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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

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## DIGEST

Proposed law establishes the Health Care Insurance Coverage Equity Fund, hereinafter the "fund", as a special fund in the state treasury.

Proposed law provides the source of monies deposited into the fund shall be:

- (1) Any state savings realized in uncompensated care cost payments which would no longer be necessary because of the expansion of health insurance coverage options resulting from both an expansion of the state Medicaid program and the creation of a Health Benefit Exchange pursuant to opportunities afforded the states under the Affordable Care Act, after first having been credited to the Bond Security and Redemption Fund.
- (2) Taxes collected under the provisions of R.S. 22:842 from health care premium assessments paid for new policies written as a result of or through the Health Benefit Exchange created for the state of Louisiana pursuant to the Affordable Care Act after first having been credited to the Bond Security and Redemption Fund.
- (3) Any monies appropriated by the legislature, including donations, gifts, grants, or any other monies, which may be provided by law.

Proposed law further provides that deposits to the fund from the sources set forth in Paragraphs (1) and (2) of this Subsection shall not occur unless and until the federal government gives approval for the expansion to the Medicaid program via amendment to the Medicaid state plan or federal waiver utilizing a private insurance option that includes premium assistance and supplemental cost sharing subsidies.

Proposed law provides that subject to legislative appropriation, monies in the fund shall be appropriated to the Department of Health and Hospitals solely to provide for:

- (1) Future obligations of any expansion of the Medicaid program as approved by the federal government through amendments to the Medicaid state plan or federal waivers utilizing a private insurance option that includes premium assistance and supplemental cost sharing subsidies for eligible individuals to enroll in a qualified health plan through the Health Benefit Exchange created pursuant to the Affordable Care Act. Such expansion program shall be designed through legislative enactment to reform the Medicaid program so that it is a fiscally sustainable, cost-effective, personally responsible, and opportunity-driven program utilizing competitive and value-based purchasing to:
  - (a) Maximize the available service options.
  - (b) Promote accountability, personal responsibility, and transparency.

- (c) Encourage and reward health outcomes and responsible choices.
  - (d) Promote efficiencies that will deliver value to the taxpayers.
- (2) The development and implementation of a strategy to inform Medicaid recipient populations whose needs would be reduced or better served through participation in the Health Benefit Exchange.

Effective August 1, 2013.

(Adds R.S. 39:100.65)