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## DIGEST

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Hollis

HB No. 1090

**Abstract:** Provides for participation in the Interstate Health Care Compact.

Proposed law may be cited as the "Interstate Health Care Compact".

Proposed law provides for legislative findings.

Proposed law enacts the Interstate Health Care Compact and provides that the compact is entered into by the state of La. with any other states legally joining the compact in a form substantially similar to the form contained in proposed law.

Proposed law provides that the "effective date" upon which the compact shall become effective for purposes of the operation of state and federal law in a member state, shall be the later of either of the following:

- (1) The date upon which the compact shall be adopted under the laws of the member state.
- (2) The date upon which the compact receives the consent of the U.S. Congress pursuant to Art. I, §10 of the U.S. Constitution, after it is adopted by at least two member states.

Proposed law defines "health care" as care, services, supplies, or plans related to the health of an individual and includes but is not limited to all of the following:

- (1) Preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative care and counseling, service, assessment, or procedure with respect to the physical or mental condition or functional status of an individual or that affects the structure or function of the body.
- (2) Sale or dispensing of a drug, device, equipment, or other item pursuant to a prescription.
- (3) An individual or group plan that provides, or pays the cost of care, services, or supplies related to the health of an individual, except any care, services, supplies, or plans provided by the U.S. Dept. of Defense and U.S. Dept. of Veteran Affairs or provided to Native Americans.

Proposed law defines "member state base funding level" as a number equal to the total federal spending on health care in the member state during federal fiscal year 2010. Proposed law

requires, on or before the effective date, each member state to determine the member state base funding level for its state, and that number shall be binding upon that member state. Proposed law provides that the preliminary estimate of member state base funding level for La. is \$15,957,000,000.

Proposed law defines "member state current year funding level" as the member state base funding level multiplied by the member state current year population adjustment factor multiplied by the current year inflation adjustment factor.

Proposed law defines "member state current year population adjustment factor" as the average population of the member state in the current year less the average population of the member state in federal fiscal year 2010, divided by the average population of the member state in federal fiscal year 2010, plus one. Proposed law provides that the average population in a member state shall be determined by the U.S. Census Bureau.

Proposed law defines "current year inflation adjustment factor" as the total gross domestic product deflator in the current year divided by the total gross domestic product deflator in federal fiscal year 2010. Proposed law provides that the total gross domestic product deflator shall be determined by the Bureau of Economic Analysis of the U.S. Dept. of Commerce.

Proposed law requires member states to take joint and separate action to secure congressional consent to the compact in order to return the authority to regulate health care to the member states consistent with the goals and principles articulated in the compact.

Proposed law provides the legislature of each member state has the primary responsibility to regulate health care in their state and that member states shall improve healthcare policy within their respective jurisdictions and according to the judgment and discretion of each member state.

Proposed law authorizes each member state, within its jurisdiction, to enact legislation to suspend the operation of all federal laws, rules, regulations, and orders regarding health care that are inconsistent with the laws, rules, regulations, and orders adopted by the member state pursuant to the compact.

Proposed law requires federal and state laws, rules, regulations, and orders regarding health care to remain in effect unless a member state expressly suspends them pursuant to its authority under the compact. Proposed law further requires a member state, for any federal law, rule, regulation, or order that remains in effect in a member state after the effective date of the compact, to be responsible for the associated funding obligations in its state.

Proposed law authorizes each member state, each federal fiscal year, to have the right to federal monies up to an amount equal to its member state current year funding level for that federal fiscal year, funded by congress as mandatory spending and not subject to annual appropriation, to support the exercise of member state authority under the compact. Proposed law prohibits the funding from being conditional on any action of or regulation, policy, law, or rule being adopted by the member state.

Proposed law requires congress, by the start of each federal fiscal year, to establish an initial member state current year funding level for each member state, based upon reasonable estimates. Proposed law further requires the final member state current year funding level to be calculated, and funding to be reconciled by congress based upon information provided by each member state and audited by the U.S. Government Accountability Office.

Proposed law establishes the Interstate Advisory Health Care Commission and provides for the membership, voting, officers, and meetings of the commission.

Proposed law authorizes the commission to study issues of healthcare regulation that are of particular concern to the member states and make nonbinding recommendations to the member states.

Proposed law requires the commission to collect information and data to assist the member states in their regulation of health care, including assessing the performance of various state healthcare programs and compiling information on the prices of health care. Proposed law further requires the commission to make the information and data available to the legislatures of the member states.

Proposed law provides that the commission shall be funded by the member states as agreed to by the member states and shall have the responsibilities and duties as may be conferred upon it by subsequent action of the respective legislatures of the member states in accordance with the terms of the compact. Proposed law prohibits the commission from taking any action within a member state that contravenes any state law of that member state.

Proposed law provides that the compact shall be effective on its adoption by at least two member states and congressional consent unless the U.S. Congress, in consenting to it, alters its fundamental purposes, which are to do all of the following:

- (1) Secure the right of the member states to regulate health care in their respective states pursuant to the compact and to suspend the operation of any conflicting federal laws, rules, regulations, and orders within their states.
- (2) Secure federal funding for member states that choose to invoke their authority under the compact.

Proposed law authorizes member states, by unanimous agreement, to amend the compact from time to time without prior congressional consent or approval and provides that any amendment shall be effective unless, within one year, congress disapproves that amendment.

Proposed law provides that any state may join the compact after the date by adoption into law under its state constitution.

Proposed law authorizes a member state to withdraw from the compact by adopting a law to that effect, but no such withdrawal shall take effect until six months after the withdrawing member state has given notice of the withdrawal to the other member states.

Proposed law provides that a withdrawing state shall be liable for any obligations that it may have incurred prior to the date on which its withdrawal becomes effective.

Proposed law provides that the compact shall be dissolved upon the withdrawal of all but one of the member states.

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

(Adds R.S. 40:1300.381-1300.392)