

2019 Regular Session

HOUSE BILL NO. 199

BY REPRESENTATIVES HORTON, ABRAHAM, ADAMS, AMEDEE, ARMES, BACALA, BAGLEY, BERTHELOT, BILLIOT, BRASS, TERRY BROWN, CARMODY, ROBBY CARTER, STEVE CARTER, CHANEY, DAVIS, DEVILLIER, EMERSON, GISCLAIR, LANCE HARRIS, HENRY, HILFERTY, HILL, HOFFMANN, HOWARD, JACKSON, JEFFERSON, JENKINS, ROBERT JOHNSON, JONES, LACOMBE, LEBAS, MCFARLAND, MCMAHEN, DUSTIN MILLER, MOORE, JIM MORRIS, PIERRE, POPE, PYLANT, RICHARD, STAGNI, STEFANSKI, STOKES, TALBOT, THOMAS, TURNER, WHITE, AND WRIGHT

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

MEDICAID: Establishes the TEFRA option within the La. Medicaid 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 establish and provide for a special
7 option within Medicaid to serve certain children with disabilities; to require
8 development and submission of a Medicaid state plan amendment to the federal
9 Medicaid agency; to provide for definitions; to provide for promulgation of rules;
10 and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

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

1 PART III. SERVICES FOR CHILDREN WITH DISABILITIES - TEFRA OPTION2 §977.21. Purpose

3 The purpose of this Part is to provide for the TEFRA option within the
4 Medicaid program of this state through which children with disabilities can access
5 Medicaid-funded services regardless of their parents' income.

6 §977.22. Definitions

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

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

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

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

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

18 §977.23. TEFRA option established; application to federal Medicaid agency;
19 limitation

20 A. The legislature hereby creates a TEFRA option program in order to
21 protect and promote public health and well-being in this state. The secretary shall
22 develop and submit to the Centers for Medicare and Medicaid Services a Medicaid
23 state plan amendment in order to implement the TEFRA option program. The
24 department shall establish the eligibility factors and benefits of the TEFRA option
25 program in accordance with the requirements and specifications provided in this Part.

26 B. The TEFRA option shall offer coverage exclusively through the Medicaid
27 fee-for-service system unless the department determines that offering TEFRA option
28 coverage to persons enrolled in the Medicaid managed care program would be more
29 cost-effective.

1 §977.24. Eligibility factors; benefits; premium payment program participation

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

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

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

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

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

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

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

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

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

21 C. To the maximum extent practicable, as determined by the secretary, the
22 department shall include TEFRA option beneficiaries in its health insurance
23 premium payment program as a means of maximizing private health insurance
24 coverage of Medicaid enrollees.

25 §977.25. Administrative rulemaking

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

1 Section 2. The secretary of the Louisiana Department of Health shall take such
2 actions as are necessary to cause the Medicaid state plan amendment for the TEFRA option
3 program established by R.S. 46:977.21 et seq., as enacted by Section 1 of this Act, to be
4 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 Reengrossed

2019 Regular Session

Horton

Abstract: Requires the La. Department of Health to institute the TEFRA option for providing Medicaid-funded services to children with disabilities regardless of their parents' income.

Proposed law indicates that its purpose is to provide for the TEFRA option within the Medicaid program of this state 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 state plan amendment 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 stipulates that the TEFRA option shall offer coverage exclusively through the Medicaid fee-for-service system unless LDH determines that offering TEFRA option coverage to persons enrolled in the Medicaid managed care program would be more cost-effective.

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 total 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.

Proposed law requires that to the maximum extent practicable, as determined by the secretary of LDH, the department shall include TEFRA option beneficiaries in its health insurance premium payment program as a means of maximizing private health insurance coverage of Medicaid enrollees.

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the original bill:

1. Delete all provisions for implementing the TEFRA option through a Medicaid demonstration waiver and add in lieu thereof provisions for implementing the TEFRA option through a Medicaid state plan amendment.

The House Floor Amendments to the engrossed bill:

1. Stipulate that the TEFRA option shall offer coverage exclusively through the Medicaid fee-for-service system unless the La. Department of Health (LDH) determines that offering TEFRA option coverage to persons enrolled in the Medicaid managed care program would be more cost-effective.
2. Require that to the maximum extent practicable, as determined by the secretary of LDH, the department shall include TEFRA option beneficiaries in its health insurance premium payment program as a means of maximizing private health insurance coverage of Medicaid enrollees.
3. Make technical changes.