DIGEST

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Kleckley HB No. 533

Abstract: Creates the Louisiana Medical Assistance Trust Fund as a constitutional fund, establishes accounts within the fund to deposit provider fees, and uses the accounts to provide reimbursement for Medicaid services.

<u>Present law</u> (R.S. 46:2623 and 2625 and R.S. 22:842) creates the Louisiana Medical Assistance Trust Fund (MATF) and appropriates monies in the fund for use and expenditure under the supervision of the secretary of the Department of Health and Hospitals for the Medicaid program. The fees collected are from nursing facilities, intermediate care facilities for people with developmental disabilities, prescriptions, medical transportation providers and health care premium assessments paid by Medicaid-enrolled managed care organizations.

<u>Proposed constitutional amendment</u> creates the Louisiana Medical Assistance Trust Fund as a constitutional fund and provides for the deposit of all proceeds from the fees collected as provided for in <u>present law</u> into the fund. <u>Proposed constitutional amendment</u> establishes separate accounts within the fund for each healthcare provider group in which fees are collected according to law and deposits the monies collected from each provider group into the account created for that provider group. Any monies deposited into the fund from sources not required by law are deposited into a general account.

The amount of appropriation from the fund shall be an annually established base rate that is no less than the average Medicaid Program rate in place on July 1, 2013, adjusted annually with an inflation rate that shall not be negative, to establish the base rate for the next fiscal year. The balance of each account can be appropriated for reimbursement of services to the provider group which paid the fee into the account in any fiscal year, except:

- (1) In Fiscal Year 2013-2014, 1/3 of the balance of each account may be appropriated for reimbursement of services to the provider group which paid the fee into the account in any fiscal year.
- (2) In Fiscal Year 2014-2015, 2/3 of the balance of each account may be appropriated for reimbursement of services to the provider group which paid the fee into the account in any fiscal year.
- (3) Monies deposited into the general account may be appropriated for any Medicaid Program expenditure.

<u>Proposed constitutional amendment</u> provides for reductions to the appropriations if the reduction is consented to in writing by two-thirds of the elected members of each house in a manner provided by law and does not exceed the average reduction of those made to the appropriations for other providers under the Medicaid Program.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 4, 2014.

(Adds Const. Art. VII, Section 10.13)