

Bobby Jindal
GOVERNOR



Bruce D. Greenstein
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of the Secretary

April 1, 2011

The Honorable James R. "Jim" Fannin, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294
Baton Rouge, Louisiana 70804

**Re: Quarterly Report for HB 1 (ACT 11) and HB 76 (ACT 41) of the 2010 Legislative Session
09-306 Medical Vendor Payments**

Dear Representative Fannin:

ACT 11 and ACT 41 of the 2010 Regular Session of the Legislature required DHH to submit quarterly reports to the Joint Legislative Committee on the Budget regarding the participation of hospitals in the Low Income and Needy Care Collaborative Agreement (LINCCA) Program. The below report is submitted for the quarter just concluded, January 1 through March 31, 2011. This is the third quarterly report submitted by DHH this state fiscal year.

The Department currently has sixteen (16) LINCCA's on file. Public entities participating in these collaborative to date are The Department of Health and Hospitals, West Jefferson Medical Center, Bogalusa Medical Center, Leonard J. Chabert Medical Center, E.A. Conway, Earl K. Long, Huey P. Long, Interim LSU Hospital, Lallie Kemp, University Medical Center – Lafayette, W.O. Moss, Lane Regional Medical Center, West Calcasieu-Cameron Hospital, Beauregard Memorial Hospital, Opelousas General Health System, and Iberia Medical Center.

Charity care services being provided by the private hospitals include, but are not limited to, services related to adult mobile crisis services, transitional, crisis, supported and adult residential housing, case management services, short term adult stabilization, comprehensive support services, access unit services, specialty clinic services, adult inpatient treatment, medically supported detoxification facility, professional anesthesia services, emergency room staffing, hospitalist staffing, on-call physician services, radiology services, surgical services, and primary care services.

On March 29, 2010, the Department made the following payments to twenty-seven (25) hospitals:

Baton Rouge General Medical Center	\$17,921
Christus Schumpert Health System	\$109,704
Christus St. Francis Cabrini Hospital	\$526,757
Christus St. Patrick Hospital	\$245,318
Dauterive Hospital	\$45,872
Lafayette General Medical Center	\$2,158,052
Lake Charles Memorial Hospital	\$5,881,179
Lakeview Regional Medical Center	\$423,563
Minden Medical Center	\$1,793,742
Northern Louisiana Medical Center	\$2,429,467
Ochsner Baptist Medical Center	\$85,049

Ochsner Foundation Hospital	\$1,486,361
Ochsner Medical Center Baton Rouge	\$42,240
Ochsner Medical Center Kenner	\$7,340
Ochsner Medical Center Northshore	\$40,141
Our Lady of Lourdes Regional Medical Center	\$5,483,774
Rapides Regional Medical Center	\$33,997
Regional Medical Center of Southwest Louisiana	\$75,392
River Parishes Hospital	\$2,600,378
Teche Regional Medical Center	\$619,881
Touro Infirmary	\$689,367
Tulane University Hospital and Clinic	\$1,768,771
Ville Platte Medical Center d/b/a Mercy Medical Center	\$3,957,625
Willis Knighton Medical Center	\$6,559,399
Woman's Hospital Foundation	\$46,086,086

The total amount of these payments was \$83,167,376. The Department does not anticipate making another payment until June 2011.

Sincerely,



Bruce D. Greenstein
Secretary

cc Senator Joel T. Chaisson, II
Representative Jim Tucker
Senator Willie L. Mount
Representative Kay Katz
Senator Michael J. Michot

1	MEANS OF FINANCE:	
2	State General Fund by	
3	Interagency Transfers	\$ 59,260,198
4	Fees and Self-generated Revenues	\$ 45,000,000
5	Federal Funds	\$ 262,144,293

