u>Contract</u>	<u>Key Dates</u>	<u># of Beneficiaries</u>
MLTSS	Delayed	
Medicaid Managed Care	RFP Released: June 23, 2021 Proposals Due: September 3, 2021 Awards: February 11, 2022 Implementation: January 1, 2023	1.8 million
PBM Services	RFP Released: January 14, 2022 Proposals Due: March 10, 2022 Awards: August 30, 2022 Implementation: September 2022	1.8 million
Dental	Awards: February 2020 Implementation: July 1, 2020	
Permanent Supportive Housing Services	RFP Released: January 17, 2023 Proposals Due: February 24, 2023 Awards: TBD	

Source: HMA

4. MANAGED CARE ENROLLMENT UPDATE

Medicaid managed care enrollment in Louisiana was down 1% to 1.8 million in June 2023, compared to year-end 2022, after increasing 5.8% in 2022, 6.5% in 2021 and 11.7% in 2020. Medicaid expansion coverage took effect in July 2016 following an executive order from Louisiana Governor John Bel Edwards. Shared savings plans were eliminated in February 2015 in a transition to full-risk managed care.

Enrollment in Louisiana Medicaid Managed Care, 2019-22, June 2023

Plan Name	2019	2020	2021	2022	Jun-23
Risk-Based Plans	1,478,206	1,651,321	1,758,201	1,860,170	1,841,538
<i>+/- between reporting periods</i>	<i>(30,167)</i>	<i>173,115</i>	<i>106,880</i>	<i>101,969</i>	<i>(18,632)</i>
<i>% between reporting periods</i>	<i>-2.0%</i>	<i>11.7%</i>	<i>6.5%</i>	<i>5.8%</i>	<i>-1.0%</i>
<i>% of Total</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
Total Louisiana, 5 Plans	1,478,206	1,651,321	1,758,201	1,860,170	1,841,538
<i>+/- between reporting periods</i>	<i>(30,167)</i>	<i>173,115</i>	<i>106,880</i>	<i>101,969</i>	<i>(18,632)</i>
<i>% between reporting periods</i>	<i>-2.0%</i>	<i>11.7%</i>	<i>6.5%</i>	<i>5.8%</i>	<i>-1.0%</i>

Source: LA Dept. of Health and Hospitals, HMA

Enrollment in Louisiana Medicaid Managed Care by Plan, 2019-22, June 2023

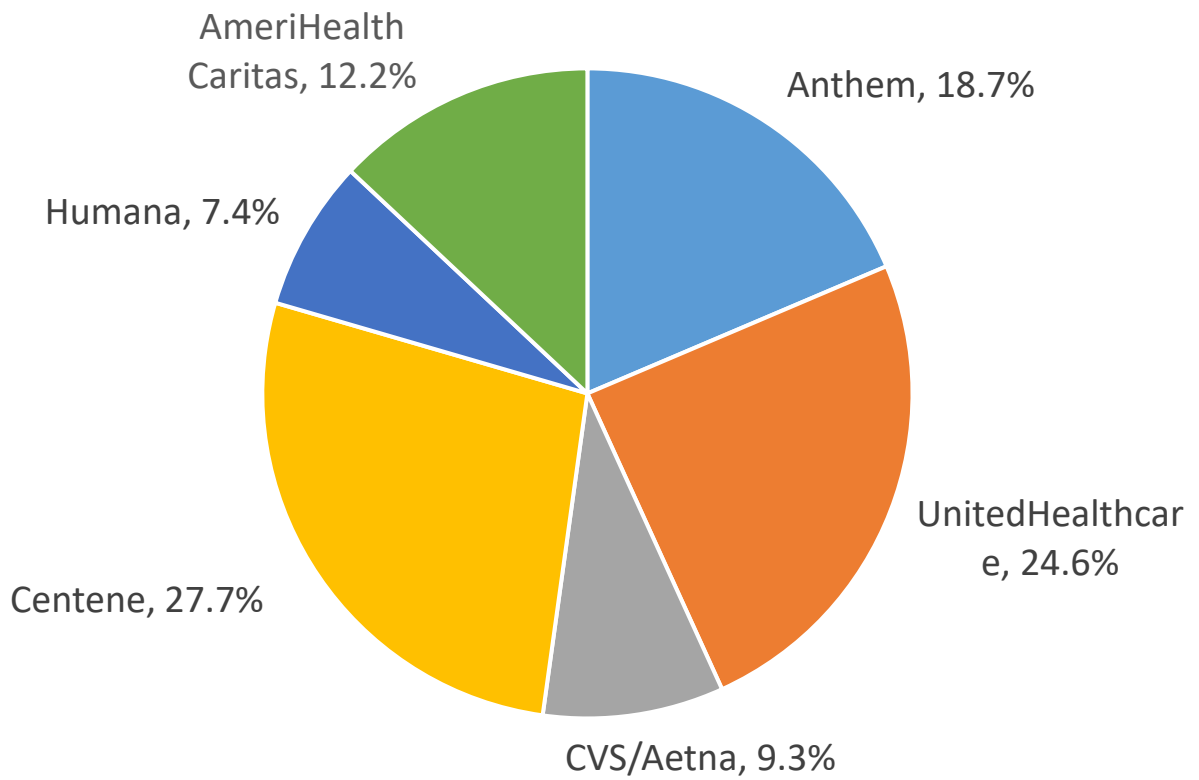
Plan	2019	2020	2021	2022	Jun-23
LA Healthcare Connections (Centene)	453,658	498,874	531,324	558,719	509,711
<i>+/- between reporting periods</i>	<i>(16,892)</i>	45,216	32,450	27,395	<i>(49,008)</i>
<i>% between reporting periods</i>	-3.6%	10.0%	6.5%	5.2%	-8.8%
<i>% of total</i>	30.7%	30.2%	30.2%	30.0%	27.7%
UnitedHealthcare⁽¹⁾	429,973	478,103	503,630	526,540	453,726
<i>+/- between reporting periods</i>	<i>(12,605)</i>	48,130	25,527	22,910	<i>(72,814)</i>
<i>% between reporting periods</i>	-2.8%	11.2%	5.3%	4.5%	-13.8%
<i>% of total</i>	29.1%	29.0%	28.6%	28.3%	24.6%
Healthy Blue (Anthem)	271,880	318,342	349,148	373,876	343,774
<i>+/- between reporting periods</i>	4,571	46,462	30,806	24,728	<i>(30,102)</i>
<i>% between reporting periods</i>	1.7%	17.1%	9.7%	7.1%	-8.1%
<i>% of total</i>	18.4%	19.3%	19.9%	20.1%	18.7%
AmeriHealth Caritas	202,305	216,646	225,146	241,107	225,388
<i>+/- between reporting periods</i>	<i>(6,812)</i>	14,341	8,500	15,961	<i>(15,719)</i>
<i>% between reporting periods</i>	-3.3%	7.1%	3.9%	7.1%	-6.5%
<i>% of total</i>	13.7%	13.1%	12.8%	13.0%	12.2%
CVS/Aetna	120,390	139,356	148,953	159,928	172,075
<i>+/- between reporting periods</i>	1,571	18,966	9,597	10,975	12,147
<i>% between reporting periods</i>	1.3%	15.8%	6.9%	7.4%	7.6%
<i>% of total</i>	8.1%	8.4%	8.5%	8.6%	9.3%
Humana					136,864
<i>+/- between reporting periods</i>					NM
<i>% between reporting periods</i>					NM
<i>% of total</i>					7.4%
Community Health Solutions⁽¹⁾⁽²⁾	0	0	0	0	0
<i>+/- between reporting periods</i>	NM	NM	NM	NM	NM
<i>% between reporting periods</i>	NM	NM	NM	NM	NM
<i>% of total</i>	0.0%	0.0%	0.0%	0.0%	100.0%
Total Louisiana	1,478,206	1,651,321	1,758,201	1,860,170	1,841,538
<i>+/- between reporting periods</i>	<i>(30,167)</i>	173,115	106,880	101,969	<i>(18,632)</i>
<i>% between reporting periods</i>	-2.0%	11.7%	6.5%	5.8%	-1.0%

