The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Christopher D. Adams.

DIGEST

<u>Present law</u> provides for the Louisiana Medical Assistance Trust Fund and how monies from the fund as appropriated by the legislature shall be used and expended under the supervision of the secretary of the Department of Health and Hospitals (DHH) for the Medicaid program.

Proposed law amends present law to provide for within the fund there shall be segregated sub-accounts, one for each health care provider group that pays fees pursuant to present law.

Proposed law provides monies collected from each health care provider group shall accrue to the sub-account of that health care provider group. Proposed law provides monies shall be allocated, with accompanying federal matching money, to each of the health care provider groups in proportion to the amount of fees collected in each sub-account, based upon fees established by DHH pursuant to present law, and such allocation shall be calculated using collections data from the most recent four quarters where data is available prior to the state fiscal year for which the allocation will be made.

<u>Proposed law</u> provides the legislature shall be authorized to appropriate as state funds to the department for use in any fiscal year, all revenues dedicated and deposited into each segregated sub-account. <u>Proposed law</u> provides such appropriations shall be made for the sole purpose to obtain federal financial participation in the provision of support to health care provider groups listed in <u>present law</u>. <u>Proposed law</u> provides any appropriation from the segregated sub-account for any purpose other than medical assistance payments to health care provider groups listed in <u>present law</u> shall be void. <u>Proposed law</u> provides appropriations from monies generated by health care provider group fees, including federal financial participation on those fees, shall be expended as follows:

- (1) For the fiscal year commencing July 1, 2014, at least one-third of such appropriations in each sub-account shall be used solely for the purpose of Medicaid reimbursement payments to the health care provider group generating the fees listed in <u>present law</u>.
- (2) For the fiscal year commencing July 1, 2015, at least two-thirds of such appropriations in each sub-account shall be used for the purpose of Medicaid reimbursement payments to the health care provider group generating those fees listed in <u>present law</u>.
- (3) For the fiscal year commencing July 1, 2016, and fiscal years thereafter, all of such appropriations in each sub-account shall be used for the purpose of Medicaid reimbursement payments to the health care provider groups generating those fees listed in present law.

<u>Proposed law</u> amends <u>present law</u> to provide the monies in the fund shall not be used to displace, replace, or supplant appropriations from the state general fund for the Medicaid program below

the amount of state general fund appropriations to the agency for the 2013-2014 Fiscal Year.

<u>Proposed law</u> amends <u>present law</u> to provide the state treasurer shall report the status of the fund and its sub-accounts at least quarterly to the secretary of DHH and the Joint Legislative Committee on the Budget.

<u>Proposed law</u> amends <u>present law</u> to remove the requirement that use of the monies in the fund shall be limited to those programs for which federal financial participation under Title XIX of the Social Security Act is available.

<u>Present law</u> provides DHH is hereby authorized to adopt and impose fees for health care services provided by the Medicaid program on every nursing facility, every intermediate care facility for people with developmental disabilities, every pharmacy in the state of Louisiana and certain out-of-state pharmacies, dispensing physicians, and medical transportation providers.

<u>Proposed law</u> amends <u>present law</u> to provide the amount of the fees imposed under the rules and regulations adopted shall not exceed the maximum allowed by federal law and regulations.

<u>Proposed law</u> amends <u>present law</u> and removes the requirement that notwithstanding any other provision of law to the contrary, except the maximum fee of ten dollars as provided in <u>present law</u>, DHH shall not impose any new fee or increase any fee on any nursing home on or after April 1, 1992, without prior approval of the specific fee amount by record vote of a majority of the elected members of each house of the legislature while in session. Any such fee imposed or increased by DHH on or after such date shall be null and of no effect.

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

(Amends R.S. 46:2623 and 2625)