

Regular Session, 2013

HOUSE BILL NO. 233

BY REPRESENTATIVES SMITH, BADON, BARROW, WESLEY BISHOP, BROSSETT, BURRELL, KATRINA JACKSON, JAMES, MORENO, AND PATRICK WILLIAMS AND SENATOR BROOME

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

MEDICAID: Provides that eligibility standards for the La. Medicaid program shall conform to those established by the Affordable Care Act and requires reporting of program outcomes

1 AN ACT

2 To enact Chapter 8-B of Title 46 of the Louisiana Revised Statutes of 1950, to be comprised  
3 of R.S. 46:979.1 through 979.5, relative to the medical assistance program; to  
4 provide for eligibility for benefits of the medical assistance program; to require state  
5 participation in the medical assistance program expansion provided in federal law;  
6 to provide for duties of the secretary of the Department of Health and Hospitals; to  
7 provide relative to the medical assistance program state plan; to authorize  
8 promulgation of rules; to require reports concerning the medical assistance program  
9 to the legislative committees on health and welfare and the governor; to specify the  
10 minimum required content of such reports; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. Chapter 8-B of Title 46 of the Louisiana Revised Statutes of 1950,  
13 comprised of R.S. 46:979.1 through 979.5, is hereby enacted to read as follows:

14 CHAPTER 8-B. MEDICAL ASSISTANCE PROGRAM EXPANSION AND

15 ENHANCED OUTCOMES REPORTING

16 §979.1. Definitions

17 As used in this Chapter, the following terms shall have the meaning ascribed  
18 to them in this Section:

1           (1) "ACA" and "Affordable Care Act" mean the following acts of congress,  
2           collectively:

3           (a) The Patient Protection and Affordable Care Act, which originated as H.R.  
4           3590 in the One Hundred Eleventh United States Congress and became Public Law  
5           111-148.

6           (b) The Health Care and Education Reconciliation Act, which originated as  
7           H.R. 4872 in the One Hundred Eleventh United States Congress and became Public  
8           Law 111-152.

9           (2) "Department" means the Department of Health and Hospitals.

10          (3) "Medicaid" and "medical assistance program" mean the medical  
11          assistance program provided for in Title XIX of the Social Security Act.

12          (4) "Secretary" means the secretary of the Department of Health and  
13          Hospitals.

14          §979.2. Legislative findings; declaration

15          A. The Legislature of Louisiana does hereby find and declare the following:

16          (1) The Affordable Care Act, referred to hereafter in this Chapter as the  
17          "ACA", sets forth health policy reforms which reshape the way virtually all  
18          Americans will receive and finance their health care.

19          (2) In a decision announced on June 28, 2012, the Supreme Court of the  
20          United States in *National Federation of Independent Business Et Al. v. Sebelius,*  
21          *Secretary of Health and Human Services, Et Al.* upheld the overall constitutionality  
22          of the ACA; but in the same ruling, a majority of the court held that the mandatory  
23          expansion of Medicaid eligibility as provided in the ACA is unconstitutionally  
24          coercive of states, thereby making participation in the Medicaid expansion a  
25          voluntary proposition for each state.

26          (3) At twenty-five percent of the federal poverty level, or just under five  
27          thousand eight hundred dollars in annual income for a family of four presently, the  
28          income eligibility threshold of this state for Medicaid benefits for parents of  
29          Medicaid-eligible children is the second-lowest in the nation.

1           (4) All of the following provisions of the ACA apply in states which  
2           participate in the Medicaid expansion:

3           (a) The Medicaid income eligibility threshold increases to one hundred  
4           thirty-three percent of the federal poverty level, or thirty thousand seven hundred  
5           thirty-three dollars in annual income for a family of four presently, for all persons  
6           of ages nineteen to sixty-four beginning on January 1, 2014.

7           (b) The federal share of funding for Medicaid benefits for persons who  
8           became eligible due to the expansion is one hundred percent from 2014 through  
9           2017.

