SLS 16RS-1041 **REENGROSSED**

2016 Regular Session

SENATE BILL NO. 443

BY SENATOR HEWITT

1

FISCAL CONTROLS. Provides for mandatory meetings of the Health and Social Services Estimating Conference for purposes of developing budget recommendations for the Medicaid program. (8/1/16)

AN ACT

2	To amend and reenact R.S. 39:21.3(E)(2)and (3) and to enact R.S. 39:21.3(E)(4), relative to
3	the Health and Social Services Estimating Conference; to provide for additional
4	members of the conference; to provide for the chairmanship of the conference; to
5	create a Medicaid Subcommittee; to provide for the composition and chairmanship
6	of the subcommittee; to provide for the meetings of the subcommittee for the
7	purpose of forecasting and reviewing information related to the Medicaid program;
8	to provide for budget development; and to provide for related matters.
9	Be it enacted by the Legislature of Louisiana:
10	Section 1. R.S. 39:21.3(E)(2) and (3) are hereby amended and reenacted and R.S.
11	39:21.3(E)(4) is hereby enacted to read as follows:
12	§21.3. Consensus estimating conferences; duties and principals
13	* * *
14	E. Health and Social Services Estimating Conference.
15	* * *
16	(2) Principals. The principals of the Health and Social Services Estimating
17	Conference are as follows:

1	(a) The chairman of the Senate Committee on Health and Welfare, or his
2	designee.
3	(b) The chairman of the House Committee on Health and Welfare, or his
4	designee.
5	(c) The chairman of the Senate Committee on Finance, or his designee.
6	(d) The chairman of the House Committee on Appropriations, or his
7	designee.
8	(e) The secretary of the Department of Health and Hospitals, or his
9	designee.
10	(f) The secretary of the Department of Children and Family Services, or
11	his designee.
12	(g) A member of the professional staff of the office of the governor to be
13	appointed by the governor.
14	(b)(h) A member of the professional staff of the division of administration
15	to be appointed by the commissioner of administration.
16	(e)(i) A member of the professional staff of the legislature who shall have
17	forecasting fiscal expertise to be appointed by the president of the Senate.
18	(d)(j) A member of the professional staff of the legislature who shall have
19	forecasting fiscal expertise to be appointed by the speaker of the House of
20	Representatives.
21	(e)(k) A member of the professional staff of the Department of Health and
22	Hospitals who shall have forecasting expertise to be appointed by the secretary of the
23	Department of Health and Hospitals.
24	(f)(1) A member of the professional staff of the Department of Children and
25	Family Services who shall have forecasting expertise to be appointed by the
26	secretary of the Department of Children and Family Services.
27	(m) The legislative fiscal officer, or his designee who shall have health
28	care experience.
29	(n) A faculty member specializing in health care economics from a public

1	or private university in the state, selected by the other principal members, from
2	a list of as many as five, but not less than three names, submitted to them by the
3	Board of Regents.
4	(o) All professional staff members serving as principals shall collaborate
5	with the appropriate departments to provide the data necessary for the
6	conference, or subcommittee of the conference, to fulfill the duties specified in
7	Paragraphs (1) and (4) of this Subsection.
8	(3) Principal Principals to preside over meetings. The principal representing
9	the office of the governor shall preside over sessions of the conference. The
10	chairmanship of the conference shall rotate annually among the four legislative
11	committee chairmen serving as principals, in the following order:
12	(a) The chairman of the Senate Committee on Finance.
13	(b) The chairman of the House Committee on Appropriations.
14	(c) The chairman of the Senate Committee on Health and Welfare.
15	(d) The chairman of the House Committee on Health and Welfare.
16	(4) Medicaid Subcommittee. There shall be a Medicaid Subcommittee
17	of the conference responsible for developing forecasts and reviewing
18	information related to the Medicaid Program, including but not limited to, the
19	number of Medicaid enrollees, the eligibility criteria under which individuals
20	are enrolling, the rate of utilization of services and growth in the cost of
21	services, provider reimbursement methodologies, and the factors considered in
22	developing the per-member-per-month premiums paid to the Medicaid
23	managed care companies.
24	(a) The membership of the subcommittee shall consist of the following
25	principals of the conference:
26	(i) The member of the professional staff of the division of administration
27	appointed by the commissioner of administration.
28	(ii) The member of the professional staff of the legislature who shall have
29	fiscal expertise and is appointed by the president of the Senate.

1	(iii) The member of the professional staff of the legislature who shall
2	have fiscal expertise and is appointed by the speaker of the House of
3	Representatives.
4	(iv) The member of the professional staff of the Department of Health
5	and Hospitals who shall have forecasting expertise and is appointed by the
6	secretary of the Department of Health and Hospitals.
7	(v) The legislative fiscal officer, or his designee who shall have health
8	care experience.
9	(vi) The faculty member specializing in health care economics selected
10	by the members of the conference.
11	(b) The chairmanship of the subcommittee shall rotate biennially among
12	the professional legislative staff appointed by the president of the Senate and the
13	speaker of the House of Representatives, beginning with the professional Senate
14	staff member.
15	(c) The subcommittee shall meet as follows:
16	(i) In September, to establish an initial forecast for the ensuing fiscal
17	year which shall be utilized by the Department of Health and Hospitals in
18	formulating its budget request.
19	(ii) In December, to revise the forecast for the ensuing fiscal year which
20	shall be utilized in the preparation of the executive budget recommendations by
21	the state budget office.
22	(iii) In April, to revise the forecast for the ensuing fiscal year which shall
23	be utilized by the legislature in its adoption of a state budget for the ensuing
24	fiscal year.
25	(iv) In July, to discuss the forecast for the current fiscal year as
26	compared to the current year appropriation.
27	(v) In addition to considering the forecast, the subcommittee may also
28	review any aspects of the Medicaid program as provided for in Paragraph (4)
29	of this Subsection at its regularly scheduled meetings or any additional

