

Regular Session, 2013

SENATE BILL NO. 125

BY SENATOR PETERSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MEDICAID. Provides that eligibility standards for the La. Medicaid program shall conform to those established by the Affordable Care Act and requires reporting of program outcomes.  
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AN ACT

To enact Chapter 8-B of Title 46 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 46:979.1 through 979.5, relative to the medical assistance program; to provide for eligibility for benefits of the medical assistance program; to require state participation in the medical assistance program expansion provided in federal law; to provide for duties of the secretary of the Department of Health and Hospitals; to provide relative to the medical assistance program state plan; to authorize promulgation of rules; to require reports concerning the medical assistance program to the legislative committees on health and welfare and the governor; to specify the minimum required content of such reports; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 8-B of Title 46 of the Louisiana Revised Statutes of 1950, comprised of R.S. 46:979.1 through 979.5, is hereby enacted to read as follows:

**CHAPTER 8-B. MEDICAL ASSISTANCE PROGRAM EXPANSION AND  
ENHANCED OUTCOMES REPORTING**

**§979.1. Definitions**

**As used in this Chapter, the following terms shall have the following**

1 **definitions, unless the context clearly indicates otherwise:**

2 **(1) "ACA" and "Affordable Care Act" mean the following acts of**  
3 **Congress, collectively:**

4 **(a) The Patient Protection and Affordable Care Act, which originated**  
5 **as H.R. 3590 in the One Hundred Eleventh United States Congress and became**  
6 **Public Law 111-148.**

7 **(b) The Health Care and Education Reconciliation Act, which originated**  
8 **as H.R. 4872 in the One Hundred Eleventh United States Congress and became**  
9 **Public Law 111-152.**

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

11 **(3) "Medicaid" and "medical assistance program" mean the medical**  
12 **assistance program provided for in Title XIX of the Social Security Act.**

13 **(4) "Secretary" means the secretary of the Department of Health and**  
14 **Hospitals.**

15 **§979.2. Legislative findings; declaration**

16 **A. The Legislature of Louisiana does hereby find and declare the**  
17 **following:**

18 **(1) The Affordable Care Act, referred to hereafter in this Chapter as the**  
19 **"ACA", sets forth health and policy reforms which reshape the way virtually**  
20 **all Americans will receive and finance their healthcare.**

21 **(2) In a decision announced on June 28, 2012, the Supreme Court of the**  
22 **United States, in *National Federation of Independent Business, et al. v. Sebelius,***  
23 ***Secretary of Health and Human Services, et al.* upheld the overall**  
24 **constitutionality of the ACA; but in the same ruling, a majority of the court held**  
25 **that the mandatory expansion of Medicaid eligibility as provided in the ACA is**  
26 **unconstitutionally coercive of states, thereby making participation in the**  
27 **Medicaid expansion a voluntary proposition for each state.**

28 **(3) At twenty-five percent of the federal poverty level, or just under**  
29 **eight thousand dollars in annual income for a family of four presently, the**

1 income eligibility threshold of this state for Medicaid benefits for parents of  
2 Medicaid-eligible children is the second-lowest in the nation.

3 (4) All of the following provisions of the ACA apply in states which  
4 participate in the Medicaid expansion:

5 (a) The Medicaid income eligibility threshold increases to one hundred  
6 thirty-three percent of the federal poverty level, or thirty thousand seven  
7 hundred thirty-three dollars in annual income for a family of four presently, for  
8 all persons of ages nineteen to sixty-four beginning on January 1, 2014.

9 (b) The federal share of funding for Medicaid benefits for persons who  
10 became eligible due to the expansion is one hundred percent from 2014 through  
11 2017.

12 (c) The federal share of funding for Medicaid benefits for persons who  
13 became eligible due to the expansion phases down from one hundred percent to  
14 ninety percent between 2017 and 2020, with the federal share remaining at  
15 ninety percent in ensuing years.