10          (c) The federal share of funding for Medicaid benefits for persons who  
11          became eligible due to the expansion phases down from one hundred percent to  
12          ninety percent between 2017 and 2020, with the federal share remaining at ninety  
13          percent in ensuing years.

14          (5) Within federally provided guidelines, the secretary of the department  
15          may establish and modify eligibility standards for the Medicaid program through  
16          amendments to the Medicaid state plan and to administrative rules providing for  
17          operation of the program.

18          (6) The legislature declares that due to compelling moral and economic  
19          reasons, participation in the expansion of Medicaid eligibility as provided in the  
20          ACA is in the best interest of this state.

21          B. In a publication entitled "Louisiana Medicaid Annual Report", the  
22          department traditionally provides summary data on inputs (spending) and outputs  
23          (services delivered) of the Medicaid program; however, as evidenced in part by the  
24          final passage of Senate Bill No. 207 of the 2011 Regular Session of the Legislature  
25          and Senate Bill No. 629 of the 2012 Regular Session of the Legislature, the  
26          legislature intends that the department should undertake a more comprehensive and  
27          transparent effort to report actual health outcomes of the Medicaid program and  
28          program accountability measures, as such enhanced reporting would be essential to  
29          facilitation of a clearer understanding by policymakers and the general public of the

1 effectiveness of a program which would serve nearly forty percent of this state's  
2 population if expanded pursuant to the provisions of this Chapter.

3 §979.3. Purposes

4 The purposes of this state in expanding Medicaid eligibility to conform to the  
5 standards provided in the ACA, as required by this Chapter, are as follows:

6 (1) To maximize the number of Louisianians who are covered by some form  
7 of health insurance.

8 (2) To provide basic health coverage to the working poor of the state who  
9 are not offered insurance through their employer and do not earn enough money to  
10 meet basic family needs and pay for private health insurance.

11 (3) To assure health care providers who serve low- to moderate-income  
12 persons of some amount of compensation for the care they provide, as the ACA  
13 provides for a dramatic reduction in funding to federal programs which currently  
14 finance care for the uninsured as a means of financing the Medicaid expansion.

15 (4) To avert the economic and human costs of crises in both access to health  
16 care and health services financing which are likely to result from not participating  
17 in an expansion of a major federal program while other sources of financing for  
18 medical care for the uninsured and the indigent are being drastically reduced or  
19 eliminated.

20 §979.4. Expansion of Medicaid eligibility; duties of the secretary of the Department  
21 of Health and Hospitals

22 On or before September 1, 2013, the secretary of the department shall take  
23 all of the following actions:

24 (1) File a Medicaid state plan amendment with the Centers for Medicare and  
25 Medicaid Services to provide that beginning on January 1, 2014, eligibility standards  
26 for medical assistance program benefits in Louisiana conform to the minimum  
27 eligibility standards as provided in the Patient Protection and Affordable Care Act  
28 (P.L. 111-148) and codified in federal regulations relative to medical assistance  
29 program coverage (42 CFR 435.119).

1           (2) Promulgate all rules and regulations in accordance with the  
2           Administrative Procedure Act as are necessary to implement the provisions of this  
3           Chapter.

4           §979.5. Medicaid program outcomes; reporting requirements

5           A. On or before July 1, 2014, and annually thereafter, the secretary of the  
6           department shall provide to the House and Senate committees on health and welfare  
7           and to the governor a written report covering the most recent one-year period which  
8           includes at minimum all of the items required hereafter in this Section.

9           B. The secretary shall make the report provided for in this Section publicly  
10          available on its Internet website.

11          C. The report shall include but shall not be limited to the following items:

12          (1) Evaluation of overall health outcomes and quality of care for Medicaid  
13          enrollees of this state and recommendations for policy changes to improve such  
14          outcomes and quality of care. Measurements on which the secretary shall base the  
15          evaluation provided for in this Paragraph shall be derived from a metric which is  
16          generally accepted by public and private health care providers such as the Healthcare  
17          Effectiveness Data and Information Set (HEDIS).

