DIGEST

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Salter HB No. 131

Abstract: Changes the effective date of the Louisiana Healthcare Affordability Act.

<u>Present law</u> establishes the Louisiana Healthcare Affordability Act, which provides for the levy of fees on net patient revenues of certain hospitals, the avails of which shall be deposited into the Louisiana Healthcare Affordability Trust Fund. Further, <u>present law</u> provides for penalties and sanctions for nonpayment of fees, as well as for the passing on of fees for ultimate payment by a patient or other payer.

<u>Present law</u> limits the collection of fees to \$90 million per fiscal year. If it is determined that collections will exceed such amount in any fiscal year, the fee percentage due for the next calendar quarter shall be reduced. The fee percentage may be increased if it is determined that collections will be less than \$86 million in any fiscal year.

Present law establishes the Louisiana Healthcare Affordability Trust Fund as a special fund in the state treasury. The source of monies for the fund are the fees levied on total net patient revenues of certain hospitals. Monies in the fund may only be appropriated for purposes of the state Medicaid program under certain circumstances. Unexpended and unencumbered monies remaining in the fund at the end of the fiscal year shall remain to the credit of the fund. Monies in the fund shall be invested by the state treasurer in the same manner as those in the state general fund, and earnings shall be deposited into the fund.

Present law became effective June 28, 2005.

<u>Proposed law retains present law</u> and changes the effective date for <u>present law</u> to July 1, 2007.

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

(Amends §5 of Act 182 of the 2005 R.S.)