

SENATE BILL NO. 166

BY SENATOR HEWITT

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AN ACT

To amend and reenact R.S. 39:21.3(E)(1), to enact R.S. 39:21.3(H), and to repeal R.S. 39:21.3(E)(4) and (5), relative to the forecast of the Medicaid program; to provide for the duties of the Health and Social Services Estimating Conference; to provide for the Medicaid Estimating Conference; to provide relative to the duties and meetings of the Medicaid Estimating Conference; to provide relative to the principals and participants of the Medicaid Estimating Conference; to provide for the termination of the Medicaid Subcommittee of the Health and Social Services Estimating Conference; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:21.3(E)(1) is hereby amended and reenacted and R.S. 39:21.3(H) is hereby enacted to read as follows:

§21.3. Consensus estimating conferences; duties and principals

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E. Health and Social Services Estimating Conference.

(1) Duties. The Health and Social Services Estimating Conference shall develop such official information relating to the health and social service system of the state, including forecasts of social and health service caseloads, excluding the Medicaid program, as the conference determines is needed for the state planning and budgeting system.

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H. Medicaid Estimating Conference.

(1) Duties. (a) The Medicaid Estimating Conference shall develop the official forecast of the Medicaid program for the purposes of budget

1 development and enactment each fiscal year and development of the five-year
2 baseline budget projection relative to the Medicaid Program. All conference
3 decisions to adopt the official forecast shall be by a favorable vote of two-thirds
4 of the principals.

5 (b) When developing the forecast, the conference shall consider the
6 following factors:

7 (i) The number of Medicaid enrollees, the demographics of the enrollees
8 as it relates to programmatic costs, and the eligibility criteria under which these
9 individuals are enrolling.

10 (ii) The rate of utilization of services for the fee-for-service program and
11 for the managed care program.

12 (iii) The volume of member-months in the managed care program.

13 (iv) The growth in the costs of medical goods and services for the
14 fee-for-service program and for the managed care program.

15 (v) The pharmaceutical rebate program.

16 (vi) Provider reimbursement methodologies.

17 (vii) The components contemplated by the actuaries in the development
18 of the per-member-per-month premiums paid to the Medicaid managed care
19 organizations.

20 (viii) The supplemental payment programs, including but not limited to
21 full-Medicaid pricing (FMP) payments, upper payment limit (UPL) payments,
22 disproportionate share (DSH) payments, and payments pursuant to the
23 Managed Care Incentive Program (MCIP).

24 (ix) All payments pursuant to the LSU Public-Private Partnership
25 agreements between the state and any partner hospital in effect at the time that
26 the forecast is developed.

27 (x) Any changes to the program that are required to be implemented
28 under federal or state rule or law during the fiscal years included in the forecast
29 and quantifiable at the time the forecast is developed.

30 (xi) Any other aspect of the Medicaid program the conference considers

1 pertinent to the development of its forecast.

2 (2) Principals. The principals of the Medicaid Estimating Conference are
3 as follows:

4 (a) The president of the Senate, or his designee who may be a member
5 of the Joint Legislative Committee on the Budget, including an interim member.

6 (b) The speaker of the House of Representatives, or his designee who
7 may be a member of the Joint Legislative Committee on the Budget, including
8 an interim member.

9 (c) The chairman of the Senate Committee on Finance, or his designee
10 from the membership of the Committee on Finance.

11 (d) The chairman of the House Committee on Appropriations, or his
12 designee from the membership of the Committee on Appropriations.

13 (e) The chairman of the Senate Committee on Health and Welfare, or his
14 designee from the membership of the Committee on Health and Welfare.

15 (f) The chairman of the House Committee on Health and Welfare, or his
16 designee from the membership of the Committee on Health and Welfare.

17 (g) The commissioner of administration, or his designee.

18 (h) The secretary of the Louisiana Department of Health, or his designee.

19 (i) A faculty member specializing in health care economics from a public
20 or private university in the state, selected by the other principal members, from
21 a list of as many as five, but not less than three names, submitted to them by the
22 Board of Regents.

23 (3) Participants. The participants to the Medicaid Estimating Conference
24 that may provide information for the conference's consideration in developing
25 its forecasts are as follows:

26 (a) A member of the professional staff of the Louisiana Department of
27 Health specializing in health care economics and possessing experience
28 forecasting health care expenditures to be designated by the secretary of the
29 Louisiana Department of Health.

30 (b) A member of the professional staff of the legislative fiscal office

1 specializing in health care economics and possessing experience forecasting
2 health care expenditures to be designated by the legislative fiscal officer.

3 (c) Members of the professional staff of the Senate, House of
4 Representatives, legislative fiscal office, or division of administration with fiscal
5 expertise on the Medicaid program.

6 (d) Members of the professional staff of the Louisiana Department of
7 Health with expertise on the administering, operating, or financing of the
8 Medicaid program.

9 (e) Any other person invited to participate in the conference by a
10 principal.

11 (4) Conference Meetings.

12 (a) Principal to preside over meetings. The chairmanship of the
13 conference shall rotate biennially among the president of the Senate, or his
14 designee, and the speaker of the House of Representatives, or his designee,
15 beginning with the president of the Senate, or his designee.

16 (b) Timing of Meetings. The conference shall meet at least three times
17 per fiscal year as to ensure that the forecast is utilized by the division of
18 administration in the development of the budget, the legislature in the
19 enactment of the budget, and the division of administration and the Joint
20 Legislative Committee on the Budget in the determination of expenditures to
21 include in the development of the five-year baseline budget projection relative
22 to the Medicaid Program.

23 (c) Executive Session. The conference may, upon approval by a majority
24 of the principals in attendance, go into executive session to discuss records or
25 matters entitled to confidential status by existing state or federal laws.

26 (5) Conference Staff. The president of the Senate shall designate a
27 member of the professional staff of the Senate with fiscal expertise on the
28 Medicaid program and the speaker of the House of Representatives shall
29 designate a member of the professional staff of the House of Representatives
30 with fiscal expertise on the Medicaid program to staff the conference.

1 **(6) Reports of the Conference. The conference shall submit each adopted**
 2 **forecast to the Joint Legislative Committee on the Budget for its review. The**
 3 **chairman of the Joint Legislative Committee on the Budget shall place the**
 4 **presentation of the Medicaid forecast on the agenda for discussion at the next**
 5 **month's regular meeting following the submission by the conference.**

6 Section 2. R.S. 39:21.3(E)(4) and (5) are hereby repealed in their entirety.

7 Section 3. This Act shall become effective upon signature by the governor or, if not
 8 signed by the governor, upon expiration of the time for bills to become law without signature
 9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 11 effective on the day following such approval.

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____