18          (2) Evaluation of major barriers to access to health care by Medicaid  
19          enrollees of this state and recommendations for policy changes to eliminate such  
20          barriers.

21          (3) Summary of successful initiatives in this state for disease prevention and  
22          early diagnosis and management of chronic conditions among Medicaid enrollees of  
23          this state.

24          (4) Trends in enrollment of health care providers in the Medicaid program  
25          of this state during the period covered by the report.

26          (5) Major challenges faced by health care providers enrolled in the Medicaid  
27          program of this state and recommendations for policy changes to address such  
28          challenges.

1           (6) Impacts on health outcomes and health care costs in the state during the  
2           period covered by the report which resulted from participation by health care  
3           providers enrolled in the Medicaid program in any federal or state initiatives for  
4           coordinated care or patient-centered medical homes.

5           (7) Such other information as the secretary deems appropriate to convey a  
6           clear and sufficiently complete assessment of the impact of the Medicaid program  
7           in this state.

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

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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)]

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Smith

HB No. 233

**Abstract:** Provides that eligibility standards for the La. Medicaid program shall conform to those established by the Affordable Care Act and requires reporting of program outcomes to the legislative committees on health and welfare and to the governor.

Proposed law requires the secretary of DHH to take such actions as are necessary to expand Louisiana's Medicaid eligibility standards to conform to those established by the Affordable Care Act (ACA) commencing on January 1, 2014. Provides that such actions by the secretary shall include:

- (1) On or before September 1, 2013, filing of the Medicaid state plan amendment necessary to expand Medicaid eligibility in accordance with proposed law.
- (2) On or before September 1, 2013, promulgating all rules and regulations as are necessary to expand Medicaid eligibility in accordance with proposed law.

Proposed law declares that the purposes of the state in expanding Medicaid eligibility as provided in proposed law are as follows:

- (1) To maximize the number of Louisianians who are covered by some form of health insurance.
- (2) To provide basic health coverage to the working poor of the state who are not offered insurance through their employer and do not earn enough money to meet basic family needs and pay for private health insurance.

- (3) To assure health care providers who serve low- to moderate-income persons of some amount of compensation for the care they provide.
- (4) To avert the economic and human costs of crises in both access to health care and health services financing which are likely to result from not participating in an expansion of a major federal program while other sources of financing for medical care for the uninsured and the indigent are being drastically reduced or eliminated.

Proposed law requires that on or before July 1, 2014, and annually thereafter, the secretary of DHH shall provide to the legislative committees on health and welfare and the governor a written report covering the most recent one-year period which includes at minimum all of the following items:

- (1) Evaluation of overall health outcomes and quality of care for La. Medicaid enrollees, and recommendations for policy changes to improve such outcomes and quality of care. Requires that the secretary base such evaluation on measurements derived from a metric which is generally accepted by public and private health care providers such as the Healthcare Effectiveness Data and Information Set (HEDIS).
- (2) Evaluation of major barriers to access to health care by La. Medicaid enrollees and recommendations for policy changes to eliminate such barriers.
- (3) Summary of successful initiatives in La. for disease prevention and early diagnosis and management of chronic conditions among Medicaid enrollees.
- (4) Trends in enrollment of health care providers in the La. Medicaid program during the period covered by the report.
- (5) Major challenges faced by health care providers enrolled in the La. Medicaid program and recommendations for policy changes to address such challenges.
- (6) Impacts on health outcomes and health care costs in La. during the period covered by the report which resulted from participation by health care providers enrolled in the Medicaid program in any federal or state initiatives for coordinated care or patient-centered medical homes.
- (7) Such other information as the secretary deems appropriate to convey a clear and sufficiently complete assessment of the impact of the Medicaid program in La.

Proposed law requires DHH to make such report publicly available on its website.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 46:979.1-979.5)