

1 WHEREAS, in a decision announced on June 28, 2012, the United States Supreme
2 Court in *National Federation of Independent Business Et Al. v. Sebelius, Secretary of Health*
3 *and Human Services, Et Al.* upheld the overall constitutionality of the ACA; and

4 WHEREAS, in the same ruling, a majority of the court held that the penalty for a
5 state's nonparticipation in the expansion of Medicaid eligibility as provided in the ACA is
6 unconstitutionally coercive because it entails withholding of all federal funds for existing
7 Medicaid programs if a state does not expand Medicaid eligibility; and

8 WHEREAS, the effect of this aspect of the court's decision is to make participation
9 in the Medicaid expansion optional for the states; and

10 WHEREAS, at twenty-five percent of the federal poverty level, or just under five
11 thousand eight hundred dollars in annual income for a family of four presently, the income
12 eligibility threshold of this state for Medicaid benefits for parents of Medicaid-eligible
13 children is the second-lowest in the nation; and

14 WHEREAS, the working poor of this state would benefit greatly from the expansion
15 of Medicaid income eligibility, as provided in the ACA, to one hundred thirty-three percent
16 of the federal poverty level, or thirty thousand seven hundred thirty-three dollars in annual
17 income for a family of four presently; and

18 WHEREAS, correspondingly, the working poor will be penalized to the greatest
19 extent financially by the provisions of the ACA if this state refuses to participate in the
20 Medicaid expansion and those families fail to maintain health coverage after January 1, 2014
21 as required by law; and

22 WHEREAS, the ACA provides that Medicaid benefits for households who become
23 eligible due to the expansion will be financed entirely with federal funds for the first three
24 years of the expansion, and that the federal share of funding for benefits to these "new
25 eligibles" will phase down from one hundred percent to ninety percent between 2017 and
26 2020, with the federal share remaining at ninety percent in ensuing years; and

27 WHEREAS, the Legislature of Louisiana does hereby affirm that the working poor
28 of this state deserve access to health care, and that health care providers who serve the
29 working poor must be assured of some amount of compensation for the care they deliver to
30 this population; and

1 WHEREAS, health care for Louisiana workers who do not qualify for Medicaid,
2 whose jobs do not provide health benefits, and who cannot afford private health insurance
3 has traditionally been financed by the Medicaid and Medicare Disproportionate Share
4 Hospital (DSH) programs, which currently provide major support to hospitals that furnish
5 uncompensated care to low-income uninsured persons; and

6 WHEREAS, the ACA stipulates that beginning in 2014, the federal government will
7 dramatically reduce DSH funding as presently-uninsured Americans obtain either private
8 health insurance or Medicaid coverage as provided in the ACA; and

9 WHEREAS, a state refusing to participate in the Medicaid expansion in the face of
10 dramatically reduced DSH funding would create a truly untenable situation for working poor
11 families and for all hospitals of the state, as the federal Emergency Medical Treatment and
12 Active Labor Act (EMTALA) requires hospitals to provide care to anyone needing
13 emergency treatment regardless of their ability to pay, and such law includes no provisions
14 for reimbursing hospitals for such care; and

15 WHEREAS, compared with the economic and human costs of a crisis in health care
16 financing arising from non-participation in the Medicaid expansion coupled with an
17 impending loss of DSH funding, the costs to Louisiana of avoiding this crisis by
18 participating in the Medicaid expansion are negligible; and

19 WHEREAS, it is absolutely clear that for compelling economic and moral reasons,
20 participation in the Medicaid expansion is in the best interest of this state.

21 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
22 authorize and direct the secretary of the Department of Health and Hospitals to take all such
23 actions as are necessary, including but not limited to amending the Medicaid state plan, to
24 expand the eligibility standards of the Medicaid program of this state to conform such
25 standards to those established in the Affordable Care Act.

26 BE IT FURTHER RESOLVED that the secretary of the Department of Health and
27 Hospitals shall submit to the Centers for Medicare and Medicaid Services the Medicaid state
28 plan amendment necessary to institute the expanded eligibility standards as provided in this
29 Resolution on or before September 1, 2013.

1 BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted
2 to the secretary of the Department of Health and Hospitals.

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)]

Norton

HCR No. 4

Authorizes and directs the DHH secretary to take such actions as are necessary to expand the eligibility standards of the Medicaid program of this state to conform such standards to those established in the Affordable Care Act ("federal health reform"); and to submit by Sept. 1, 2013 the Medicaid state plan amendment necessary to provide for the expansion.