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HOUSE FLOOR AMENDMENTS

2018 Regular Session

Amendments proposed by Representative Glover to Engrossed House Bill No. 885 by Representative Glover

1 AMENDMENT NO. 1

2 On page 1, line 3, delete "1182.5," and insert in lieu thereof "1182.6,"

3 AMENDMENT NO. 2

4 On page 1, line 10, after "hospitals;" and before "and" insert "to authorize implementation
5 of a certain hospital payment methodology;"

6 AMENDMENT NO. 3

7 On page 1, line 13, delete "1182.5," and insert in lieu thereof "1182.6,"

8 AMENDMENT NO. 4

9 On page 2, between lines 25 and 26, insert the following:

10 "(2) "Diagnosis-related groups" refers to a classification system that groups
11 patients according to diagnosis, type of treatment, age, and other relevant criteria."

12 AMENDMENT NO. 5

13 On page 2, at the beginning of line 26, change "(2)" to "(3)"

14 AMENDMENT NO. 6

15 On page 3, at the beginning of line 3, change "(3)" to "(4)"

16 AMENDMENT NO. 7

17 On page 4, between lines 8 and 9, insert the following

18 "§1182.5. Hospital payment methodology based on diagnosis-related groups

19 A. The legislature hereby finds and declares all of the following with respect
20 to hospital payment methodologies that utilize diagnosis-related groups:

21 (1) Payment by diagnosis-related groups encourages access to care, rewards
22 efficiency, improves transparency, and improves fairness by paying similarly across
23 hospitals for similar care.

24 (2) Payment by diagnosis-related groups simplifies the payment process,
25 encourages administrative efficiency, and bases payments on patient acuity and
26 hospital resources rather than length of stay.

27 (3) With a payment methodology based upon diagnosis-related groups,
28 payment follows the patient regardless of the individual hospital at which the patient
29 is treated.

1 B.(1) The secretary of the department may design and implement a payment
 2 methodology for hospital inpatient services provided to Medicaid beneficiaries based
 3 upon diagnosis-related groups in accordance with the provisions of this Subsection.

4 (2) The payment methodology based upon diagnosis-related groups shall
 5 account, at minimum, for all of the following:

6 (a) Hospital peer groups.

7 (b) Hospitals with high Medicaid volume.

8 (c) Capital costs.

9 (d) Applicable provisions of the Rural Hospital Preservation Act, R.S.
 10 40:1189.1 et seq.

11 (e) Psychiatric hospitals.

12 (f) Rehabilitation hospitals.

13 (g) Outlier payments.

14 (h) Patient transfers.

15 C.(1) On a semiannual basis, the department shall submit a report to the
 16 legislative auditor concerning the implementation of the hospital payment
 17 methodology provided for in this Section. The report shall encompass, at minimum,
 18 all of the following information:

19 (a) Data on the fiscal impact of the implementation of the hospital payment
 20 methodology based upon diagnosis-related groups.

21 (b) The amounts by which supplemental payments to public-private
 22 partnership hospitals were reduced in order to fund payments based upon
 23 diagnosis-related groups.

24 (c) The amount of state general fund monies used to fund payments based
 25 upon diagnosis-related groups.

26 (d) The amount of monies other than those of the state general fund used to
 27 fund payments based upon diagnosis-related groups.

28 (2) The report required by this Subsection may feature recommendations for
 29 legislation and other policy changes which would facilitate greater transparency in
 30 the state's overall system of Medicaid payments to hospitals.

31 D. The department shall submit each report prepared in accordance with
 32 Subsection C of this Section to the House Committee on Appropriations, the Senate
 33 Committee on Finance, and the House and Senate committees on health and welfare
 34 no fewer than thirty days after transmitting the report to the legislative auditor."

35 AMENDMENT NO. 8

36 On page 4, at the beginning of line 9, change "§1182.5." to "§1182.6."

37 AMENDMENT NO. 9

38 On page 4, after line 17, insert the following:

39 "Section 3. The secretary of the Louisiana Department of Health shall submit to the
 40 legislative auditor the first semiannual report required by the provisions of R.S.
 41 40:1182.5(C), as enacted by Section 1 of this Act, on or before December 31 of the calendar
 42 year in which the department implements the payment methodology authorized by the
 43 provisions of R.S. 40:1182.5(B), as enacted by Section 1 of this Act."