

Medicaid Managed Care Organization Contract Extension Request

JLCB – October 2025

LDH LEGISLATIVE FACT SHEET



Overview

- LDH is requesting to extend its existing contracts with the six Healthy Louisiana Managed Care Organizations (MCOs) for an additional 12 months (1/1/26 through 12/31/26).
 1. Aetna Better Health of Louisiana
 2. AmeriHealth Caritas Louisiana
 3. Healthy Blue
 4. Humana Healthy Horizons in Louisiana
 5. Louisiana Healthcare Connections
 6. UnitedHealthcare Community Plan
- This will utilize part of the five-year extension period built into the existing MCO contracts; the Department is currently in year three.
- Ensures continued coverage for approximately 1.5 million Medicaid enrollees statewide.

Background

- Managed care has allowed LDH to expand access to primary and preventive care, behavioral health integration, and care coordination.
- It has also supported initiatives such as reducing early elective deliveries and increasing prenatal visit adherence, opioid response, and chronic disease management.
- **2019–2022:** LDH rebid the managed care contracts through a competitive procurement process. Contracts were awarded to six MCOs beginning **January 1, 2023**, marking the current procurement cycle.
- **2025:** LDH is preparing for the next generation of managed care contracts, focusing on value, transparency, and improved health outcomes.

Impact

- LDH is not operating under a “business as usual” approach.
- The Department’s goal is to deliver a better, more responsive and a more accountable managed care program that better serves Louisiana’s citizen and providers.
- The extension period allows LDH to strengthen contract design and increase transparency/accountability, which ultimately helps improve health outcomes.
- Changes to the MCO contracts, effective January 1, 2026 aim to:
 - Enhance care coordination and member engagement
 - Strengthen behavioral health parity and oversight
 - Expand population health and chronic disease focus
 - Improve administrative clarity and provider relations
 - Modernize clinical and case management standards
 - Reinforce transparency, accountability, and quality improvement

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Fiscal Responsibility

- No additional funding is being requested for State Fiscal Year 2026 as a result of this extension.
- The extension supports efficient use of Medicaid funds while ensuring program stability and continuity of services.

MCO	1/1/23 - 12/31/25 (A)	Total through 12/31/26 (B)	12 month extension (B)-(A)
Aetna Better Health of Louisiana	\$3,874,496,959	\$5,773,366,768	\$1,898,869,809
AmeriHealth Caritas Louisiana	\$5,914,308,595	\$7,803,554,896	\$1,889,246,301
Healthy Blue	\$8,262,847,423	\$11,598,100,244	\$3,335,252,821
Humana Healthy Horizons in Louisiana	\$3,662,533,912	\$8,289,203,971	\$4,626,670,059
Louisiana Healthcare Connections	\$11,730,803,118	\$15,936,437,362	\$4,205,634,244
United Healthcare Community Plan	\$11,033,896,165	\$12,111,819,475	\$1,077,923,310
Total	\$44,478,886,172	\$61,512,482,716	\$17,033,596,544

- The managed care model enables LDH to predict and manage costs through fixed per-member-per-month payments to MCOs.
- Shifting financial risk to MCOs creates stronger incentives for efficiency and quality improvement.

Partnering for Progress in Medicaid Managed Care

- LDH truly appreciates the feedback and engagement of legislators in helping to shape the future direction of the Medicaid managed care program.
- The Department continues to reach out to legislative members, providers, and stakeholders to schedule meetings and gather additional feedback and suggestions on how to improve the program and shape the next procurement.
- This ongoing collaboration reflects LDH's commitment to transparency and partnership throughout both the current extension and the upcoming procurement process.

Link to LDH's website for the original contracts and previously adopted amendments to the contracts:

[https://ldh.la.gov/resources?
cat=0&d=0&y=0&s=0&q=Executed%
20Contracts&pn=1](https://ldh.la.gov/resources?cat=0&d=0&y=0&s=0&q=Executed%20Contracts&pn=1)