

LEGISLATIVE FISCAL OFFICE
Fiscal Note

ACT 409

Fiscal Note On: **SB 76** SLS 13RS 312

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:



Date: July 31, 2013	3:17 PM	Author: BUFFINGTON
Dept./Agy.: DHH		Analyst: Shawn Hotstream
Subject: Medical Assistance Trust Fund (MATF)		

FUNDS/FUNDING EN SEE FISC NOTE SD EX See Note Page 1 of 1
Provides for use of monies in the Louisiana Medical Assistance Trust Fund. (gov sig)

Proposed law requires the treasurer to create separate accounts (sub accounts) within the Medical Assistance Trust Fund (MATF) for each health care provider group that pays fees that are collected under current law (according to R.S. 46:2625). Any monies collected from those provider groups (nursing home providers, pharmacy providers, and ICF/DD providers) and interest earned on those monies shall be deposited into the account created for such provider group.

Proposed law further provides that the legislature shall annually appropriate monies from the fund (fees and federal match on the fees from each sub account) for medical assistance payments to the health care provider groups that are paying the fees (under R.S. 46:2625).

Proposed law requires the state treasurer to report the status of the fund and sub accounts at least quarterly to the secretary of DHH and the Joint Legislative Committee on the Budget.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						
REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

Monies in the Medical Assistance Trust Fund shall not be used to displace, replace, or supplant appropriations from the state general fund for the Medicaid program below the amount of state general fund appropriations to the agency for the FY 2012 -2013 fiscal year. To the extent provider fee collections increase or additional funds are deposited in the MATF in future years, the department can not reduce state general funds for the amount of increased fee collections or new funds below the SGF level of appropriation in Medicaid for FY 13.

REVENUE EXPLANATION

This bill requires the treasurer to create separate accounts within the Medical Assistance Trust Fund (MATF) by provider group. Creating accounts to capture nursing home provider fees, pharmacy provider fees, and ICF/DD provider fees, including interest earned on such fees, does not increase aggregate fees generated to the MATF on an annual basis. This measure simply separates revenues collected from each provider group into an individual account for that provider group, and requires payments to the specific providers from the specific account.

For illustrative purposes, the MATF is projected to receive approximately \$123,423,470 in FY 14 in fees generated on providers under current law, and will be used as a state match source to draw federal match for Medicaid claims payments. Under this measure, the funds generated from the various providers would be separated and placed in sub accounts in the treasury as illustrated in the table below.

Provider Group	<u>Nursing Homes</u>	<u>ICF/DD</u>	<u>Pharmacy</u>	<u>Totals</u>
Provider Fees	\$90,566,376	\$24,416,084	\$8,441,010	\$123,423,470

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|---|--|--------------|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | <input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S} | |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | |

John D. Carpenter
Legislative Fiscal Officer