
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Greg Waddell.

DIGEST

Thompson (SB 401)

Proposed law provides that effective for services provided on or after July 1, 2010, or as soon thereafter as may be permitted by federal law, DHH shall develop and implement, by emergency rule, a payment methodology which optimizes Medicaid inpatient and outpatient payments to rural hospitals.

Proposed law provides that payments shall be developed utilizing available Medicare upper payment limits for inpatient and outpatient services in accordance with state and federal law and calculated payments shall be distributed to qualifying rural hospitals no less than quarterly, or as authorized by federal law.

Proposed law provides that after federal funds are optimized, the remaining appropriated funds for rural hospitals may be utilized to develop a state-only funded program to provide direct funds to qualifying rural hospitals to support access to services that would not be available otherwise. In the event the amount appropriated for such state-only funded program is insufficient in any state fiscal year to meet the total payments required by all rural hospitals to recover payment reductions, the payments to qualifying rural hospitals under this state-only funded program may be reduced proportionately.

Proposed law provides that the department shall review Medicaid and uninsured cost information, payment information, patient charges, and hospital financial statements to the extent required by state or federal law to determine the optimal combination of payments.

Proposed law provides that rural hospitals that do not provide the minimum set of documentation required by proposed law to determine the optimal combination of payments shall not be eligible for additional payments.

Proposed law provides that DHH is hereby authorized to publish and promulgate rules, in accordance with the APA, to implement the provisions of proposed law.

Effective August 15, 2010.

(Adds R.S. 40:1300.144(A)(4))