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## DIGEST

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HB 474 Original

2016 Regular Session

Hoffmann

**Abstract:** Provides for Medicaid expansion in La. through a demonstration waiver program, and provides requirements and specifications for the waiver program.

Proposed law provides that its purpose is to provide for a consumer-driven health plan which reduces the number of uninsured, low-income Louisianians; increases access to healthcare services; emphasizes personal health responsibility; promotes improved health outcomes; promotes private market coverage; and facilitates state fiscal responsibility and efficient management of the Medicaid program.

Proposed law provides the following definitions:

- (1) "ACA" and "Affordable Care Act" mean the following acts of congress, collectively:
  - (a) The Patient Protection and Affordable Care Act (Public Law 111-148).
  - (b) The Health Care and Education Reconciliation Act (Public Law 111-152).
- (2) "Demonstration waiver program" means a program implemented through a waiver of otherwise applicable federal law and regulation pursuant to Section 1115 of the Social Security Act.

Proposed law provides that following initiation by the Department of Health and Hospitals (DHH) of any actions necessary to expand Medicaid in accordance with the ACA, the DHH secretary shall file the demonstration waiver program application with the federal Medicaid agency which provides, at minimum, for all of the following:

- (1) Financing of the federal share of Medicaid expansion through a per capita payment.
- (2) Establishing premiums through monthly contributions to personal wellness and responsibility health savings accounts for newly eligible adults with income between 100% and 138% of the federal poverty level, and who are not excluded from cost sharing pursuant to federal law, with services delivered through capitated managed care organizations. With respect to these premiums:
  - (a) Premium payments shall be a condition of eligibility for nonmedically frail beneficiaries with income between 100% and 138% of the federal poverty level.

- (b) Premium amounts shall be assessed according to a sliding scale based on income, with such amounts and the scale to be determined by the DHH secretary.
- (3) Establishing premiums through monthly contributions to personal wellness and responsibility health savings accounts for newly eligible adults with income below 100% of the federal poverty level, and who are not excluded from cost sharing pursuant to federal law, with services delivered through capitated managed care organizations. With respect to these premiums:
  - (a) The DHH secretary shall establish a differential system of benefits based upon payment or nonpayment of premiums.
  - (b) Payment of premiums by an enrollee shall qualify him for an expanded benefit package, and nonpayment of premiums shall qualify him for a more limited benefit package, with benefit package features to be determined by the secretary.
- (4) Requiring newly eligible adults to make minimum contributions to the health savings accounts provided for in proposed law as a condition for monies in the accounts to roll forward from year to year.

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

(Adds R.S. 46:979.11-979.13)