

**SENATE COMMITTEE AMENDMENTS**

Amendments proposed by Senate Committee on Health and Welfare to Original Senate Bill No. 125 by Senator Peterson

1 AMENDMENT NO. 1

2 On page 1, line 3, delete "979.5" and insert "979.6"

3 AMENDMENT NO. 2

4 On page 1, delete lines 6 through 10, and insert "to provide for definitions; to provide for  
5 legislative findings and intent; to provide for reform of the Medicaid program in Louisiana;  
6 to provide for termination; and to provide for related matters."

7 AMENDMENT NO. 3

8 On page 1, line 13, delete "979.5" and insert "979.6"

9 AMENDMENT NO. 4

10 On page 1, line 14 after "**8-B.**" delete the remainder of the line and all of lines 15 and 16 and  
11 insert the following:

12 **"LOUISIANA HEALTH CARE INDEPENDENCE PROGRAM**

13 **§979.1. Title**

14 **This Chapter shall be known and may be cited as the "Louisiana Health**  
15 **Care Independence Act".**

16 **§979.2. Definitions"**

17 AMENDMENT NO. 5

18 On page 2, between lines 14 and 15, insert:

19 **"(5) "Health insurance marketplace" means the federal vehicle created**  
20 **to help individuals, families, and small businesses shop for and select health**  
21 **insurance coverage in a way that permits comparison of available qualified**  
22 **health plans based upon price, benefits, services, and quality, regardless of the**  
23 **governance structure of the marketplace.**

24 **(6) "Premium" means a charge that must be paid as a condition of**  
25 **enrolling in health care coverage.**

26 **(7) "Program" means the Louisiana Health Care Independence Program**  
27 **established by this Chapter.**

28 **(8) "Qualified health plan" means a federally certified individual health**  
29 **insurance plan offered by a carrier through the federal Health Insurance**  
30 **Marketplace.**

31 **(9) "Independence account" means individual financing structures that**  
32 **operate similar to a health savings account or a medical savings account.**

33 **(10) "Cost sharing" means the portion of the cost of a covered medical**  
34 **service that must be paid by or on behalf of eligible individuals, consisting of**  
35 **copayments or coinsurance, but not deductibles."**

36 AMENDMENT NO. 6

37 On page 2, delete line 15, and insert:

1 **"§979.3. Legislative findings; purpose"**

2 **AMENDMENT NO. 7**

3 On page 3, delete lines 3 through 19

4 **AMENDMENT NO. 8**

5 On page 3, line 20 delete "**(6)**" and insert "**(4)**"

6 **AMENDMENT NO. 9**

7 On page 3, delete lines 23 through 29

8 **AMENDMENT NO. 10**

9 On page 4, delete lines 1 through 6

10 **AMENDMENT NO. 11**

11 On page 4, at the beginning of line 7 insert "**B.**"

12 **AMENDMENT NO. 12**

13 On page 4, delete lines 25 through 29, and insert:

14 **"§979.4. Expansion of Medicaid eligibility in Louisiana; administration**  
15 **of the Louisiana Health Care Independence Program by the Department of**  
16 **Health and Hospitals**

17 **A. The Department of Health and Hospitals shall create and administer**  
18 **the Louisiana Health Care Independence Program within the department.**  
19 **After receiving the approval of the Senate and House Committees on Health**  
20 **and Welfare, the department shall on or before September 1, 2013, submit and**  
21 **apply for all of the following:**

22 **(1) Federal waivers necessary to implement the program in a manner**  
23 **consistent with this Chapter, including without limitation approval for a**  
24 **comprehensive waiver under Section 1115 of the Social Security Act, 42 U.S.C.**  
25 **1315.**

26 **(2) Medicaid state plan amendments necessary to implement the**  
27 **program in a manner consistent with this Chapter.**

28 **(3) Those Medicaid state plan amendments that are optional and**  
29 **therefore may be revoked by the state at its discretion.**

30 **B.(1) As part of its actions the department shall confirm that employers**  
31 **shall not be subject to the penalties, including without limitation an assessable**  
32 **payment, under Section 1513 of Pub. L. No. 111-148, as existing on January 1,**  
33 **2013, concerning shared responsibility, for employees who are eligible**  
34 **individuals if the employees meet either of the following criteria:**

35 **(a) Are enrolled in the program.**

36 **(b) Enroll in a qualified health plan through the federal health insurance**  
37 **marketplace.**

38 **(2) If the department is unable to confirm provisions under this Section,**  
39 **the program shall not be implemented.**

