



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

August 15, 2018

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

The Honorable Taylor F. Barras, Speaker
Louisiana State House of Representatives
P.O. Box 94062, Capitol Station
Baton Rouge, LA 70804-9062

The Honorable Cameron Henry, Chairman
Louisiana State House of Representatives
House Appropriations Committee
P.O. Box 4486, Capitol Station
Baton Rouge, LA 70804-4486

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

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

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

Dear President Alario, Speaker Barras, and Honorable Chairs:

Senate Bill No. 305 of the 2003 Regular Session requires that the Louisiana Department of Health (LDH) submit certain information on a semi-annual basis regarding the Medicaid buy-in program, also known as the Medicaid Purchase Plan (MPP), to the Joint Legislative Committee on the Budget and the House and Senate Health and Welfare Committees. The report is to include the status of MPP; the estimated value of the state, federal and Federal Insurance Contributions Act (FICA) taxes paid by the program's participants; and any recommendations for expanding coverage in the program. Louisiana Revised Statute 24:772 also requires that the report be submitted to the President of the Senate and to the Speaker of the House.

Please accept this update that contains data for SFY 18.

Program Overview

The MPP is an optional Medicaid program that provides health care coverage to individuals with physical or mental impairments at least equal to a medical condition identified in the Social Security Administration's Listing of Impairments, 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. Since the inception of MPP, the program has enrolled 9,787 individuals. Enrollment from July 1, 2017 to June 30, 2018 was 489 individuals.

Positive Impact of MPP

With increased earnings comes increased buying power to Louisiana's economy. MPP enrollees are tax-paying citizens who contributed approximately \$147,413.72 in federal and state taxes (includes FICA and federal income tax), of which approximately \$38,196.67 is state taxes, in SFY 18.

The Department recognizes that work is a fundamental part of adult life for people with and without disabilities. 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 regarding the Medicaid Purchase Plan. Damiane Ricks 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. You may contact Mr. Ricks at (225) 342-9828 or by email at damiane.ricks@la.gov.

Sincerely,



Cindy Rives
Undersecretary

CR:JS:DR

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