

Regular Session, 2013

HOUSE BILL NO. 110

BY REPRESENTATIVES NORTON, BARROW, COX, DIXON, AND KATRINA JACKSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MEDICAID: Requires that La. Medicaid eligibility standards conform to those established by the Affordable Care Act

1 AN ACT

2 To enact Chapter 8-B of Title 46 of the Louisiana Revised Statutes of 1950, to be comprised  
3 of R.S. 46:979.1 through 979.4, relative to eligibility for benefits of the medical  
4 assistance program; to require state participation in the medical assistance program  
5 expansion provided in federal law; to provide for duties of the secretary of the  
6 Department of Health and Hospitals; to provide relative to the medical assistance  
7 program state plan; to authorize promulgation of rules; and to provide for related  
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Chapter 8-B of Title 46 of the Louisiana Revised Statutes of 1950,  
11 comprised of R.S. 46:979.1 through 979.4, is hereby enacted to read as follows:

12 CHAPTER 8-B. FEDERALLY PROVIDED MEDICAL ASSISTANCE

13 PROGRAM EXPANSION

14 §979.1. Definitions

15 As used in this Chapter, the following terms shall have the meaning ascribed  
16 to them in this Section:

17 (1) "ACA" and "Affordable Care Act" mean the following Acts of Congress,  
18 collectively:

1           (a) The Patient Protection and Affordable Care Act, which originated as H.R.  
2           3590 in the One Hundred Eleventh United States Congress and became Public Law  
3           No. 111-148.

4           (b) The Health Care and Education Reconciliation Act, which originated as  
5           H.R. 4872 in the One Hundred Eleventh United States Congress and became Public  
6           Law No. 111-152.

7           (2) "Department" means the Department of Health and Hospitals.

8           (3) "Medicaid" and "medical assistance program" mean the medical  
9           assistance program provided for in Title XIX of the Social Security Act.

10          §979.2. Legislative findings; declaration

11          The Legislature of Louisiana does hereby find and declare the following:

12          (1) The Affordable Care Act, referred to hereafter in this Chapter as the  
13          "ACA", sets forth monumental health policy reforms, as it reshapes the way virtually  
14          all Americans will receive and finance their health care.

15          (2) Among the key features of the ACA are rights and protections for health  
16          care consumers, accountability measures for insurance companies, expanded  
17          eligibility for the Medicaid program, and a requirement that every American  
18          maintain a minimum level of health insurance coverage.

19          (3) In a decision announced on June 28, 2012, the Supreme Court of the  
20          United States in *National Federation of Independent Business Et Al. v. Sebelius,*  
21          *Secretary of Health and Human Services, Et Al.* upheld the overall constitutionality  
22          of the ACA; but in the same ruling, a majority of the court held that the mandatory  
23          expansion of Medicaid eligibility as provided in the ACA is unconstitutionally  
24          coercive of states, thereby making participation in the Medicaid expansion a  
25          voluntary proposition for states.

26          (4) At twenty-five percent of the federal poverty level, or just under five  
27          thousand eight hundred dollars in annual income for a family of four presently, the  
28          income eligibility threshold of this state for Medicaid benefits for parents of  
29          Medicaid-eligible children is the second-lowest in the nation.

1           (5) All of the following provisions of the ACA apply in states which  
2           participate in the Medicaid expansion:

3           (a) The Medicaid income eligibility threshold increases to one hundred  
4           thirty-three percent of the federal poverty level, or thirty thousand seven hundred  
5           thirty-three dollars in annual income for a family of four presently, for all persons  
6           of ages nineteen to sixty-four beginning on January 1, 2014.

7           (b) The federal share of funding for Medicaid benefits for persons who  
8           became eligible due to the expansion is one hundred percent from 2014 through  
9           2017.

10          (c) The federal share of funding for Medicaid benefits for persons who  
11          became eligible due to the expansion phases down from one hundred percent to  
12          ninety percent between 2017 and 2020, with the federal share remaining at ninety  
13          percent in ensuing years.