(1) Shared-savings plan prior to February 2015.

(2) Acquired by Centene.

Source: LA Dept. of Health and Hospitals, HMA

Louisiana Managed Medicaid Market Share by Plan, June 2023



Source: LA Dept. of Health and
Hospitals, HMA

5. MEDICAID FEE FOR SERVICE VS. MANAGED CARE PENETRATION

Total Medicaid enrollment in Louisiana was 1.8 million in 2023. Total Medicaid expenditures were \$16.2 billion in 2023, with about 81.7% through managed care and the rest through fee-for-service. Note: Medicaid MCO Enrollment as a percentage of total may be skewed due to differences in enrollment sources. (HMAIS also carries CMS monthly total Medicaid enrollment reports broken down by state; click [here](#)).

Louisiana Expenditures and Enrollment for Total Medicaid vs. Medicaid Managed Care, Fiscal 2014-23						
Year	Total Medicaid Expenditures	Medicaid Managed Care Expenditures ⁽¹⁾	Medicaid Managed Care Expenditures as % of Total	Total Medicaid/CHIP Enrollment	Medicaid MCO Enrollment	Medicaid MCO Enrollment as % of Total
2023	\$16,206,573,085	\$13,239,745,001	81.7%	1,751,214	1,645,210	93.9%
2022	\$14,673,978,206	\$11,069,203,557	75.4%	1,896,206	1,860,170	98.1%
2021	\$13,256,442,445	\$10,015,753,518	75.6%	1,812,612	1,758,201	97.0%
2020	\$12,559,462,713	\$8,890,843,824	70.8%	1,718,400	1,651,321	96.1%
2019	\$11,642,038,286	\$6,905,063,156	59.3%	1,468,338	1,478,206	100.7%
2018	\$10,835,742,015	\$8,018,391,100	74.0%	1,449,085	1,508,373	104.1%
2017	\$10,913,541,197	\$7,052,816,810	64.6%	1,455,541	1,477,049	101.5%
2016	\$8,536,666,882	\$4,450,521,745	52.1%	1,379,385	1,401,043	101.6%
2015	\$7,863,181,815	\$3,138,933,242	39.9%	1,085,461	1,092,468	100.6%
2014	\$7,055,593,669	\$1,593,965,950	22.6%	1,053,090	918,758	87.2%

(1) Includes evaluation and management, vaccine codes, Community First Choice, and preventive services Grade A or B, ACIP vaccines and their administration, Prepaid Ambulatory Health Plans, and Prepaid Inpatient Health Plans.

Sources: CMS64 for expenditures. CMS for total Medicaid/CHIP enrollment. States, NAIC for Medicaid managed care enrollment.

6. SNPs AND DUAL ELIGIBLES

Louisiana had 170,178 special needs plan lives as of March 2024.

Louisiana SNP Enrollment by Plan, March 2024					
Plan	Total SNPs	DSNPs	CSNPs	ISNPs	Share
UnitedHealthcare	72,617	72,617			42.7%
Humana	70,747	67,100	3,647		41.6%
CVS/Aetna	14,886	14,886			8.7%
Blue Cross Blue Shield of Louisiana	5,792	5,792			3.4%
Centene/WellCare	5,789	5,789			3.4%
Dignity Care	347			347	0.2%
Totals	170,178	166,184	3,647	347	100%

Source: CMS, HMA