ENROLLED

Regular Session, 2013

ACT No. 439

HOUSE BILL NO. 533

BY REPRESENTATIVES KLECKLEY AND LEGER AND SENATORS JOHNS, MILLS, AND TARVER

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

A JOINT RESOLUTION

Proposing to add Article VII, Section 10.14 of the Constitution of Louisiana, to provide relative to health care funding; to create the Louisiana Medical Assistance Trust Fund as a treasury fund; to provide for accounts within the Louisiana Medical Assistance Trust Fund; to provide for deposit, use, and investment of the fund; to provide for a base rate for certain Medicaid Program provider funding; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to add Article VII, Section 10.14 of the Constitution of Louisiana, to read as follows:

<u>§10.14. Louisiana Medical Assistance Trust Fund</u>

<u>(A) There is hereby established as a special fund in the state treasury the Louisiana Medical Assistance Trust Fund, hereinafter referred to as "the fund", which shall consist of monies generated by fees as provided for in law. Subject to the exceptions contained in Article VII, Section 9(A) of this constitution, and after compliance with the requirements of Article VII, Section 9(B) of this constitution relative to the Bond Security and Redemption Fund, the treasurer shall deposit all proceeds from the fees collected as provided for in laws relative to the Louisiana Medical Assistance Trust Fund into the fund. The monies in the fund shall be invested by the state treasurer in the same manner as monies in the state general fund. All interest earned from the investment of monies in the fund shall be</u>

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deposited in and remain to the credit of the fund. All unexpended and unencumbered monies remaining in the fund at the close of each fiscal year shall remain in the fund.

(B) The treasurer is hereby authorized to establish a separate account within the fund for each health care provider group in which fees are collected according to law. Monies collected from each provider group, and the interest earned on those monies, shall be deposited into the account created for that provider group. Any monies deposited into the fund from sources not required by law, and the interest earned on those monies, shall be deposited into a separate account within the fund, hereafter referred to as "the general account".

(C) The legislature is authorized to appropriate monies from the fund only if the appropriation is eligible for federal financial participation under Title XIX of the Social Security Act, or its successor. The balance of each account shall be appropriated for reimbursement of services to the provider group which paid the fee into the account in any fiscal year, except monies deposited into the general account may be appropriated for any Medicaid Program expenditure.

(D) The monies appropriated from the provider accounts in the 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 Medicaid Program for Fiscal Year 2013-2014.

(E)(1) The legislature shall annually appropriate the funds necessary to provide for Medicaid Program rates for each provider group which pays fees into the fund that is no less than the average Medicaid Program rates established for Fiscal Year 2013-2014 and which may be adjusted annually by establishing the rates of inflation, or rebasing if applicable, which rates shall not be negative, to be applied to the base rates to establish the new base rates for the next fiscal year as authorized by law. For the purpose of this Section, "Medicaid Program" shall refer to the Louisiana medical assistance program provided for in Title XIX of the Social Security Act, or its successor.

(2) Notwithstanding Article VII, Section 10(F) of this constitution, neither the governor nor the legislature may reduce the base rate as provided for in this

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Paragraph to satisfy a budget deficit, except the governor may reduce the appropriation for the base rate if the following occur:

(a) Such reduction does not exceed the average reduction of those made to the appropriations and reimbursement for other providers under the Medicaid Program, or its successor; and

(b)(i) If the legislature is in session, the reduction is consented to in writing by two-thirds of the elected members of each house in a manner provided by law; or

(ii) If the legislature is not in session, the reduction is approved by two-thirds of the members of the Joint Legislative Committee on the Budget, or its successor.

Section 2. Be it further resolved that this proposed amendment shall be submitted to the electors of the state of Louisiana at the statewide election to be held on November 4, 2014, or the first statewide election occurring after the adoption of this Joint Resolution.

Section 3. Be it further resolved that on the official ballot to be used at the election, there shall be printed a proposition, upon which the electors of the state shall be permitted to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as follows:

Do you support an amendment to authorize the legislature to create the Louisiana Medical Assistance Trust Fund, for the payment of Medicaid reimbursement to the health care provider groups paying fees into the fund? (Adds Article VII, Section 10.14)

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

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