

2018 First Extraordinary Session

HOUSE BILL NO. 6

BY REPRESENTATIVE MCFARLAND

MEDICAID: Establishes the La. Health Insurance Premium Payment Program for certain eligible Medicaid enrollees

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 460.106, relative to the medical assistance
4 program of this state known commonly as Medicaid; to provide for duties and
5 responsibilities of the Louisiana Department of Health in administering the Medicaid
6 program; to provide legislative findings relative to Medicaid; to establish a health
7 insurance premium payment program to pay certain costs associated with private
8 health insurance for Medicaid enrollees; to provide relative to the federal
9 requirement that a Medicaid recipient, as a condition of Medicaid eligibility and
10 subject to certain limitations, enroll in a cost-effective group health insurance plan;
11 to stipulate that a person's continued eligibility for the health insurance premium
12 payment program shall be contingent upon his ongoing eligibility for Medicaid; to
13 provide for promulgation of administrative rules; and to provide for related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. Part XIV of Chapter 3 of Title 46 of the Louisiana Revised Statutes of
16 1950, comprised of R.S. 46:460.101 through 460.106, is hereby enacted to read as follows:

1 PART XIV. LOUISIANA MEDICAID
2 HEALTH INSURANCE PREMIUM PAYMENT PROGRAM

3 §460.101. Legislative findings; purpose

4 A. The legislature hereby finds and declares the following:

5 (1) Section 1906 of Title XIX of the Social Security Act requires, as a
6 condition of Medicaid eligibility, that a Medicaid recipient enroll and maintain
7 enrollment in a cost-effective group health insurance plan if such a plan is available.

8 (2) As evidenced by the growing number of states that have received
9 approval from the Centers for Medicare and Medicaid Services to use Medicaid
10 dollars to purchase or subsidize private insurance for Medicaid enrollees, aligning
11 public coverage with the private health insurance market is emerging as a state and
12 federal policy priority.

13 B. The purpose of this Part is to establish a system by which the Medicaid
14 program pays premiums associated with employer-sponsored health insurance and
15 with individual health policies procured on the private market for Medicaid enrollees
16 with access to private insurance coverage.

17 §460.102. Medicaid health insurance premium payment program (LaHIPP)
18 established

19 The legislature hereby establishes the Louisiana health insurance premium
20 payment program, referred to hereafter in this Part as "LaHIPP", to provide Medicaid
21 payment for costs associated with enrollment of recipients in group health insurance
22 plans and procurement of individual health policies that the Louisiana Department
23 of Health, referred to hereafter in this Part as the "department", deems to be
24 cost-effective.

25 §460.103. Enrollment; coverage of family members; continued eligibility

26 A.(1) The department shall enroll a Medicaid recipient in LaHIPP when a
27 cost-effective health plan is available to the recipient through his employer, another
28 party's employer-based health plan, or the private insurance market for individual
29 health policies.

1 (2) The recipient, or an individual acting on behalf of the recipient, shall
2 cooperate to discern whether an employer-sponsored group health insurance plan or
3 an individual health insurance policy is available and cost-effective.

4 (3) The department shall determine whether an available group health
5 insurance plan or individual health insurance policy is cost-effective.

6 B. The enrollment period for the LaHIPP program shall be no less than six
7 months.

8 C. When coverage for a Medicaid recipient's Medicaid-eligible family
9 member is not possible unless an ineligible family member is enrolled, the
10 department shall ensure that Medicaid pays the premiums for the enrollment of other
11 family members when doing so is deemed cost-effective.

12 D. A person's continued eligibility for the LaHIPP program shall be
13 contingent upon his ongoing eligibility for Medicaid.

14 §460.104. Scope of coverage; rate refunds

15 A. Each LaHIPP recipient shall be entitled to Medicaid coverage of all of the
16 following:

17 (1) The patient responsibility amounts for services covered under his
18 employer-sponsored group health insurance plan or individual policy to the extent
19 allowed under the Medicaid state plan.

20 (2) All services that are not covered by his employer-sponsored group health
21 insurance plan or individual policy but are provided for under the Medicaid state
22 plan and rendered by Medicaid providers.

23 B. The department shall be entitled to any rate refund made when the health
24 insurance carrier determines that a return of premiums to the policyholder is due
25 because of lower-than-anticipated claims for any period of time in which the
26 department paid the premiums.

1 §460.105. LaHIPP expansion; outreach and promotion; duties of the secretary of the
2 Louisiana Department of Health

3 The secretary of the department shall do all of the following in order to
4 expand and promote the LaHIPP program:

5 (1) Ensure that the department engages in an ongoing effort to expand the
6 LaHIPP provider network in order to increase access to the program on a statewide
7 basis.

8 (2) On an ongoing basis, take such actions as are necessary to establish and
9 maintain strategic partnerships with healthcare providers, community-based
10 organizations, faith-based organizations, and business and civic groups for outreach
11 on and promotion of the LaHIPP program among employers and Medicaid enrollees
12 of this state.

13 §460.106. Administrative rulemaking

14 The secretary of the department shall promulgate all rules and regulations in
15 accordance with the Administrative Procedure Act as are necessary to implement the
16 provisions of this Part.

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

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 6 Original 2018 First Extraordinary Session McFarland

Abstract: Provides for incentives for Medicaid enrollee access to private insurance through a premium payment program.

Proposed law establishes the Louisiana health insurance premium payment program, referred to hereafter as "LaHIPP", to provide Medicaid payment for costs associated with enrollment of recipients in group health insurance plans and procurement of individual health policies.

Proposed law requires La. Dept. of Health (LDH) to enroll a Medicaid recipient in LaHIPP when a cost-effective health plan is available to the recipient through his employer, another party's employer-based health plan, or the private insurance market for individual health policies. Provides that the LaHIPP enrollment period shall be no less than six months.

Proposed law stipulates that when coverage for a Medicaid recipient's Medicaid-eligible family member is not possible unless an ineligible family member is enrolled, LDH shall ensure that Medicaid pays the premiums for the enrollment of other family members when doing so is deemed cost-effective.

Proposed law provides that each LaHIPP recipient shall be entitled to Medicaid coverage of all of the following:

- (1) The patient responsibility amounts for services covered under his employer-sponsored group health insurance plan or individual policy to the extent allowed under the Medicaid state plan.
- (2) All services that are not covered by his employer-sponsored group health insurance plan or individual policy but are provided for under the Medicaid state plan and rendered by Medicaid providers.

Proposed law requires the secretary of LDH to do all of the following in order to expand and promote the LaHIPP program:

- (1) Ensure that LDH engages in an ongoing effort to expand the LaHIPP provider network in order to increase access to the program on a statewide basis.
- (2) On an ongoing basis, take such actions as are necessary to establish and maintain strategic partnerships with healthcare providers, community-based organizations, faith-based organizations, and business and civic groups for outreach on and promotion of the LaHIPP program among employers and Medicaid enrollees.

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

(Adds R.S. 46:460.101-460.106)