



1           WHEREAS, the huge expenditure of state general funds in the Medicaid program  
2 also adversely affects other state programs, such as higher education; and

3           WHEREAS, the shortage of state general funds for the foreseeable future will  
4 continue to lead to budget reduction in Medicaid, higher education, and other state programs;  
5 and

6           WHEREAS, the Centers for Medicare and Medicaid Services of the United States  
7 Department of Health and Human Services is authorized under federal law to allow for  
8 changes in state Medicaid programs that allow use of nonstate public funds in lieu of direct  
9 state general funds to finance the state's portion of Medicaid program costs; and

10          WHEREAS, the means to allow such changes is through a waiver of otherwise  
11 applicable federal law and regulations pursuant to Section 1115 of the Social Security Act,  
12 known as Section 1115 Medicaid demonstration waivers; and

13          WHEREAS, other states have been granted Section 1115 waivers that allow the use  
14 of costs not otherwise matchable to receive federal matching funds for designated state and  
15 local health programs that are currently funded by the state and local government; and

16          WHEREAS, these programs use existing state and local funds to draw down federal  
17 matching funds, thereby reducing the amount of state general funds needed to fund the  
18 Medicaid program; and

19          WHEREAS, the state of Louisiana seeks to ensure the highest quality and most  
20 efficiently delivered health care for its citizens through the establishment of a delivery  
21 system incentive program under a Section 1115 waiver; and

22          WHEREAS, all hospitals and other health care providers may participate in the  
23 delivery system incentive program, including rural and critical access hospitals.

24          THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby  
25 authorize and direct the secretary of the Department of Health and Hospitals to submit to the  
26 Centers for Medicare and Medicaid Services on or before September 1, 2013, an application  
27 for a Section 1115 Medicaid demonstration waiver that will allow the use of costs not  
28 otherwise matchable authority to receive federal matching funds for designated state and  
29 local health programs, and to reinvest unencumbered state funds into the Medicaid program.

1           BE IT FURTHER RESOLVED that the Section 1115 waiver request shall preserve  
2 current upper payment limit (UPL) funding.

3           BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the  
4 secretary of the Department of Health and Hospitals.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Montoucet

HCR No. 122

Directs DHH to submit to the Centers for Medicare and Medicaid Services on or before Sept. 1, 2013, an application for a Section 1115 Medicaid demonstration waiver that will allow the use of costs not otherwise matchable authority to receive federal matching funds for designated state and local health programs, and to reinvest unencumbered state funds into the Medicaid program.