



**State of Louisiana**  
Department of Health and Hospitals

January 17, 2012

The Honorable John A. Alario, Jr., President  
Louisiana State Senate  
P.O. Box 94183, Capitol Station  
Baton Rouge, LA 70804-9183

The Honorable Charles E. Kleckley, Speaker  
Louisiana State House of Representatives  
P.O. Box 94062, Capitol Station  
Baton Rouge, LA 70804-9062

The Honorable James R. Fannin, Chairman  
Louisiana State House of Representatives  
House Appropriations Committee  
P.O. Box 44486, Capitol Station  
Baton Rouge, LA 70804-4486

The Honorable Jack Donahue, Chairman  
Louisiana State Senate  
Senate Finance Committee  
P.O. Box 94183, Capitol Station  
Baton Rouge, LA 70804-9183

The Honorable Scott M. Simon, Chairman  
House Health and Welfare Committee  
Louisiana State House of Representatives  
P.O. Box 44486, Capitol Station  
Baton Rouge, LA 70804-4486

The Honorable David Heitmeier, Chairman  
Senate Health and Welfare Committee  
Louisiana State Senate  
P.O. Box 94183, Capitol Station  
Baton Rouge, LA 70804-9183

Dear President Alario, Speaker Kleckley, and Honorable Chairs:

Senate Bill No. 305 of the 2003 Regular Session requires that the Department of Health and Hospitals (DHH) submit certain information on a semi-annual basis regarding the Medicaid buy-in program (the Medicaid Purchase Plan, or MPP) to the Joint Legislative Committee on the Budget and to the House and Senate health and welfare committees, including the status of the buy-in program, a report relative to the estimated value of the state, federal and FICA taxes paid by the participants in the buy-in program, and any recommendations for expanding coverage in the buy-in program. R.S. 24:772 also requires that the report be submitted to the President of the Senate and the Speaker of the House.

The last report submitted to the legislature on November 17, 2011, contained data from SFY 11. Please accept this update that contains data from the first half of SFY 12.

Program Overview

The Medicaid Purchase Plan (MPP) is an optional Medicaid program that provides health care coverage to individuals with disabilities who are employed and meet specific income requirements. MPP provides full medical coverage that includes prescription drugs, hospital care, doctor services, medical equipment and supplies, and medical transportation. Since the inception of the MPP, 5,789 individuals have been enrolled in the program. The number of individuals enrolled in the program as of December 31, 2011 was 2,268.

Informing Louisiana citizens of the program's existence is a priority of DHH and its partner agencies. DHH does this through job fairs specifically targeted to persons with disabilities, partnering with government agencies such as the Louisiana Workforce Commission and Louisiana Economic Development, community-based organizations, medical providers and employers. During this reporting period, MPP outreach emphasized how the program addresses the business needs of small, medium, and large businesses, by supporting the hiring of persons with disabilities.

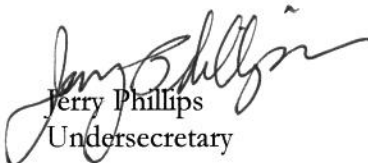
#### Positive Impact of MPP

In addition to the buying power that employed individuals bring to Louisiana's economy, many enrollees are paying premiums that help to offset the cost of the program. In the first half of SFY 12, \$87,340 in premiums has been paid to DHH, and enrollees contributed \$1,060,798 in federal taxes and \$270,021 in state taxes. Since the inception of the program, a total of \$850,717 in premiums has been collected.

The Department of Health and Hospitals recognizes that work is a fundamental part of adult life for people with and without disabilities. Because it is so essential to people's economic self-sufficiency, as well as self-esteem and well-being, people with disabilities and chronic conditions who want to work are provided the opportunity and support to do so in the MPP. The MPP is an essential component of supporting individuals with disabilities as they strive to become self-sufficient.

Thank you for allowing us the opportunity to present information to you regarding the MPP. Ms. Lesli Boudreaux with the Bureau of Health Services Financing/Medical Vendor Administration (Medicaid) is available to discuss this letter with you should you have any questions or comments. Please contact Ms. Boudreaux at (225) 219-1783 with any questions or comments you may have.

Sincerely,



Jerry Phillips  
Undersecretary

Cc: The Honorable Members of the House Health and Welfare Committee  
The Honorable Members of the Senate Health and Welfare Committee  
The Honorable Members of the Joint Legislative Committee on the Budget  
David R. Poynter Legislative Research Library