

1 WHEREAS, according to an outline of a plan for hospital payment reform published
2 by the Louisiana Department of Health in November 2016, current spending in the Medicaid
3 hospital program overall is comprised of thirty-nine percent base rate payments and sixty-
4 one percent supplemental payments; and

5 WHEREAS, inverting these figures and causing at least the majority of hospital
6 funding to flow through base rate payments would lead to greater transparency, fairness, and
7 stability in the Medicaid hospital program; and

8 WHEREAS, if this state begins to utilize base rate payments for the majority of its
9 Medicaid hospital program spending, then supplemental payments could be used
10 increasingly as true supplements for purposes such as creating incentives for quality in care,
11 implementing a "money follows the patient" system for indigent care, or providing for a
12 combination of these and any other innovative programs for hospitals; and

13 WHEREAS, leaders at the Louisiana Department of Health are aware of the
14 implications of payment reform for the hospital industry, and have actively engaged
15 participants in that industry in developing a payment reform plan that achieves mutually
16 agreeable goals and is in the best interest of the public.

17 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
18 urge and request the Louisiana Department of Health to finalize plans for implementing
19 hospital payment reform within the Medicaid program.

20 BE IT FURTHER RESOLVED that the Legislature of Louisiana does hereby urge
21 and request the governing bodies of the licensed hospitals of this state to continue to
22 cooperate with the Louisiana Department of Health in this vitally important matter of public
23 policy as the hospital payment reform plan is finalized.

24 BE IT FURTHER RESOLVED that the Louisiana Department of Health shall
25 provide full transparency of payments to providers, including all payments from state and
26 federal funds and rates for individual services and aggregate payments to each provider, for
27 all services provided to beneficiaries of health programs funded through the state of
28 Louisiana. A record of payments shall be made available on the Louisiana Department of
29 Health website and updated quarterly.

1 BE IT FURTHER RESOLVED that on or before October 1, 2017, the Louisiana
2 Department of Health shall submit a report addressing its progress in finalizing the hospital
3 payment reform plan to the House Committee on Appropriations, the Senate Committee on
4 Finance, the House Committee on Health and Welfare, and the Senate Committee on Health
5 and Welfare.

6 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
7 secretary of the Louisiana Department of Health and the president and chief executive
8 officer of the Louisiana Hospital Association.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HCR 86 Reengrossed

2017 Regular Session

Thomas

Urges and requests the Louisiana Department of Health (LDH) to finalize plans for implementing hospital payment reform within the Medicaid program.

Urges and requests the governance bodies of La. hospitals to continue to cooperate with LDH in this initiative.

Requires LDH to provide full transparency of payments to providers, including all payments from state and federal funds and rates for individual services and aggregate payments to each provider, for all services provided to beneficiaries of state-funded health programs. Provides that a record of such payments shall be made available on the LDH website and updated quarterly.

Requires LDH to submit a report addressing its progress in finalizing the hospital payment reform plan to the House Committee on Appropriations, the Senate Committee on Finance, and the legislative committees on health and welfare on or before Oct. 1, 2017.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Health and Welfare to the original bill:

1. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Provide that LDH shall provide full transparency of payments to providers, including all payments from state and federal funds and rates for individual services and aggregate payments to each provider, for all services provided to beneficiaries of state-funded health programs.
2. Provide that a record of payments shall be made available on the LDH website and updated quarterly.