

NOTICE OF INTENT

Department of Health Bureau of Health Services Financing

Medicaid Purchase Plan Recipient Eligibility (LAC 50:III.2309)

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:III.2309 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act and SCR 17 of the 2024 Regular Session. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Medicaid Purchase Plan allows persons who meet the Social Security disability criteria to seek the employment services, vocational rehabilitation services, and other support services needed to obtain, regain or maintain employment, and reduce their independence on cash benefit programs. Senate Concurrent Resolution 17 of the 2024 Regular Session of the Louisiana Legislature requests that the Department of Health increase eligibility requirements for the Medicaid Purchase Plan. This rulemaking action proposes to increase the income limit for this program from 100 percent to 200 percent of the federal poverty level (FPL), requires premiums for workers with

income above 150 percent of FPL, and increases the countable resources the worker can own from \$10,000 to \$25,000.

- Title 50**
PUBLIC HEALTH—MEDICAL ASSISTANCE
Part III. Eligibility
Subpart 3. Eligibility Groups and Factors
Chapter 23. Eligibility Groups and Medicaid Programs
- §2309. Medicaid Purchase Plan [Formerly LAC 50:III.763-765]**
- A. The Medicaid Purchase Plan provides Medicaid coverage to individuals who meet the following criteria:
1. have earned income;
 2. are at least 16, but not yet 65 years of age;
 3. meet the Supplemental Security Income's definition of disability, except for earnings;
 4. have countable income less than or equal to 200 percent of the federal poverty level (FPL);
 5. have countable resources less than or equal to \$25,000; and
 6. pay a monthly premium, if applicable.
- B. Premium Payment. Eligible individuals with countable income less than or equal to 150 percent of the FPL are not required to pay a premium. Eligible individuals with countable income greater than 150 percent of the FPL are required to pay a premium of \$131 per month.
- B.1.- D. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 39:3299 (December 2013), amended by the Department of Health, Bureau of Health Services Financing, LR 51:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

Family Impact Statement

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule will have a positive impact on family functioning, stability and autonomy as described in R.S. 49:972, as it provides access to the Medicaid Purchase Plan for persons who may have been previously denied due to income exclusions.

Poverty Impact Statement

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have a positive impact on child, individual, or family

poverty in relation to individual or community asset development as described in R.S. 49:973, as it provides access to the Medicaid Purchase Plan for persons who may have been previously denied due to income exclusions.

Small Business Analysis

In compliance with the Small Business Protection Act, the economic impact of this proposed Rule on small businesses has been considered. It is anticipated that this proposed Rule will have no impact on small businesses.

Provider Impact Statement

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on the staffing level requirements or qualifications required to provide the same level of service, no direct or indirect cost to the provider to provide the same level of service, and will have positive impact on the provider's ability to provide the same level of service as described in HCR 170.

Public Comments

Interested persons may submit written comments to Kimberly Sullivan, JD, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. Ms. Sullivan is responsible

for responding to inquiries regarding this proposed Rule. The deadline for submitting written comments is March 24, 2025.

Public Hearing

Interested persons may submit a written request to conduct a public hearing by U.S. mail to the Office of the Secretary ATTN: LDH Rulemaking Coordinator, Post Office Box 629, Baton Rouge, LA 70821-0629; however, such request must be received no later than 4:30 p.m. on March 12, 2025. If the criteria set forth in R.S. 49:961(B)(1) are satisfied, LDH will conduct a public hearing at 9:30 a.m. on March 27, 2025 in Room 118 of the Bienville Building, which is located at 628 North Fourth Street, Baton Rouge, LA. To confirm whether or not a public hearing will be held, interested persons should first call Allen Enger at (225) 342-1342 after March 12, 2025. If a public hearing is to be held, all interested persons are invited to attend and present data, views, comments, or arguments, orally or in writing.

Michael Harrington, MBA, MA

Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

Person Preparing Statement:	<u>Lyrice Johnson</u>	Dept.:	<u>LDH</u>
Phone:	<u>342-6375</u>	Office:	<u>Bureau of Health Services Financing</u>
Return Address:	<u>P.O. Box 91030</u>	Rule Title:	<u>Medicaid Purchase Plan</u>
	<u>Baton Rouge LA</u>		<u>Recipient Eligibility</u>
	<u>70821-9030</u>	Date Rule Takes Effect:	<u>May 20, 2025</u>

SUMMARY
(Use complete sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that implementation of this proposed rule will result in increased state costs of approximately \$20,299 for FY 24-25, \$ 1,872,137 for FY 25-26, and \$3,028,718 for FY 26-27. It is anticipated that \$540 (\$270 SGF and \$270 FED) will be expended in FY 24-25 for the state's administrative expense for promulgation of this proposed rule and the final rule.

This proposed rule increases the eligibility income limit for this program from 100 percent to 200 percent of the federal poverty, requires premiums for workers with income above 150 percent of federal poverty, and increases the countable resource the worker can own from \$10,000 to \$25,000.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

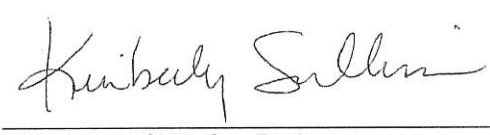
It is anticipated that implementation of this proposed rule will increase federal revenue collections by approximately \$35,524 for FY 24-25, for \$3,707,689 for FY 25-26, and \$6,039,148 for FY 26-27. It is anticipated that \$270 will be collected in FY 24-25 for the federal share of the expense for promulgation of this proposed rule and the final rule.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

This proposed rule increases the eligibility income limit for this program from 100 percent to 200 percent of the federal poverty, requires premiums for workers with income above 150 percent of federal poverty, and increases the countable resource the worker can own from \$10,000 to \$25,000. This proposed rule amends current eligibility provisions by increasing eligibility limits for persons who meet the Social Security disability criteria. It is anticipated this proposed rule will benefit recipients by providing an affordable health insurance option for participants who were previously excluded due to income restrictions. It is anticipated that this proposed rule will result in estimated costs to the Medicaid program of \$55,283 for FY 24-25, \$5,579,826 for FY 25-26, and \$9,067,866 for FY 26-27.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed rule amends current eligibility provisions by increasing eligibility limits for persons who meet the Social Security disability criteria. This proposed rule will provide an affordable insurance option that allows for these participants to enter the workforce and/or to retain Medicaid's coverage of medical care as their income increases.




