

GREEN SHEET REDIGEST

HCR 2

2020 First Extraordinary Session

Schexnayder

HOSPITALS: Provides for a hospital stabilization formula. (Item #12)

DIGEST

Provides for a hospital stabilization formula pursuant to Art. VII, §10.13 of the Constitution of La., including assessments and reimbursement enhancements.

Requires the La. Dept. of Health (LDH) to calculate, collect, and levy an assessment from hospitals not to exceed the lesser of one of the following:

- (1) The state portion of the cost of the reimbursement enhancements from the payment for health care services through the implementation of Medicaid expansion which are directly attributable to payments to hospitals, excluding any federal financial participation and supplemental Medicaid payments.
- (2) 1% of the total net patient revenue of all hospitals included in the assessment, as reported in the Medicare cost report ending in State FY 2015.

Provides for the assessment if the following occur:

- (1) The applicable federal financial participation for newly eligible Medicaid recipients under Medicaid expansion is less than 100%.
- (2) LDH submits a Medicaid assessment report to the Joint Legislative Committee on the Budget.

Provides that any hospital under 50 beds shall be exempt from the Hospital Stabilization Tax from January 1, 2020 through July 31, 2020.

Provides for reimbursement enhancements as follows:

- (1) Payment for health care services through the implementation of Medicaid expansion.
- (2) Payment of hospital reimbursement rates in an amount no less than the reimbursement rates in effect for dates of service on or after Jan. 1, 2020, with the exception of certain exclusions.
- (3) For dates of service on or after Jan. 1, 2020, inpatient hospital services and outpatient hospital surgery services reimbursement rates increased by an amount equal to the "Four-quarter Moving Average Percent Change" of the CMS Market Basket Index for Inpatient Hospital for the second quarter of the Federal FY 2021 as published by CMS on December 9, 2019.

Requires LDH to quarterly publish a report that includes total Medicaid enrollment, average monthly Medicaid managed care premium rates, aggregate claims by provider, and the total amount of hospital claims by hospital.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Provides that any hospital under 50 beds shall be exempt from the Hospital Stabilization Tax from January 1, 2020 through July 31, 2020.