

Regular Session, 2013

HOUSE BILL NO. 449

BY REPRESENTATIVE BURRELL

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

MEDICAID: Provides for a time-limited expansion of Medicaid eligibility standards in La. to conform such standards to those provided in the Affordable Care Act until Dec. 31, 2016

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 establish a termination date for state participation in  
9 medical assistance program expansion; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

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

13 CHAPTER 8-B. MEDICAL ASSISTANCE PROGRAM EXPANSION

14 §979.1. Definitions

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

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

1           (a) The Patient Protection and Affordable Care Act, which originated as H.R.  
2           3590 in the One Hundred Eleventh United States Congress and became Public Law  
3           111-148.

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

7           (2) "Centers for Medicare and Medicaid Services" means the division of the  
8           United States Department of Health and Human Services of that name which  
9           regulates the Medicaid program.

10          (3) "Department" means the Department of Health and Hospitals.

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

13          (5) "Secretary" means the secretary of the Department of Health and  
14          Hospitals.

15          §979.2. Legislative findings; declaration

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

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

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

27          (3) At twenty-five percent of the federal poverty level, or just under five  
28          thousand eight hundred dollars in annual income for a family of four presently, the

1 income eligibility threshold of this state for Medicaid benefits for parents of  
2 Medicaid-eligible children is the second-lowest in the nation.

3 (4) Pursuant to provisions of the ACA, federal regulations, and guidance  
4 issued by the Centers for Medicare and Medicaid Services, the following conditions  
5 shall apply in each state which participates in the Medicaid expansion:

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

10 (b) The federal share of funding for Medicaid benefits for persons who  
11 became eligible due to the expansion is one hundred percent from 2014 through  
12 2017.

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

17 (d) Acceptance of full federal financing of an expanded Medicaid program  
18 during any part of the first three years of the expansion does not obligate the state to  
19 continue its expanded Medicaid program subsequently.

20 (5) Within federally provided guidelines, the secretary of the department  
21 may establish and modify eligibility standards for the Medicaid program through  
22 amendments to the Medicaid state plan and to administrative rules providing for  
23 operation of the program.

24 (6) The legislature declares that participation in the expansion of Medicaid  
25 eligibility as provided in the ACA with an option to discontinue such participation  
26 at any point is in the best interest of the state.

27 §979.3. Purposes

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

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

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

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

10          (4) To avail the state of an expanding resource for medical care for its  
11          neediest citizens while other sources of financing for such care are being drastically  
12          diminished.

13          §979.4. Expansion of Medicaid eligibility; duties of the secretary of the Department  
14          of Health and Hospitals

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

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

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

26          §979.5. Expanded Medicaid eligibility; termination

27                 A. The provisions of this Chapter shall terminate on December 31, 2016.

28                 B. The secretary is hereby authorized to take such actions as are necessary  
29                 to revise the Medicaid income eligibility threshold to any level allowed by federal

- 1            law other than that provided in R.S. 46:979.4, and to cause such revised income  
2            eligibility threshold to take effect no sooner than January 1, 2017.

## 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)]

Burrell

HB No. 449

**Abstract:** Provides for a time-limited expansion of Medicaid eligibility standards in La. to conform such standards to those provided in the Affordable Care Act until Dec. 31, 2016.

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, as the ACA provides for a dramatic reduction in funding to federal programs which currently finance care for the uninsured as a means of financing the Medicaid expansion.
- (4) To avail the state of an expanding resource for medical care for its neediest citizens while other sources of financing for such care are being drastically diminished.

Proposed law provides that proposed law shall terminate on Dec. 31, 2016. Further, authorizes the secretary of DHH to revise the Medicaid income eligibility threshold to any level allowed by federal law other than that required by preceding provisions of proposed law, and to cause such revised income eligibility threshold to take effect no sooner than Jan. 1, 2017.

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

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