

Regular Session, 2013

HOUSE CONCURRENT RESOLUTION NO. 122

BY REPRESENTATIVE MONTOUCET AND SENATORS CHABERT, LAFLEUR,
MILLS, AND THOMPSON

A CONCURRENT RESOLUTION

To direct the Department of Health and Hospitals to submit to the Centers for Medicare and Medicaid Services on or before February 1, 2014, an application for a Section 1115 Medicaid demonstration waiver that will allow the use of costs not otherwise matchable authority to receive federal matching funds for designated state and local health programs and to reinvest unencumbered state funds into the Medicaid program.

WHEREAS, the current state general budget deficit projected for state Fiscal Year 2014 is approximately one billion three hundred million dollars; and

WHEREAS, at nearly seven and one-half billion dollars, approximately two billion dollars of which is state general fund monies, Medicaid constitutes the largest single programmatic item in the budget of this state; and

WHEREAS, the federal medical assistance percentage (FMAP) for the state's Medicaid program has dropped significantly from approximately seventy-two percent to approximately sixty-three percent in the upcoming state fiscal year, necessitating the infusion of additional state general funds to make up for the loss of federal matching funds; and

WHEREAS, even such a large expenditure of state general funds for the Medicaid program does not restore significant reductions imposed on Medicaid providers over the past several years; and

WHEREAS, the huge expenditure of state general funds in the Medicaid program also adversely affects other state programs, such as higher education; and

WHEREAS, the shortage of state general funds for the foreseeable future will continue to lead to budget reduction in Medicaid, higher education, and other state programs; and

WHEREAS, the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services is authorized under federal law to allow for changes in state Medicaid programs that allow use of nonstate public funds in lieu of direct state general funds to finance the state's portion of Medicaid program costs; and

WHEREAS, the means to allow such changes is through a waiver of otherwise applicable federal law and regulations pursuant to Section 1115 of the Social Security Act, known as Section 1115 Medicaid demonstration waivers; and

WHEREAS, other states have been granted Section 1115 waivers that allow the use of costs not otherwise matchable to receive federal matching funds for designated state and local health programs that are currently funded by the state and local government; and

WHEREAS, these programs use existing state and local funds to draw down federal matching funds, thereby reducing the amount of state general funds needed to fund the Medicaid program; and

WHEREAS, the state of Louisiana seeks to ensure the highest quality and most efficiently delivered health care for its citizens through the establishment of a delivery system incentive program under a Section 1115 waiver; and

WHEREAS, all hospitals and other health care providers may participate in the delivery system incentive program, including rural and critical access hospitals.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby authorize and direct the secretary of the Department of Health and Hospitals to submit to the Centers for Medicare and Medicaid Services on or before February 1, 2014, an application for a Section 1115 Medicaid demonstration waiver that will allow the use of costs not otherwise matchable authority to receive federal matching funds for designated state and local health programs, and to reinvest unencumbered state funds into the Medicaid program.

BE IT FURTHER RESOLVED that, if the secretary of the Department of Health and Hospitals does not submit a Section 1115 Medicaid demonstration waiver to the Centers for Medicare and Medicaid Services on or before February 1, 2014, a report on the status of the

development of the waiver and the reasons for the delay in submission shall be submitted in writing to the Joint Legislative Committee on the Budget no later than February 1, 2014.

BE IT FURTHER RESOLVED that the Section 1115 waiver request shall preserve current upper payment limit (UPL) funding.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the secretary of the Department of Health and Hospitals.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE