
DIGEST

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HCR 4 Original

2016 Regular Session

Ivey

Amends the Medicaid eligibility rules of the Department of Health and Hospitals (DHH) to provide for a Medicaid expansion cost containment program.

Present rule provides relative to eligibility for the Medicaid program.

Proposed rule retains present rule, and adds thereto the following definitions:

- (1) "ACA" and "Affordable Care Act" mean the following acts of congress, collectively:
 - (a) The Patient Protection and Affordable Care Act (Public Law 111-148).
 - (b) The Health Care and Education Reconciliation Act (Public Law 111-152).
- (2) "Federal medical assistance percentage" and "FMAP" mean the rate which determines the federally financed share of total expenditures of a state for services to Medicaid enrollees in a given year.
- (3) "Medicaid expansion" means an expansion of Medicaid eligibility standards of a state to conform with those provided in the Affordable Care Act.
- (4) "Newly eligible adult" means an adult who becomes eligible for the Medicaid program exclusively through Medicaid expansion, and who would not otherwise be eligible for Medicaid.

Proposed rule establishes a requirement that notwithstanding any provision of present rule to the contrary, DHH shall implement a Medicaid cost containment program beginning on Jan. 1 of the calendar year following the year in which Medicaid expansion becomes effective in this state.

Proposed rule provides that the cost containment program shall annually reduce the number of newly eligible adults enrolled in Medicaid in proportion to the decrease in the FMAP of the corresponding year for newly eligible adults, as provided specifically in proposed rule.

Proposed rule provides that unless the conditions of proposed rule relative to FMAP rate amendments are met, the annual FMAPs for newly eligible adults upon which the annual reductions in Medicaid enrollment shall be based are the following rates provided in the ACA:

- (1) An FMAP of 100% for calendar year 2016.
- (2) An FMAP of 95% for calendar year 2017.
- (3) An FMAP of 94% for calendar year 2018.
- (4) An FMAP of 93% for calendar year 2019.
- (5) An FMAP of 90% for calendar year 2020.

Corresponding to the FMAPs provided in the ACA, proposed rule provides that the annual rates of reduction in enrollment in the Louisiana Medicaid program shall be as follows:

- (1) On Jan. 1, 2017, when the FMAP for newly eligible adults decreases by 5% from that of the preceding calendar year, the cost containment program shall disenroll 5% of newly eligible adults who enrolled in Medicaid in 2016.
- (2) On Jan. 1, 2018, when the FMAP for newly eligible adults decreases by 1% from that of the preceding calendar year, the cost containment program shall disenroll 1% of newly eligible adults who enrolled in Medicaid in 2016.
- (3) On Jan. 1, 2019, when the FMAP for newly eligible adults decreases by 1% from that of the preceding calendar year, the cost containment program shall disenroll 1% of newly eligible adults who enrolled in Medicaid in 2016.
- (4) On Jan. 1, 2020, when the FMAP for newly eligible adults decreases by 3% from that of the preceding calendar year, the cost containment program shall disenroll 3% of newly eligible adults who enrolled in Medicaid in 2016.

Proposed rule stipulates that if federal law is amended to revise any FMAP provided in the ACA, then all of the following requirements apply:

- (1) The FMAPs for newly eligible adults upon which the annual reductions in Medicaid enrollment required by proposed rule are based shall be those specified in federal law, as amended.
- (2) DHH shall modify the annual rates of reduction in Medicaid enrollment specified in proposed rule as necessary to correspond to the FMAPs specified in federal law, as amended. Proposed rule provides that in this case, DHH shall ensure that the annual rates of reduction in Medicaid enrollment correspond to the FMAPs specified in amended federal law in the same manner as provided in proposed rule relative to enrollment reductions corresponding to the FMAPs provided in the ACA.

Proposed rule provides that DHH shall require each newly eligible adult who enrolls in Medicaid to affirmatively acknowledge understanding of all of the following:

- (1) A person's eligibility for Medicaid under Medicaid expansion is not a perpetual right or guaranteed entitlement.
- (2) A person's eligibility for Medicaid under Medicaid expansion is subject to cancellation at any time, with appropriate notice given, by DHH.

(Amends LAC Title 50, Part III, Subpart 1, Ch. 9)