
DIGEST

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Smith

HB No. 536

Abstract: Provides for expansion of Medicaid through a program of premium assistance to be known as the "La. Health Care Independence Program".

Proposed law directs the Dept. of Health and Hospitals (DHH) to create and administer a program to be known as the Louisiana Health Care Independence Program. Provides for definitions of terms relating to the program.

Proposed law provides for legislative findings declaring that participation in the expansion of Medicaid eligibility, or the creation of any alternative health insurance program that maximizes access to health care for Louisiana residents whose income is at or below 138% of the federal poverty level, is in the best interest of Louisiana.

Proposed law provides that the purposes of the state in maximizing the efficient use of federal funds to provide access to health care for Louisiana residents whose income is at or below 138% of the federal poverty level as required by 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 insurance coverage to the citizens of Louisiana whose income is at or below 138% of the federal poverty level.
- (3) To assure health care providers who serve low to moderate income persons of some amount of compensation for the care they provide.

Proposed law requires DHH to promulgate rules in accordance with the APA to implement proposed law. Further requires that DHH, on or before Sept. 1, 2014, submit and apply for all of the following:

- (1) Federal waivers necessary to implement the program in a manner consistent with proposed law, including without limitation approval for a comprehensive waiver under Section 1115 of the Social Security Act, 42 U.S.C. 1315.
- (2) Medicaid state plan amendments necessary to implement the program in a manner consistent with proposed law.

Proposed law provides that implementation of the program shall be conditioned upon the receipt of necessary federal approvals.

Proposed law provides that the program may include premium assistance for eligible individuals to enable their enrollment in a qualified health plan through the federal health insurance marketplace.

Proposed law authorizes DHH to pay supplemental cost-sharing subsidies directly to qualified health plans for enrolled eligible individuals.

Proposed law directs DHH to pursue strategies that promote insurance coverage of children in their parents' or caregivers' plan, including children eligible for the La. Children's Health Insurance Program (LaCHIP).

Proposed law directs DHH to provide every La. citizen whose income is at or below 138% of the federal poverty level with either Medicaid coverage or access to health insurance with essential health benefits as provided by federal law. Further directs DHH to develop and implement a strategy to inform Medicaid recipient populations whose needs would be reduced or better served through participation in the federal health insurance marketplace.

Proposed law provides the program shall terminate within 120 days after a reduction in any of the following federal medical assistance percentages:

- (1) 100% in 2015 or 2016.
- (2) 95% in 2017.
- (3) 94% in 2018.
- (4) 93% in 2019.
- (5) 90% in 2020 or any year thereafter.

Proposed law requires that each adult who enrolls in the program affirmatively acknowledge all of the following:

- (1) The program is neither a perpetual right provided by the federal or state government nor a guarantee of assistance.
- (2) The program is subject to cancellation upon appropriate notice.
- (3) The program is not an entitlement program.

Proposed law provides the state may implement cost sharing and co-pays, as a condition of participation, for program participants whose earnings shall exceed 50% of the applicable federal

poverty level.

Proposed law provides that DHH shall recommend adjustments in program funding to the legislature, and that the legislature shall make such adjustments as appropriate.

Proposed law provides that on a quarterly basis, DHH shall report to the Joint Legislative Committee on the Budget, within two weeks of the end of each quarter, information regarding the following aspects of the program:

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

Proposed law requires that on or before July 1, 2015, and annually thereafter, the secretary of DHH shall provide to the legislative committees on health and welfare and the governor a written report covering the most recent one-year period which includes at minimum all of the following items:

- (1) Evaluation of major barriers to access to health care by Medicaid enrollees of this state and participants in the Louisiana Health Care Independence Program, and recommendations for policy changes to eliminate such barriers.
- (2) Summary of successful initiatives in Louisiana for disease prevention and early diagnosis and management of chronic conditions among Medicaid enrollees of this state and participants in the program.
- (3) Such other information as the secretary deems appropriate to convey a clear and sufficiently complete assessment of the impact of the program.

Proposed law requires DHH to make the report provided for in proposed law publicly available on its website.

Proposed law provides that when federal funding is no longer available to fund 90% of the total cost of operating the program, the legislature shall have the authority to decide whether to continue the program.

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

(Adds R.S. 46:979.1-979.6)