
DIGEST

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Smith

HB No. 233

Abstract: Creates the La. Health Care Independence Program within the La. Medicaid program and requires reporting of Medicaid program outcomes to the legislative committees on health and welfare and to the governor.

Proposed law creates the Louisiana Health Care Independence Program, referred to hereafter as the "program", to be comprised of all of the following components and functions, and subject to conditions as follows:

- (1) On or before Sept. 1, 2013, and after receiving the approval of the legislative committees on health and welfare, DHH shall submit and apply for federal waivers necessary to implement the program in a manner consistent with proposed law, including without limitation approval for a comprehensive waiver under Section 1115 of the Social Security Act.
- (2) DHH shall confirm that employers will not be subject to the penalties, including without limitation an assessable payment, under Section 1513 of Pub. L. No. 111-148, as existing on Jan. 1, 2013, concerning shared responsibility, for employees who are eligible individuals if the employees are enrolled in the program and enroll in a qualified health plan through the federal health insurance marketplace.
- (3) Implementation of the program shall be contingent upon the receipt of necessary federal approvals.
- (4) The program shall include premium assistance for eligible individuals to enable their enrollment in a qualified health plan through the federal health insurance marketplace.
- (5) DHH is authorized to pay premiums and supplemental cost-sharing subsidies directly to the federally qualified health plans for enrolled eligible individuals.
- (6) DHH is required to pursue strategies that promote insurance coverage of children in their parents' or caregivers' plan, including children eligible for the Louisiana Children's Health Insurance Program (LaCHIP); and to develop and implement a strategy to inform Medicaid recipient populations whose needs would be reduced or better served through participation in the federal health insurance marketplace.

- (7) The program shall terminate within 120 days after a reduction in any enhanced federal medical assistance percentages for services to newly eligible individuals as defined in the Patient Protection and Affordable Care Act.
- (8) Program enrollees shall affirmatively acknowledge that the program is not a perpetual federal or state right or a guaranteed entitlement, is subject to cancellation with notice, and is not an entitlement program.
- (9) DHH shall develop a model and seek from the Centers for Medicare and Medicaid Services all necessary waivers and approvals to allow non-aged, non-disabled program-eligible participants to enroll in a program that creates and utilizes for specified purposes "independence accounts" that operate similar to health savings accounts or medical savings accounts during the calendar year 2015.
- (10) DHH is required to report to the Joint Legislative Committee on the Budget on a quarterly basis, and within two weeks of the end of each quarter, information regarding program enrollment, patient experience, economic impact, carrier competition, and success in avoiding uncompensated care.

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.

Proposed law terminates and becomes null and void on and after July 1, 2017.

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

(Adds R.S. 46:979.1-979.6)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Health and Welfare to the original bill.

1. Deleted provisions requiring 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 Jan. 1, 2014. Added in lieu thereof provisions creating the Louisiana Health Care Independence Program, referred to hereafter as the "program", to be comprised of all of the following components and functions, and subject to conditions as follows:
 - (a) On or before Sept. 1, 2013, and after receiving the approval of the legislative committees on health and welfare, DHH shall submit and apply for federal waivers necessary to implement the program in a manner consistent with proposed law, including without limitation approval for a comprehensive waiver under Section 1115 of the Social Security Act.
 - (b) DHH shall confirm that employers will not be subject to the penalties, including without limitation an assessable payment, under Section 1513 of Pub. L. No. 111-148, as existing on Jan. 1, 2013, concerning shared responsibility, for employees who are eligible individuals if the employees are enrolled in the program and enroll in a qualified health plan through the federal health insurance marketplace.
 - (c) Implementation of the program shall be contingent upon the receipt of necessary federal approvals.
 - (d) The program shall include premium assistance for eligible individuals to enable their enrollment in a qualified health plan through the federal health insurance marketplace.

- (e) DHH is authorized to pay premiums and supplemental cost-sharing subsidies directly to the federally qualified health plans for enrolled eligible individuals.
- (f) DHH is required to pursue strategies that promote insurance coverage of children in their parents' or caregivers' plan, including children eligible for the Louisiana Children's Health Insurance Program (LaCHIP); and to develop and implement a strategy to inform Medicaid recipient populations whose needs would be reduced or better served through participation in the federal health insurance marketplace.
- (g) The program shall terminate within 120 days after a reduction in any enhanced federal medical assistance percentages for services to newly eligible individuals as defined in the Patient Protection and Affordable Care Act.
- (h) Program enrollees shall affirmatively acknowledge that the program is not a perpetual federal or state right or a guaranteed entitlement, is subject to cancellation with notice, and is not an entitlement program.
- (i) DHH shall develop a model and seek from the Centers for Medicare and Medicaid Services all necessary waivers and approvals to allow non-aged, non-disabled, program-eligible participants to enroll in a program that creates and utilizes for specified purposes "independence accounts" that operate similar to health savings accounts or medical savings accounts during the calendar year 2015.
- (j) DHH is required to report to the Joint Legislative Committee on the Budget on a quarterly basis, and within two weeks of the end of each quarter, information regarding program enrollment, patient experience, economic impact, carrier competition, and success in avoiding uncompensated care.
- (k) All provisions authorizing and providing for the program shall terminate and become null and void on and after July 1, 2017.