December 31, 2014

RE: MNRO Annual Summary Report Notification  
Due Date: March 1, 2015

Dear Sir or Madam:

As you may be aware, on January 1, 2015, Louisiana’s ACA-compliant internal and external review statutes take effect (La. R.S. 22:2391 through 22:2453). Pursuant to La. R.S. 22:1121 et seq. and Regulation 77 (Medical Necessity Review Organizations), a Medical Necessity Review Organization (MNRO) is required to file an annual summary report (report) of its program activities of adverse determinations as defined in La. R.S. 22:1122(1) with the Louisiana Department of Insurance (LDI). This report shall include, but may not be limited to, a description of any substantive changes that have been implemented during the year by the MNRO, as well as activities relative to internal and external appeals. Therefore, all licensed MNROs must submit an annual summary report. The report information must reflect activity from January 1, 2014 through December 31, 2014.

The report forms and directions can be found at the following website address on January 5, 2015: <http://www.ldi.la.gov/regulatoryforms>. The report can be completed electronically and e‐mailed to cgehling@ldi.la.gov or a hard copy can be mailed to the attention of Cindy Gehling, Office of Health Insurance, Louisiana Department of Insurance, P. O. Box 94214, Baton Rouge, LA 70804‐9214.

**Please note that the Office of Health Insurance will only accept 2014 Annual Summary Report submissions on the spreadsheets provided. Failure to do so will result in a disapproval of the report and a possible sanction as set forth in La. R.S. 22:2453.**

As a reminder, La. R.S. 22:1138(D)(2) and La. R.S. 22:821 requires any licensed MNRO, other than a health insurance issuer, to pay a filing fee in the amount of $500.00 at the time of filing its report. As such, if applicable, please include a check in the amount of $500.00 made payable to the Louisiana Department of Insurance with your report. The completed report and the filing fee must be received by the LDI no later than March 1, 2015.

Please be advised that the enactment of the Patient Protection and Affordable Care Act, Pub. L. 111-148, as amended by the Health Care and Education Reconciliation Act, Pub. L. 111-152, referred to collectively as the Affordable Care Act (ACA), preempted portions of Louisiana's medical necessity review statutes. The licensing regime under the Louisiana Insurance Code, Title 22 of the Louisiana Revised Statutes of 1950, has changed and the provisions governing the appeals processes utilized by MNROs have been affected by the ACA. Consequently, it is the obligation of a MNRO licensed and operating in Louisiana to

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utilize review processes that comport with the federal process established pursuant to Public Health Service Act section 2719. For internal appeals, a MNRO should utilize the process outlined in 75 FR 43330 (published July 23, 2010), and as subsequently updated by the U.S. Department of Health and Human Services. Similarly, for external appeals, a MNRO should utilize the federal process established in Title 45 of the Code of Federal Regulations, Part 147.

However, in its 2013 Regular Session, the Louisiana Legislature enacted House Bill 645, 2013 ACTS 326, which, among other things, established a process for both internal and external appeals that satisfies the minimum requirements under the ACA. Act 326 takes effect on January 1, 2015. At that time, a MNRO operating in Louisiana shall follow the processes established under Act 326 and Bulletin 2014-08.

Should you have questions, please feel free to contact Cindy Gehling at the Office of Health Insurance at cgehling@ldi.la.gov or by calling (225) 219‐8799.

Sincerely,

Tangela Byrd

Tangela Byrd, Director  
Health Compliance Division  
Office of Health Insurance