

2026 Regular Session

HOUSE RESOLUTION NO. 368

BY REPRESENTATIVE BACALA

MEDICAID: Requests the La. Department of Health to include certain information in its  
Monthly Medicaid Forecast Report

1 A RESOLUTION

2 To urge and request the Louisiana Department of Health to include certain additional items  
3 and information in the Monthly Medicaid Forecast Report that it submits to the Joint  
4 Legislative Committee on the Budget.

5 WHEREAS, each month, the Louisiana Department of Health, referred to hereafter  
6 as the "department", submits to the Joint Legislative Committee on the Budget a report  
7 known as the Monthly Medicaid Forecast Report in accordance with statutory reporting  
8 obligations related to budget execution; and

9 WHEREAS, the Monthly Medicaid Forecast Report tracks aggregate expenditures  
10 in a fiscal year against the appropriation enacted in the General Appropriation Act for that  
11 fiscal year; and

12 WHEREAS, the Louisiana Medicaid program is forecast to expend approximately  
13 twenty-one billion five hundred sixty-two million dollars during State Fiscal Year 2026,  
14 making it the largest program in the state budget; and

15 WHEREAS, more than seven billion four hundred million dollars of Medicaid  
16 expenditures, representing over one-third of total program expenditures, are currently  
17 reported in aggregated categories within the Monthly Medicaid Forecast Report, including  
18 approximately six billion three hundred sixty million dollars in managed care directed  
19 payments, approximately nine hundred thirty million dollars in Managed Care Incentive  
20 Payment program expenditures, and fee-for-service supplemental payments appropriated at

1 approximately one hundred fifty-four million dollars and currently forecast at approximately  
2 one hundred seventy-three million dollars; and

3 WHEREAS, approximately one billion three hundred eight million dollars in  
4 budgeted pharmacy rebates are reflected as offsets against gross pharmacy expenditures  
5 rather than disclosed separately, and approximately two hundred thirty million five hundred  
6 thousand dollars in interagency transfers is disclosed as a means of finance without  
7 identification of transferring entities or recipient payment programs; and

8 WHEREAS, pursuant to authority granted in federal Medicaid regulations (42 CFR  
9 438.6), Louisiana operates a Managed Care Incentive Payment (MCIP) program involving  
10 two networks of participating hospital systems; and

11 WHEREAS, according to a March 2025 performance audit report issued by the  
12 Louisiana Legislative Auditor, the MCIP program disbursed approximately two billion three  
13 hundred ninety million dollars cumulatively from September of 2019 through March of  
14 2024; and

15 WHEREAS, the legislative auditor's performance audit identified limitations in  
16 MCIP program reporting and recommended enhanced transparency, monitoring, and  
17 oversight mechanisms; and

18 WHEREAS, the level of aggregation in the existing Monthly Medicaid Forecast  
19 Report limits the ability of the legislature, the legislative auditor, healthcare providers, and  
20 other external reviewers to reconcile reported expenditures to federally approved payment  
21 authorities and to assess accountability for payments to specific provider categories; and

22 WHEREAS, the department, its actuarial contractor, and the managed care  
23 organizations under contract with the department maintain payment-level data sufficient to  
24 separate the aggregated items in the existing report by payment program, provider class,  
25 financing source, and federally approved payment authority; thus, enhanced transparency  
26 reporting may be achieved without new data collection, without additional appropriated  
27 funding, and without changes to existing payment authorities; and

28 WHEREAS, improved transparency in periodic Medicaid reporting directly supports  
29 legislative oversight of the largest program in the state budget, the actuarial credibility of the

1 rate-setting process, accountability for provider payments, and the long-term sustainability  
2 of this state's Medicaid program.

3 THEREFORE, BE IT RESOLVED that the House of Representatives of the  
4 Legislature of Louisiana does hereby urge and request the Louisiana Department of Health  
5 to add the following items and information to the Monthly Medicaid Forecast Report that  
6 it submits to the Joint Legislative Committee on the Budget:

7 (1) A disaggregation of all managed care directed payment program expenditures  
8 by individual directed payment program, by provider class, by recipient provider category,  
9 and by non-federal share source, with totals reconciling to the corresponding line of the most  
10 recent Monthly Medicaid Forecast Report.

11 (2) A disaggregation of all fee-for-service supplemental payment expenditures by  
12 individual supplemental payment pool, by federal authority, and by non-federal share source.

13 (3) A disaggregation of all Managed Care Incentive Payment program expenditures  
14 by network, by approved incentive arrangement, by recipient hospital system, and by earned  
15 versus unearned milestone amounts.

16 (4) A detail of all interagency transfers used as a means of finance for Medicaid  
17 expenditures identifying the transferring governmental entity, the receiving payment  
18 program, and the federal financial participation drawn against each transfer.

19 (5) Pharmacy expenditures reported on a gross basis with separate disclosure of  
20 federal rebates pursuant to the Centers for Medicare and Medicaid Services Outpatient Drug  
21 Rebate program, state supplemental rebates, 340B program adjustments, and net pharmacy  
22 expenditures, together with rebate yield percentages.

23 (6) A provider-type total payment data crosswalk that, for each major Medicaid  
24 provider category, reports total payments received across all payment authorities, including  
25 fee-for-service base payments, fee-for-service supplemental payments, managed care base  
26 fee schedule payments, managed care directed payments, and uncompensated care payments.

27 (7) For each directed payment, supplemental payment, and uncompensated care  
28 arrangement, the federally approved payment ceiling, current forecasted expenditures,  
29 percentage of approved authority utilized, and remaining authorized payment capacity, with

1 reference to the relevant preprint, state plan amendment, or demonstration waiver approval  
2 document.

3 BE IT FURTHER RESOLVED that the Louisiana Department of Health shall  
4 include the additional items and information requested in this Resolution beginning January  
5 1, 2027, with a reasonable phased implementation schedule for any elements requiring  
6 additional time to develop.

7 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the  
8 secretary of the Louisiana Department of Health.

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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)]

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HR 368 Original

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