

2016 Regular Session

HOUSE BILL NO. 173

BY REPRESENTATIVE HAVARD

MEDICAID: Requires cost sharing for certain Medicaid-covered services and dedicates revenues derived thereof

1 AN ACT

2 To enact R.S. 39:100.61(B)(1)(c) and Part XIV of Chapter 3 of Title 46 of the Louisiana

3 Revised Statutes of 1950, to be comprised of R.S. 46:460.101 through 460.105,

4 relative to cost containment in the medical assistance program of the state known

5 commonly as Medicaid; to provide for duties of the Department of Health and

6 Hospitals in administering the Medicaid program; to provide relative to

7 noninstitutional care for Medicaid enrollees and nonemergency services at hospital

8 emergency departments for such persons; to establish cost sharing requirements for

9 such services; to provide conditions and limitations relative to cost sharing

10 requirements; to provide for dedication of revenue derived from Medicaid cost

11 sharing functions; to authorize sources of monies for the New Opportunities Waiver

12 Fund; to provide for findings and definitions; to require administrative rulemaking

13 and submission of Medicaid state plan amendments; and to provide for related

14 matters.

15 Be it enacted by the Legislature of Louisiana:

16 Section 1. R.S. 39:100.61(B)(1)(c) is hereby enacted to read as follows:

17 §100.61. New Opportunities Waiver Fund

18 * * *

19 B.(1) The source of monies in the fund shall be as follows:

20 * * *

1 §460.102. Legislative findings; declaration

2 A. The legislature hereby finds and affirms the following:

3 (1) From state fiscal year 2007-2008 to state fiscal year 2015-2016:

4 (a) The total annual operating budget of this state decreased by eleven and
5 nine tenths percent.

6 (b) Total expenditures on the Medicaid program of this state increased by
7 forty and nine tenths percent.

8 (c) State expenditures on the Medicaid program increased by ninety-four and
9 seven tenths percent.

10 (d) Medicaid remained the largest single item in Louisiana's operating
11 budget.

12 (2) At over eight billion three hundred eighty million dollars, Medicaid
13 comprises thirty-four and two tenths percent of Louisiana's total operating budget in
14 state fiscal year 2015-2016; whereas Medicaid comprised twenty-one and five tenths
15 percent of the state's operating budget in state fiscal year 2007-2008.

16 (3) Requiring cost sharing for certain health services, as permitted by federal
17 Medicaid regulations, is a sensible and fiscally responsible policy as it provides a
18 prudent, federally authorized means of containing Medicaid costs.

19 (4) Cost containment measures in the Medicaid program are essential for
20 enhancing the efficiency and effectiveness of health care delivered to the population
21 served by the program.

22 B. The legislature hereby declares that cost containment in the Medicaid
23 program is an urgent fiscal and public health priority of this state.

24 §460.103. Medicaid-covered noninstitutional care and nonemergency services at
25 emergency departments; cost sharing required

26 A. The department shall establish cost sharing requirements in the Medicaid
27 program for all of the following services provided to Medicaid enrollees, subject to
28 the requirements of Section 1916 of the Social Security Act and 42 CFR 447.50 et
29 seq.:

1 (1) Cost sharing for noninstitutional care, including but not limited to
2 physician visits, as authorized in 42 CFR 447.52.

3 (2) Cost sharing for nonemergency services furnished in a hospital
4 emergency room as authorized in 42 CFR 447.52.

5 B. The cost sharing functions provided for in this Section shall be imposed
6 upon all categories of recipients not excluded from cost sharing by the provisions of
7 Section 1916 of the Social Security Act.

8 C. The amount of each cost sharing function required by the provisions of
9 this Section shall be the maximum nominal amount allowed pursuant to 42 CFR
10 447.50 et seq.

11 §460.104. Revenue derived from cost sharing; dedication to New Opportunities
12 Waiver Fund

13 All state revenues derived as a result of the imposition of the cost sharing
14 requirements provided for in this Part are hereby dedicated to the New Opportunities
15 Waiver Fund. The state treasurer shall annually deposit into the New Opportunities
16 Waiver Fund monies in an amount equal to the net reduction in Medicaid provider
17 reimbursements corresponding to the cost sharing amounts assessed to Medicaid
18 enrollees pursuant to the provisions of this Part. Such monies may be utilized for
19 any purpose of the fund provided for in R.S. 39:100.61.

20 §460.105. Implementation; Medicaid state plan amendments; administrative
21 rulemaking

22 The secretary of the department shall submit to the Centers for Medicare and
23 Medicaid Services all Medicaid state plan amendments, promulgate all rules and
24 regulations in accordance with the Administrative Procedure Act, and take any other
25 actions as necessary to implement the provisions of this Part.

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 173 Original

2016 Regular Session

Havard

Abstract: Requires the Dept. of Health and Hospitals to institute cost sharing for certain Medicaid-covered services and dedicates revenues derived thereof to the New Opportunities Waiver Fund.

Proposed law provides findings relative to the cost of the Medicaid program, and declares that cost containment in the Medicaid program is an urgent fiscal and public health priority of this state.

Proposed law provides definitions.

Proposed law requires the Department of Health and Hospitals (DHH) to establish cost sharing requirements in the Medicaid program for all of the following services provided to Medicaid enrollees, subject to requirements and limitations provided in applicable federal law and regulation:

- (1) Cost sharing for noninstitutional care, including but not limited to physician visits, as authorized in 42 CFR 447.52.
- (2) Cost sharing for nonemergency services furnished in a hospital emergency room as authorized in 42 CFR 447.52.

Proposed law requires that the cost sharing requirements provided for in proposed law be imposed upon all categories of recipients not excluded from such requirements by the provisions of Section 1916 of the Social Security Act.

Proposed law provides that the amount of each cost sharing function required by the provisions of this Section shall be the maximum nominal amount allowed by federal regulations.

Proposed law dedicates to the New Opportunities Waiver Fund all state revenues derived as a result of the cost sharing requirements provided for in proposed law. Provides that the state treasurer shall annually deposit into the New Opportunities Waiver Fund monies in an amount equal to the net reduction in Medicaid provider reimbursements corresponding to the cost sharing amounts assessed to Medicaid enrollees pursuant to proposed law.

Proposed law requires DHH to submit any Medicaid state plan amendments, promulgate all rules and regulations in accordance with the APA, and take any other actions as necessary to implement the provisions of proposed law.

(Adds R.S. 39:100.61(B)(1)(c) and R.S. 46:460.101-460.105)