16 (5) Within federally provided guidelines, the secretary of the  
17 department may establish and modify eligibility standards for the Medicaid  
18 program through amendments to the Medicaid state plan and to administrative  
19 rules providing for operation of the program.

20 (6) The legislature declares that due to compelling moral and economic  
21 reasons, participation in the expansion of Medicaid eligibility as provided in the  
22 ACA is in the best interest of this state.

23 B. In a publication entitled "Louisiana Medicaid Annual Report", the  
24 department traditionally provides summary data on inputs (spending) and  
25 outputs (services delivered) of the Medicaid program; however, as evidenced in  
26 part by the final passage of Senate Bill No. 207 of the 2011 Regular Session of  
27 the Legislature and Senate Bill No. 629 of the 2012 Regular Session of the  
28 Legislature, the legislature intends that the department should undertake a  
29 more comprehensive and transparent effort to report actual health outcomes

1 of the Medicaid program and program accountability measures, as such  
2 enhanced reporting would be essential to facilitation of a clearer understanding  
3 by policymakers and the general public of the effectiveness of a program which  
4 would serve nearly forty percent of this state's population if expanded pursuant  
5 to the provisions of this Chapter.

6 §979.3. Purposes

7 The purposes of this state in expanding Medicaid eligibility to conform  
8 to the standards provided in the ACA, as required by this Chapter, are as  
9 follows:

10 (1) To maximize the number of Louisianians who are covered by some  
11 form of health insurance.

12 (2) To provide basic health coverage to the working poor of the state  
13 who are not offered insurance through their employer and do not earn enough  
14 money to meet basic family needs and pay for private health insurance.

15 (3) To assure health care providers who serve low to moderate income  
16 persons of some amount of compensation for the care they provide, as the ACA  
17 provides for a dramatic reduction in funding to federal programs which  
18 currently finance care for the uninsured as a means of financing the Medicaid  
19 expansion.

20 (4) To avert the economic and human costs of crises in both access to  
21 health care and health services financing which are likely to result from not  
22 participating in an expansion of a major federal program while other sources  
23 of financing for medical care for the uninsured and the indigent are being  
24 drastically reduced or eliminated.

25 §979.4. Expansion of Medicaid eligibility; duties of the secretary of the  
26 Department of Health and Hospitals

27 On or before September 1, 2013, the secretary of the department shall  
28 take all of the following actions:

29 (1) File a Medicaid state plan amendment with the Centers for Medicare

1 and Medicaid Services to provide that beginning on January 1, 2014, eligibility  
2 standards for medical assistance program benefits in Louisiana conform to the  
3 minimum eligibility standards as provided in the Patient Protection and  
4 Affordable Care Act (P.L. 111-148) and codified in federal regulations relative  
5 to medical assistance program coverage (42 CFR 435.119).

6 (2) Promulgate all rules and regulations in accordance with the  
7 Administrative Procedure Act as are necessary to implement the provisions of  
8 this Chapter.

9 §979.5. Medicaid program outcomes; reporting requirements

10 A. On or before July 1, 2014, and annually thereafter, the secretary of  
11 the department shall provide to the House and Senate committees on health and  
12 welfare and to the governor a written report covering the most recent one-year  
13 period which includes at minimum all of the items required hereafter in this  
14 Section.

15 B. The secretary shall make the report provided for in this Section  
16 publicly available on its Internet website.

17 C. The report shall include but shall not be limited to the following  
18 items:

19 (1) Evaluation of overall health outcomes and quality of care for  
20 Medicaid enrollees of this state and recommendations for policy changes to  
21 improve such outcomes and quality of care. Measurements on which the  
22 secretary shall base the evaluation provided for in this Paragraph shall be  
23 derived from a metric which is generally accepted by public and private health  
24 care providers such as the Healthcare Effectiveness Data and Information Set  
25 (HEDIS).

26 (2) Evaluation of major barriers to access to health care by Medicaid  
27 enrollees of this state and recommendations for policy changes to eliminate such  
28 barriers.