40 **C.(1) Implementation of the program shall be conditioned upon the**  
41 **receipt of necessary federal approvals.**

42 **(2) If the department does not receive the necessary federal approvals,**  
43 **the program shall not be implemented.**

44 **D. The program shall include premium assistance for eligible individuals**  
45 **to enable their enrollment in a qualified health plan through the federal health**  
46 **insurance marketplace.**

1           **E.(1) The department shall be specifically authorized to pay premiums**  
 2 **and supplemental cost-sharing subsidies directly to the federally qualified**  
 3 **health plans for enrolled eligible individuals.**

4           **(2) The intent of the payments under this Subsection is to increase**  
 5 **participation in the health insurance market, intensify price pressures, and**  
 6 **reduce costs for both publicly and privately funded health care.**

7           **F. The department shall accomplish the following to the extent allowable**  
 8 **by law:**

9           **(1) The department shall pursue strategies that promote insurance**  
 10 **coverage of children in their parents' or caregivers' plan, including children**  
 11 **eligible for the LaCHIP, the Louisiana Children's Health Insurance Program.**

12           **(2) The department shall develop and implement a strategy to inform**  
 13 **Medicaid recipient populations whose needs would be reduced or better served**  
 14 **through participation in the federal health insurance marketplace.**

15           **G. The program authorized under this Chapter shall terminate within**  
 16 **one hundred twenty days after a reduction in any of the following federal**  
 17 **medical assistance percentages:**

18           **(1) One hundred percent in 2014, 2015, or 2016.**

19           **(2) Ninety-five percent in 2017.**

20           **(3) Ninety-four percent in 2018.**

21           **(4) Ninety-three percent in 2019.**

22           **(5) Ninety percent in 2020 or any year after 2020.**

23           **H. An eligible individual enrolled in the program shall affirmatively**  
 24 **acknowledge the existence of all of the following facts:**

25           **(1) The program shall not be a perpetual federal or state right or a**  
 26 **guaranteed entitlement.**

27           **(2) The program shall be subject to cancellation upon appropriate notice.**

28           **(3) The program shall not be an entitlement program.**

29           **I.(1) The department shall develop a model and seek from the Center for**  
 30 **Medicare and Medicaid Services all necessary waivers and approvals to allow**  
 31 **nonaged, nondisabled program-eligible participants to enroll in a program that**  
 32 **shall create and utilize independence accounts that operate similar to a health**  
 33 **savings account or medical savings account during the calendar year 2015.**

34           **(2) The independence accounts shall accomplish both of the following:**

35           **(a) Allow a participant to purchase cost-effective high-deductible health**  
 36 **insurance.**

37           **(b) Promote independence and self-sufficiency.**

38           **(3) The state shall implement cost sharing and copays and, as a condition**  
 39 **of participation, earnings shall exceed fifty percent of the applicable federal**  
 40 **poverty level.**

41           **(4) Participants may receive rewards based on healthy living and self-**  
 42 **sufficiency.**

43           **(5)(a) At the end of each fiscal year, if there are funds remaining in the**  
 44 **account, a majority of the state's contribution shall remain in the participant's**  
 45 **control as a positive incentive for the responsible use of the health care system**  
 46 **and personal responsibility of health maintenance.**

47           **(b) Uses of the funds may include, without limitation, rolling the funds**  
 48 **into a private sector health savings account for the participant according to**  
 49 **rules promulgated by the department.**

50           **(c) The department shall promulgate rules to implement this Section in**  
 51 **accordance with the Administrative Procedure Act. State obligations for**  
 52 **uncompensated care shall be projected, tracked, and reported to identify**  
 53 **potential incremental future decreases.**

54           **(d) The department shall recommend appropriate adjustments in**  
 55 **funding to the legislature.**

56           **(e) Adjustments shall be made by the legislature as appropriate.**

57           **J. On a quarterly basis, the department shall report to the Joint**  
 58 **Legislative Committee on the Budget, within two weeks of the end of each**  
 59 **quarter, information regarding the following aspects of the program:**

60           **(1) Program enrollment.**

61           **(2) Patient experience.**

- 1                   **(3) Economic impact including enrollment distribution.**
- 2                   **(4) Carrier competition.**
- 3                   **(5) Success in avoiding uncompensated care."**

4    AMENDMENT NO. 13

5    On page 5, delete lines 1 through 8

6    AMENDMENT NO. 14

7    On page 6, between lines 14 and 15, insert:

8                   **"§979.6. Termination**

9                   **The provisions of this Chapter shall terminate and become null and void**  
10                  **on and after July 1, 2017."**