6	TOTAL MEANS OF FINANCE	<u>\$ 366,404,491</u>
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7 Provided, however, that of the monies appropriated above, the Department of Health and
8 Hospitals may make supplemental Medicaid payments for both inpatient and outpatient
9 services using upper payment limit (UPL) methodology to private and non-state non-rural
10 public hospitals that are a party to a Low Income and Needy Care Collaborative Agreement
11 with the Department of Health and Hospitals. The payments may be made up to the private
12 UPL cap. Provided, further, the Department of Health and Hospitals may lower
13 disproportionate share (DSH) payment qualification thresholds to the minimum federally
14 mandated criteria to qualify hospitals that are a party to a Low Income and Needy Care
15 Collaborative Agreement with the Department of Health and Hospitals. All DSH payments
16 shall be limited to hospital-specific uncompensated care costs in accordance with federal law
17 and state appropriation. These hospitals shall not be precluded from eligibility for payment
18 from other available DSH funding for which they are eligible. In the event that the
19 Department of Health and Hospitals implements any Low Income and Needy Care
20 Collaboration Agreements, no later than October 1, 2010, the Department of Health and
21 Hospitals shall submit a quarterly report to the Joint Legislative Committee on the Budget
22 on the historical status of the agreements, charity care services provided by the hospitals,
23 participants in the collaboration and Medicaid payments made to participating hospitals and
24 no expenditures provided for herein shall be made prior to the submission and presentation
25 of the first quarterly report to ensure federal UPL and DSH caps are not exceeded.

26 Provided, however, that of the total funding appropriated herein for the Payments to Private
27 Providers Program, the secretary of the Department of Health and Hospitals may make
28 available to women who have high risk pregnancies, especially women at-risk for repeat
29 pre-term births, the 17-alpha hydroxyprogesterone caproate injection.

30 The commissioner of administration is hereby authorized and directed to adjust the means
31 of financing contained in this schedule by reducing the appropriation out of the State General
32 (Direct) by \$2,500,000 and increasing the appropriation out of the State General Fund by
33 Statutory Dedication out of the Overcollections Fund by \$2,500,000.

34	EXPENDITURES:	
35	Payments to Private Providers Program	<u>\$ 276,868,966</u>

36	TOTAL EXPENDITURES	<u>\$ 276,868,966</u>
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37	MEANS OF FINANCE:	
38	State General Fund by:	
39	Statutory Dedications:	
40	Overcollections Fund	\$ 76,028,218
41	Federal Funds	<u>\$ 200,840,748</u>

42	TOTAL MEANS OF FINANCING	<u>\$ 276,868,966</u>
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43	EXPENDITURES:	
44	Payments to Public Providers Program for	
45	Medicaid claims payment to the Office for	
46	Citizens with Developmental Disabilities	<u>\$ 50,000</u>

47	TOTAL EXPENDITURES	<u>\$ 50,000</u>
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1 **08-408 ALLEN CORRECTIONAL CENTER**

2 Payable out of the State General Fund by
 3 Statutory Dedications out of the Overcollections
 4 Fund to the Purchase of Correctional Services
 5 Program for an inflation increase for 1,461 beds \$ 100,000

6 **08-412 J. LEVY DABADIE CORRECTIONAL CENTER**

7 Payable out of the State General Fund by
 8 Statutory Dedications out of the Overcollections
 9 Fund to the Incarceration Program for a nurse and
 10 a substance abuse counselor \$ 75,000

11 **08-419 OFFICE OF STATE POLICE**

12 Provided, however, the Oil Spill Coordinator shall submit monthly reports to the Joint
 13 Legislative Committee on the Budget detailing the receipt into and expenditures out of the
 14 Oil Spill Contingency Fund.

15 **DEPARTMENT OF HEALTH AND HOSPITALS**16 **09-300 JEFFERSON PARISH HUMAN SERVICES AUTHORITY**

17 Payable out of the State General Fund by
 18 Statutory Dedications out of the Overcollections
 19 Fund for the Jefferson Parish Human Services
 20 Authority \$ 75,000

21 Payable out of the State General Fund by
 22 Statutory Dedications out of the Overcollections
 23 Fund to the Jefferson Parish Human Services
 24 Authority \$ 15,000

25 Payable out of the State General Fund by
 26 Statutory Dedications out of the Overcollections
 27 Fund for the Jefferson Parish Human Services
 28 Authority \$ 75,000