29 (3) Summary of successful initiatives in this state for disease prevention

1           **and early diagnosis and management of chronic conditions among Medicaid**  
2           **enrollees of this state.**

3           **(4) Trends in enrollment of health care providers in the Medicaid**  
4           **program of this state during the period covered by the report.**

5           **(5) Major challenges faced by health care providers enrolled in the**  
6           **Medicaid program of this state and recommendations for policy changes to**  
7           **address such challenges.**

8           **(6) Impacts on health outcomes and health care costs in the state during**  
9           **the period covered by the report which resulted from participation by health**  
10           **care providers enrolled in the Medicaid program in any federal or state**  
11           **initiatives for coordinated care or patient-centered medical homes.**

12           **(7) Such other information as the secretary deems appropriate to convey**  
13           **a clear and sufficiently complete assessment of the impact of the Medicaid**  
14           **program in this state.**

15           Section 2. This Act shall become effective upon signature by the governor or, if not  
16           signed by the governor, upon expiration of the time for bills to become law without signature  
17           by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
18           vetoed by the governor and subsequently approved by the legislature, this Act shall become  
19           effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Mary Dozier O'Brien.

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#### DIGEST

Proposed law provides that eligibility standards for the Louisiana Medicaid program shall conform to those established by the Affordable Care Act and requires reporting of program outcomes to the legislative committees on health and welfare and to the governor.

Proposed law requires the secretary of DHH to take such actions as are necessary to expand Louisiana's Medicaid eligibility standards to conform to those established by the Affordable Care Act (ACA) commencing on January 1, 2014. Provides that such actions by the secretary shall include:

- (1) On or before September 1, 2013, filing of the Medicaid state plan amendment necessary to expand Medicaid eligibility in accordance with proposed law.
- (2) On or before September 1, 2013, promulgating all rules and regulations as are necessary to expand Medicaid eligibility in accordance with proposed law.

Proposed law declares that the purposes of the state in expanding Medicaid eligibility as provided in proposed law are as follows:

- (1) To maximize the number of Louisianians who are covered by some form of health insurance.
- (2) To provide basic health coverage to the working poor of the state who are not offered insurance through their employer and do not earn enough money to meet basic family needs and pay for private health insurance.
- (3) To assure health care providers who serve low to moderate income persons of some amount of compensation for the care they provide.
- (4) To avert the economic and human costs of crises in both access to health care and health services financing which are likely to result from not participating in an expansion of a major federal program while other sources of financing for medical care for the uninsured and the indigent are being drastically reduced or eliminated.

Proposed law requires that on or before July 1, 2014, and annually thereafter, the secretary of DHH shall provide to the legislative committees on health and welfare and the governor a written report covering the most recent one-year period which includes at minimum all of the following items:

- (1) Evaluation of overall health outcomes and quality of care for La. Medicaid enrollees, and recommendations for policy changes to improve such outcomes and quality of care. Requires that the secretary base such evaluation on measurements derived from a metric which is generally accepted by public and private health care providers such as the Healthcare Effectiveness Data and Information Set (HEDIS).
- (2) Evaluation of major barriers to access to health care by La. Medicaid enrollees and recommendations for policy changes to eliminate such barriers.
- (3) Summary of successful initiatives in La. for disease prevention and early diagnosis and management of chronic conditions among Medicaid enrollees.
- (4) Trends in enrollment of health care providers in the La. Medicaid program during the period covered by the report.
- (5) Major challenges faced by health care providers enrolled in the La. Medicaid program and recommendations for policy changes to address such challenges.
- (6) Impacts on health outcomes and health care costs in La. during the period covered by the report which resulted from participation by health care providers enrolled in the Medicaid program in any federal or state initiatives for coordinated care or patient-centered medical homes.
- (7) Such other information as the secretary deems appropriate to convey a clear and sufficiently complete assessment of the impact of the Medicaid program in La.

Proposed law requires DHH to make such report publicly available on its website.

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

(Adds 46:979.1-979.5)