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## DIGEST

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Kleckley

HB No. 533

**Abstract:** Creates the La. Medical Assistance Trust Fund as a constitutional fund; establishes accounts within the fund to deposit provider fees; uses the accounts to provide reimbursement for Medicaid services; and establishes a Medicaid base rate of reimbursement for certain provider groups.

Present law (R.S. 46:2623 and 2625 and R.S. 22:842) creates the La. Medical Assistance Trust Fund (MATF) and appropriates monies in the fund for use and expenditure under the supervision of the secretary of the Dept. of Health and Hospitals for the Medicaid program. The fees collected are from nursing facilities, intermediate care facilities for people with developmental disabilities, prescriptions, medical transportation providers, and health care premium assessments paid by Medicaid-enrolled managed care organizations.

Proposed constitutional amendment creates the La. MATF as a constitutional fund and provides for the deposit of all proceeds from the fees collected as provided for in present law into the fund. Proposed constitutional amendment establishes separate accounts within the fund for each health care provider group in which fees are collected according to law and deposits the monies collected from each provider group into the account created for that provider group. Any monies deposited into the fund from sources not required by law are deposited into a general account.

The balance of each account can be appropriated for reimbursement of services to the provider group which paid the fee into the account in any fiscal year, except monies deposited into the general account may be appropriated for any Medicaid Program expenditure.

Proposed constitutional amendment requires the legislature to annually appropriate the funds necessary to provide for Medicaid Program rates for each provider group which pays fees into the fund that is no less than the average Medicaid Program rates established for FY 2013-2014 and adjusted annually by establishing the rates of inflation, which rates shall not be negative, to be applied to the base rates to establish the new base rates for the next fiscal year as authorized by law.

Proposed constitutional amendment further provides for reductions to the base rate if the following occur:

- (1) The reduction does not exceed the average reduction of those made to the appropriations and reimbursement for other providers under the Medicaid Program.

- (2) If the legislature is in session, the reduction is consented to in writing by two-thirds of the elected members of each house in a manner provided by law, or if the legislature is not in session, the reduction is approved by two-thirds of the members of the Joint Legislative Committee on the Budget.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 4, 2014, or the first statewide election occurring after the adoption of this Joint Resolution.

(Adds Const. Art. VII, §10.14)

#### Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Deleted provision regarding partial appropriation from the accounts in the fund in Fiscal Years 2013-2014 and 2014-2015.
2. Clarified that a base Medicaid rate is to be annually appropriated for the provider groups paying fees into the fund and no longer specifies the appropriation from the fund is the base rate.
3. Changed the provision regarding the authority for reduction from a reduction of appropriation from the fund to a reduction of appropriation of the base rate.

#### House Floor Amendments to the engrossed bill.

1. Changed the provisions regarding the requirements for a reduction to the base rate.
2. Changed the provision regarding the submission of the proposed amendment to the electors.