

2019 Regular Session

HOUSE BILL NO. 199

BY REPRESENTATIVE HORTON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MEDICAID: Establishes the TEFRA option Medicaid waiver program to serve children with disabilities

1 AN ACT

2 To enact Part III of Chapter 8 of Title 46 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 46:977.21 through 977.25, relative to services for children  
4 provided through the medical assistance program of this state known commonly as  
5 Medicaid; to provide for duties and responsibilities of the Louisiana Department of  
6 Health in administering the Medicaid program; to provide legislative findings  
7 relative to Medicaid waiver programs; to establish and provide for a demonstration  
8 waiver program to serve certain children with disabilities; to require development  
9 and submission of an application for program approval to the federal Medicaid  
10 agency; to provide for definitions; to provide for promulgation of rules; and to  
11 provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. Part III of Chapter 8 of Title 46 of the Louisiana Revised Statutes of 1950,  
14 comprised of R.S. 46:977.21 through 977.25, is hereby enacted to read as follows:

15 PART III. WAIVER SERVICES FOR CHILDREN

16 WITH DISABILITIES - TEFRA OPTION

17 §977.21. Legislative findings; purpose

18 A. The legislature hereby finds and declares that the federal Centers for  
19 Medicare and Medicaid Services authorizes state Medicaid programs to institute,  
20 subject to federal review and approval, innovative programs known commonly as

1 demonstration waivers which provide Medicaid-funded services to individuals and  
2 groups that otherwise would not be eligible for such services under a Medicaid state  
3 plan.

4 B. The purpose of this Part is to provide for a demonstration waiver program  
5 through which children with disabilities can access Medicaid-funded services  
6 regardless of their parents' income.

7 §977.22. Definitions

8 For purposes of this Part, the following terms have the meaning ascribed in  
9 this Section:

10 (1) "Department" means the Louisiana Department of Health.

11 (2) "Medicaid" means the medical assistance program provided for in Title  
12 XIX of the Social Security Act.

13 (3) "Secretary" means the secretary of the Louisiana Department of Health.

14 (4) "Section 1115 waiver application" means an application to the secretary  
15 of the United States Department of Health and Human Services for certain provisions  
16 of Title XIX of the Social Security Act to be waived, as authorized in section 1115  
17 of the act, in order to provide to a state Medicaid program the necessary flexibility  
18 to implement an experimental, pilot, or demonstration project that promotes the  
19 objectives of Medicaid.

20 (5) "TEFRA option" means the program authorized under section 134 of the  
21 Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248), and provided for  
22 more specifically in this Part, which furnishes Medicaid benefits to children with  
23 disabilities who are otherwise ineligible for such benefits because the income of their  
24 household exceeds state-established limits for Medicaid eligibility.

25 §977.23. TEFRA option established; application to federal Medicaid agency

26 The legislature hereby creates a TEFRA option program in order to protect  
27 and promote public health and well-being in this state. The secretary shall develop  
28 and submit to the Centers for Medicare and Medicaid Services a section 1115 waiver  
29 application in order to implement the TEFRA option program. The department shall

1 establish the eligibility factors and benefits of the TEFRA option program in  
2 accordance with the requirements and specifications provided in this Part.

3 §977.24. Eligibility factors; benefits

4 A. In order to be eligible for the TEFRA option, a child shall meet all of the  
5 following eligibility criteria:

6 (1) He is a Louisiana resident and United States citizen.

7 (2) He is under the age of nineteen.

8 (3) He has a disability that is recognized under the definition of disability  
9 utilized in the Supplemental Security Income program of the Social Security  
10 Administration, regardless of whether he is eligible to receive benefits under that  
11 program.

12 (4) He is ineligible for Medicaid coverage when the income of his parents  
13 is considered.

14 (5) Excluding the assets of his parents, he does not have assets exceeding  
15 two thousand dollars in value.

16 (6) Due to his disability, he requires a level of care provided in a hospital,  
17 skilled nursing facility, or intermediate care facility; however, care provided outside  
18 of such an institution may be appropriate.

19 (7) The cost of his care provided at his home is less than the cost of  
20 institutional care.

21 B. The TEFRA option shall provide to eligible children coverage for all  
22 Medicaid state plan services.

23 §977.25. Administrative rulemaking

24 The department shall promulgate all such rules in accordance with the  
25 Administrative Procedure Act as are necessary to implement the provisions of this  
26 Part.

27 Section 2. The secretary of the Louisiana Department of Health shall take such  
28 actions as are necessary to cause the section 1115 waiver application for the TEFRA option

- 1 program established by R.S. 46:977.21 et seq., as enacted by Section 1 of this Act, to be  
2 submitted to the Centers for Medicare and Medicaid Services on or before January 1, 2020.

## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 199 Original

2019 Regular Session

Horton

**Abstract:** Requires the La. Department of Health to institute the TEFRA option for serving children with disabilities through a Medicaid demonstration waiver program.

Proposed law indicates that its purpose is to provide for a demonstration waiver program through which children with disabilities can access Medicaid-funded services regardless of their parents' income.

Proposed law defines "TEFRA option" as the program authorized under section 134 of the Tax Equity and Fiscal Responsibility Act of 1982, and provided for more specifically in proposed law, which furnishes Medicaid benefits to children with disabilities who are otherwise ineligible for such benefits because the income of their household exceeds state-established limits for Medicaid eligibility.

Proposed law requires the La. Department of Health (LDH) to develop and submit to the federal Medicaid agency on or before Jan. 1, 2020, an application for a Medicaid demonstration waiver to implement a TEFRA option program. Requires LDH to establish the eligibility factors and benefits of the TEFRA option program in accordance with the requirements and specifications of proposed law.

Proposed law provides that in order to be eligible for the TEFRA option, a child shall meet all of the following criteria:

- (1) He is a La. resident and U.S. citizen.
- (2) He is under the age of 19.
- (3) He has a disability that is recognized under the definition of disability utilized in the Supplemental Security Income program of the Social Security Administration, regardless of whether he is eligible to receive benefits under that program.
- (4) He is ineligible for Medicaid coverage when the income of his parents is considered.
- (5) Excluding the assets of his parents, he does not have assets exceeding \$2,000 in value.
- (6) Due to his disability, he requires a level of care provided in a hospital, skilled nursing facility, or intermediate care facility; however, care provided outside of such an institution may be appropriate.
- (7) The cost of his care provided at his home is less than the cost of institutional care.

Proposed law requires that the TEFRA option provide to eligible children coverage for all Medicaid state plan services.

(Adds R.S. 46:977.21-977.25)