

# Medicaid Purchase Plan

*Response to Act 207 of the 2003 Regular Session*

*State Fiscal Year 2020*

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**Louisiana Department of Health**

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## Executive Summary

Act 207 (Senate Bill No. 305 of the 2003 Regular Session) requires the Louisiana Department of Health (LDH) to submit certain information on a semi-annual basis regarding the Medicaid buy-in program, the Medicaid Purchase Plan (MPP), to the Joint Legislative Committee on the Budget and to the House and Senate Health and Welfare committees. The report includes the status of MPP, the total annual gross income of the program's participants, and any recommendations for expanding coverage in the program. Revised Statute 24:772 also requires that the report be submitted to the President of the Senate and to the Speaker of the House.

This report contains data for State Fiscal Year (SFY) 2020.

## Program Overview

The MPP is an optional Medicaid program that provides healthcare coverage to individuals with disabilities who are employed and meet specific income requirements. MPP was implemented in January 2004 and provides full medical coverage that includes prescription drugs, hospital care, doctor services, medical equipment and supplies, and medical transportation. Expenses for these services to members, which includes capitation payments totaled \$47,037,892.17 for SFY 2020. Since the inception of MPP, 20,246 individuals have been enrolled in the program. Enrollment through June 30, 2020, was 10,180 individuals, an increase of more than 380% from SFY 2019. Reasons for this increase in enrollment include federal legislation related to the COVID-19 public health emergency that prevents Medicaid members from losing coverage for any reason other than death, permanently moving out of state, or requesting an end to their coverage, as well as increased disability determinations.

The Department has no recommendations for expanding coverage in the buy-in program or any related recommendations at this time.

## Positive Impact of MPP

With increased earnings comes increased buying power to Louisiana's economy. MPP enrollees are tax-paying residents, whose combined gross annual earned income in SFY 2020 totaled \$122,636,088, contributed approximately \$11,836,388.63 in federal taxes (includes FICA and federal income tax) and approximately \$2,246,003.95 in state taxes.

The Department recognizes that work is a fundamental part of adult life for people with and without disabilities. MPP is an essential component of supporting individuals with disabilities as they strive to become self-sufficient.

***Louisiana Department of Health***

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