NOTICE OF INTENT

Department of Health and Hospitals
Bureau of Health Services Financing

Medicaid Eligibility
Provisional Medicaid Program
(LAC 50:III.2305)

The Department of Health and Hospitals, Bureau of Health Services Financing proposes to adopt LAC 50:III.2305 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

Section 1902(a)(10) of Title XIX of the Social Security Act and Section 435.210 of Title 42 of the Code of Federal Regulations (CFR) provides states with the option to cover individuals under their Medicaid State Plan who are aged or have a disability, and who meet the income and resource requirements for Supplemental Security Income (SSI) cash assistance. These individuals must be referred to the Social Security Administration (SSA) for assistance as there currently is no eligibility category under the Medicaid Program to provide them with Medicaid benefits. Their Medicaid eligibility is contingent upon a favorable decision for SSI cash assistance.

Pursuant to Section 1902(a)(10) of Title XIX of the Social Security Act and 42 CFR 435.210, the Department of Health and Hospitals, Bureau of Health Services Financing promulgated an
Emergency Rule which adopted provisions to include this optional coverage group under the Medicaid State Plan by implementing the Provisional Medicaid Program (Louisiana Register, Volume 40, Number 2). This Medicaid program provides Medicaid-only benefits to eligible individuals.

The department subsequently promulgated an Emergency Rule which amended the provisions of the February 9, 2014 Emergency Rule in order to clarify these provisions (Louisiana Register, Volume 41, Number 3). This proposed Rule is being promulgated to continue the provisions of the March 20, 2015 Emergency Rule.

Title 50
PUBLIC HEALTH—MEDICAL ASSISTANCE
Part III. Eligibility

Subpart 3. Eligibility Groups and Factors
Chapter 23. Eligibility Groups and Medicaid Programs

§2305. Provisional Medicaid Program

A. The Provisional Medicaid Program provides Medicaid-only coverage to individuals who:

1. are aged or have a disability; and

2. meet income and resource requirements for Supplemental Security Income (SSI) cash assistance.

B. The Provisional Medicaid Program provides coverage to individuals with income equal to or less than the federal benefit rate (FBR), and resources that are equal to or less than the resource limits of the SSI cash assistance program.
C. A certification period for the Provisional Medicaid Program shall not exceed 12 months.

D. Retroactive coverage up to three months prior to the receipt of the Medicaid application shall be available to recipients in the Provisional Medicaid Program.

1. Any retroactive coverage period shall not be prior to the implementation date of the Provisional Medicaid Program.

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 41:

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 by improving access to health care for individuals who are aged or have a disability, and meet the requirements for SSI cash assistance.

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 will offer financial relief
from health care costs for individuals who meet the requirements.

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 no impact on the provider's ability to provide the same level of service as described in HCR 170.

Interested persons may submit written comments to J. Ruth Kennedy, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030 or by email to MedicaidPolicy@la.gov. Ms. Kennedy is responsible for responding to inquiries regarding this proposed Rule. A public hearing on this proposed Rule is scheduled for Wednesday, April 29, 2015 at 9:30 a.m. in Room 118, Bienville Building, 628 North Fourth Street, Baton Rouge, LA. At that time all interested persons will be afforded an opportunity to submit data, views or arguments either orally or in writing. The deadline for receipt of all written comments is 4:30 p.m. on the next business day following the public hearing.

Kathy H. Kliebert
Secretary
FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

Person Preparing Statement: Cedric Clark
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Return Address: P.O. Box 91030
Baton Rouge, LA

Dept.: Health and Hospitals
Office: Bureau of Health Services
Financing

Rule Title: Medicaid Eligibility
Provisional Medicaid Program

Date Rule Takes Effect: February 09, 2014

SUMMARY

In accordance with Section 953 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 summary statements, based on the attached worksheets, 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 the implementation of this proposed rule will result in estimated state general fund programmatic costs of $33,161,013 for FY 14-15, $44,569,491 for FY 15-16 and $45,906,576 for FY 16-17. It is anticipated that $432 will be expended in FY 14-15 for the state’s administrative expense for promulgation of this proposed rule and the final rule. The numbers reflected above are based on a blended Federal Medical Assistance Percentage (FMAP) rate of 62.06 percent in FY 14-15 and 62.17 percent in FY 15-16. The enhanced rate of 62.11 percent for the first three months of FY 15 is the federal rate for disaster-recovery FMAP adjustment states.

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

It is anticipated that the implementation of this proposed rule will increase federal revenue collections by approximately $54,242,680 for FY 14-15, $73,245,711 for FY 15-16 and $75,443,082 for FY 16-17. It is anticipated that $216 will be expended in FY 14-15 for the federal administrative expenses for promulgation of this proposed rule and the final rule. The numbers reflected above are based on a blended Federal Medical Assistance Percentage (FMAP) rate of 62.06 percent in FY 14-15 and 62.17 percent in FY 15-16. The enhanced rate of 62.11 percent for the first three months of FY 15 is the federal rate for disaster-recovery FMAP adjustment states.

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

This proposed Rule continues the provisions of the March 20, 2015 Emergency Rule which amended the provisions of the February 9, 2014 Emergency Rule which adopted provisions to provide Medicaid-only benefits to eligible individuals who meet the income and resource requirements for Supplemental Security Income (SSI) cash assistance. It is anticipated that implementation of this proposed rule will increase program expenditures in the Medicaid Program by approximately $87,403,261 for FY 14-15, $117,815,202 for FY 15-16 and $121,349,658 for FY 16-17.
IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

It is anticipated that the implementation of this proposed rule will not have an effect on competition and employment.