29 Payable out of the State General Fund by
 30 Statutory Dedications out of the Overcollections
 31 Fund for the Jefferson Parish Human Services
 32 Authority for drug and alcohol rehabilitation services \$ 90,000

33 **09-301 FLORIDA PARISHES HUMAN SERVICES AUTHORITY**

34 Payable out of the State General Fund by
 35 Statutory Dedications out of the Overcollections
 36 Fund for the St. Tammany Association of
 37 Retarded Citizens (STARC) \$ 30,000

38 **09-306 MEDICAL VENDOR PAYMENTS**

39 Provided, however, that of the \$366,404,491 appropriated to Schedule 09-306 Medical
 40 Vendor Payments, the Department of Health and Hospitals may make supplemental
 41 Medicaid payments for both inpatient and outpatient services using upper payment limit
 42 (UPL) methodology to private and non-state, non-rural public hospitals. The payments may
 43 be made up to the private UPL cap. The department may enter into Low income and Needy
 44 Care Collaborative Agreements to ensure access to health care services for the poor and
 45 needy. Provided, further, the Department of Health and Hospitals may lower
 46 disproportionate share (DSH) payment qualification thresholds to the minimum federally

1 mandated criteria to qualify hospitals that are a party to a Low Income and Needy Care
 2 Collaborative Agreement with the Department of Health and Hospitals. All DSH payments
 3 shall be limited to hospital-specific uncompensated care costs in accordance with federal law
 4 and state appropriation. These hospitals shall not be precluded from eligibility for payment
 5 from other available DSH funding for which they are eligible. The Department of Health
 6 and Hospitals shall submit a quarterly report no later than October 1, 2010 to the Joint
 7 Legislative Committee on the Budget prior to making any expenditures provided for herein
 8 regarding the historical status of participation in the program and Medicaid payments made
 9 to participating hospitals to ensure federal UPL and DSH caps are not exceeded.

10 Provided, however, notwithstanding the provisions of Schedule 09-306 of Section 18 of the
 11 Act which originated as House Bill No. 1 of the 2010 Regular Session of the Legislature
 12 relative to Medicaid upper payment limit payments, disproportionate share hospital
 13 payments and Low Income and Needy Care Collaborative Agreements, these provisions
 14 shall supercede any provisions in that Act, and in particular the provisions on page 10, lines
 15 1 through 18, contained in Amendment No. 81 of the Senate Floor Amendments (as
 16 designated SFAHB1 GASCONR 5475) proposed by Senator Michot and adopted by the
 17 Senate on June 18, 2010, which are the same or similar, and such provisions of that Act shall
 18 be null, void, and of no effect.

19 The commissioner of administration is hereby authorized and directed to adjust the means
 20 of financing contained in Schedule 09-306 Medical Vendor Payments, in the Act which
 21 originated as House Bill No. 1 of the 2010 Regular Session of the Legislature by reducing
 22 the appropriation out of the State General Fund (Direct) by \$7,000,000 and increasing the
 23 appropriation out of the State General Fund by Statutory Dedications out of the
 24 Overcollections Fund by \$7,000,000.

25 EXPENDITURES:

26 For Uncompensated Care Costs payments
 27 to W. O. Moss Regional Medical Center
 28 for the provision of health care services
 29 to the medically indigent \$ 824,402

30 TOTAL EXPENDITURES \$ 824,402

31 MEANS OF FINANCE:

32 State General Fund by:
 33 Interagency Transfers \$ 300,000
 34 Federal Funds \$ 524,402

35 TOTAL MEANS OF FINANCING \$ 824,402

36 **09-307 OFFICE OF THE SECRETARY**

37 Payable out of the State General Fund by
 38 Statutory Dedications out of the Overcollections
 39 Fund to the Grants Program for the David Raines
 40 Community Health Center, Inc. \$ 175,000

41 Payable out of the State General Fund by
 42 Statutory Dedications out of the Overcollections
 43 Fund to the Grants Program for the National
 44 Kidney Foundation of Louisiana, Inc. \$ 7,500

45 Payable out of the State General Fund by
 46 Statutory Dedications out of the Overcollections
 47 Fund to the Grants Program for Calcasieu
 48 Community Clinic \$ 50,000