

2016 Regular Session

HOUSE BILL NO. 435

BY REPRESENTATIVE HODGES

MEDICAID: Directs the Department of Health and Hospitals to institute cost sharing for certain Medicaid-covered services

1 AN ACT

2 To enact Part XIV of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 46:460.101 through 460.104, relative to Medicaid cost  
4 containment; to provide for definitions; to establish cost sharing requirements for  
5 noninstitutional care provided to Medicaid enrollees; to establish cost sharing  
6 requirements for nonemergency services at hospital emergency departments provided  
7 to Medicaid enrollees; to provide conditions and limitations relative to cost sharing  
8 requirements; to require administrative rulemaking and submission of Medicaid state  
9 plan amendments; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Part XIV of Chapter 3 of Title 46 of the Louisiana Revised Statutes of  
12 1950, comprised of R.S. 46:460.101 through 460.104, is hereby enacted to read as follows:

13 PART XIV. MEDICAID COST CONTAINMENT

14 §460.101. Definitions

15 As used in this Part, the following terms have the meaning ascribed in this

16 Section:

17 (1) "Cost sharing" means a contribution that a Medicaid enrollee makes  
18 toward the cost of a Medicaid-covered health service which he utilizes, through  
19 mechanisms including but not limited to deductibles, copayments, and coinsurance.

20 (2) "Department" means the Department of Health and Hospitals.

1           (3) "Emergency medical condition" means a medical condition manifesting  
2           itself by acute symptoms of sufficient severity, including but not limited to severe  
3           pain, that the absence of immediate medical attention could reasonably be expected  
4           to result in any of the following:

5                   (a) Placing the health of the patient in serious jeopardy.

6                   (b) Serious impairment to bodily functions.

7                   (c) Serious dysfunction of any bodily organ or part.

8           (4) "Emergency room" means an emergency department operated within a  
9           hospital facility licensed pursuant to the Hospital Licensing Law, R.S. 40:2100 et  
10           seq.

11           (5) "Medicaid" means the medical assistance program provided for in Title  
12           XIX of the Social Security Act.

13           (6) "Nonemergency services" means services provided by a hospital  
14           emergency department for the treatment of any medical condition other than an  
15           emergency medical condition as defined in this Section.

16           §460.102. Legislative findings

17                   The Legislature of Louisiana does hereby find and declare the following:

18                   (1) Medicaid constitutes the largest single programmatic item in the budget  
19                   of this state.

20                   (2) The system of funding for the Medicaid program as currently structured  
21                   is unsustainable, and cost containment in this major assistance program is an urgent  
22                   priority of this state.

23                   (3) It is the intent of the legislature by enactment of this Part to contain  
24                   Medicaid program costs while protecting the health of the persons who utilize the  
25                   program.

26                   (4) Limiting Medicaid coverage of nonemergency services delivered in  
27                   hospital emergency departments is a sensible and fiscally responsible policy as it  
28                   provides a prudent means of containing Medicaid costs.

1       §460.103. Medicaid-covered noninstitutional care and nonemergency services at  
2               emergency departments; cost sharing required

3               A. The department shall establish cost sharing requirements in the Medicaid  
4               program for all of the following services provided to Medicaid enrollees, subject to  
5               the requirements of Section 1916 of the Social Security Act and 42 CFR 447.50 et  
6               seq.:

7                       (1) Cost sharing for noninstitutional care, including but not limited to  
8                       physician visits, as authorized in 42 CFR 447.52.

9                       (2) Cost sharing for nonemergency services furnished in a hospital  
10                      emergency room as authorized in 42 CFR 447.52.

11               B. The cost sharing functions provided for in this Section shall be imposed  
12               upon all categories of recipients not excluded from cost sharing by the provisions of  
13               Section 1916 of the Social Security Act.

14               C. The amount of each cost sharing function required by the provisions of  
15               this Section shall be the maximum nominal amount allowed pursuant to 42 CFR  
16               447.50 et seq.

17       §460.104. Implementation; Medicaid state plan amendments; administrative  
18               rulemaking

19               The secretary of the department shall submit to the Centers for Medicare and  
20               Medicaid Services all Medicaid state plan amendments, promulgate all rules and  
21               regulations in accordance with the Administrative Procedure Act, and take any other  
22               actions as necessary to implement the provisions of this Part.

---

#### 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)]

---

HB 435 Original

2016 Regular Session

Hodges

**Abstract:** Directs the Dept. of Health and Hospitals (DHH) to institute cost sharing for certain Medicaid-covered services.

Proposed law directs DHH to promulgate rules and regulations establishing cost sharing requirements in the Medicaid program for both of the following category of services:

- (1) Noninstitutional care, including but not limited to physician visits.
- (2) Nonemergency services furnished in a hospital emergency room.

Proposed law defines key terms used in proposed law including "cost sharing", "emergency medical condition", "Medicaid", and "nonemergency services".

Proposed law requires the cost sharing to be imposed on all recipients who are not excluded by federal regulation from cost sharing requirements, such as children, pregnant women, and institutionalized individuals.

Proposed law sets the amount of the copayment as the maximum nominal amount permitted by federal regulation, including annual adjustments.

(Adds R.S. 46:406.101-104)