Signature of Head or Designee

Kimberly Sullivan, JD
Medicaid Executive Director

Typed Name & Title of Agency Head or Designee

02/07/2025

Date of Signature


Patricia Thomas, Deputy Fiscal Officer

Legislative Fiscal Officer or Designee

2/10/2025

Date of Signature

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

This proposed rule increases the eligibility income limit for this program from 100 percent to 200 percent of the federal poverty, requires premiums for workers with income above 150 percent of federal poverty, and increase the countable resource the worker can own from \$10,000 to \$25,000. This proposed rule amends current eligibility provisions by increasing eligibility limits for persons who meet the Social Security disability criteria.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The Medicaid Purchase Plan allows persons who meet the Social Security disability criteria to seek the employment services, vocational rehabilitation services, and other support services needed to obtain, regain or maintain employment, and reduce their independence on cash benefit programs. Senate Concurrent Resolution 17 of the 2024 Regular Session of the Louisiana Legislature requests that the Department of Health increase eligibility requirements for the Medicaid Purchase Plan. This rulemaking action proposes an increase to the income limit for this program from 100 percent to 200 percent of the federal poverty level, requires premiums for workers with income above 150 percent of federal poverty, and increases the countable resource the worker can own from \$10,000 to \$25,000.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

Yes. It is anticipated providers and small businesses will benefit from implementation of this proposed rule, by approximately \$55,823 for FY 24-25, \$5,579,826 for FY 25-26, and \$9,067,866 for FY 26-27. In FY 24-25, \$540 is included for the state's administrative expense for promulgation of this rule and the final rule.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ YES. If yes, attach documentation.

(b) X NO. If no, provide justification as to why this rule change should be published at this time

Act 4 of the 2024 Regular Session of the Louisiana Legislature allocated funds to the Medical Vendor Program for payments to providers and the operation of the Medicaid Program, and thereby, authorizes the expenditure of these funds.

FISCAL AND ECONOMIC IMPACT STATEMENT WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 25	FY 26	FY 27
PERSONAL SERVICES	\$0	\$0	\$0
OPERATING EXPENSES	\$540	\$0	\$0
PROFESSIONAL SERVICES	\$0	\$0	\$0
OTHER CHARGES	\$55,283	\$5,579,826	\$9,067,866
EQUIPMENT	\$0	\$0	\$0
MAJOR REPAIR & CONSTR.	\$0	\$0	\$0
TOTAL	\$55,823	\$5,579,826	\$9,067,866
POSITIONS (#)	0	0	0

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The expenses reflected above are the estimated increases in expenditures in the Medicaid program. In FY 24-25, \$540 is included for the state's administrative expense for promulgation of this proposed rule and the final rule.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 25	FY 26	FY 27
STATE GENERAL FUND	\$10,513	\$1,469,010	\$2,271,500
AGENCY SELF-GENERATED	\$7,321	\$250,561	\$364,452
DEDICATED	\$2,465	\$152,566	\$392,766
FEDERAL FUNDS	\$35,524	\$3,707,689	\$6,039,148
OTHER (Specify)	\$0	\$0	\$0
TOTAL	\$55,823	\$5,579,826	\$9,067,866

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes, sufficient funds are available to implement this rule as a result of project additional rebate collections.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

This proposed rule has no known impact on local government.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

There is no known impact on the sources of local governmental unit funding.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

REVENUE INCREASE/DECREASE	FY 25	FY 26	FY 27
STATE GENERAL FUND	\$0	\$0	\$0
AGENCY SELF-GENERATED	\$7,321	\$250,561	\$364,452
DEDICATED	\$2,465	\$152,566	\$392,766
FEDERAL FUNDS	\$35,524	\$3,707,689	\$6,039,148
LOCAL FUNDS	\$0	\$0	\$0
TOTAL	\$45,310	\$4,110,816	\$6,796,366

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

The amounts reflected above are the estimated increases in revenue collections from premiums, dedicated funding, and federal funding. In FY 24-25, \$270 will be collected for the federal share of the administrative expense for promulgation of this proposed rule and the final rule. Agency Self-Generated funds are the anticipated premium collections for beneficiaries with income over 150% of the Federal Poverty Guidelines.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS

- A. What persons, small businesses, or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

This proposed rule increases the eligibility income limit for this program from 100 percent to 200 percent of the federal poverty, require premiums for workers with income above 150 percent of federal poverty and increase the countable resource the worker can own from \$10,000 to \$25,000. This proposed rule amends current eligibility provisions by increasing eligibility limits for persons who meet the Social Security disability criteria. It is anticipated this proposed rule will benefit recipients by providing an affordable health insurance option for participants who were previously excluded due to income restrictions.

- B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

It is anticipated that this proposed rule will result in estimated costs to the Medicaid program of \$55,283 for FY 24-25, \$5,579,826 for FY 25-26, and \$9,067,866 for FY 26-27.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

This proposed rule amends current eligibility provisions by increasing eligibility limits for persons who meet the Social Security disability criteria. This proposed rule will provide an affordable insurance option that allows for these participants to enter the workforce.