

# ACT No. 392

2025 Regular Session

HOUSE BILL NO. 658

BY REPRESENTATIVE TURNER

1 AN ACT

2 To enact Chapter 54-A of Title 46 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 46:2693, relative to intergovernmental relations; to impose fees  
4 on addiction recovery providers; to establish the Medicaid Trust Fund for Addiction  
5 Recovery; to provide for the transfer, deposit, and use of monies in the Medicaid  
6 Trust Fund for Addiction Recovery; to provide for an effective date; and to provide  
7 for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Chapter 54-A of Title 46 of the Louisiana Revised Statutes of 1950,  
10 comprised of R.S. 46:2693, is hereby enacted to read as follows:

11 CHAPTER 54-A MEDICAID TRUST FUND FOR ADDICTION RECOVERY

12 §2693. Medicaid Trust Fund for Addiction Recovery

13 A.(1) There is hereby established a permanent trust fund in the state treasury  
14 designated the "Medicaid Trust Fund for Addiction Recovery", hereinafter referred  
15 to in this Chapter as the "fund". After allocation of money to the Bond Security and  
16 Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of  
17 Louisiana, the treasurer shall deposit in and credit to the fund all money that is  
18 received from any source, including but not limited to intergovernmental transfers  
19 and all income on investment of monies in the fund.

20 (2) Monies in the fund shall be invested by the treasurer in the same manner  
21 as monies in the state general fund, and interest earned on the investment of these

1 monies shall be credited to the fund. All unencumbered and unexpended monies in  
2 the fund at the end of the fiscal year shall remain in the fund.

3 (3) Monies in the fund may be used as the source of state matching funds for  
4 Medicaid funds to make enhanced payments to addiction providers.

5 (4) For the purposes of this Chapter, "addiction provider" means a Louisiana  
6 licensed healthcare provider that provides any of the following services:

7 (a) Inpatient and residential substance use treatment.

8 (b) Substance use intensive outpatient treatment.

9 (c) Withdraw management.

10 B.(1) After July 1, 2025, self- assessed fees, federal grant allocations, or any  
11 other source shall not be subject to appropriation unless authorized by a joint  
12 resolution approved by two-thirds of the elected members of each house of the  
13 legislature and except to provide for:

14 (a) The re-basing of reimbursement rates for addiction providers in  
15 accordance with the approved state Medicaid plan.

16 (b) The development and funding of a reimbursement system for the  
17 Medicaid addiction provider program.

18 (c) The reimbursement of any monies deposited into the fund as a result of  
19 over payments of federal funds.

20 (2) Upon completion of the initial intergovernmental transfer, addiction  
21 providers will be re-based in accordance with the approved state Medicaid plan. In  
22 ensuing years, re-basing in accordance with the approved state Medicaid plan may  
23 come from the principal in the trust, but shall be limited to earnings on investment  
24 from the fund.

25 (3) Only earnings on investment from the fund may be appropriated each  
26 fiscal year for services of the state Medicaid program in the following order of  
27 priority:

28 (a) For providing for a wage enhancement for direct care personnel working  
29 in Medicaid certified addiction provider settings in accordance with a plan  
30 established by the Louisiana Department of Health and representatives of the

1           addiction provider industry. The plan shall provide for a direct pass-through of the  
2           costs of such wage enhancement in a manner to ensure that the addiction provider  
3           rate is adjusted to reflect the full costs of such wage enhancement.

4           (b) For appropriations solely and exclusively for services of the state  
5           Medicaid program that are subject to federal financial participation in matching  
6           funds.

7           (4) Monies in the fund shall not be used to displace, replace, or supplant  
8           appropriations from the state general fund for the Medicaid program below the  
9           amount of state general fund appropriations for the Medicaid program for the 2025-  
10          2026 Fiscal Year unless the official forecast of recurring monies available for  
11          appropriation which is utilized by the legislature in its adoption of the state budget  
12          for the ensuring fiscal year as provided in R.S. 39:26 indicates that revenues for such  
13          year will be insufficient to fund the state budget at the same level as the previous  
14          year.

15          C.(1) The Louisiana Department of Health is hereby authorized to adopt and  
16          impose fees for healthcare services provided by the Medicaid program on addiction  
17          providers if and when such fees are eligible to be utilized for federal funding  
18          matching requirements. The amount of any fee shall not exceed the total cost to the  
19          state of providing the healthcare service subject to such fee.

20          (2) Any fee authorized by and imposed pursuant to this Section shall be  
21          considered an allowable cost for purposes of insurance or other third party  
22          reimbursements and shall be included in the establishment of reimbursement rates.

23          (3) Subject to the exceptions contained in Article VII, Section 9(A) of the  
24          Constitution of Louisiana, all fees collected pursuant to the authority granted in this  
25          Section shall be paid into the state treasury and shall be credited to the Bond Security  
26          and Redemption Fund. Out of the funds remaining in the Bond Security and  
27          Redemption Fund after a sufficient amount is allocated from that fund to pay all  
28          obligations secured by the full faith and credit of the state which become due and  
29          payable within any fiscal year, the treasurer shall deposit the fees into the Medicaid

1           Trust Fund for Addiction Recovery an amount equal to the total amount of such fees  
 2           collected.

3           D. The department shall promulgate rules and regulations in accordance with  
 4           the Administrative Procedure Act necessary to administer the fees imposed herein,  
 5           including but not limited to rules and regulations regarding the collection and  
 6           payment of the fees and the records necessary to be maintained and made available  
 7           by the providers on whom the fees are imposed.

8           E. The governor, by executive order, may designate any agency, department,  
 9           or division of state government to collect the fees authorized herein.

10          Section 2. This Act shall become effective upon signature by the governor or, if not  
 11          signed by the governor, upon expiration of the time for bills to become law without signature  
 12          by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 13          vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 14          effective on the day following such approval.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_