
DIGEST

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HB 885 Engrossed

2018 Regular Session

Glover

Abstract: Provides for the allocation and appropriation of Medicaid supplemental hospital funding to certain hospitals within the state's safety net hospital system.

Proposed law provides legislative findings relative to Louisiana's system of public safety net hospitals, which, since 2012, has been privatized while continuing to provide graduate medical education at its hospital facilities.

Proposed law provides that its purpose is to provide needed stability in the financing of health care delivered through the state's safety net hospital system and to ensure the system's sustainability.

Proposed law requires the secretary of the La. Department of Health (LDH) to determine and report to the legislative auditor all of the following:

- (1) The total combined Medicaid supplemental hospital funding per adjusted occupied bed for the public-private partnership hospitals at Shreveport and Monroe.
- (2) The total combined Medicaid supplemental hospital funding per adjusted occupied bed for the public-private partnership hospital at New Orleans.

Proposed law requires the legislative auditor to examine and validate the funding amounts reported by LDH pursuant to proposed law. Provides that if the legislative auditor is unable to validate the amounts reported, he shall notify the secretary of LDH, and the secretary shall be required to submit to the auditor for validation recalculated funding amounts as required by proposed law.

Proposed law stipulates that after the Medicaid supplemental hospital funding levels are determined and validated in accordance with proposed law, LDH shall annually allocate to the hospitals provided for in proposed law Medicaid supplemental hospital funding at an equivalent dollar-per-adjusted-occupied-bed rate.

Proposed law requires that the total disproportionate share hospital (DSH) funds appropriated annually to the hospitals provided for in proposed law shall be no greater than 100% of uncompensated care costs subject to the hospital-specific DSH payment limit. Provides that any disparity in the total funding amount between the hospitals provided for in proposed law that exists above the maximum DSH payment amount shall consist of upper payment limit funds.

Proposed law provides that the allocation of Medicaid supplemental hospital funding by LDH and

the appropriation of such funding provided for in proposed law shall commence for state fiscal year 2019-2020.

Proposed law requires LDH to promulgate all rules and regulations, submit to the federal Medicaid agency any Medicaid state plan amendments, and take all other actions as are necessary to implement the provisions of proposed law.

Proposed law provides that it shall be known as the "Safety Net Hospital Preservation Act".

(Adds R.S. 40:1182.1-1182.5)