DIGEST

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HCR 8 Engrossed

2017 Regular Session

Barras

Provides for a hospital stabilization formula pursuant to Art. VII, §10.13 of the Constitution of La., including an assessment and reimbursement enhancements.

Requires the La. Dept. of Health (LDH) to calculate, collect, and levy an assessment from hospitals not to exceed the lesser of one of the following:

- (1) The state portion of the cost of the reimbursement enhancements from the payment for healthcare services through the implementation of Medicaid expansion which are directly attributable to payments to hospitals, excluding any federal financial participation and supplemental Medicaid payments.
- 1% of the total net patient revenue of all hospitals included in the assessment, as reported in the Medicare cost report ending in state FY 2015.

Provides for the assessment if the following occur:

- (1) The applicable federal financial participation for newly eligible Medicaid recipients under Medicaid expansion is less than 100%.
- (2) LDH submits a medicaid assessment report to the Joint Legislative Committee on the Budget.

Provides for reimbursement enhancements as follows:

- (1) Payment for healthcare services through the implementation of Medicaid expansion.
- (2) Payment of hospital reimbursement rates in an amount no less than the greater of the following:
 - (a) The reimbursement rates in effect for dates of service on or after Jan. 1, 2017, as provided for in State Plan Amendments TN 17-004 and TN 17-006.
 - (b) For dates of service on or after Jan. 1, 2018, for inpatient reimbursement rates indexed to the highest non-state hospital per diem rate in effect on Jan. 1, 2017, excluding carve-out specialty intensive care units and any graduate medical education portion of the per diem, and outpatient reimbursement rates which were in effect on

June 30, 2010.

Requires LDH to publish a report quarterly that includes total Medicaid enrollment, average monthly Medicaid managed care premium rates, aggregate claims by provider, and the total amount of hospital claims by hospital.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Appropriations</u> to the <u>original</u> bill:

- 1. Clarify that rural hospitals are excluded from the assessment.
- 2. Provide that in determining the inpatient reimbursement rates, the highest non-state hospital per diem is used, the per diem rates used in the determination were in effect on Jan. 1, 2017, and the specialty intensive care unit portion of the per diem is excluded.
- 3. Specify the determination of the inpatient reimbursement rates for separately licensed rehabilitation hospitals is for hospitals that are Medicare designated.