14          (6) The many thousands of working poor families in Louisiana who earn  
15          income from employment but who cannot afford health insurance will derive the  
16          greatest benefits of the Medicaid expansion in this state; and correspondingly, will  
17          be penalized to the greatest extent financially by the provisions of the ACA if the  
18          state refuses to participate in the Medicaid expansion and those families fail to  
19          maintain health coverage as required by law after January 1, 2014.

20          (7) Therefore the legislature declares that due to compelling moral and  
21          economic reasons, participation in the expansion of Medicaid as provided in the  
22          ACA is in the best interest of this state.

23          §979.3. Purposes

24          The purposes of this state in expanding Medicaid eligibility to conform to the  
25          standards provided in the ACA, as required by this Chapter, are as follows:

26          (1) To maximize the number of Louisianians who are covered by some form  
27          of health insurance.

1           (2) To provide basic health coverage to the working poor of the state who  
2           are not offered insurance through their employer and do not earn enough money to  
3           meet basic family needs and pay for private health insurance.

4           (3) To protect the working poor and other financially vulnerable persons  
5           from being forced to obtain private insurance or be penalized financially, as provided  
6           in the ACA, for not maintaining health coverage.

7           (4) To assure health care providers who serve low- to moderate-income  
8           persons of some amount of compensation for the care they provide, as the Medicaid  
9           expansion is partly funded by a dramatic reduction in funding to federal programs  
10          which currently finance care for the uninsured.

11          (5) To avert the economic and human costs of crises in both access to health  
12          care and health services financing which are likely to result from not participating  
13          in an expansion of a federal program while other major programs which finance  
14          medical care for the uninsured and the indigent are being drastically reduced.

15          §979.4. Expansion of Medicaid eligibility; duties of the secretary of the Department  
16          of Health and Hospitals

17          On or before September 1, 2013, the secretary of the department shall take  
18          all of the following actions:

19               (1) File a Medicaid state plan amendment with the Centers for Medicare and  
20               Medicaid Services to provide that beginning on January 1, 2014, eligibility standards  
21               for medical assistance program benefits in Louisiana shall conform to the minimum  
22               eligibility standards as provided in the Patient Protection and Affordable Care Act  
23               (P.L. 111-148) and codified in federal regulations relative to medical assistance  
24               program coverage (42 CFR 435.119).

25               (2) Promulgate all rules and regulations in accordance with the  
26               Administrative Procedure Act as are necessary to implement the provisions of this  
27               Chapter.

28          Section 2. This Act shall become effective upon signature by the governor or, if not  
29          signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
3 effective on the day following such approval.

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## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Norton

HB No. 110

**Abstract:** Requires that La. Medicaid eligibility standards conform to those established by the Affordable Care Act.

Proposed law requires 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 January 1, 2014. Provides that such actions by the secretary shall include:

- (1) On or before September 1, 2013, filing of the Medicaid state plan amendment necessary to expand Medicaid eligibility in accordance with proposed law.
- (2) On or before September 1, 2013, promulgating all rules and regulations as are necessary to expand Medicaid eligibility in accordance with proposed law.

Proposed law declares that the purposes of the state in expanding Medicaid eligibility as provided in proposed law are as follows:

- (1) To maximize the number of Louisianians who are covered by some form of health insurance.
- (2) To provide basic health coverage to the working poor of the state who are not offered insurance through their employer and do not earn enough money to meet basic family needs and pay for private health insurance.
- (3) To protect the working poor and other financially vulnerable persons from being forced to obtain private insurance or be penalized financially, as provided in the ACA, for not maintaining health coverage.
- (4) To assure health care providers who serve low- to moderate-income persons of some amount of compensation for the care they provide.
- (5) To avert the economic and human costs of crises in both access to health care and health services financing which are likely to result from not participating in an expansion of a federal program while other major programs which finance medical care for the uninsured and the indigent are being drastically reduced.

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

(Adds R.S. 46:979.1-979.4)