1 meetings, as necessary. 2 (vi) Any principal of the conference may request that the subcommittee 3 meet to discuss a specific issue. (d) The subcommittee shall submit a report to the conference 4 5 summarizing all topics discussed and any actions taken at each meeting. 6

> The original instrument was prepared by Martha Hess. The following digest, which does not constitute a part of the legislative instrument, was prepared by Linda Nugent.

DIGEST

SB 443 Reengrossed

2016 Regular Session

Hewitt

Present law provides the duties of the Health and Social Services Estimating Conference to be developing official information relating to the health and social service system of the state, including forecasts of social and health service caseloads, as the conference determines is needed for the state planning and budgeting system.

<u>Present law</u> provides for the principals of the Conference as:

- A member of the professional staff of the office of the governor to be appointed by (1) the governor.
- A member of the professional staff of the division of administration to be appointed (2) by the commissioner of administration.
- A member of the professional staff of the legislature who shall have fiscal expertise (3) to be appointed by the president of the Senate.
- A member of the professional staff of the legislature who shall have fiscal expertise **(4)** to be appointed by the speaker of the House of Representatives.
- A member of the professional staff of the Department of Health and Hospitals (5) (DHH) who shall have forecasting expertise to be appointed by the secretary of DHH.
- A member of the professional staff of the Department of Children and Family (6) Services (DCFS) who shall have forecasting expertise to be appointed by the secretary of DCFS.

Proposed law retains present law and adds as principals to the conference:

- (1) The chairman of the Senate Committee on Health and Welfare, or his designee.
- The chairman of the House Committee on Health and Welfare, or his designee. (2)
- The chairman of the Senate Committee on Finance, or his designee. (3)
- (4) The chairman of the House Committee on Appropriations, or his designee.
- The secretary of DHH, or his designee. (5)

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Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

- (6) The secretary of DCFS, or his designee.
- (7) The legislative fiscal officer, or his designee who shall have health care experience.
- (8) A faculty member specializing in health care economics from a public or private university in the state, selected by the other principal members from a list submitted by the Board of Regents.

<u>Present law</u> provides that the principal representing the office of the governor shall preside over sessions of the conference. <u>Proposed law</u> provides for the chairmanship to rotate annually among the four legislative committee chairmen serving as principals.

<u>Proposed law</u> provides for a Medicaid Subcommittee of the conference responsible for developing forecasts and reviewing information related to the Medicaid Program, including the number of Medicaid enrollees, eligibility criteria, rate of utilization and growth in the cost of services, provider reimbursement methodologies, and the factors used in developing the per-member-per-month premiums paid to the Medicaid managed care companies.

Proposed law provides for the membership of the Medicaid Subcommittee as follows:

- (1) A member of the professional staff of the division of administration to be appointed by the commissioner of administration.
- (2) A member of the professional staff of the legislature who shall have fiscal expertise to be appointed by the president of the Senate.
- (3) A member of the professional staff of the legislature who shall have fiscal expertise to be appointed by the speaker of the House of Representatives.
- (4) A member of the professional staff of DHH who shall have forecasting expertise to be appointed by the secretary of DHH.
- (5) The legislative fiscal officer, or his designee who shall have health care experience.
- (6) The faculty member specializing in health care economics selected by members of the conference.

<u>Proposed law</u> provides that the chairmanship of the subcommittee shall rotate biennially among the professional legislative staff appointed by the president of the Senate and the speaker of the House of Representatives.

Proposed law provides that the subcommittee shall meet as follows:

- (1) In September, to establish an initial forecast for the ensuing fiscal year which shall be utilized by the Department of Health and Hospitals in formulating its budget request.
- (2) In December, to revise the forecast for the ensuing fiscal year which shall be utilized in the preparation of the executive budget recommendations by the state budget office.
- (3) In April, to revise the forecast for the ensuing fiscal year which shall be utilized by the legislature in its adoption of a state budget for the ensuing fiscal year.
- (4) In July, to discuss the forecast for the current fiscal year as compared to the current year appropriation.

Proposed law authorizes the subcommittee to review any aspects of the Medicaid program

as provided for in <u>proposed law</u>. Further authorizes any principal of the conference to request that the subcommittee meet to discuss a specific issue. Requires the subcommittee to submit a summary report to the conference of topics discussed and any actions taken.

Effective August 1, 2016.

(Amends R.S. 39:21.3(E)(2) and (3); adds R.S. 39:21.3(E)(4))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

- 1. Provides for two additional principals of the conference.
- 2. Establishes a Medicaid Subcommittee and provides for its responsibilities and its membership.
- 3. Adds a July meeting date and its purpose for the subcommittee.
- 4. Provides for chairmanship of the conference and the subcommittee.
- 5. Removes effectiveness of <u>proposed law</u> upon signature of the governor (emergency clause).