

SENATE BILL NO. 176

BY SENATORS HEITMEIER, MILLS AND NEVERS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To enact Part LXX of Chapter 5 of Title 40 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 40:1300.331, and Part LXXI of Chapter 5 of Title 40 of the  
4 Louisiana Revised Statutes of 1950, to be comprised of R.S. 40:1300.341, relative  
5 to Medicaid; to provide for an upper payment limit financing mechanism for certain  
6 health care providers; to provide for rules and regulations; to provide for cooperative  
7 endeavor agreements for nonstate governmental hospitals; and to provide for related  
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Part LXX of Chapter 5 of Title 40 of the Louisiana Revised Statutes of  
11 1950, comprised of R.S. 40:1300.331, and Part LXXI of Chapter 5 of Title 40 of the  
12 Louisiana Revised Statutes of 1950, comprised of R.S. 40:1300.341, are hereby enacted to  
13 read as follows:

14 **PART LXX. HEALTH CARE PROVIDERS UPPER PAYMENT LIMIT**

15 **FINANCING METHODOLOGY**

16 **§1300.331. Health care providers; upper payment limit**

17 **A. Subject to appropriation, the Department of Health and Hospitals**  
18 **may develop and maintain a Medicaid upper payment limit financing**  
19 **methodology which incorporates any health care provider licensed by the**  
20 **Department of Health and Hospitals. The purpose of developing an upper**  
21 **payment limit financing methodology is to enhance the delivery of health care**  
22 **services to the uninsured and Medicaid patients. Any such upper payment limit**  
23 **financing methodology shall be in accordance with federal law and subject to**

1 approval by the Centers for Medicare and Medicaid Services.

2 B. The department may submit waivers or state plan amendments to the  
3 Centers for Medicare and Medicaid Services in order to secure federal financial  
4 participation in relation to any such upper payment limit financing  
5 methodology. Disbursements of monies generated by the use of an upper  
6 payment limit methodology shall be made only in accordance with an approved  
7 waiver or state plan amendment.

8 PART LXXI. COOPERATIVE ENDEAVOR AGREEMENTS FOR  
9 NONSTATE GOVERNMENTAL HOSPITALS

10 §1300.341. Nonstate governmental hospitals; cooperative endeavor agreements

11 A nonstate governmental hospital may enter into a cooperative endeavor  
12 agreement with other hospitals, persons, or entities which includes the transfer  
13 of funds for the provision of health care services and such transfer shall be  
14 considered to be for a public purpose within the meaning of Paragraph C of  
15 Section 14 of Article VII of the Constitution of Louisiana.

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

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

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