J. Ruth Kennedy, Medicaid Director
Typed name and Title of Agency Head or Designee

Date of Signature: 3/10/15

Ellen Brassard, Legislative Fiscal Officer
or Designee

Date of Signature: 3/10/15
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 deliberations 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 continues the provisions of the March 20, 2015 Emergency Rule which amended the provisions of the February 9, 2014 Emergency Rule which adopted provisions to provide Medicaid-only benefits to eligible individuals who meet the income and resource requirements for Supplemental Security Income (SSI) cash assistance.

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

Section 1902(a)(10) of Title XIX of the Social Security Act and Section 435.210 of Title 42 of the Code of Federal Regulations (CFR) provides states with the option to cover individuals under their Medicaid State Plan who are aged or have a disability, and who meet the income and resource requirements for Supplemental Security Income (SSI) cash assistance. These individuals must be referred to the Social Security Administration (SSA) for assistance as there currently is no eligibility category under the Medicaid Program to provide them with Medicaid benefits. Their Medicaid eligibility is contingent upon a favorable decision for SSI cash assistance.

Pursuant to Section 1902(a)(10) of Title XIX of the Social Security Act and 42 CFR 435.210, the Department of Health and Hospitals, Bureau of Health Services Financing promulgated an Emergency Rule which adopted provisions to include this optional coverage group under the Medicaid State Plan by implementing the Provisional Medicaid Program (Louisiana Register, Volume 40, Number 2). This Medicaid program provides Medicaid-only benefits to eligible individuals.

The department subsequently promulgated an Emergency Rule which amended the provisions of the February 9, 2014 Emergency Rule in order to clarify these provisions (Louisiana Register, Volume 41, Number 3). This proposed Rule is being promulgated to continue the provisions of the March 20, 2015 Emergency Rule.

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. This proposed rule will result in an increase in program expenditures in the Medicaid Program by approximately $87,403,693 for FY 14-15, $117,815,202 for FY 15-16 and $121,349,658 for FY 16-17. In FY 14-15, $432 is included for the state's administrative expense for promulgation of this proposed 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) ___ If yes, attach documentation.

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

House Bill 1 of the 2014 Regular Session of the Louisiana Legislature allocated funds to the Medical Vendor Program for payments to providers and thereby authorizes the expenditure of these funds. This Rule should be promulgated at this time to ensure that individuals who have to wait for an SSA decision on their disability applications will have access to much needed health care services.
FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

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

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

<table>
<thead>
<tr>
<th>COST</th>
<th>FY 14-15</th>
<th>FY 15-16</th>
<th>FY 16-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERSONAL SERVICES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPERATING EXPENSES</td>
<td>$432</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>PROFESSIONAL SERVICES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER CHARGES</td>
<td>$87,403,261</td>
<td>$117,815,202</td>
<td>$121,349,658</td>
</tr>
<tr>
<td>REPAIR &amp; CONSTR.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>POSITIONS (#)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$87,403,693</td>
<td>$117,815,202</td>
<td>$121,349,658</td>
</tr>
</tbody>
</table>

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 14-15, $432 will be spent 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.

<table>
<thead>
<tr>
<th>Source</th>
<th>FY 14-15</th>
<th>FY 15-16</th>
<th>FY 16-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE GENERAL FUND</td>
<td>$33,161,013</td>
<td>$44,569,491</td>
<td>$45,906,576</td>
</tr>
<tr>
<td>SELF-GENERATED</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FEDERAL FUND</td>
<td>$54,242,680</td>
<td>$73,245,711</td>
<td>$75,443,082</td>
</tr>
<tr>
<td>OTHER (Specify)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$87,403,693</td>
<td>$117,815,202</td>
<td>$121,349,658</td>
</tr>
</tbody>
</table>

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.

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

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustment 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 governmental units.
FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

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

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

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

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

<table>
<thead>
<tr>
<th>REVENUE INCREASE/DECREASE</th>
<th>FY 14-15</th>
<th>FY 15-16</th>
<th>FY 16-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE GENERAL FUND</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AGENCY SELF-GENERATED</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RESTRICTED FUNDS*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FEDERAL FUNDS</td>
<td>$54,242,680</td>
<td>$73,245,711</td>
<td>$75,443,082</td>
</tr>
<tr>
<td>LOCAL FUNDS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$54,242,680</td>
<td>$73,245,711</td>
<td>75,443,082</td>
</tr>
</tbody>
</table>

*Specify the particular fund being impacted

B. Provide a narrative explanation of each increase or decrease in revenue 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 the federal share of program expenditures for Medicaid-only coverage in the Medicaid program. In FY 14-15, $216 is included for the federal expense for promulgation of this proposed rule and the final rule.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS

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

This proposed Rule continues the provisions of the March 20, 2015 Emergency Rule which amended the provisions of the February 9, 2014 Emergency Rule which adopted provisions to provide Medicaid-only benefits to eligible individuals who meet the income and resource requirements for Supplemental Security Income (SSI) cash assistance.

B. Also, provide an estimate of any revenue impact resulting from this rule or rule change to these groups.

It is anticipated that implementation of this proposed rule will increase program expenditures in the Medicaid program by approximately $87,403,261 for FY 14-15, $117,815,202 for FY 15-16 and $121,349,658 for FY 16-17.

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.

It is anticipated that the implementation of this proposed rule will not have an effect on competition and employment.